



**CONSOLIDATED COMMISSION ON UTILITIES**  
Guam Power Authority | Guam Waterworks Authority  
P.O. Box 2977 Hagatna, Guam 96932 | (671) 648-3002 | guamccu.org

**Regular Board Meeting**  
***CCU Conference Room, Gloria B. Nelson Public Service Building***  
**5:30 p.m., May 28, 2019**

**AGENDA**

1. CALL TO ORDER
2. APPROVAL OF MINUTES
3. COMMUNICATIONS
  - 3.1 Public Comments (2 min. per person)
4. GWA
  - 4.1 New Business
    - 4.1.1 GM Report
    - 4.1.2 Financials
    - 4.1.3 Resolution No. 24-FY2019 Change Order Baza Garden Wastewater Cross-Island Pumping and Conveyance Phase II Construction Contract
    - 4.1.4 Resolution No. 25-FY2019 Change Order Baza Gardens Wastewater Cross-Island Pumping and Conveyance Construction Management Contract
    - 4.1.5 Resolution No. 28-FY2019 Change Order No. 1 ConstrMgmt Services Contract for the GWA SCADA System for Water &WW Facilities Phase A-1
    - 4.1.6 Resolution No. 29-FY2019 Change Order Yigo and Astumbo Reservoir ConstrMgmt Contract
    - 4.1.7 Resolution No. 30-FY2019 Change Order No. 4 Central Guam Reservoirs Design
    - 4.1.8 Resolution No. 31-FY2019 Approval of the Chlorine Bid Under PUC Contract Review Protocol
    - 4.1.9 Resolution No. 32-FY2019 Ratification of Expenditures for Track Me Guam, LLC.
    - 4.1.10 Resolution No. 33-FY2019 Approval 1-yr Extension Indefinite Quantity Contract with Badger Meter, Inc. for Additional Purchase of Water Meters
5. GPA
  - 5.1 New Business
    - 5.1.1 GM Report
    - 5.1.2 Financials
    - 5.1.4 Resolution 2019-06 Tank Farm New ULSD Pipeline System
    - 5.1.5 Resolution 2019-07 Approval of Utility Energy Service Contract (UESC) Costs
    - 5.1.6 Resolution 2019-08 Relative to LEAC Filing
6. ANNOUNCEMENTS
  - 6.1 Next CCU Meetings: GWA WS – None; GPA WS – None; CCU MTG – June 5
7. EXECUTIVE SESSION
  - 7.1 Atty. Kelly Clark – GWA Litigation Matter
  - 7.2 Atty. Kelly Clark – GWA Litigation Matter
  - 7.3 Atty. Vince Leon Guerrero – CCU Litigation Matter
  - 7.4 Atty. Vince Leon Guerrero – CCU Litigation Matter
8. ADJOURNMENT



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**Special Board Meeting**  
***CCU Conference Room, Gloria B. Nelson Public Service Building***  
**4:00 p.m., May 10, 2019**

**MINUTES**

**1. CALL TO ORDER**

The Chairman called the CCU Special Meeting of May 10, 2019 to order at 4:19 p.m. He said four (4) Commissioners were present and that there was a quorum; Comm. Santos was off-island and excused. Others in attendance include:

**Commissioners:**

Joseph T. Duenas	CCU Chairman
Michael T. Limtiaco	CCU Secretary
Judith P. Guthertz	CCU Treasurer
Simon A. Sanchez	Commissioner

**Executive Mgmt.:**

John Benavente	GM / GPA
Miguel Bordallo	GM / GWA
John Cruz	AGMET / GPA
Chris Budasi	AGMA / GWA
John Kim	CFO / GPA
Kelly Clark	Staff Attorney / GWA

**Management & Staff:**

Heidi Ballendorf	Communications Manager / GWA
Paul Kemp	AGM Compliance & Safety / GWA
Vangie Lujan	Compliance & Safety / GWA
Patti Diego	Communications / GPA
Zina Charfauros	Personnel Admin. / GWA HR
Lou Sablan	Board Secretary / CCU

**Guest:**

Mark Miller	Commissioner / PUC
Ken Leon Guerrero	Guam Citizens for Public Accountability
Kenneth Kerrigan	Editor / The Guam Post
Joyciynn Atalig	Reporter / PNC News
Nestor Licanto	Reporter / KUAM News
Steve Limtiaco	Reporter / PDN

**2. COMMUNICATIONS**

**2.1 Public Comments**

Mr. Ken Guerrero, representative for Citizens for Public Accountability, address the Commission. Chairman Duenas welcomed him saying that he is allowed 2 minutes. Mr. Guerrero said he comes with 1000 signatures from citizen ratepayers and thinks this allows him more than 2 minutes. The Chairman said Mr. Guerrero can have 5-minutes because the Commission needs to get on with its business. Mr. Guerrero started by saying that the actions of the Board has sparked such an outrage. There is a perception in the public that this body is very arrogant that this body perceives itself above the people that elected them to represent them. The public sees the action of this body to be more in line to be self-serving than representing the public. He said this utility is owned by the ratepayers and the CCU needs to do a better job listening to what the public has to say and take those things into considerations. If the CCU gives bonuses that are equal to or larger than the average salary on Guam it is a gross injustice and we consider that a big problem. The average income on Guam is \$26,400 according GovGuam Dept. of Labor. Guam has a very small utility system but GPA/GWA is paying salaries that are comparable to utility systems with more than a million customers. The public are having a hard time understanding why the salaries, bonus and raises are as high as they are with very little improvement in the system or the service. There's lot of pain in the public and there is no sympathy and support from CCU that supposedly represent the ratepayers. He said the perception is that ratepayers work for you and that your job is to get as much as money from ratepayers as you can. The CCU has Legal Counsels that got you into this mess and you need to rethink their value – use the AG's office and safe nearly \$400k per year for ratepayers. He said he and 1000 other ratepayers expect that the CCU does not move forward with salaries and bonuses until it can be justified to the ratepayers.

Comm. Sanchez questioned the absence of both Legal Counsels and the Chairman said because of the conflict they thought it best the outside counsel handle the meeting. Comm. Sanchez said; for the record, that he thinks it is appropriate that senior management is present to witness the discussion in open session. They are part of senior management. They played a critical role on what happened and it is prudent for them to listen to the discussion with outside counsel as well. Being conflicted doesn't mean that they cannot be here. The Chairman said they are not physically here. Comm. Guthertz said that she also would also like to speak with the staff attorneys.

**3. GPA**

**3.1 New Business**

**3.1.1 To Address Letter Received by the CCU From the Guam Attorney General Regarding the November 27, 2018 CCU Meeting and Other Related Matters**

Outside Counsel Vince Leon Guerrero said he was asked to appear to render an opinion as to the validity of the letter from the Attorney General to the Commission wherein the AG advised the Commission that pay raises and bonuses were improper because they were discussed and approved during the Executive Session of the CCU meeting of November 27, 2018. Counsel said his research agrees with the opinion of the AG. The law is specific if salary is to be discussed it has to be done in an open public; if evaluation is to be done – that it can be done in private. He said the bottom line is he concurs with the AG's opinion and the CCU action must be void, the increases must be rescinded and the bonuses paid back.

Relative to repayment Counsel Leon Guerrero said there is no statute guiding how repayment is to be made however a similar issue happened not too long ago with the Governor's Office and employees there were allowed to effect the payback over term.

Counsel Leon Guerrero then reiterated that the CCU is charged with evaluating and setting the salaries for the (2) General Managers, the (2) CFO's, the (2) Legal Counsels and the Board Secretary. Asst. GM of Operation's salary is brought before the CCU on the recommendation of the GM and the CCU vote to approve or not approve the salary.

The Chairman then opened the floor to questions.

Comm. Sanchez said he wants to make clear he understands that the CCU enabling act authorizes by law to evaluate and approve performances – particularly for (6) people - to hire, fire, discipline, raise or cut pay for who he called the CCU 7 - the (2) GM's, CFO's, Counsel's and Bd. Secretary. The issue is what must be done in open session and what can / is allowed to be done in executive session. Comm. Sanchez then read that section of the AG's letter relative to the specific open government law that the AG cited specifically [reads the open govt. law verbatim] and ended by reconfirming with counsel that evaluations are ok in private but once salary is discussed it must be in the open / in public. Counsel Leon Guerrero concurred.

Comm. Sanchez then referenced the Counsel's opinion about the Asst. GM of Operations. He asked Counsel if the CCU sets the AGMO's pay because he thought the CCU does not have power to set AGMO's pay - Counsel responded - yes. Counsel said that the GM of GPA sets the salary subject to board approval. The GM evaluates the AGMO and the CCU approves. Simon so in fact there are 8 people that CCU can set pay for but any discussion relative to pay must be in public and any evaluations can be done in private. Counsel concurred.

Comm. Sanchez then asked about the other (4) Asst. GM's – Administration – one for power and other for water, Engineering & Technical Services for power, Compliance & Safety for water does CCU have power to set their pay; Counsel - he did not see that in the law and Comm. Sanchez said he didn't either. Comm. Sanchez said there are 800 employees at GPA and GWA – the GMs set their pay and CCU has no power over pay; counsel said yes. Comm. Sanchez then said if the CCU has no power over the (4) Asst. GM's salary then just like they have no power over the 800 line employees of GPA and GWA why should the Asst. GM's salary increases be rescinded. At this point the Chairman injected and reminded Comm. Sanchez that the AG's letter was specific – that money was talked about in executive session and because of that the action was void – that is the point. Comm. Sanchez said money was talked about in executive session for people the Commission has no power over? He said he would like an opinion. Counsel Leon Guerrero said he would look into this matter and render an opinion. Comm. Sanchez said for the record that he listened to the audio and will listen to it again. He said he does not remember any discussion on pay for these (4) Asst. General Managers would like guidance for these particular managers. Comm. Michael injected to get opinion directly of the AG as well on the (4) AGM's because he may not know any of the fine details just discussed. Comm. Sanchez said there may be other matters that may emerge that we would like the AG's opinion as well. A lawyer's opinion is all it is an opinion and only the courts that matters but it



is opinions that guide us. In the same spirit of Comm. Limtiaco there may be other things that we may ask the AG to opine and would like to add on if needed.

Comm. Limtiaco said that he was not present at the November 27<sup>th</sup> Executive Session because he was not a Commission member at the time, having been inducted in January 2019. His question is 1) does he as a CCU member now, does he have access to these executive session minutes and 2) does the AG have access to the executive session minutes. He said Counsel cited the section of law that speaks about personnel matters so does the AG have access? Comm. Limtiaco said he does not think that he does but wants the Counsels opinion.

Comm. Guthertz said she is happy that this meeting is going on and wants to make correction where needed. The Commissioner cited section 5GCA, the Sunshine Reform Act, Limitation of Right of Inspection Chapter 10, of law about privacy issues. The law specifically states in section 10108 except as provided in 10109 of this chapter that Personnel medical or similar files the disclosure of which will constitute an unwarranted invasion of personnel privacy. All information about salary, names etc. shall remain of record. The Commissioner said her interpretation of this is the CCU is prohibited from disclosing personnel files. Obviously there is great interest about the evaluation of our employees. If we were requested of this information would we be in violation if we release it. Counsel confirmed yes. Comm. Guthertz mentioned that the CCU Board Secretary was asked and she declined because of the provision of this law which was the correct action on her part as it would be the correct action on our part. Counsel concurred. She said the remedy should someone want to challenge this would be to take this matter to court; Counsel concurred. Comm. Guthertz said that she wanted this on the record because she has dealt with personnel matters before and it has always been her experience that these matters cannot be disclosed. She stated that it was not the intent of anyone on this Commission to do any thing in contravention and she is looking forward to correcting the issue immediately. She is saddened by this episode and is committed to do the right thing at all times and hopes that the Commission will have the understanding of the employees who were affected that it was never the intent.

Comm. Limtiaco had a question on - Section 8111 Executive Session of the Open Govt. Law as it related to Section 8113 relative to the Minutes. Section 8111, Section 7 talks about the 6-month seal of transcripts – the question is this just in relation to subsection c – for legal matters only. For these personnel matters do they ever become public record – Counsel said no. For those section that discusses salaries these can be made public and Counsel said yes. Comm. Limtiaco said there may be sections of the discussion where salaries and evaluations may be intertwined. I would like to make a motion to release those portions of the meeting minutes that discuss salaries and if needed redact those portions that are protected under the personnel sections and he wants to discuss this motion.

Chairman Duenas asked about the liability about inadvertently releasing something. Counsel said if employees rights are infringed this is the big concern. There was discussion on releasing this type of information – if someone wants the Minutes they can go to court. Chairman Duenas said if a court orders the release it is different because it is coming from the court. The Chairman said he would not vote on a motion to release Minutes and then be liable. If a court releases the CCU will not be liable. Comm. Limtiaco said he understands and is sensitive to this and the potential liability. If there is any way that some portions can be redacted and release

the information on salaries he would like to do so. Comm. Limtiaco said perhaps Counsel can give his legal opinion.

Comm. Sanchez said once again evaluations, personnel records are protected. If we were to redact would Counsel be willing to redact it for the Commission. There is the public's right to know and the employees right to privacy. He asked if Counsel would review and recommend to the Commission what he would redact.

Comm. Guthertz also wanted Counsel to research and opine that if the affected employees would agree to discuss their evaluations in public despite the provisions in the sunshine law that it would be their decision and the Commission would not be liable.

Comm. Sanchez said in review the Counsel will look at specific issue of the (4) Asst. GM's that were impacted but not under the responsibility of the CCU are their pay raises valid. Comm. Sanchez asked Counsel to review the list of requested opinions / deliverables to the Commission.

Counsel listed the following – 1) Comm. Limtiaco's question if the AG has access to Ex. Session Minutes 2) Whether Limtiaco has access to Minutes 3) Matter of the (4) Asst. GM's that CCU has no responsibility over 4) Redaction of the Minutes 4) Waiver of Employees rights

Comm. Limtiaco said after all this discussion there are many items that are still pending opinions but for those where the law is clear he motioned that the pay raises be rescinded and returned; second by Comm. Guthertz.

In discussion Comm. Sanchez asked how the monies are to be repaid – Counsel said there is no statute that he could find. Counsel said he could ask the AG's office for an opinion. There was discussion that at the Gov's Office incident employees were allowed the payback in terms. At this point there was no decision as to the time frame for payback.

Comm. Guthertz motioned to amend main motion to revert the salaries of the GM's of GPA and GWA, the CFO of GPA, the Legal Counsels of GPA and GWA and the CCU Board Secretary to levels of pay of 11/27/18; second by Comm. Limtiaco.

In discussion on payback there was no mention of timeframe for payment and will await for Counsel Opinion.

On the amended motion the vote was (4) ayes, (1) absent

For clarity Comm. Sanchez asked for the motion to be restated one more time to be ensure everyone is on the same page.

Comm. Limtiaco said the motion is to return the pay raises that were received by the GM for GPA & GWA, the CFO of GPA the Legal Counsel of GPA and GWA and the CCU Board Secretary and to restore salaries back to the Nov. 27, 2018 salary level.

The Vote was (4); absent (1) – the motion carried.

There was discussion about the questions that the Commission has asked outside counsel to opine on and the draft letter to the AG to opine on these same questions. There was discussion if a motion is required. Counsel said he does not think a motion is necessary but Comm. Guthertz would like it for the record. The Chairman recommended to ask Counsel to draft the letter to the AG relative to his opinion and for the Commission to review the AG's letter beforehand. All agreed.

There was discussion on how long it would take to draft the letter and for Counsel to formulate his own opinion. Chairman Duenas said he would like to give outside counsel time to draft the letter. It was decided to recess this meeting and Counsel can present his opinion and the AG draft letter at the continuation meeting.

Comm. Limtiaco asked Counsel to opine on bonuses and Counsel said there is a prohibition on bonuses.

Comm. Limtiaco motioned that bonuses that were approved on Nov. 27, 2018 be repaid; second by Comm. Guthertz.

Comm. Guthertz stated that since bonuses are not allowed the only way to recognize someone is through a continuing salary adjustment. There was discussion on classified and contract employees and it was clarified that the employees in question are classified not contract employees.

Comm. Guthertz motioned to recess the meeting until Tues., May 14 at 4 p.m.; second by Comm. Sanchez

**Special Board Meeting of 5/10/19**  
**CCU Conference Room, Gloria B. Nelson Public Service Building**  
**Continuation at 4:00 p.m., May 14, 2019**

**1. CALL TO ORDER**

The Chairman called the Continuation Meeting of the CCU Special Meeting of May 10, 2019 to order at 4:20 p.m. He said this is a continuation of a meeting that started on May 10<sup>th</sup> and that four (4) Commissioners were present – for the record Comm. Guthertz, Limtiaco and Sanchez and that there was a quorum; Comm. Santos was off-island still and excused. Others in attendance include:

**Commissioners:**

Joseph T. Duenas	CCU Chairman
Michael T. Limtiaco	CCU Secretary
Judith P. Guthertz	CCU Treasurer
Simon A. Sanchez	Commissioner

**Executive Mgmt.:**

John Benavente	GM / GPA
Miguel Bordallo	GM / GWA

Kelly Clark

Staff Attorney / GWA

**Management & Staff:**

Heidi Ballendorf

Communications Manager / GWA

Vangie Lujan

Compliance & Safety / GWA

Patti Diego

Communications / GPA

Ron Topasna

Operations / GWA

Zina Charfauros

Personnel Admin. / GWA HR

Lou Sablan

Board Secretary / CCU

**Guest:**

Ken Leon Guerrero

Guam Citizens for Public Accountability

Joyciynn Atalig

Reporter / PNC News

Allan Balbin

Reporter / PNC News

John O'Connor

Reporter / The Guam Post

The Chairman said that where we left off at last meeting, outside legal counsel was to prepare a draft letter to the Attorney General which he forwarded to the Commission in advance. The Chairman also reported that since the last meeting (3) additional FOIA requests have been received for a total of (4) to include one sent by Mr. Ken Leon Guerrero. The others were from Mr. Kevin Kerrigan, Mr. Steve Limtiaco and Mr. Robert Klitzkie.

Comm. Sanchez said the CCU has not been able to collectively respond to any of the FOIA's and today is a good opportunity for comment.

Counsel Leon Guerrero said he sent the Commission the proposed draft and he received some comments from the Commissioners. There were (4) questions to ask the AG's opinion, if the Commission agrees.

Counsel said the first is relative to the Asst. General Managers. Comm. Sanchez raised the issue as to whether the Asst. GM's pay raises are supposed to be done by the General Manager with no input from the CCU and would the raises to the Asst. GM's be valid. Counsel said his initial opinion is that the pay raises should be rescinded and repaid. His concern is that the related GG1's for at least (2) of the Asst. GM's were signed by a Commissioner and there is notation at the bottom of the GG1 that says "per CCU Executive Session of Nov. 27, 2018". It was clarified that the (2) GG1's in question were for the Asst. GM of Administration and the Asst. GM of the Engineering & Technical Service. The Asst. GM of Operations was discussed at the last meeting and it was brought forward that the CCU is responsible to approve the pay of the AGMO along with the GM's the CFO's the Legal Counsels and the CCU Board Secretary.

Comm. Sanchez said he viewed that the fact that a Commissioner signed the GG1 is a ministerial issue. It could be that the General Manager was not on island – he speculates that in the absence of the GM a Commissioner, the Vice Chairman, signed on his behalf. It was noted that the Commissioner Duenas was also off-island.

If the CCU is not empowered by law to view, change or evaluate the AGM's what difference does it make that they were discussed in executive session. There was discussion on what the CCU Enabling

Act states and it was clarified that advise and consent of the CCU is required for the hiring of the Asst. GM of Operations. Relative to pay it is the responsibility of the GM to determine the pay with the approval of the Board.

Comm Duenas said that at the first meeting of May 10, there was a motion made to rescind the pay of the original seven (7) employees whose pay is determined by the CCU but in light of this clarification, it is now apparent that the AGMO's pay is also approved by the CCU and that any related pay increase be also rescinded.

Comm. Sanchez motioned to return the salary of the Asst. GM of Operations of GPA back to the level of pay of 11/27/18; second by Comm. Guthertz. There was no further discussion or objection and the motion passed unanimously.

On question on the Asst GM of Technology, Asst GM of Administration Counsel Leon Guerrero said that his concern is the GGI was signed by the CCU and notation on GGI mentioned action was taken during ex-session. It is his opinion is that these (2) raises were not valid because of his concerns.

It was clarified by the GM Bordallo that the Asst. GM of Compliance & Safety was evaluated via the usual pay for performance process and his salary information was provided for information purposes only and not for discussion or approval.

Comm. Duenas said that In reading the AG's letter the discussion in Executive Session about salary at that meeting makes them void; his opinion is that CCU rescind all of them but that we need to point out that (2) AGM's were included in the discussion but these 2 positions should not have been included and ask the AG to opine if the salaried for these 2 positions stand.

Comm. Limtiaco said he agrees and would like to rescind all of the salaries

A motion was made by Comm. Guthertz to rescind all the salaries for GM;s CFO, Legal Counsels, the AGMO, AGMA's and the AGMET; Comm. Limtiaco seconded.

Comm. Sanchez commended Comm. Limtiaco for his participation in the discussion and action stating that technically he is conflicted in this matter. Comm. Limtiaco said the discussion / decision is based upon the actions of the CCU as opposed to specific employees per se. He disclosed for the record that his wife Beatrice Limtiaco is the AGMA for GPA. Comm. Limtiaco seconded the motion to rescind the salary increases which includes the AGMA. Comm. Guthertz said this action conforms with the AG's guidance.

On the motion there was no further discussion or objection and the motion passed unanimously

Comm. Sanchez said it is important to note in the letter to the AG that at the 5/10 meeting the CCU rescinded the action and to be specific and list the salaries that were rescinded. He also said he is concerned about signing a letter that he did not see in final form.

Chairman Duenas said it is best if the CCU recesses this meeting again and entertain the final draft letter to the AG at a continuation meeting.

There was discussion returned to the body of the letter and the questions that Counsel has drafted to date. to notate the action of the Commission to date, to specifically list the names / positions of all whose pay were rescinded and the question about the (2) Asst. GM and who can sign GG1's

It was mentioned to get the counsels opinion to all the questions in addition to the AG's opinion

Discussion continued forward to other questions on the AG's draft letter listed here

1. Guidance on the salary adjustments of GPAs other assistant managers who do not require CCU approval. At issue is the GG1's that were signed by a CCU Commissioner on behalf of the GM and the remarks section that referenced the salary was discussed in executive session?

Comm. Guthertz said signing of GG1's is managements responsibility and it might be unnecessary to ask this question. Comm. Duenas said it is a good question to ask. Comm. Sanchez said this matter is good to ask for all other Boards / Commissions on Guam. Does Guam Law allow the signing of the GG1 by a board member to be valid

2. – the CCU requests whether or not current CCU Commissioners have access to executive session minutes from prior CCU Commissions that the Commissioners were not part of?
3. Whether not evaluations are personnel matters and should not be open to the public in compliance with 10GCA Section 10108 © and if they are protected by statute can these portions of the executive session minutes be redacted and the remaining minutes released?
4. In repaying of the improper salary adjustment can the affected employees pay back the money through a promissory note as was done during the last administration?
5. Can an employee named in the Executive Session waive his/her privacy interest and allow information concerning that particular employee be made public?

Relative to the FOIA's received to date, Counsel said he can review it and respond in a day. There was discussion on who responds to FOIA's if it is addressed to a board. Counsel said it is the Chairman who should respond if a FOIA is directed to a board. At the end of the discussion it was confirmed that the FOIA;s would be responded to by Thursday.

Comm. Limtiaco asked about the Executive Session Minutes and if non personnel matters contained in the discussion can be released. Chairman Duenas said he would rather have a judge release the information. Comm. Guthertz said it would be better to go directly to the court to ask them for their judgement because they would give more clarity and response would be more definitive. Counsel said that the CCU can file a declaratory judgement with the Court. Comm. Guthertz said it would be good for the Commission to inform the AG of what the CCU is doing or planning to do. The value is that the court action would be good for other boards as well.

Chairman Duenas said for clarity, the CCU has rescinded all the pay increases and bonuses and established that the increases must be repaid. The priority is to get counsel's opinions to the questions, to respond to the FOIA's and then based on counsel's opinion to move to court action where matters can be considered further. The Chairman said he wants to make a point that he was

never advised by anybody about the salary discussion.in executive session. What's important is that CCU is seeking best action / outcome within the law.

Comm. Guthertz motioned to recess the meeting until 4 p.m on Tuesday, May 21; second by Comm. Limtiaco. There was no further discussion objection and the meeting was recessed. It was 5:45 p.m.

**Special Board Meeting of 5/10/19**  
**CCU Conference Room, Gloria B. Nelson Public Service Building**  
**Continuation at 4:00 p.m., May 21, 2019**

**2. CALL TO ORDER**

The Chairman called the Continuation Meeting of the CCU Special Meeting of May 10, 2019 to order at 4:00 p.m. He said this is a continuation of a meeting that started on May 10<sup>th</sup>, continued on May 14<sup>th</sup> and recessed for further continuation today. He said all five (5) Commissioners were present. Others in attendance include:

**Commissioners:**

Joseph T. Duenas	CCU Chairman
Francis E. Santos	CCU Vice Chairman
Michael T. Limtiaco	CCU Secretary
Judith P. Guthertz	CCU Treasurer
Simon A. Sanchez	Commissioner

**Executive Mgmt.:**

John Benavente	GM / GPA
Miguel Bordallo	GM / GWA
Kelly Clark	Staff Attorney / GWA
Gilda Mafnas	CFO [A] / GWA

**Management & Staff:**

Heidi Ballendorf	Communications Manager / GWA
Vangie Lujan	Compliance & Safety / GWA
Patti Diego	Communications / GPA
Ron Topasna	Operations / GWA
Paul Kemp	AGM Compliance & Safety / GWA
Dave Fletcher	Operations / GWA
Lisa San Agustin	Utility Services Admin, . GWA
Zina Charfauros	Personnel Admin. / GWA HR
Lou Sablan	Board Secretary / CCU

**Guest:**

Ken Leon Guerrero	Guam Citizens for Public Accountability
Joyciynn Atalig	Reporter / PNC News

At last meeting VLG was tasked to prepare letter to the AG but since meeting CCU was served a suit and CCU needs to respond in 10 days, or by May 31. Many of the things included in the summons would have been included in the letter to the AG. Since there is a litigation going on now perhaps the Commission should consider going into executive session to discuss this further.

The Chaima said there is no Executive Session schedule for today's meeting so the Commission cannot go into executive session today. There is an executive session scheduled for next Tuesday, 5/28 and the Commission could bring this matter to the table at that meeting. This pending litigation could be discussed then. Counsel said that he is waiting for SEG designation by the AG.

To recap the Chairman said the Board took action to rescind all the pay raises and bonuses and to require that the money be paid back. This was to apply to the GM's CFO, Legal Counsels and the Board Secretary. Also rescinded were the pay for the AGMO, AGMA and AGMET. While these positions do not fall under the responsibility of the Commission what happened was the respective GG1's noted that the salary increase was discussed in executive session of 11/27/18 so all related pay was also rescinded as per the AG's initial opinion. There was a request for some questions that Counsel was to ask the AG's opinion and that of Counsel. Counsel Leon Guerreo concurred that there were questions but that these should be addressed during Executive Session.

Comm. Limitaco said that he does not feel that the legal opinions openly discussed at the past 2 meetings and requested Counsel to opine on should be discussed openly at this meeting since we have already openly discussed them in the past. Counsel said that some of the questions would be ok to discuss openly but there are others that he feels infringe on the lawsuit and should not be discussed. Comm. Limitaco said the lawsuit was relative to releasing the executive session minutes in its totality and some of the other questions are more specific and have already been discussed in past meetings so he does not understand why the discussion cannot happen now rather than at an executive session. All the questions that CCU asked Counsel to opine on should he recommends to discuss at this meeting.

Counsel said what was agreed upon was the issue of salary adjustment is public knowledge via GG1 anyway but when you listen to the tape and you take out the salary adjustment portion the rest has to do with evaluation and if it is not releasable they must be redacted. He said he does not know if evaluations can be extracted from pay adjustment if these are taken out there is not much left. If CCU takes this to court, for the protection of the employees privacy the court will decide what is releasable and what is not.

Chairman Dueans asked the fact that a litigation is filed, does this now change the dynamics of the meeting we are having and Counsel said it could. He recommended talking to the AG and how to go about handling the lawsuit that's why he recommends not discussing this matter further.

Comm. Sanchez asked what the suit filed by Mr. Leon Guerrero is asking. Counsel explained that he suing us to disclose the full discussion at the executive session – all minutes, notes, recordings etc. so that is everything.

Comm. Sanchez asked if Counsel had a chance to listen to the recording of the meeting and asked if there was discussion on salary and salary adjustment and Counsel said yes. If the Minutes were released what would be the penalties in law for releasing the discussion. Counsel said the employee could sue the CCU for discussing their evaluations in public, good or bad. The Commissioner said that



the discussion in executive session was all positive – everyone got an increase. The risk the CCU runs is that the managers that got a raise could sue the Commission. The risk of not releasing it due to FOIA request there could be a \$1000 fine.

Comm. Guthertz shared that evaluations is a very sensitive area and the Commission should exercise caution relative to releasing executive session Minutes containing personnel information citing her experience while at GPD.

Comm. Michael said he was not at the executive session and wanted the opportunity to listen and to get input from other Commissioners. He said he understands Comm. Guthertz's concern but this is a little different and Comm. Michael Limtiaco said I motion to release the Minutes; second by Comm. Simon Sanchez

Vote was recorded via Roll Call accordingly:

Sanchez – vote yes to release

Limtiaco – vote yes to release

Duenas – vote no to release

Guthertz – vote no to release

Santos – vote yes to release

There were a couple of other motions that were brought to the floor for voting, in particular:

Comm. Guthertz motioned to respond to the Attorney General's letter of rescinding of pay, requirement of repayment and release of the Minutes. Second by Comm. Santos. There was no objection and the motion passed unanimously.

Comm. Guthertz motion to ask the Court via declaratory judgement for definitive interpretation of 5 GCA Chapter 10 regarding personnel matters specifically if it includes employment, evaluations and discipline; second by Comm. Santos. There was no objection and the vote was unanimous.

#### 4. ANNOUNCEMENTS

4.1 Next CCU Meetings: May 21 – GWA WS; May 23 – GPA WS; May 28– CCU Mtg.

#### 5. ADJOURNMENT

There was no further business to bring before the Commission.

Comm. Santos motioned to adjourn the meeting; Comm. Limtiaco seconded.

It was 5:26 p.m.

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Attested:

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JOSEPH T. DUENAS, Chairman

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MICHAEL T. LIMTIACO Secretary

**GUAM WATERWORKS AUTHORITY  
APRIL 30, 2019  
FINANCIAL AND RELATED REPORTS  
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**GUAM WATERWORKS AUTHORITY**  
**Balance Sheet**  
**April 30, 2019**

**SCHEDULE A**

<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>Unaudited April 30, 2019</b>	<b>Audited September 30, 2018</b>	<b>Increase (Decrease)</b>
<u><b>Current Assets</b></u>			
Cash			
Unrestricted (Schedule F)	6,859,806	3,094,379	3,765,427
Restricted Funds (Schedule F)	85,622,539	84,228,994	1,393,545
Accounts Receivable Trade, Net of Allowance for Doubtful Receivables of \$6,794,660 at Apr 30, 2019 and \$5,516,074 at Sep 30, 2018	13,317,902	16,610,663	(3,292,762)
Federal Receivable	1,210,934	3,837,146	(2,626,212)
Other Receivable	1,834,786	1,330,800	503,986
Materials & Supplies Inventory, Net of Allowance for Obsolescence of \$64,131 at Apr 30, 2019 and \$64,131 at Sep 30, 2018	3,148,369	3,342,557	(194,188)
<b>Total Current Assets</b>	<b>111,994,335</b>	<b>112,444,539</b>	<b>(450,204)</b>
<u><b>Property, Plant and Equipment</b></u>			
Utility plant in service			
Water system	350,956,593	348,812,303	2,144,290
Wastewater system	300,407,082	300,053,427	353,655
Non-utility property	22,034,748	21,720,023	314,725
<b>Total property</b>	<b>673,398,423</b>	<b>670,585,753</b>	<b>2,812,670</b>
Less Accumulated Depreciation	(315,332,902)	(303,019,447)	(12,313,455)
Land	3,861,120	3,681,120	180,000
Construction Work in Progress	220,455,642	178,443,926	42,011,716
<b>Property, Plant and Equipment, net</b>	<b>582,382,283</b>	<b>549,691,352</b>	<b>32,690,931</b>
<u><b>Other noncurrent assets</b></u>			
Restricted cash (Schedule F)	129,610,792	159,753,667	(30,142,874)
Investments (Schedule F)	48,499,353	43,097,913	5,401,440
Other Prepaid Expenses	558,635	677,828	(119,193)
<b>Total other noncurrent assets</b>	<b>178,668,780</b>	<b>203,529,408</b>	<b>(24,860,627)</b>
<b>Total Assets</b>	<b>873,045,399</b>	<b>865,665,299</b>	<b>7,380,099</b>
<b>Deferred outflows of resources</b>			
Debt defeasance due to bond refunding	12,324,050	12,810,787	(486,738)
Deferred outflows from pension	4,233,575	4,220,075	13,500
Deferred outflows from OPEB	9,070,814	9,070,814	-
<b>Total Assets and Deferred Outflows of Resources</b>	<b>898,673,837</b>	<b>891,766,975</b>	<b>6,906,862</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET ASSETS</b>			
<u><b>Current Liabilities</b></u>			
Current maturities of long-term debt			
Series 2010 Bond	1,800,000	1,800,000	-
Series 2014 Refunding	3,620,000	3,620,000	-
Series 2017 Refunding	295,000	295,000	-
Notes Payable	3,303,154	3,203,870	99,285
Accounts Payable -Trade	5,285,228	5,442,000	(156,772)
Interest Payable	8,551,138	6,427,669	2,123,470
Accrued Payroll and Employee Benefits	1,279,356	1,608,219	(328,863)
Accrued Annual Leave	1,063,622	1,059,161	4,461
Current portion of employee annual leave	610,389	607,382	3,007
Contractors' Payable	12,065,345	25,680,792	(13,615,447)
Customer and Other Deposits	2,155,826	2,131,242	24,584
Other Liabilities	73,032	106,997	(33,965)
<b>Total Current Liabilities</b>	<b>40,102,091</b>	<b>51,982,331</b>	<b>(11,880,240)</b>
<u><b>Long Term Debt, less current maturities</b></u>			
Series 2010 Revenue Bond	1,895,000	1,895,000	-
Series 2013 Revenue Bond	172,630,000	172,630,000	-
Series 2014 Refunding Bond	68,900,000	68,900,000	-
Series 2016 Revenue Bond	143,310,000	143,310,000	-
Series 2017 Refunding Bond	107,365,000	107,365,000	-
Unamortized Bond Premium/Discount	32,462,656	33,300,619	(837,962)
Notes Payable	374,067	2,325,154	(1,951,087)
Net pension liability	45,451,352	45,451,352	-
Net OPEB obligation	88,950,661	88,950,661	-
Employee Annual Leave, Less Current Portion	826,194	822,821	3,373
<b>Total Liabilities</b>	<b>702,267,022</b>	<b>716,932,938</b>	<b>(14,665,916)</b>
<b>Deferred inflows of resources:</b>			
Deferred inflows from pension	1,870,114	1,857,164	12,950
Deferred inflows from OPEB	8,741,900	8,741,900	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>712,879,036</b>	<b>727,532,002</b>	<b>(14,652,966)</b>
<b>Net Assets</b>	<b>185,794,801</b>	<b>164,234,973</b>	<b>21,559,828</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Assets</b>	<b>898,673,837</b>	<b>891,766,975</b>	<b>6,906,862</b>

**GUAM WATERWORKS AUTHORITY**  
**Statement of Operations and Retained Earnings**  
**Comparative Budget vs. Actual for the period ending April 30, 2019**

SCHEDULE B

	Month to Date		Variance
	Budget	Actual (Unaudited)	Favorable /
	April-19	April-19	(Unfavorable)
<b>OPERATING REVENUES</b>			
Water Revenues	5,813,246	5,517,244	(296,002)
Wastewater Revenues	3,247,265	3,316,945	69,680
Legislative Surcharge	294,667	288,310	(6,357)
Other Revenues	38,254	47,670	9,416
System Development Charge	97,773	103,156	5,383
<b>Total Operating Revenues</b>	<b>9,491,205</b>	<b>9,273,325</b>	<b>(217,879)</b>
<b>OPERATING AND MAINTENANCE EXPENSES</b>			
Water Purchases	687,577	429,303	258,274
Power Purchases	1,231,315	1,231,315	0
Total Utility Costs	1,918,892	1,660,618	258,274
Salaries and Wages	1,782,365	1,778,189	4,176
Pension and Benefits	562,238	561,686	551
Total Salaries and Benefits	2,344,603	2,339,876	4,727
Capitalized Labor and Benefits	(308,333)	(308,333)	(0)
Net Salaries and Benefits	2,036,269	2,031,543	4,727
<b>Administrative and General Expenses</b>			
Sludge removal	104,771	104,377	394
Chemicals	117,801	116,979	823
Materials & Supplies	188,606	186,736	1,870
Transportation	106,648	105,969	679
Communications	15,054	14,703	351
Claims	8,417	5,527	2,889
Insurance	79,461	75,172	4,289
Training & Travel	9,417	8,758	658
Advertising	19,500	19,036	464
Miscellaneous	81,632	68,713	12,919
Regulatory Expense	29,029	28,639	390
Bad Debts Provision	189,148	189,105	43
Total Administrative and General Expense	949,483	923,715	25,768
<b>Depreciation Expense</b>	<b>1,759,065</b>	<b>1,759,065</b>	<b>(0)</b>
<b>Contractual Expense</b>			
Audit & Computer Maint.	58,783	54,885	3,899
Building rental	38,361	35,211	3,150
Equipment rental	130,980	130,442	538
Legal	512	-	512
Laboratory	8,862	7,147	1,715
Other	213,458	186,152	27,305
Total Contractual Expense	450,956	413,836	37,120
Retiree Supp. Annuities and health care costs	249,871	234,721	15,150
Contribution to Government of Guam	51,975	50,000	1,975
Total Retiree Benefits	301,846	284,721	17,125
<b>Total Operating Expenses</b>	<b>7,416,512</b>	<b>7,073,498</b>	<b>343,013</b>
<b>Earnings (Loss) from Operations</b>	<b>2,074,693</b>	<b>2,199,827</b>	<b>125,134</b>
Interest Income-2010/13/14/16/17 Series Bond	84,943	373,098	288,155
Interest Income-Other Funds	13,856	83,571	69,715
Interest Income-SDC	2,072	16,732	14,661
Interest Expense- 2010/13/14/16/17 Series Bond	(2,387,785)	(2,137,785)	250,000
Interest Expense- ST BOG	(19,762)	(19,283)	479
Federal Expenditures	-	-	-
Loss on Asset Disposal	-	-	-
AFUDC	1,157,306	1,157,306	0
Amortization of Discount, Premium and Issuance Costs	(17,798)	119,709	137,507
Defeasance due to bond refunding	(16,201)	(69,534)	(53,333)
Deferred outflows from pension	-	-	-
Prior Year Adjustment	-	(1,865)	(1,865)
Total non-operating revenues (expenses)	(1,183,369)	(478,049)	705,320
<b>Net Income (Loss) before capital contributions</b>	<b>891,324</b>	<b>1,721,778</b>	<b>830,454</b>
<b>Capital Contributions</b>			
Grants from US Government	5,533,205	806,639	(4,726,566)
Grants from GovGuam & Others	-	9,432	9,432
Total Capital Contributions	5,533,205	816,071	(4,717,134)
<b>Change in Net Assets</b>	<b>6,424,529</b>	<b>2,537,849</b>	<b>(3,886,680)</b>
<b>Debt Service Calculation</b>			
Earnings From Operations	2,074,693	2,199,827	
System Development Charge	(97,773)	(103,156)	
Retiree COLA	51,975	50,000	
Interest/Investment Income	13,856	83,571	
Depreciation	1,759,065	1,759,065	
<b>Balance Available for Debt Service per Section 6.12</b>	<b>3,801,817</b>	<b>3,989,308</b>	
Working Capital Reserve Available for Debt Service	934,811	955,667	
Transfer to Working Capital- Debt Service Reserve	-	-	
Transfer to Working Capital- O&M Reserve	-	-	
<b>Balance Available for Debt Service inclusive of reserves</b>	<b>4,736,628</b>	<b>4,944,975</b>	
<b>Debt Service</b>			
Principal	476,250	476,250	
Interest	2,137,785	2,137,785	
<b>Total</b>	<b>2,614,035</b>	<b>2,614,035</b>	
<b>Debt Service Coverage (1.25X)- per Section 6.12 (Indenture)</b>	<b>1.45</b>	<b>1.53</b>	
<b>Debt Service Coverage (1.75X) inclusive of reserves (PUC)</b>	<b>1.81</b>	<b>1.89</b>	

**GUAM WATERWORKS AUTHORITY**  
**Statement of Operations and Retained Earnings**  
**Comparative for the period ending April 30, 2019 and 2018**

SCHEDULE C

	Month to Date		Variance
	Actual (Unaudited)	Actual (Audited)	Favorable /
	April-19	April-18	(Unfavorable)
<b>OPERATING REVENUES</b>			
Water Revenues	5,517,244	5,531,297	(14,053)
Wastewater Revenues	3,316,945	3,191,784	125,162
Legislative Surcharge	288,310	289,209	(899)
Other Revenues	47,670	43,294	4,376
System Development Charge	103,156	89,249	13,907
<b>Total Operating Revenues</b>	<b>9,273,325</b>	<b>9,144,833</b>	<b>128,493</b>
<b>OPERATING AND MAINTENANCE EXPENSES</b>			
Water Purchases	429,303	723,748	294,445
Power Purchases	1,231,315	1,223,874	(7,441)
Total Utility Costs	1,660,618	1,947,622	287,003
Salaries and Wages	1,778,189	1,464,423	(313,766)
Pension and Benefits	561,686	376,266	(185,420)
Total Salaries and Benefits	2,339,876	1,840,689	(499,186)
Capitalized Labor and Benefits	(308,333)	(296,147)	12,186
Net Salaries and Benefits	2,031,543	1,544,542	(487,000)
<b>Administrative and General Expenses</b>			
Sludge removal	104,377	125,638	21,260
Chemicals	116,979	182,625	65,647
Materials & Supplies	186,736	180,995	(5,741)
Transportation	105,969	64,001	(41,968)
Communications	14,703	14,756	52
Claims	5,527	10,803	5,276
Insurance	75,172	76,005	833
Training & Travel	8,758	22,652	13,894
Advertising	19,036	14,226	(4,811)
Miscellaneous	68,713	84,564	15,851
Regulatory Expense	28,639	22,121	(6,518)
Bad Debts Provision	189,105	180,246	(8,859)
Total Administrative and General Expense	923,715	978,632	54,917
<b>Depreciation Expense</b>	<b>1,759,065</b>	<b>1,606,687</b>	<b>(152,378)</b>
<b>Contractual Expense</b>			
Audit & Computer Maint.	54,885	58,815	3,930
Building rental	35,211	36,603	1,392
Equipment rental	130,442	89,207	(41,235)
Legal	-	-	-
Laboratory	7,147	34,441	27,294
Other	186,152	200,655	14,503
Total Contractual Expense	413,836	419,721	5,885
Retiree Supp. Annuities and health care costs	234,721	662,581	427,860
Contribution to Government of Guam	50,000	49,833	(167)
Total Retiree Benefits	284,721	712,414	427,693
<b>Total Operating Expenses</b>	<b>7,073,498</b>	<b>7,209,618</b>	<b>136,120</b>
<b>Earnings (Loss) from Operations</b>	<b>2,199,827</b>	<b>1,935,214</b>	<b>264,613</b>
Interest Income-2010/13/14/16/17 Series Bond	373,098	255,374	117,724
Interest Income-Other Funds	83,571	45,645	37,927
Interest Income-SDC	16,732	13,852	2,881
Interest Expense- 2010/13/14/16/17 Series Bond	(2,137,785)	(2,177,468)	39,683
Interest Expense- ST BOG	(19,283)	(30,702)	11,420
Federal Expenditures	-	(62,220)	62,220
Loss on Asset Disposal	-	(162,136)	162,136
AFUDC	1,157,306	1,041,766	115,540
Amortization of Discount, Premium and Issuance Costs	119,709	(42,691)	162,400
Defeasance due to bond refunding	(69,534)	(62,043)	(7,490)
Deferred outflows from pension	-	32,592	(32,592)
Prior Year Adjustment	(1,865)	13,219	(15,084)
Total non-operating revenues (expenses)	(478,049)	(1,134,813)	656,763
<b>Net Income (Loss) before capital contributions</b>	<b>1,721,778</b>	<b>800,402</b>	<b>921,376</b>
<b>Capital Contributions</b>			
Grants from US Government	806,639	1,244,712	(438,073)
Grants from GovGuam & Others	9,432	22,681	(13,249)
Total Capital Contributions	816,071	1,267,392	(451,321)
<b>Change in Net Assets</b>	<b>2,537,849</b>	<b>2,067,794</b>	<b>470,055</b>
<b>Debt Service Calculation</b>			
Earnings From Operations	2,199,827	1,935,214	
System Development Charge	(103,156)	(89,249)	
Retiree COLA	50,000	49,833	
Interest/Investment Income	83,571	45,645	
Depreciation	1,759,065	1,606,687	
<b>Balance Available for Debt Service per Section 6.12</b>	<b>3,989,308</b>	<b>3,548,131</b>	
Working Capital Reserve Available for Debt Service	955,667	945,164	
Transfer to Working Capital- Debt Service Reserve	-	-	
Transfer to Working Capital- O&M Reserve	-	-	
<b>Balance Available for Debt Service inclusive of reserves</b>	<b>4,944,975</b>	<b>4,493,295</b>	
<b>Debt Service</b>			
Principal	476,250	433,333	
Interest	2,137,785	1,794,910	
<b>Total</b>	<b>2,614,035</b>	<b>2,228,243</b>	
<b>Debt Service Coverage (1.25X)- per Section 6.12 (Indenture)</b>	<b>1.53</b>	<b>1.59</b>	
<b>Debt Service Coverage (1.75X) inclusive of reserves (PUC)</b>	<b>1.89</b>	<b>2.02</b>	

**GUAM WATERWORKS AUTHORITY**  
**Statement of Operations and Retained Earnings**  
**Comparative Budget vs. Actual for the period ending April 30, 2019**

SCHEDULE D

	Budget April-19	Year to Date Actual (Unaudited) April-19	Variance Favorable / (Unfavorable)
<b>OPERATING REVENUES</b>			
Water Revenues	40,692,725	39,224,496	(1,468,229)
Wastewater Revenues	22,730,855	22,565,877	(164,978)
Legislative Surcharge	2,062,668	2,056,705	(5,963)
Other Revenues	267,777	323,556	55,779
System Development Charge	684,408	441,706	(242,702)
<b>Total Operating Revenues</b>	<b>66,438,432</b>	<b>64,612,340</b>	<b>(1,826,092)</b>
<b>OPERATING AND MAINTENANCE EXPENSES</b>			
Water Purchases	4,813,040	3,521,149	1,291,892
Power Purchases	8,619,206	8,517,869	101,337
Total Utility Costs	13,432,246	12,039,017	1,393,229
Salaries and Wages	12,476,556	11,594,886	881,669
Pension and Benefits	3,935,664	3,666,645	269,019
Total Salaries and Benefits	16,412,220	15,261,531	1,150,688
Capitalized Labor and Benefits	(2,158,333)	(2,158,333)	(0)
Net Salaries and Benefits	14,253,886	13,103,198	1,150,688
<b>Administrative and General Expenses</b>			
Sludge removal	895,399	872,241	23,158
Chemicals	1,122,610	1,121,638	972
Materials & Supplies	1,156,239	1,096,799	59,440
Transportation	359,533	359,438	95
Communications	105,379	84,447	20,932
Claims	58,917	41,426	17,491
Insurance	556,226	526,240	29,986
Training & Travel	212,916	99,928	112,988
Advertising	87,500	59,333	28,167
Miscellaneous	648,422	594,244	54,178
Regulatory Expense	175,203	110,349	64,854
Bad Debts Provision	1,279,038	1,278,515	522
Total Administrative and General Expense	6,657,382	6,244,598	412,783
<b>Depreciation Expense</b>	<b>12,313,455</b>	<b>12,313,455</b>	<b>(0)</b>
<b>Contractual Expense</b>			
Audit & Computer Maint.	411,483	322,217	89,267
Building rental	268,527	246,475	22,051
Equipment rental	682,857	682,025	833
Legal	3,585	-	3,585
Laboratory	244,037	146,106	97,930
Other	1,535,203	1,534,499	704
Total Contractual Expense	3,145,691	2,931,322	214,369
Retiree Supp. Annuities and health care costs	1,749,096	1,658,356	90,740
Contribution to Government of Guam	363,825	350,000	13,825
Total Retiree Benefits	2,112,921	2,008,356	104,565
<b>Total Operating Expenses</b>	<b>51,915,581</b>	<b>48,639,946</b>	<b>3,275,635</b>
<b>Earnings (Loss) from Operations</b>	<b>14,522,851</b>	<b>15,972,393</b>	<b>1,449,542</b>
Interest Income-2010/13/14/16/17 Series Bond	594,601	2,407,071	1,812,470
Interest Income-Other Funds	96,993	476,233	379,240
Interest Income-SDC	14,503	103,651	89,148
Interest Expense- 2010/13/14/16/17 Series Bond	(16,714,492)	(14,964,492)	1,750,000
Interest Expense- ST BOG	(138,334)	(128,883)	9,451
Federal Expenditures	-	-	-
Loss on Asset Disposal	-	-	-
AFUDC	8,101,139	8,101,139	0
Amortization of Discount, Premium and Issuance Costs	(124,585)	837,962	962,548
Defeasance due to bond refunding	(113,407)	(486,738)	(373,331)
Deferred outflows from pension	-	-	-
Prior Year Adjustment	-	(284,709)	(284,709)
Total non-operating revenues (expenses)	(8,283,582)	(3,938,765)	4,344,818
<b>Net Income (Loss) before capital contributions</b>	<b>6,239,269</b>	<b>12,033,629</b>	<b>5,794,360</b>
<b>Capital Contributions</b>			
Grants from US Government	38,732,435	9,464,888	(29,267,547)
Grants from GovGuam & Others	-	61,311	61,311
Total Capital Contributions	38,732,435	9,526,199	(29,206,236)
<b>Change in Net Assets</b>	<b>44,971,704</b>	<b>21,559,828</b>	<b>(23,411,876)</b>
<b>Debt Service Calculation</b>			
Earnings From Operations	14,522,851	15,972,393	
System Development Charge	(684,408)	(441,706)	
Retiree COLA	363,825	350,000	
Interest/Investment Income	96,993	476,233	
Depreciation	12,313,455	12,313,455	
<b>Balance Available for Debt Service per Section 6.12</b>	<b>26,612,717</b>	<b>28,670,376</b>	
Working Capital Reserve Available for Debt Service	6,543,678	6,689,668	
Transfer to Working Capital- Debt Service Reserve	-	-	
Transfer to Working Capital- O&M Reserve	-	-	
<b>Balance Available for Debt Service inclusive of reserves</b>	<b>33,156,395</b>	<b>35,360,044</b>	
<b>Debt Service</b>			
Principal	3,333,750	3,333,750	
Interest	14,964,492	14,964,492	
<b>Total</b>	<b>18,298,242</b>	<b>18,298,242</b>	
<b>Debt Service Coverage (1.25X)- per Section 6.12 (Indenture)</b>	<b>1.45</b>	<b>1.57</b>	
<b>Debt Service Coverage (1.75X) inclusive of reserves (PUC)</b>	<b>1.81</b>	<b>1.93</b>	

**GUAM WATERWORKS AUTHORITY**  
**Statement of Operations and Retained Earnings**  
**Comparative for the period ending April 30, 2019 and 2018**

**SCHEDULE E**

	<b>Year to Date</b>		<b>Variance</b>
	<b>Actual (Unaudited)</b>	<b>Actual (Audited)</b>	<b>Favorable /</b>
	<b>April-19</b>	<b>April-18</b>	<b>(Unfavorable)</b>
<b>OPERATING REVENUES</b>			
Water Revenues	39,224,496	38,719,079	505,417
Wastewater Revenues	22,565,877	22,342,486	223,391
Legislative Surcharge	2,056,705	2,024,463	32,242
Other Revenues	323,556	303,059	20,497
System Development Charge	441,706	624,741	(183,036)
<b>Total Operating Revenues</b>	<b>64,612,340</b>	<b>64,013,828</b>	<b>598,512</b>
<b>OPERATING AND MAINTENANCE EXPENSES</b>			
Water Purchases	3,521,149	5,066,235	1,545,086
Power Purchases	8,517,869	8,567,117	49,248
Total Utility Costs	12,039,017	13,633,352	1,594,335
Salaries and Wages	11,594,886	10,250,963	(1,343,923)
Pension and Benefits	3,666,645	2,633,862	(1,032,783)
Total Salaries and Benefits	15,261,531	12,884,825	(2,376,706)
Capitalized Labor and Benefits	(2,158,333)	(2,073,029)	85,304
Net Salaries and Benefits	13,103,198	10,811,796	(2,291,402)
<b>Administrative and General Expenses</b>			
Sludge removal	872,241	879,465	7,223
Chemicals	1,121,638	1,278,378	156,741
Materials & Supplies	1,096,799	1,266,964	170,165
Transportation	359,438	448,006	88,568
Communications	84,447	103,289	18,842
Claims	41,426	75,624	34,198
Insurance	526,240	532,035	5,796
Training & Travel	99,928	158,565	58,637
Advertising	59,333	99,580	40,247
Miscellaneous	594,244	591,949	(2,295)
Regulatory Expense	110,349	154,848	44,499
Bad Debts Provision	1,278,515	1,261,721	(16,795)
Total Administrative and General Expense	6,244,598	6,850,423	605,825
<b>Depreciation Expense</b>	<b>12,313,455</b>	<b>11,246,812</b>	<b>(1,066,643)</b>
<b>Contractual Expense</b>			
Audit & Computer Maint.	322,217	411,705	89,488
Building rental	246,475	256,221	9,745
Equipment rental	682,025	624,448	(57,577)
Legal	-	-	-
Laboratory	146,106	241,089	94,983
Other	1,534,499	1,404,584	(129,915)
Total Contractual Expense	2,931,322	2,938,047	6,725
Retiree Supp. Annuities and health care costs	1,658,356	4,638,064	2,979,708
Contribution to Government of Guam	350,000	348,833	(1,167)
Total Retiree Benefits	2,008,356	4,986,897	2,978,542
<b>Total Operating Expenses</b>	<b>48,639,946</b>	<b>50,467,327</b>	<b>1,827,381</b>
<b>Earnings (Loss) from Operations</b>	<b>15,972,393</b>	<b>13,546,500</b>	<b>2,425,893</b>
Interest Income-2010/13/14/16/17 Series Bond	2,407,071	1,787,619	619,452
Interest Income-Other Funds	476,233	319,514	156,720
Interest Income-SDC	103,651	96,962	6,689
Interest Expense- 2010/13/14/16/17 Series Bond	(14,964,492)	(15,242,274)	277,782
Interest Expense- ST BOG	(128,883)	(214,916)	86,033
Federal Expenditures	-	(435,542)	435,542
Loss on Asset Disposal	-	(1,134,951)	1,134,951
AFUDC	8,101,139	7,292,365	808,774
Amortization of Discount, Premium and Issuance Costs	837,962	(298,839)	1,136,801
Defeasance due to bond refunding	(486,738)	(434,304)	(52,433)
Deferred outflows from pension	-	228,144	(228,144)
Prior Year Adjustment	(284,709)	92,533	(377,242)
Total non-operating revenues (expenses)	(3,938,765)	(7,943,689)	4,004,924
<b>Net Income (Loss) before capital contributions</b>	<b>12,033,629</b>	<b>5,602,811</b>	<b>6,430,817</b>
<b>Capital Contributions</b>			
Grants from US Government	9,464,888	8,712,982	751,906
Grants from GovGuam & Others	61,311	158,764	(97,452)
Total Capital Contributions	9,526,199	8,871,746	654,453
<b>Change in Net Assets</b>	<b>21,559,828</b>	<b>14,474,557</b>	<b>7,085,271</b>
<b>Debt Service Calculation</b>			
Earnings From Operations	15,972,393	13,546,500	
System Development Charge	(441,706)	(624,741)	
Retiree COLA	350,000	348,833	
Interest/Investment Income	476,233	319,514	
Depreciation	12,313,455	11,246,812	
<b>Balance Available for Debt Service per Section 6.12</b>	<b>28,670,376</b>	<b>24,836,918</b>	
Working Capital Reserve Available for Debt Service	6,689,668	6,616,147	
Transfer to Working Capital- Debt Service Reserve	-	-	
Transfer to Working Capital- O&M Reserve	-	-	
<b>Balance Available for Debt Service inclusive of reserves</b>	<b>35,360,044</b>	<b>31,453,066</b>	
<b>Debt Service</b>			
Principal	3,333,750	3,033,333	
Interest	14,964,492	12,564,370	
<b>Total</b>	<b>18,298,242</b>	<b>15,597,703</b>	
<b>Debt Service Coverage (1.25X)- per Section 6.12 (Indenture)</b>	<b>1.57</b>	<b>1.59</b>	
<b>Debt Service Coverage (1.75X) inclusive of reserves (PUC)</b>	<b>1.93</b>	<b>2.02</b>	

**GUAM WATERWORKS AUTHORITY**  
**Restricted and Unrestricted Cash Summary**  
**FY2019**

**SCHEDULE F**

Description	Unaudited April 30, 2019	Audited September 30, 2018	Increase (Decrease)
<b>UNRESTRICTED</b>			
Change Fund	2,000	2,000	-
Petty Cash	5,000	5,000	-
BOG Deposit Accounts	6,852,806	3,087,379	3,765,427
<b>Sub-total Unrestricted</b>	<b>6,859,806</b>	<b>3,094,379</b>	<b>3,765,427</b>
<b>RESTRICTED</b>			
ANZ Bank	1,103	(0)	1,103.01
Bank Pacific	40,954	11,864	29,090
Bank of Hawaii	108,100	189,144	(81,045)
Community First FCU	15,476	4,392	11,084
First Hawaiian Bank	84,923	22,105	62,818
Bank Pacific Surcharge	525,110	298,898	226,212
Bank Pacific Escrow Deposit	660,748	660,254	494
BOG Customer Refunds	1,874,556	1,860,120	14,436
BOG Emergency Reserve Fund	6,233	6,229	4
BOG Sewer Hookup Revolving Fund	66,364	65,499	864
BOG Subordinate Security Fund	859,233	859,233	-
BOG Operation and Maintenance Fund	3,083,482	3,083,482	-
BOG OMRRRF Fund	17,423,213	17,423,213	-
BOG Revenue Trust	390,665	360,569	30,096
BOG Revenue Trust Fund	7,483,173	6,535,779	947,394
BOG Capital Improvement Revenue Fund	6,311,246	1,582,278	4,728,967
BOG O & M Reserve	13,817,972	13,666,109	151,862
BOG Debt Service Reserve	11,468,002	11,341,967	126,036
BOG CapEx Fund	11,504,050	16,073,011	(4,568,961)
	<b>75,724,603</b>	<b>74,044,146</b>	<b>1,680,456</b>
BOG - SDC Deposit	2,647,936	2,934,848	(286,912)
BOG - SDC CDs	7,250,000	7,250,000	-
<b>Total SDC</b>	<b>9,897,936</b>	<b>10,184,848</b>	<b>(286,912)</b>
<b>Total Restricted</b>	<b>85,622,539</b>	<b>84,228,994</b>	<b>1,393,544</b>
<b>Reserve Funds</b>			
BOG Series 13 Construction Fund	22,934,313	36,222,062	(13,287,749)
BOG Series 14 Refunding Construction Fund	750,140	741,895	8,244
BOG Series 16 Construction Fund	99,146,669	116,036,000	(16,889,331)
BOG Series 17 Refunding Construction Fund	6,779,671	6,753,709	25,962
<b>Total Restricted - Held by Trustee</b>	<b>129,610,792</b>	<b>159,753,667</b>	<b>(30,142,874)</b>
USB Series 2013 Debt Service Fund	3,164,331	2,360,451	803,880
USB Series 2013 Debt Service Reserve Fund	12,031,688	12,031,688	-
USB Series 2014 Refunding Debt Service Fund	4,272,543	1,833,235	2,439,308
USB Series 2014 Refunding Debt Service Reserve Fund	7,803,567	7,972,243	(168,676)
USB Series 2016 Debt Service Fund	2,422,759	1,805,556	617,203
USB Series 2016 Debt Service Reserve Fund	7,592,000	7,594,603	(2,603)
USB Series 2010 Debt Service Fund	1,578,839	503,751	1,075,088
USB Series 2017 Refunding Debt Service Reserve Fund	7,566,460	7,566,460	-
USB Series 2017 Debt Service Fund	2,067,166	1,429,927	637,240
<b>Total Investments</b>	<b>48,499,353</b>	<b>43,097,913</b>	<b>5,401,440</b>
<b>Total Restricted and Unrestricted Cash</b>	<b>270,592,490</b>	<b>290,174,953</b>	<b>(19,582,463)</b>



Guam Waterworks Authority  
Accounts Receivable - Government (Active)  
April 30, 2019

## SCHEDULE G

A G I N G								
Customer Name	No of Accounts	Current	31-60 days	61-90 days	91-120 days	Over 120 days	Total	
GUAM INT'L AIRPORT AUTHORITY	8	\$ 26,293	\$ 25,220	\$ 50,132	\$ 29,529	\$ 226,350	\$	357,525
GUAM POWER AUTHORITY	24	141,255	-	-	-	-		141,255
GUAM MEMORIAL HOSPITAL AUTHORITY	3	38,470	34,228	28,255	2,054	-		103,008
UNIVERSITY OF GUAM	44	15,268	-	-	-	-		15,268
GUAM COMMUNITY COLLEGE	3	2,556	-	-	-	-		2,556
GUAM HOUSING & URBAN RENEWAL AUTHORITY	9	1,264	-	-	-	-		1,264
GUAM HOUSING CORPORATION	1	31	-	-	-	-		31
	<b>92</b>	<b>\$ 225,136</b>	<b>\$ 59,448</b>	<b>\$ 78,387</b>	<b>\$ 31,583</b>	<b>\$ 226,350</b>	<b>\$</b>	<b>620,906</b>
DEPT OF EDUCATION	55	\$ 329,418	\$ 173,048	\$ 37,869	\$ 15,489	\$ 2,368	\$	558,193
DEPT OF PUBLIC HEALTH & SOCIAL SERVICES	8	1,576	918	743	351	103,799		107,387
MAYORS COUNCIL OF GUAM	62	36,249	46,212	347	81	32		82,921
DEPT OF CORRECTIONS	8	72,846	107	-	-	-		72,954
DEPT OF PARKS & RECREATION	17	13,543	2,034	-	-	-		15,577
OFFICE OF THE GOVERNOR	2	13,344	-	-	-	-		13,344
GUAM FIRE DEPARTMENT	11	8,057	-	-	-	-		8,057
SANCTUARY INC	1	4,383	-	-	-	-		4,383
DEPT OF PUBLIC WORKS	11	2,200	-	-	-	-		2,200
DEPT OF MILITARY AFFAIRS/GUARNG	1	1,718	-	-	-	-		1,718
DEPT OF AGRICULTURE	6	1,477	-	-	-	-		1,477
DEPT OF YOUTH AFFAIRS	3	1,401	-	-	-	-		1,401
DEPT OF ADMINISTRATION	2	738	-	-	-	-		738
DIVISION OF SENIOR CITIZENS, DPH&SS	2	387	167	183	-	-		738
GUAM POLICE DEPARTMENT	8	414	-	-	-	-		414
DEPT OF MENTAL HEALTH	2	328	-	-	-	-		328
GUAM ENERGY OFFICE	1	81	83	38	79	-		281
THE OFFICE OF THE DEDEDO MAYOR	1	246	-	-	-	-		246
GUAM PUBLIC LIBRARY	6	140	-	-	-	-		140
GUAM VETERANS AFFAIRS OFFICE	2	124	-	-	-	-		124
MERIZO MAYOR	1	46	46	-	-	-		92
VIETNAM VETERAN OF AMERICA	1	34	-	-	-	-		34
	<b>211</b>	<b>\$ 488,750</b>	<b>\$ 222,616</b>	<b>\$ 39,181</b>	<b>\$ 16,000</b>	<b>\$ 106,200</b>	<b>\$</b>	<b>872,747</b>
<b>Total April 30, 2019</b>	<b>303</b>	<b>\$ 713,886</b>	<b>\$ 282,065</b>	<b>\$ 117,569</b>	<b>\$ 47,583</b>	<b>\$ 332,550</b>	<b>\$</b>	<b>1,493,653</b>
<b>TOTAL September 30, 2018</b>	<b>326</b>	<b>\$ 793,948</b>	<b>\$ 424,797</b>	<b>\$ 324,413</b>	<b>\$ 190,444</b>	<b>\$ 975,977</b>	<b>\$</b>	<b>2,709,580</b>
	<b>-7%</b>	<b>-10%</b>	<b>-34%</b>	<b>-64%</b>	<b>-75%</b>	<b>-66%</b>		<b>-45%</b>

**Guam Waterworks Authority**  
**System Development Charges Project Status**  
**As of April 30, 2019**

**SCHEDULE H**

PROJECT NAME	Available Project Funds	Total Expenditures	Total Outstanding Encumbrances	Total Expenditures and Encumbrances	Total Unobligated Funds
<b><u>SDC - Water</u></b>					
Central Guam Reservoirs		-	280,040	280,040	
Line Replacement Phase IV		-	256,937	256,937	
South Paulino Heights Waterline Upgrade		27,041	90,744	117,785	
	<b>\$ 5,833,219</b>	<b>\$ 27,041</b>	<b>\$ 627,721</b>	<b>\$ 654,762</b>	<b>\$ 5,178,458</b>
<b><u>SDC - Wastewater</u></b>					
Agat-Santa Rita Wastewater Treatment Plant Replacement		410,317	791,689	1,202,006	
Baza Gardens Wastewater Cross Island Pumping & Conveyance		550,310	515,537	1,065,847	
Route 4 Relief Sewerline Rehab & Replacement		-	399,869	399,869	
Northern WWTP (Land Purchase)		1,000,000	-	1,000,000	
Talofofo Sewer Improvement		-	241,142	241,142	
Umatac-Merizo Wastewater Treatment Plant Upgrade		-	248,979	248,979	
	<b>\$ 5,968,785</b>	<b>\$ 1,960,628</b>	<b>\$ 2,197,215</b>	<b>\$ 4,157,843</b>	<b>\$ 1,810,942</b>
<b>Grand Totals</b>	<b>\$ 11,802,005</b>	<b>\$ 1,987,668</b>	<b>\$ 2,824,936</b>	<b>\$ 4,812,605</b>	<b>\$ 6,989,400</b>

<b>Future planned projects</b>	<b>2019</b>
Water Wells	\$ 1,850,000
Water Dist Sys Pipe Replacement & Upgrades	1,850,000
WWTP Priority 1 Upgrades	1,000,000
Umatac Merizo STP Replacement	1,000,000
Wastewater Sewer System Expansion	1,000,000
	<b>\$ 6,700,000</b>



**GUAM WATERWORKS AUTHORITY**

*"Better Water, Better Lives."*

Gloria B. Nelson Public Service Building | 688 Route 15 | Mangilao, Guam 96913

Tel: (671) 300-6846

## **Issues for Decision**

### **Resolution No. 24-FY2019**

Relative to Approval of Change Order to the Baza Gardens Wastewater Cross-Island Pumping and Conveyance System Phase II Contract

#### **What is the project's objective and is it necessary and urgent?**

This resolution seeks CCU approval to increase the project fund authorization to address an unresolved claim from the contractor involving additional excavation necessary to meet/hit hard stable ground surfaces and filling up of flowable fill at the new SPS that was deemed by the contractor as additional work. The contractor ultimately moved forward with completing the new SPS so that the project can progress however the claim stayed unresolved. GWA's project engineers/Chief Engineer have further reviewed the claim and agree that additional work and material were used and as such approve the claim. The fund authorization to date is insufficient to work towards executing a Change Order thus GWA management is seeking CCU approval to increase project fund authorization.

#### **Where is the location?**

Work related to the pending Change Order Proposal is part of the new Windward Hills SPS.

#### **How much will it cost?**

GWA management is seeking CCU approval for additional funding for Change Order Proposal related to Phase II contract in the amount of Fifteen Thousand Two Hundred Twenty-Two Dollars and Twenty-Five Cents. (\$15,222.25).

the approval of this resolution will bring the total authorized funding for Phase II to Six Million Three Hundred Seventy-Two Thousand Ninety-Three Dollars and Three Cents (\$6,372,093.03)

#### **When will it be completed?**

June 2019

#### **What is the funding source?**

Additional funding needs will be from wastewater bond funds applicable to the project.



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

**GWA RESOLUTION NO. 24-FY2019**

**RELATIVE TO APPROVAL OF CHANGE ORDER TO THE BAZA GARDENS  
WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM PHASE II  
CONTRACT**

**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**, to meet a mandate of the 2011 federal Court Order regarding the Baza Gardens Wastewater Treatment Plant (WWTP), GWA elected to remove the treatment plant from operation and to instead pump the wastewater to the new (under construction) Agat-Santa Rita WWTP; and

**WHEREAS**, due to schedule and funds constraints, the project was divided into three phases (I, II and III) and three separate construction contracts, extending from the Baza Gardens WWTP, across Route 17 (cross-island road), and terminating at the entrance to the new Agat-Santa Rita WWTP on Route 2A; and

**WHEREAS**, the CCU approved via Resolution 01-FY2017 a total funding authorization for Phase I with BME & Sons in the amount of Eight Million Two Hundred Eighty-Two Thousand Five Hundred Fifty-Eight Dollars and Seventy-Five Cents (\$8,282,558.75); via Resolution 13-FY2017 a total funding authorization for Phase II with BME & Sons in the amount of Six Million Two Hundred Fourteen Thousand Nine Hundred Ninety-Seven Dollars and Seventy Cents (\$6,214,997.70) and via Resolution 29-FY2017 a total funding authorization

1 for Phase III with Sumitomo-Mitsui Construction Company in the amount of Sixteen Million  
2 Three Hundred Seven Thousand Four Hundred Thirty Six Dollars and Sixty Cents  
3 (\$16,307,436.60); and  
4

5 **WHEREAS**, the portion of the gravity conveyance system along the entrance road (from  
6 Route 2A to the Agat-Santa Rita WWTP site) that is 0.5 miles long was not included in Phase I,  
7 II or III of the Cross-Island project as it was deemed in 2016 that the contractor for the new  
8 Agat-Santa Rita WWTP project might be better positioned to more cost-effectively execute the  
9 gravity line installation work; and  
10

11 **WHEREAS**, as of September 2018, the contractor for Phase I of the subject project  
12 completed gravity line installation along Route 2A and reached the entrance road to the new  
13 Agat Santa Rita WWTP and the contractor for the new WWTP unfortunately was not ready to  
14 execute additional scope related to installing of the gravity line along the entrance roadway; and  
15

16 **WHEREAS**, due to efforts to comply with Court Order deadlines related to the Baza  
17 Gardens WWTP as best as possible, GWA management executed Change Order #4 with BME &  
18 Sons, Inc., (Phase II Contract) to install part of the 21-inch diameter gravity sewer along the  
19 entrance roadway to the new WWTP to complete the wastewater conveyance system; and  
20

21 **WHEREAS**, the execution of Change Order #4 related to the 21-inch gravity line  
22 installation depleted the contingency funds approved via CCU Resolution No. 13-FY2017 for  
23 Phase II contract; and  
24

25 **WHEREAS**, GWA subsequently received additional funding authorization in the amount  
26 of One Hundred Forty-One Thousand Eight Hundred Seventy-Two Dollars and Seventy-Eight  
27 Cents (\$141,872.78) for the Phase II contract via CCU Resolution 52-FY2018 that addresses  
28 unexpected costs for endangered species mitigation measures, unexpected buried utilities in the  
29 Navy right-of-way, as well as various sites changes that impacted project cost; and  
30  
31  
32

**WHEREAS**, the approval of CCU Resolution 52-FY2018 increased the total authorized funding for the Phase II contract to Six Million Three Hundred Fifty-Six Thousand Eight Hundred Seventy Dollars and Forty-Eight Cents (\$6,356,870.48); and

**WHEREAS**, GWA further executed two Change Orders using the fund authorization from Resolution 52-FY2018 which brought the contract value with BME & Sons for Phase II to Six Million Three Hundred Fifty Thousand Eight Hundred Twenty-Two Dollars and Nine Cents (\$6,350,822.09); and

**WHEREAS**, GWA is working towards wrapping up all pending items to close the contract and one unresolved claim from the contractor involves additional excavation to meet hard stable ground surfaces and filling up of flowable fill at the new SPS for which GWA has finally agreed to the claim after further discussion with the CM and geotechnical engineer; and

**WHEREAS**, the contractor's claim for additional excavation to the SPS as noted above is Fifteen Thousand Two Hundred Twenty-Two Dollars and Fifty-Five Cents (\$15,222.55) (See Exhibit A) and the balance of the funding authorization is insufficient to cover thus GWA management is seeking CCU approval to increase the project fund authorization so as to be able to execute a Change Order and close this contractor claim; and

**WHEREAS**, the approval of this resolution will bring the total authorized funding for Phase II to Six Million Three Hundred Seventy-Two Thousand Ninety-Three Dollars and Three Cents (\$6,372,093.03); and

**WHEREAS**, funding for this project will be from wastewater bond funds applicable to the project; and

**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve the following:

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU hereby approves additional funding to Phase II contract for the Baza Gardens Wastewater Cross-Island Pumping and Conveyance project in the

amount of Fifteen Thousand Two Hundred Twenty-Two Dollars and Fifty-Five Cents (\$15,222.55) (Exhibit A).

3. The CCU further authorizes the total authorized funding to Phase II contract to Six Million Three Hundred Seventy-Two Thousand Ninety-Three Dollars and Three Cents (\$6,372,093.03).

4. The CCU further authorizes the funding for this project will be from wastewater bond funds applicable to the project.

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

**DULY AND REGULARLY ADOPTED**, this 28<sup>th</sup> day of May 2019.

Certified by:

Attested by:

**JOSEPH T. DUENAS**  
Chairperson

**MICHAEL T. LIMTIACO**  
Secretary

# **SECRETARY'S CERTIFICATE**

I, Michael T. Limtiaco, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the 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: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSTENTIONS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

## EXHIBIT A

ACTIVITY AND LOCATION:  GWA BAZA GARDEN WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM PH-2				CONSTRUCTION CONTRACT NO.:						DATE:  Tuesday, April 02, 2019	
				ESTIMATED BY:  BME & SONS, INC							
CCR#07rev2 Wetwell Additional Excavation and Flowable Fill Due to Unsuitable soil Condition per GEO Field Instructions				STATUS OF DESIGN:							
Item No.	ITEM DESCRIPTION	QUANTITY		MATERIAL COST		LABOR COST		EQUIPMENT COST		ENGG ESTIMATE	
		QTY	UNIT	UNIT \$	TOTAL	UNIT \$	TOTAL			UNIT \$	TOTAL
	Additional Excavtion and Flowable Fill										
	Additional excavation works to meet hard stable ground surface as per GEO Field instructions	92.9	CY		\$ -		\$ -	\$ 14.00	\$ 1,300.81	14.00	\$ 1,300.81
	Disposal of excess soil	92.9	CY		\$ -		\$ -	\$ 7.00	\$ 650.30	7.00	\$ 650.30
	Total actual poured flowable fill (see HRP delivery receipts)	135.0	CY	110.75	\$ 14,951.25		\$ -	\$ 5.00	\$ 675.00	115.75	\$ 15,626.25
	Less: Estimated volume per SOP	-41.3	CY	110.75	\$ (4,573.98)		\$ -	\$ 5.00	\$ (206.50)	115.75	\$ (4,780.48)
					\$ -		\$ -		\$ -	-	\$ -
	Total Direct (Additive)				\$ 10,377.28		\$ -		\$ 2,419.61		\$ 12,796.89
	Overhead	10%									\$ 1,279.69
	Direct Admin & Supervisory Cost	3%									\$ 383.91
	SUB-TOTAL										\$ 14,460.48
	Profit	0%									\$ -
	SUB-TOTAL										\$ 14,460.48
	GRT	5%									\$ 762.07
	TOTAL PROPOSED ADDITIVE AMOUNT FOR CCR#07										\$ 15,222.55





Gloria B. Nelson Public Service Building | 688 Route 15 | Mangilao, Guam 96913  
Tel: (671) 300-6846

## Issues for Decision

### **Resolution No. 25-FY2019**

Relative to Approval of Change Order to the Construction Management Contract for the Baza Gardens Wastewater Cross Island Pumping and Conveyance System (Phase I, II & III)

#### **What is the project's objective and is it necessary and urgent?**

The construction management change order(s) for CM services will allow for a continuity of services as it relates to any construction extension at the Baza Gardens wastewater conveyance project due to contractor issues. The construction contractor of Phase III, Sumitomo Mitsui Construction Company (SMCC), has submitted to GWA time extension requests stating that the delay is due to inclement weather and sludge removal approximately 3,080 cubic yards were hauled and transported to Layon Landfill that push the completion of the project through June 2019.

#### **Where is the location?**

The project location is at the new Baza Gardens Pump Station (Phase III), Route 17/Route 5 (Phase I & II).

#### **How much will it cost?**

GWA management still seeks CCU approval of additional funding not to exceed the amount of One Hundred Sixty Thousand Dollars (\$160,000.00) for the extended contract performance period through July 2019 including documentation of the project close out. Notwithstanding the fund increase request GWA will be negotiating down the fee proposal given the level of staffing and construction activities will ramp down towards the end of the construction period.

The approval of the One Hundred Sixty Thousand Dollars (\$160,000.00), which GWA will view on a Time and Materials basis, will bring the total authorized funding for the Construction Management contract to Three Million Three Hundred Thirty-Two Thousand Five Hundred Sixty-Four Dollars and Fifty-Nine Cents (\$3,332,564.59).

#### **When will it be completed?**

The actual construction completion is projected to be by June 2019 however GWA anticipates the CM services will extend to July 2019.

#### **What is the funding source?**

Funding for any Change Order to SSFM's contract moving forward will be from any available bond funds under the line item - WW 11-03 "Baza Gardens STP Replacement", and Internally Funded CIP funds as well as Liquidated Damages of \$3,000 per day from the contractor.

#### **The RFP/BID responses (if applicable):**

Not Applicable.



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

**RESOLUTION NO. 25-FY2019**

**RELATIVE TO APPROVAL OF CHANGE ORDER TO THE CONSTRUCTION  
MANAGEMENT CONTRACT FOR THE BAZA GARDENS WASTEWATER CROSS-  
ISLAND PUMPING AND CONVEYANCE SYSTEM (PHASES I, II&III)**

**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**, GWA currently has a number of critical Court Order (“CO”) projects to include the Baza Gardens WWTP which has been recommended and approved to be converted to a sewer pumping station to transfer/convey wastewater flows from the Baza Gardens/Talofofo wastewater basin across the Route 17 (Cross Island Road) to a new Agat-Santa Rita WWTP site; and

**WHEREAS**, in February 2016 GWA management entered into a contract with Duenas Camacho and Associates to design the wastewater conveyance and pumping system which includes new Sewer Pump Station (SPS), gravity mains, force mains and all incidentals and appurtenances to these main components; and

**WHEREAS**, GWA management further executed three separate construction contracts (Phases I, II&III) with Sumitomo Mitsui Construction Company (SMCC) and BME & Sons Incorporated (BME) to construct the new Conveyance System by April 16, 2018, per CCU Resolutions 01-FY2017, 13-FY2017 and 29-FY2017; and

1       **WHEREAS**, CCU further authorized via Resolution 02-FY2017 for GWA to execute a  
 2 contract with SSFM, Inc. (SSFM) to provide construction management services in the amount  
 3 not to exceed Two Million Eight Hundred Seventy-One Thousand Dollars (\$2,871,000.00); and  
 4

5       **WHEREAS**, GWA had subsequently executed the original contract with SSFM for an  
 6 amount of Two Million Two Hundred Eighty-Five Thousand Two Hundred Sixty-Eight Dollars  
 7 (\$2,285,268.00) as well as allotted Two Hundred Twenty-Eight Thousand Five Hundred  
 8 Twenty-Six Dollars and Eighty Cents (\$228,526.80) as a ten percent (10%) contingency to the  
 9 contract; and  
 10

11       **WHEREAS**, GWA further executed Change Order No. 1 in the amount of One Hundred  
 12 Eighty-Five Thousand Six Hundred Ninety-One Dollars (\$185,691.00) which was covered under  
 13 the original ten percent (10%) contingency; and  
 14

15       **WHEREAS**, CCU further authorized via Resolution 09-FY2019 in November 2018 an  
 16 increase of fund authorization in the amount of Three Hundred One Thousand Five Hundred  
 17 Sixty-Four Dollars and Fifty-Nine Cents (\$301,564.59) to bring the total authorized funding of  
 18 Three Million One Hundred Seventy-Two Thousand Five Hundred Sixty-Four Dollars and Fifty-  
 19 Nine Cents (\$3,172,564.59) to address continued Construction Management services past the  
 20 original construction period date; and  
 21

22       **WHEREAS**, GWA had executed Change Order No. 2 in the amount of Six Hundred  
 23 Two Thousand Seven Hundred Dollars and Fifty-Seven Cents (\$602,700.57) to bring the total  
 24 contract value to Three Million Seventy-Three Thousand Six Hundred Fifty-Nine Dollars and  
 25 Fifty-Seven Cents (\$3,073,659.57) which provided CM services up until April 30, 2019; and  
 26

27       **WHEREAS**, the overall construction project to date still has minor close out items for  
 28 the Phase I and II contractor as well as remaining refurbish work at the existing clarify, civil  
 29 works and SCADA for the Phase III contractor which still requires Construction Management  
 30 services thus GWA will be working to execute a Change Order to cover CM services with the  
 31 balance of the fund authorization which will only be until May 30, 2019; and  
 32

1       **WHEREAS**, the contractor for Phase III, SMCC, has submitted documentation to GWA  
2 management (See Exhibit A) wherein they are stating the completion of construction activities is  
3 now expected to extend through June 9, 2019 and are requesting approval for delay claims due to  
4 inclement weather and removal and disposal of sludge at approximately 3,080 cubic yards that  
5 were hauled and disposed to Layon Landfill which was outside of the bid; and

6  
7       **WHEREAS**, notwithstanding the issues surrounding one of the contractor's delay and  
8 when ultimately GWA approves additional time extension and as means of allowing for  
9 continuity of construction management services as it relates to any construction extension due to  
10 contractor issues, GWA management finds CM Services is likely necessary through July 2019 to  
11 provide continued Construction Management Services; and

12  
13       **WHEREAS**, GWA is negotiating with SSFM for a fee proposal to provide continued  
14 construction management services to July 2019 on a Time and Materials basis and part of this  
15 negotiation is for SSFM to take into account a reduction in staffing levels as the project reaches  
16 the end of the construction period; and

17  
18       **WHEREAS**, to ensure timely execution of any forthcoming Change Order so that  
19 services are not stalled, GWA is seeking CCU approval of additional funding to a not to-exceed  
20 amount of One Hundred Sixty Thousand Dollars (\$160,000.00) for the extended contract  
21 performance period through July 2019; and

22  
23       **WHEREAS**, funding for any Change Order to SSFM moving forward will be from any  
24 available bond funds under the line item - WW 11-03 "Baza Gardens STP Replacement", and  
25 Internally Funded CIP funds as well as Liquidated Damages of \$3,000 per day from the  
26 contractor; and

27  
28       **NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities  
29 does hereby approve the following:

- 30               1. The recitals set forth above hereby constitute the findings of the CCU.  
31  
32

- 1                   2. The CCU hereby approves the funding increase for construction management
- 2                   services an additional amount not to exceed One Hundred Sixty Thousand
- 3                   Dollars (\$160,000.00).
- 4                   3. The CCU further approves the total funding authorization for the contract with
- 5                   SSFM to an amount not to exceed Three Million Three Hundred Thirty-Two
- 6                   Thousand Five Hundred Sixty-Four Dollars and Fifty-Nine Cents
- 7                   (\$3,332,564.59).
- 8                   4. The source of funding for any Change Order to SSFM moving forward will be
- 9                   from any available bond funds under the line item - WW 11-03 "Baza
- 10                  Gardens STP Replacement", and Internally Funded CIP funds as well as
- 11                  Liquidated Damages of \$3,000 per day from the contractor (Exhibit A).

12  
13               **RESOLVED**, that the Chairman certified and the Board Secretary attests to the adoption  
14 of this Resolution.

15  
16               **DULY AND REGULARLY ADOPTED**, this 28<sup>th</sup> day of May 2019.

17  
18               Certified by:

Attested by:

19  
20               \_\_\_\_\_  
21               **JOSEPH T. DUENAS**  
22               Chairperson

\_\_\_\_\_  
**MICHAEL T. LIMTIACO**  
Secretary

23               //

24  
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30  
31  
32               //

**SECRETARY'S CERTIFICATE**

I, Michael T. Limtiaco, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the 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: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSTENTIONS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

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EXHIBIT A



**SUMITOMO MITSUI CONSTRUCTION CO.,LTD.**

Guam Office : P. O. Box 9670 Tamuning, Guam 96931

April 17, 2019

Reference : LT-19-21

**Mr. John Davis / Project Manager**

Guam Waterworks Authority  
Gloria B. Nelson Public Service Building  
688 Route 15, Mangilao Guam 96913

Project : **IFB-05-ENG-2017**

Baza Gardens Wastewater Cross-Island Pumping and Conveyance System Phase III  
GWA Project No. S15-008-BND

Subject : Request for Time Extension and to Not Assess Liquidated Damages

Dear Mr. Davis,

Thank you for sending a memo acknowledging portions of the project that are substantially complete as of December 31, 2018 and April 1, 2019, respectively.

We would like to request GWA not to impose Liquidated Damage from April 1<sup>st</sup> 2019, due to the reasons indicated below.

[Time Extension Request of 69days]

- 42 days of extension due to the difference of Bid Quantity of Sludge removal.  
Regarding sludge removal and disposal, while the anticipated quantity per contract was 30 cy, the actual quantity is expected to be more than 2500 cy. Based on actual 10 days hauling to GWA's drying bed recorded from March 13– 29, 2019 to haul 2000 cy, to complete the remaining quantity of 500 cy to be hauled to Inarajan Landfill, we estimated a total extra time of 42 days for this increased scope of work. Please see attachment #1
- 27 additional unworkable days comparing to project specification.  
We lost unexpected working days due to unusually severe weather encountered for the months of August and September 2018. Rainy days exceeded 27 days compared to the average number of non-working days as indicated in the project specs Section 013216 Paragraph 2.2E. Please see attachment #2 and #3.

**[Status and Remaining Value of the Project]**

Please also note that the facility is operational and was already functioning for its intended purpose as of April 1<sup>st</sup>, 2019. The remaining works you mentioned in your memo are correct. However, the total value of the remaining works, such as EQ Basin, building demolition, and miscellaneous site works are only about 6.9% of our total contract amount. Assessing the full daily rate of liquidated delay damages when the facility is operational seems inappropriate to us. Please see attachment #4.

SMCC will continue to use our best efforts to complete the remaining scope of work as early as possible until we obtain GWA and SSFM's full satisfaction.

SMCC therefore request time extension for the reasons set forth above. SMCC also request GWA's consideration to reduce the daily rate of Liquidated damage based on the completion and use situation described above if GWA still feels it necessary to impose Liquidated damages.

Sincerely yours,



Takeyuki Sniino  
General Manager

CC: Rizaldy B. Cortez/SSFM  
SMCC file with attachments

- Attachment #1: Record of Sludge removal and disposal
- Attachment #2: Daily record weather and site condition
- Attachment #3: Unworkable days specified in Bid documents.
- Attachment #4: Schedule value of remaining scope of works



**ATTACHMENT # 1**

**Summary:**

**A) Estimated extra time based on the bid and the actual quantity**

1) Average production per day based on the tabulated 10days hauling record (March 13 ~ 29, 2019)

$$= 2072.115\text{cy} / 10\text{days}$$

$$= 207.21\text{cy/day}$$

$$\text{or } 25.90\text{cy/hour}$$

2) Total hours to haul bid quantity of 30cy

$$= 30\text{cy} / 25.90\text{cy/hour}$$

$$= 1.16 \text{ hours, say } 1/2 \text{ day}$$

3) Remaining 500cy to be mixed with soil (1:1 ratio) and haul/dispose to Inarajan Landfill

$$= 500 \times 2$$

$$= 1000\text{cy}$$

4) Hauling time with estimated 4 dump truck loads production per day per dump truck

$$= 1000\text{cy} / 15\text{cy/dump truck load} / 4\text{loads/day}$$

$$= 16.67\text{days (For one dump truck)}$$

$$= 8.34\text{days (Using two dump trucks)}$$

5) Total extra hauling and disposal time

$$= 10 + 8.34 - 0.5$$

$$= 17.84, \text{ say } 18\text{days}$$

B) 2days extra time for hauling suspension due to complain of the residence nearby the disposal site

C) 3days extra time for waiting for the availability of the Detry Vacuum truck after hauling suspension

D) 14days extra time for preparation and arrangement of new disposal site (Inarajan Landfill)

E) 5days extra time for Sundays covered within the hauling time

**NOTE :**

$$\text{Total extra time : } (18 + 2 + 3 + 14 + 5) \approx 42\text{days}$$

ATTACHMENT # 1

Project : Baza Gardens Wastewater Cross-Island Pumping and Conveyance System Phase III									
Activity : Tabulated Sludge Removal and Disposal									
Vacuum Truck = 3000 gallons/Truck load									
No.	Days	Date	Number of trucks	Time	Number of loads	Removed volume		Unit (cy)	Remarks
						Unit (gal)	Unit (cy)		
1	Wed	3/13	3	8:35 ~ 16:50	19	57000	282.2		Sludge hauling to inarajan drying bed started
2	Thu	3/14	3	8:40 ~ 16:40	18	54000	267.4		Continue sludge hauling
3	Fri	3/15	3	7:40 ~ 16:40	16	48000	237.7		"
4	Sat	3/16	2	8:05 ~ 17:02	12	36000	178.2		"
5	Sun	3/17							Sunday (No work)
6	Mon	3/18	3	8:05 ~ 16:40	16	48000	237.7		Continue sludge hauling
7	Tue	3/19	4	7:55 ~ 16:40	10	30000	148.5		"
8	Wed	3/20	3	8:00 ~ 15:30	13	39000	193.1		"
9	Thu	3/21	3	7:45 ~ 14:00	12	36000	178.2		"
10	Fri	3/22							Hauling suspended due to Inarajan residence complain (EPA to inspect the issue)
11	Sat	3/23							"
12	Sun	3/24							Sunday (No work)
13	Mon	3/25							Residence complain resolved (GWA cleared issue with EPA) Detry not available to resume the hauling
14	Tue	3/26							Residence complain resolved (GWA cleared issue with EPA) Detry not available to resume the hauling
15	Wed	3/27							Residence complain resolved (GWA cleared issue with EPA) Detry not available to resume the hauling
16	Thu	3/28	4	8:15 ~ 17:20	12	36000	178.2		Resumed sludge hauling
17	Fri	3/29	4	8:40 ~ 17:30	10	30000	148.5		Resumed sludge hauling
18	Sat	3/30							Stopped hauling, drying bed full
19	Sun	3/31							Sunday (No work)
20	Mon	4/1							Communicating with GWA & GSWA for hauling sludge to Inaran Landfill
21	Tue	4/2							Communicating with GWA & GSWA for hauling sludge to Inaran Landfill
22	Wed	4/3	1	8:30 ~ 17:00	-				Remove only water in preparation for mixing soil
23	Thu	4/4							Communicating with GWA & GSWA for hauling sludge to Inaran Landfill
24	Fri	4/5							Communicating with GWA & GSWA for hauling sludge to Inaran Landfill
25	Sat	4/6	1	13:00 ~ 17:00	-				Transfer sludge from small to big chamber in preparation for mixing soil
26	Sun	4/7							Sunday (No work)
27	Mon	4/8	1	8:30 ~ 17:00	-				Transfer sludge from small to big chamber in preparation for mixing soil
28	Tue	4/9	1	9:00 ~ 17:00	-				Transfer sludge from small to big chamber in preparation for mixing soil
29	Wed	4/10			-				Continue communicating with GWA & GSWA for hauling remaining sludge to Inaran Landfill
30	Thu	4/11			-				"
31	Fri	4/12			-				GWA communicating with GSWA for hauling remaining sludge to Inaran Landfill
32	Sat	4/13			-				"
33	Sun	4/14			-				Sunday (No work)
34	Mon	4/15			-				Preparation of documents needed for hauling remaining sludge to Inaran Landfill
35	Tue	4/16			-				Preparation of documents needed for hauling remaining sludge to Inaran Landfill
Total						414000	2049.8		

## ATTACHMENT #2

Project : Baza Gardens Wastewater Cross-Island Pumping and Conveyance System, Phase III					
SUMMARY OF SMCC's SUBMITTED DAILY PRODUCTION REPORT					
BGWW3-DPR No.	Category	Date	AM Weather	PM Weather	Remarks
400	2	1-Aug	Rainy	Rainy	No Major activities due to rain & very wet site condition
401	1	2-Aug	Heavy Rain	Heavy Rain	Work suspended, heavy downpour from 8:30 all throughout the day.
402	1	3-Aug	Heavy Rain	Heavy Rain	Work suspended due to heavy rain.
403	1	4-Aug	Heavy Rain	Heavy Rain	Work suspended due to heavy rain.
404		5-Aug	Cloudy/Rainy		Sunday
405	2	6-Aug	Cloudy	Cloudy/Rainy	No major activities due to wet site condition, heavy rain from 7:00 to 7:21 am and in the afternoon.
406	2	7-Aug	Cloudy	Fair	No major activities due to very wet site condition.
408	2	9-Aug	Fair/Cloudy	Heavy Rain	No major activities due to very wet site condition.
409	2	10-Aug	Cloudy/Fair	Cloudy/Rainy	Less production due to wet site condition.
410	2	11-Aug	Cloudy/Rainy	Cloudy/Rainy	Heavy rain at 11:30 less production due to very wet site condition.
412	2	13-Aug	Cloudy/Rainy	Cloudy	No major activities due to very wet site condition and heavy rain.
413	2	14-Aug	Rainy/Cloudy	Cloudy/Rainy	Less production due to very wet site condition & rain. Heavy rain at
414	2	15-Aug	Rainy	Cloudy	No major activities due to very wet site condition. Rain at 10:45am.
415	1	16-Aug	Rainy	Rainy	Work suspended due to very wet site condition and heavy rain.
416	2	17-Aug	Rainy	Rainy	No major activities due to rain and wet site condition.
417	2	18-Aug	Rainy	Rainy	No major activities due to heavy rain.
418	2	19-Aug	Rainy	Heavy Rain	Less production due to heavy rain.
419	1	20-Aug	Heavy Rain	Heavy Rain	Work suspended due to heavy rain.
					NWS has issued a flash flood advisory for Guam due to heavy rainfall. Tropical storm Comaron intensifies on Northern Marianas.
420	1	21-Aug	Heavy Rain	Heavy Rain	Work suspended due to heavy rainfall.
					NWS issues a flash flood warning. The governor declares a state of emergency for Guam at 4:00pm.
421	2	22-Aug	Fair	Fair	Less production due to very wet site condition
422	2	23-Aug	Fair	Fair	Less production due to very wet site condition & rain
423	2	24-Aug	Moderate to Heavy Rain	Fair/Rainy	Less production due to very wet site condition.
425	2	26-Aug	Rainy	Cloudy/Rainy	Less production due to rain and very wet site condition.
426	2	27-Aug	Moderate to Heavy Rain	Rainy/Fair	Less production due to heavy rain and very wet site condition. Other activities were shut down.
					Concrete pouring was postponed at first due to bad weather condition but pushed through at 3pm when it stopped raining.
430	2	31-Aug	Fair	Rainy	Less production due to very wet site condition (Heavy Rain at 1:30 pm).
431	1	1-Sep	Rainy	Rainy	Work suspended due to heavy rain.
432	2	2-Sep	Rainy	Fair	Less production due to wet site condition
434	2	4-Sep	Fair	Rainy/Fair	Heavy rain at 1:15 PM. Production affected due to very wet site condition.
436	2	6-Sep	Fair	Rainy	Less production due to wet site condition & isolated rainshowers in the afternoon.
438	1	8-Sep	Rainy	Rainy	Less production due to wet site condition. Securing site in preparation for typhoon Mangkhut.
439	1	9-Sep	Rainy	Cloudy	Work suspended, no production. Workers are securing the jobsite for incoming Typhoon Mangkhut.
440	1	10-Sep	Rainy	Stormy	No work due to Typhoon Mangkhut.
441	1	11-Sep	Stormy	Rainy	No work due to Typhoon Mangkhut.
442	2	12-Sep	Rainy	Fair	Less production due to very wet site condition and water retained at dry well and generator building due to Typhoon Mangkhut.
443	2	13-Sep	Rainy	Rainy	Equipment and work suspended at force main due to heavy rain from early morning to 9:30 am and isolated rainshower for the rest of the day.

**ATTACHMENT # 2**

444	2	14-Sep	Fair/Rainy	Fair	Less production due to very wet site condition and early morning rain. Heavy Rain at 11:17 AM. Communication line excavation schedule postponed due to wet site condition.
445	2	15-Sep	Rainy	Rainy	Less production due to rain. Eaxcavation works at communication line postponed. Most workers were sent home due to rain.
447	2	17-Sep	Fair	Fair	Less production due to very wet site condition because of early morning rain. Communication line excavation schedule sespended due to wet site condition.
448	2	18-Sep	Rainy/Fair	Fair	No major activity due to heavy rain
449	2	19-Sep	Rainy	Rainy	Production affected due to very wet site condition. Isolated rainshower (10:45 am) heavy rain from 1:05 PM and rainshowers in the afternoon.
451	2	21-Sep	Rainy	Heavy Rain	Less production due to heavy rain from *am to 6 pm. National weather service issued flash flood warning for the weekend due to tropical depression.
452	2	22-Sep	Rainy	Heavy Rain	Less production due to very wet site condition and rainshower in the morning. Work shutdown in the afternoon due to heavy rain.
453	2	23-Sep	Rainy	Cloudy	No major activities due to wet site condition.
454	2	24-Sep	Light Rain	Fair	Less production due to very wet site condition due to early morning rain and light rainshower.
455	2	25-Sep	Rainy	Heavy Rain	Less production due to heavy rain. Force main line manhole concrete casting cancelled due to heavy rain.
456	2	26-Sep	Cloudy	Cloudy/ Rainy	Minimal production due to wet site condition.
458	2	28-Sep	Cloudy/Rainy	Rainy/Cloudy	Less production due to very wet site condition and heavy rain due to tropical depression on Guam.
459	2	29-Sep	Rainy	Rainy	Less production due to troipcal storm 30W (TS-30W). Work shutdown due to heavy rain.
460	2	30-Sep	Fair	Rainy	
<b>NOTE :</b>					
<b>Month</b>			<b>Actual unworkable days</b>	<b>Exceeded days from the specs</b>	<b>Average non-working days due to unusually severe weather days per specs (See attached)</b>
August			25	14	11
Sept			24	13	11
<b>Total</b>			<b>49</b>	<b>27</b>	<b>22</b>

**NOTE :**

**Category 1**    **11days**    **Work suspended due to storm/typhoon/heavy rain**

**Category 2**    **38days**    **No major activities/wet site condition/Less production**

**Total**    **49days**    **Unworkable days**

**Less**    **22days**    **Total allowable non-working days for the month of August & September per specs**

**Extra Time**    **27days**    **Total number of days exceeded the specs for the month of August & September**

## ATTACHMENT #3

2.2Baza Gardens Wastewater Cross-Island Pumping and  
Conveyance System (Phase-III)

- d. Partial occupancy before Substantial Completion.
  - e. Use of premises restrictions.
  - f. Provisions for future construction.
  - g. Seasonal variations.
  - h. Environmental control.
- D. Cost Correlation: At the head of schedule, provide a cost correlation line, indicating planned and actual costs. On the line, show dollar volume of the Work performed as of dates used for preparation of payment requests.
- 1. Refer to Division 1 Section "Payment Procedures" for cost reporting and payment procedures.
- E. The required construction time for this project includes the following non-work days due to unusually serve weather. Contractor shall allow for these average unusually severe weather days in their construction schedule:

January	7	July	10
February	5	August	11
March	5	September	11
April	4	October	10
May	5	November	7
June	6	December	7

## 2.3 PRELIMINARY CONSTRUCTION SCHEDULE

- A. Bar-Chart Schedule: Submit preliminary horizontal bar-chart-type construction schedule within seven days of date established for the Notice to Proceed.
- B. Preparation: Indicate each significant construction activity separately. Identify first workday of each week with a continuous vertical line. Outline significant construction activities for first 60 days of construction. Include skeleton diagram for the remainder of the Work and a cash requirement prediction based on indicated activities.

## 2.4 CONTRACTOR'S CONSTRUCTION SCHEDULE (GANTT CHART)

- A. Gantt-Chart Schedule: Submit a comprehensive, fully developed, horizontal Gantt-chart-type, Contractor's Construction Schedule within 10 days of date established for the Notice to Proceed Base schedule on the Preliminary Construction Schedule and whatever updating and feedback was received since the start of Project.
- B. Preparation: Indicate each significant construction activity separately. Identify first workday of each week with a continuous vertical line.



ATTACHMENT #4

Baza Gardens Wastewater Cross-Island Pumping and Conveyance System, Phase III			
SUMMARY			
Item No.	Description	Amount (\$)	Remarks
<b>A</b>	<b>Total Amount Deleted Scope of Works</b>	<b>2,828,302.00</b>	
13	Perimeter Fence Line and Gates (Retaining walls)	103,033.00	
15	Headworks and pump station structure and finishing (Davit Crane)	34,283.00	
39	Equalization tank 2 complete in place	2,690,986.00	
<b>B</b>	<b>Total Amount Remaining Scope of Works</b>	<b>876,985.40</b>	
8	Site grading	34,667.00	
10	Building and site demolition and disposal	135,073.00	
12	Ste Access Road and Pavement	157,584.00	
13	Perimeter Fence Line and Gates	104,890.40	
14	Ste drainage improvement	53,042.00	
25	Site process piping complete in place	113,913.00	
31	Site electrical inclusive of transformer, light poles, communication and power lines complete in-place	48,285.00	
36	Baza Gardens WWTP Facility Demolition	85,811.00	
38	Equalization tank 1 complete in place	143,720.00	
<b>C</b>	<b>Original Contract Amount</b>	<b>15,530,892.00</b>	
<b>D</b>	<b>Balance of Contract Amount (C-A)</b>	<b>12,702,590.00</b>	
<b>E</b>	<b>Percentage of Total Remaining Works (B/D)</b>	<b>6.90%</b>	

ATTACHMENT #4

BREAKDOWN OF DELETED SCOPE OF WORKS			
Item No.	Description	Scheduled Value ( \$ )	Remarks
<b>13</b>	<b>Perimeter Fence Line and Gates</b>		
13.3	Retaining Wall, Det. 1A/S0.1.10		
13.3.1	Foundation	30,981.00	
13.3.2	Walls	44,943.00	
13.3.3	Backfilling (Including required testing)	27,109.00	
<b>15</b>	<b>Headworks and pump station structure and finishing</b>		
15.3.6	Davit Crane and Pre-Engineered Hoist Assembly	34,283.00	
<b>39</b>	<b>Equalization tank 2 complete in place</b>		
39.1	Excavation and Disposal	302,629.00	
39.2	Basecourse Preparation (Including required testing)	30,753.00	
39.3	Backfill and Compaction (Including soil testing required)	282,135.00	
39.4	36" Thick Floor Slab	1,128,230.00	
39.5	24" Thick Walls and Columns	641,161.00	
39.6	12" Thick Wall	122,602.00	
39.7	Equalization Tank #2 leak test, H=18FT	38,880.00	
39.8	Sluice Gate, Det. 1&2/MP0.0.4	23,738.00	
39.9	Concrete walkway, 5Ft. Wide Det. 7/C9.1.1	66,743.00	
39.10	Coating works	54,115.00	
	<b>Total Amount Deleted</b>	<b>2,828,302.00</b>	

ATTACHMENT #4

BREAKDOWN OF REMAINING SCOPE OF WORKS			
Item No.	Description	Scheduled Value ( \$ )	Remarks
<b>8</b>	<b>Site grading</b>		
8.2	Sequence 2 (50% completed)	34,667.00	
<b>10</b>	<b>Building and site demolition and disposal</b>		
10.1	Demolition and Disposal of Existing Headworks Building	66,871.00	
10.2	Demolition and Disposal of Existing Generator Building	34,089.00	
10.4	Required concrete demolition works for existing Equalization Tank #1	34,113.00	
<b>12</b>	<b>Ste Access Road and Pavement</b>		
12.2	New AC Paving Access Road	157,584.00	
<b>13</b>	<b>Perimeter Fence Line and Gates</b>		
13.1	Chainlink Fence, 8' High, Det. 1/C9.1.12 (30% completed)	75,314.40	
13.2	Chainlink Fence, 6' High, Det. 2/C9.1.10	29,576.00	
<b>14</b>	<b>Ste drainage improvement</b>		
	Sequence 1		
14.1.3	Riprap Splash Apron, Det. 1/C9.1.16	4,603.00	
14.1.5	Concrete Swale (4' Wide and 6' Wide), Det. C9.1.2	2,531.50	
14.1.6	Overflow Structure Type 2 (Riprap)	6,828.00	
	Sequence 2		
14.2.5	Riprap Splash Apron, Det. 1/C9.1.16	4,603.00	
14.2.7	Concrete Swale (4' Wide and 6' Wide), Det. C9.1.2	28,428.50	
14.2.8	Overflow Structure Type 1 (Riprap)	6,048.00	
<b>25</b>	<b>Site process piping complete in place</b>		
25.2	Sequence 2 (Including required testing)	113,913.00	
<b>31</b>	<b>Site electrical inclusive of transformer, light poles, communication and power lines complete in-place</b>		
31.4	Electrical Light Pole Foundation	48,285.00	
<b>36</b>	<b>Baza Gardens WWTP Facility Demolition</b>		
36.8	Removal of existing Clarifier's catwalk, steel walls, equipment, process pipings, pipe railings etc.	85,811.00	
<b>38</b>	<b>Equalization tank 1 complete in place</b>		
38.2	Construct new sump pit and overflow pipe opening, Det. 1/S2.1.4 (Including finishing floor slab)	14,842.00	
38.3	Equalization Tank #1 leak test, H=18FT	25,187.00	
38.4	New concrete barriers, Det 3/S2.1.4	30,560.00	
38.5	Sluice Gate, Det. 1&2/MP0.0.4	19,387.00	
38.6	New Aluminum Railings - 1 1/2" Dia. - 2EA Rails x 3' - 6"High	17,541.00	
38.7	Coating works	36,203.00	
	<b>Total Amount Remaining</b>	<b>876,985.40</b>	





**GUAM WATERWORKS AUTHORITY**

*"Better Water, Better Lives."*

Gloria B. Nelson Public Service Building | 688 Route 15 | Mangilao, Guam 96913

Tel: (671) 300-6846

## **Issues for Decision**

### **Resolution No. 28-FY2019**

Relative to Approval of Change Order No. 01 to Construction Management Services for the GWA SCADA System for Water and Wastewater Facilities Phase A-1

#### **What is the project's objective and is it necessary and urgent?**

The project objective is primarily to install communication equipment on site to allow communication with Fadian SCADA servers. This also includes installation of instrumentation such as pressure and flow sensors as well as intrusion switches on site to record site conditions along with other existing instruments.

Due to contractor delays and compliance issues with contract requirements, GWA has negotiated a remedy to extend the contractor's project completion date contingent on the contractor agreeing to a list of conditions which includes a deductive change order on the construction contract. The deducted amount from the construction contract is used here to pay for additional CM services needed for the extended construction time as well as additional efforts needed to ensure contractor's execution of and compliance with contract requirements.

#### **Where is the location?**

- Wells A-01, A-03, A-05, A-06, A-23, A-25, A-29, A-31, A-32, M-17B, M-20A;
- Route 16 Sewer Pump Station;
- Fujita Sewer Pump station; and
- Hagatna Wastewater Treatment Plant.

#### **How much will it cost?**

Original CM Contract was \$515,631.00. This Change Order No. 01 will add \$383,589.00; bringing the total contract value to \$899,220.00. GWA management also seeks CCU approval of a 10% contingency to the original contract price, or \$51,563.10 to bring the total authorized amount to Nine Hundred Fifty Thousand Seven Hundred Eighty-Three Dollars and Ten Cents (\$950,783.10).

#### **When will it be completed?**

This Change Order will extend contract completion date to 2019 JAN 30.

#### **What is the funding source?**

The CIP line item EE 09-09 SCADA Improvements – Phase 4.

#### **The RFP/BID responses (if applicable):**

RFP-02-ENG-2018



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

**GWA RESOLUTION NO. 28-FY2019**

**RELATIVE TO APPROVAL OF CHANGE ORDER NO. 01 TO CONSTRUCTION  
MANAGEMENT SERVICES CONTRACT FOR THE GWA SCADA SYSTEM FOR  
WATER AND WASTEWATER FACILITIES PHASE A-1**

**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**, GWA advertised for Request for Proposal (RFP-02-ENG-2018) soliciting statement of qualification from experienced and qualified engineering firms to provide construction management services for the GWA SCADA System for Water and Wastewater Facilities Phase A-1 project; and

**WHEREAS**, on August 24, 2018, GWA entered into a contract with GHD, Inc. to provide Construction Management (“CM”) Services for the aforementioned project in the amount of Five Hundred Fifteen Thousand Six Hundred Thirty-One Dollars (\$515,631.00), which is within GWA General Manager’s obligating authority of Seven Hundred Fifty Thousand dollars (\$750,000.00) in accordance with GWA Resolution No. 31-FY2017 adopted by the CCU on May 23, 2017; and

**WHEREAS**, on June 19, 2018, GWA awarded the construction contract for the aforementioned project to G4S Security Systems, Inc. (“G4S”) with final project completion date of August 12, 2019; and

1       **WHEREAS**, on November 1, 2018 GWA delivered a letter to G4S expressing GWA's  
2 concerns over G4S's failure to perform its obligation under the Contract resulting in delays; and  
3

4       **WHEREAS**, as part of negotiated conditions for extending the final completion date to  
5 December 31, 2019, G4S agreed to pay, via deduction to the construction contract amount, for  
6 costs associated with additional construction management services as a result of the contract time  
7 extension and extra work needed to provide additional review, coordination and monitoring of  
8 contractor's remedy to performance issues, which amounts to Three Hundred Eighty-Three  
9 Thousand Five Hundred Eighty-Nine Dollars (\$383,589.00) (see EXHIBIT A – Fee Proposal);  
10 and  
11

12       **WHEREAS**, on May 1, 2019, Change Order No. 01 to the G4S construction contract for  
13 the aforementioned project was executed to extend final completion date to December 31, 2019  
14 and deduct Three Hundred Eighty-Three Thousand Five Hundred Eighty-Nine Dollars  
15 (\$383,589.00) from the construction contract amount; and  
16

17       **WHEREAS**, GWA Management seeks CCU approval to execute Change Order No. 01  
18 with GHD, Inc. for additional construction management services described hereinabove in an  
19 amount not-to-exceed Three Hundred Eighty-Three Thousand Five Hundred Eighty-Nine  
20 Dollars (\$383,589.00); and  
21

22       **WHEREAS**, GWA Management seeks funding authorization of Nine Hundred Fifty  
23 Thousand Seven Hundred Eighty-Three Dollars and Ten Cents (\$950,783.10), which includes  
24 Five Hundred Fifteen Thousand Six Hundred Thirty-One Dollars (\$515,631.00) for original CM  
25 contract amount, Fifty-One Thousand Five Hundred Sixty-Three Dollars (\$51,563.10) for ten  
26 percent (10%) contingency on original CM contract amount, and Three Hundred Eighty-Three  
27 Thousand Five Hundred Eighty-Nine Dollars (\$383,589.00) for Change Order No. 01; and  
28

29       **WHEREAS**, the funding source will be bond funds from CIP EE 09-09, SCADA  
30 Improvement – Phase 4; and  
31  
32

**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve the following:

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU finds that the terms of the change order fee proposal submitted by GHD are fair and reasonable.
3. The CCU hereby authorizes the management of GWA to allocate Fifty-One Thousand Five Hundred Sixty-Three Dollars (\$51,563.00) as a ten percent (10%) contingency on the original construction management service contract with GHD.
4. The CCU hereby authorizes the management of GWA to execute Change Order No. 01 to the construction management services contract with GHD, Inc. in the amount of Three Hundred and Eighty-Three Thousand Five Hundred Eighty-Nine Dollars (\$383,589.00) (Exhibit A).
5. The CCU hereby further authorizes the requested total maximum funding amount of Nine Hundred Fifty Thousand Seven Hundred Eighty-Three Dollars (\$950,783.00) funded by CIP EE 09-09, SCADA Improvement – Phase 4.

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

**DULY AND REGULARLY ADOPTED**, this 28<sup>th</sup> day of May, 2019.

Certified by:

Attested by:

\_\_\_\_\_  
**JOSEPH T. DUENAS**  
Chairperson

\_\_\_\_\_  
**MICHAEL T. LIMTIACO**  
Secretary

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**SECRETARY'S CERTIFICATE**

I, Michael T. Limtiaco, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the 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: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSTENTIONS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

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**EXHIBIT A - Fee Proposal**

Phase Letter and Task Number	Task Description	Principal Construction Manager (Bryan)	PM/Resident Engineer (Aaron)	On-Island Electrical Inspector (Patrick/Joresa)	Admin (Quinn)	ArcSine (10% Markup)	Amount
		211	181	144	71	1.1	
<b>A</b>	<b>CONSTRUCTION EXTENSION CM TASKS</b>						
<b>A1.0</b>	Extension 171 days (24.5 weeks)		245	75		49,920	110,057
<b>A2.0</b>	Pre-termination Support		24		3	16,440	22,641
<b>A3.0</b>	Additional submittal reviews (assume GHD overlap)		45	5		146,010	169,476
<b>A4.0</b>	Multiple subs (submittal complications) coordination		24			19,040	25,288
<b>A5.0</b>	Additional 2 weeks on-site (with ArcSine) coordination		10	20	2	23,500	30,682
<b>A6.0</b>	Field photo taking to accommodate poor Contractor fieldwork		4	40		-	6,484
	<b>CONSTRUCTION EXTENSION HOURS SUBTOTAL</b>	-	352	140	5	254,910	
	<b>CONSTRUCTION EXTENSION SUBTOTAL</b>	-	63,712	20,160	355	280,401	<b>364,628</b>
	<b>CONSTRUCTION EXTENSION EXPENSES SUBTOTAL</b>						
	<b>CONSTRUCTION EXTENSION SERVICES &amp; EXPENSES TOTAL</b>						<b>364,628</b>
<b>ALL</b>	<b>SUBTOTAL HOURS</b>	-	352	140	5	254,910	
	<b>GHD SUBTOTAL COST (EXCEPT EXPENSES)</b>	-	63,712	20,160	355		<b>84,227</b>
	<b>ARCSINE SUBTOTAL COST</b>					280,401	<b>280,401</b>
<b>ALL</b>	<b>SUBTOTAL</b>						<b>364,628</b>
<b>ALL</b>	<b>GRT AT 5%</b>						<b>18,961</b>
<b>ALL</b>	<b>GRAND TOTAL</b>						<b>\$383,589</b>



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Tel: (671) 300-6846

## **Issues for Decision**

### **Resolution No. 29-FY2019**

Relative to Approval of Change Order to the Yigo and Astumbo Reservoir Construction Management Contract

#### **What is the project's objective and is it necessary and urgent?**

The objective of the change order is to continue the construction management services for the Yigo No. 1, Yigo No. 3, and Astumbo No. 2 reservoir construction project and increase funding to the contract. The continued services are required due to delay by the contractor (Pernix) in completing the project. The Contractor has agreed through a Memorandum of Understanding to pay for the additional construction management cost for the duration of the project until final completion.

The Yigo and Astumbo Tank Construction project are Court Ordered thus the urgency is to complete the project as soon as possible but maintain adequate Construction Management oversight.

#### **Where is the project located?**

The construction management services will be at the Yigo reservoirs site along Route 1 near the entrance to Anderson Air Force Base and the Astumbo reservoir is located off Ysengsong Road on Chalan Paluan.

#### **How much will it cost?**

GWA and the construction management firm has negotiated the cost of One Hundred Twenty-Three Thousand One Hundred Ninety Dollars (\$123,190.00) to extend the services to August 16, 2019 for both sites. The cost is on a time and material basis. If the project finishes before the August 16, 2019 deadline, any unused portions will result in a deductive change order.

#### **When will it be completed?**

The construction management services will continue up until August 16, 2019. Should the contractor delay the project past the projected August 16, 2019 deadline, GWA will negotiate to extend the construction management contract. Cost will be covered by the contractor.

#### **What is the funding source?**

The funding for this project will be from the bond funds under the line item - PW 09-11 "Water System Reservoirs 2005 Improvements" and PW 12-05 "Tank Major Repair Yigo #1, Mangilao #2, Astumbo #1".

The funding sources will be replenished by money received from the contractor through a deductive change order from the contractor's contract.



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

**GWA RESOLUTION NO. 29-FY2019**

**RELATIVE TO APPROVAL OF CHANGE ORDER TO THE YIGO AND ASTUMBO  
RESERVOIR CONSTRUCTION MANAGEMENT CONTRACT**

**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**, GWA is currently working on critical reservoir projects under the 2011 Court Order (“CO”) Paragraph 29 – Storage Tank/Reservoir Repair, Replacement, and Relocation Program; and

**WHEREAS**, Resolution No. 29-FY2018 authorized the total funding of Two Million Three Hundred Thirty-Three Thousand Four Hundred Three Dollars and Thirty Cents (\$2,331,403.30) for the construction management services of the Yigo No.1 reservoir, Yigo No. 3 reservoir, Yigo Elevated booster pump station, and Astumbo No. 1 reservoir construction; and

**WHEREAS**, the original completion date for the Yigo and Astumbo sites are as follows:

- Yigo No. 1 and pump station – October 31, 2017
- Yigo No. 3 – July 31, 2018
- Astumbo No. 1 – October 31, 2017; and

**WHEREAS**, GWA issued Change Order No. 1 to Change Order No. 4 for construction management services for the Yigo No. 3 reservoir and extension of construction management



1 services to November 21, 2018 for the Yigo site and the Astumbo site due to the Contractor's  
2 delay in completing the project; and

3  
4 **WHEREAS**, the Contractor has agreed through a new Memorandum of Understanding  
5 (Exhibit A) to pay for the additional construction management cost until Final Completion is  
6 achieved for all sites; and

7  
8 **WHEREAS**, due to continued delay by the Contractor, the revised final completion date  
9 is projected to be August 16, 2019; and

10  
11 **WHEREAS**, GWA and GHD have negotiated a time and material price of One Hundred  
12 Twenty-Three Thousand One Hundred Ninety Dollars (\$123,190.00) for the continued  
13 construction management services described above (Exhibit B); and

14  
15 **WHEREAS**, if the project is delayed further than the revised completion date of August  
16 16, 2019 by the Contractor, the Contractor shall cover any additional construction management  
17 services and all other associated costs until final completion; and

18  
19 **WHEREAS**, GWA management is requesting authorization to increase the funding  
20 amount for construction management services by One Hundred Twenty-Three Thousand One  
21 Hundred Ninety Dollars (\$123,190.00) to bring the total authorized funding to Two Million Four  
22 Hundred Fifty-Four Thousand Five Hundred Ninety-Three Dollars and Thirty Cents  
23 (\$2,454,593.30); and

24  
25 **WHEREAS**, the funding sources to address paying the CM services due to the extended  
26 completion date will be from Internal Funded CIP, PW 09-11 "Water System Reservoirs 2005  
27 Improvements", and PW 12-05 "Tank Major Repair Yigo No. 1, Mangilao No. 2, and Astumbo  
28 No. 1"; and

29  
30 **WHEREAS**, money received from the Contractor through a deductive change order from  
31 Contractor's contract will be applied to replenish the funding sources used for the additional  
32 construction management work; and

**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve the following:

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU finds that the terms of the fee proposal submitted by GHD are fair and reasonable.
3. The CCU hereby authorizes GWA management to accept the fee proposal of One Hundred Twenty-Three Thousand One Hundred Ninety Dollars (\$123,190.00) (Exhibit B) from GHD and execute a Change Order.
4. The CCU hereby approves the total funding amount to Two Million Four Hundred Fifty-Four Thousand Five Hundred Ninety-Three Dollars and Thirty Cents (\$2,454,593.30).
5. The CCU approves the funding sources from Internal Funded CIP; PW 09-11: Water System Reservoirs 2005 Improvements; and PW 12-05: Tank Major Repair Yigo No. 1, Mangilao No. 2, and Astumbo No. 1.
6. The CCU approves that money received from the Contractor through a deductive change order from the Contractor's contract will be applied to replenish funding sources for the additional construction management work.

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

**DULY AND REGULARLY ADOPTED**, this 28<sup>th</sup> day of May, 2019.

Certified by:

Attested by:

\_\_\_\_\_  
**JOSEPH T. DUENAS**  
Chairperson

\_\_\_\_\_  
**MICHAEL T. LIMTIACO**  
Secretary

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**SECRETARY'S CERTIFICATE**

I, Michael T. Limtiaco, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the 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: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSTENTIONS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

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# Exhibit A

## Memorandum

28 February 2019

**To:** Abhyash Chand, Pernix Guam, LLC  
 John Wilson, Pernix Guam, LLC  
 Tom Cruz, GWA  
 Brett Railey, GWA  
 Garrett Yeoh, GWA  
 Bryan Ryley, GHD Inc.

**From:** Aaron Sutton, GHD Inc.

**Tel:** (671) 472-6792

**Subject:** Contract Extension Memorandum of Understanding #2

**Job No:** W13-001-BND

**Project:** PW 12-05 GWA Construction of Yigo and Astumbo Reservoir

This Memorandum of Understanding ("MOU") supplements the Contract between the Guam Waterworks Authority ("GWA") and Pernix Guam LLC ("Contractor") and will be attached to a Modification to that Contract. This MOU is to extend the MOU dated March 16, 2018 agreed upon and signed by all parties. This MOU details the extension of responsibilities for costs as agreed by the GWA and Contractor.

- 1. Time Extension** – The Substantial Completion date of October 15, 2018 and Final Completion date of November 21, 2018 for the Astumbo Reservoir, Yigo No. 1 Reservoir and Yigo No. 2 Reservoir extended by the MOU dated March 16, 2018 have expired.

Contract change requests may be considered to the extent allowed by the Contract Documents provided they are considered reasonable and justified in the opinion of GWA.

- 2. Costs** – Costs for Construction Management services at the Astumbo and Yigo sites shall be borne by the Contractor from November 21, 2018 until Final Completion is achieved as defined by GWA.

The additional Construction Management services shall be invoiced to GWA by GHD directly, on a time and material basis, and are estimated to be in the total amount of \$3,500 to \$4,500 per week per site for the Astumbo and Yigo sites. GWA and Contractor agree that the total Construction Management costs shall not exceed \$9,500 per week per site, or \$19,000 per week for both sites. On a monthly basis, GWA shall provide a copy of the GHD invoice to Contractor and GWA may deduct the applicable portion of the CM's invoice amount as a deductive change order under the Contract with Pernix.

Further delays in the Final Completion of the project will be considered eligible for liquidated damages at \$4,500 per day per reservoir per site at the discretion of GWA.

In the event that GWA is assessed fines for not complying with the November 11, 2011 Order for Preliminary Relief of the Federal District Court of Guam in Civil Case No. 02-00035 with respect to completion of the Astumbo and Yigo No. 1 and No. 2 reservoirs, Contractor shall reimburse GWA for the full amount of such fines.

Except as revised by this MOU and related Change Order No. 10 and future related Change Order(s), all other terms and conditions of the Contract as revised by Change Orders No. 1, through 9, including the provisions for inclement weather in Paragraph 1.10 of Section 01311, shall continue to apply.

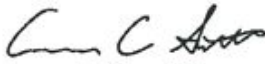
By signing this MOU, all parties are agreeing to the above conditions.



**Abhyash Chand**  
Pernix Guam, Inc.  
(Contractor)



**Thomas Cruz, PE**  
Guam Waterworks Authority  
(Owner)



**Aaron Sutton, PE**  
Construction Manager, GHD Inc.



**Bryan Ryley**  
Construction Manager, GHD Inc.

Cc: Brett Railey, GWA  
Garrett Yeoh, GWA  
Steve Greco, Pernix



## Exhibit B

May 8, 2019

Mr. Tom Cruz, P.E.  
 Chief Engineer  
 Guam Waterworks Authority  
 Gloria B. Nelson Public Service Building  
 688 Route 15  
 Mangilao, Guam 96913

**RE: Change Proposal 06 (CP-6) for Construction Management Services for PW12-05 GWA Yigo and Astumbo Replacement Reservoirs, GWA Project W13-001-BND Additional CM Services for Astumbo and Yigo No. 1 and 2 Reservoirs Construction Due to Construction Delay**

Dear Mr. Cruz:

GHD is pleased to submit this proposal for an amendment to our Scope of Work and Fee for the above referenced project. This scope of work defines the construction management services that will be provided by GHD Inc. and their subconsultants for additional CM services due to construction delays of Astumbo and Yigo No. 1 and 2 Reservoirs. The additional scope for **CP-06** as discussed with GWA is detailed below. The additional scope will be charged on a time and material (T&M) basis per the fees in the table below.

### **SCOPE OF WORK**

**General:** GHD shall provide additional Construction Management (CM) Services for the four and a half (4.5) month period of April 1, 2019 through August 16, 2019. This is expected to cover services for substantial completion to final completion and closeout services of the Yigo No. 1 and 2 Reservoirs. This is based on expected schedule as stated by the Contractor for the delivery and completion of punch list items. This CP is in conjunction with a Memorandum of Understanding (MOU) dated March 16, 2018 and MOU dated February 28, 2019, both signed by GHD, Pernix and GWA. The extended October 15, 2018 substantial completion date and November 21, 2018 final completion date as agreed upon in the MOU dated March 16, 2018 has expired. From then to the March invoice, the CM services have been deducted from the budget allotted in Change Order #4.

The extended CM services included in this Change Proposal will be billed on a Time and Material basis. GHD's invoices will be paid by GWA directly, and the same amount will be deducted from Pernix's contract as agreed upon in the before mentioned MOUs.

**Details:** The Scope of Work will provide an extension of the construction phase tasks detailed in our original Scope of Work that relate to the construction of Astumbo and Yigo No. 1 and 2 Reservoirs. No



additional QA testing and survey service are included as they were covered in the original Scope of Work and Change Order No. 2.

**Data and Assumptions:**

- a. These CM Services are being provided for the construction of improvements shown on the construction plans and included in the bid schedule that was awarded to Pernix at the Astumbo and Yigo No. 1 and 2 Reservoir sites. If additional improvements are added to the construction contract then fees for additional CM Services will be negotiated with GWA.
- b. For the Yigo and Astumbo Reservoirs, it is understood that the intent is for GHD to provide four and a half (4.5) consecutive months (20 weeks) of part-time, as-needed Resident Engineer (RE)/Project Manager (PM) services and four and a half (4.5) consecutive months of part-time onsite inspection averaging three (3) days per week. RE/PM services have been estimated at 8 hours per week and onsite inspector at 24 hours per week up to a maximum of \$5,000 per week. This is based upon a standard 40 hour work week.
- c. GWA agrees to negotiate with GHD for change orders for additional construction phase services for final completion beyond August 16, 2019 at either site due to construction delays, adverse weather delays, or any other reason not due to the negligent acts of GHD until final acceptance of the project is achieved.

**Our time and material fees are summarized in the following Fee Schedule:**

**FEE SCHEDULE FOR ADDITIONAL CONSTRUCTION MANAGEMENT SERVICES FOR  
ASTUMBO AND YIGO NO. 1 AND 2 RESERVOIRS**

TASKS	TOTALS
Original Contract Amount	\$1,387,982
Contract Amount with CO #1	\$1,422,905
Contract Amount with CO #2	\$1,820,471
Contract Amount with CO#4	\$2,331,403.30
CP-06 Yigo and Astumbo Reservoir CM Services from Construction Delay	\$117,324
GUAM GRT (at 5%)	\$5,866
<b>TOTAL CHANGE PROPOSAL COST</b>	<b>\$123,190</b>
<b>AMENDED CONTRACT AMOUNT</b>	<b>\$2,454,593.30</b>

\* Work which exceeds the scope of this proposal will be brought to your attention for review, approval and fee adjustment. Such extra services, will be performed on a time and materials basis (per our Fee Schedule in effect at the time services are performed), or for a mutually agreed upon lump sum fees. Work performed will be billed monthly based on estimated percent complete. Payment is due within 30 days of receipt and acceptance of the invoice. We stand ready to provide the professional services necessary to assist GWA in this endeavor.



Sincerely,

A handwritten signature in black ink, appearing to read "Aaron Sutton".

Aaron Sutton  
Construction Manager

Reviewed by

A handwritten signature in black ink, appearing to read "Bryan Ryley".

Bryan Ryley  
Construction Manager

Attachments: GHD Change Proposal Fees for Astumbo and Yigo sites dated 05/08/2019

Cc: file



Phase Letter and Task Number	Task Description	Principal Engineer (Paul)	PM/Resident Engineer (Aaron)	Structural/Special Inspector (Aaron)	CM Safety Officer (Mark)	Civil Inspector/Structural (Peter)	Admin (Quinn)	Amount
HOURLY LABOR RATES		245	205	205	95	146	60	
<b>B</b>	<b>CONSTRUCTION PHASE TASKS</b>							
B1.0	Implement & Maintain Project Controls		-					
B2.0	Project Correspondence							
B2.1	Daily Construction Reports (assumes 3 days/wk @ 20 wks = 39 logs)	-	10			60	-	10,810
B2.2	Material Testing Logs		-			-	-	
B2.3	Progress Photo Log					20	-	2,920
B2.4	Videography & Live Video Feed (not included)					-	-	
B3.0	Submittals & Shop Drawings (assumes 0)			-			-	
B3.1	Contractor Project Schedules (assumes 1 ea.)		-			2	-	292
B3.2	CM Master project Schedule	-	-					
B4.0	Payment Requests (assumes 3)		2			9		1,724
B4.1	Payroll Reports (assumes 3)					4		584
B5.0	Project Meetings							
B5.1	Pre-construction Conference	-	-			-		
B5.2	Progress Meetings (10 x 2 hours each plus prep & minutes)	-	30			45		12,720
B5.3	As-built Drawing Reviews							
B5.4	Other Meetings	-	-					
B6.0	Request for Information (assumes 0 RFIs at 2 hours each)	-		-				
B7.0	General Compliance Monitoring							
B7.1	Labor Laws (see Task B4.1)							
B7.2	Permit Compliance							
B7.3	Insurance (see Task A5)							
B8.0	Claims and Disputes (see Tasks B8.1 to B8.7)							
B8.1	Claim Records (assumes 1 potential claim incidents)							
B8.2	Claims Reviews & Interpretations	-		-				
B8.3	Change Order Review (assumes 1 CO's)	-	2			4		994
B8.4	Design Changes (assumes 0 design changes)	-	-	-				
B8.5	Design Change/Verification Request (DCVR)	-	-					
B8.6	Change Order Negotiation with Contractor	-						
B8.7	Change Order Documents (see task 9.0)							
B9.0	Project Records & Document Management/Communication		80			120	-	33,920
B10.0	Construction Inspection and Quality Control Monitoring							
B10.1	Onsite Inspector (see notes)		36			216	-	38,916
B10.2	Special Inspections							
B10.3	Testing							
B10.3.1	Contractor Testing (part of Task B10.1)							
B10.3.2	CM/CQA Testing (also see expenses)							
B10.3.3	GWA Testing (part of Task B10.1)							
B10.3.4	Acceptance (part of Task B10.1)							
B11.0	Construction QA Survey Services (also see expenses)							
B12.0	Project Closeout							
B12.1	Punchlist Development	-						
B12.2	Project Closeout Inspections	-	8			6		2,516
B13.0	Training and Warranty Periods							
B13.1	Training		-			-		
B13.2	Warranties		-					
	CONSTRUCTION PHASE SERVICES HOUR SUBTOTAL	-	168	-	-	486	-	
	CONSTRUCTION PHASE SERVICES SUBTOTAL	-	34,440	-	-	70,956	-	105,396
	CONSTRUCTION PHASE EXPENSES SUBTOTAL							
	CONSTRUCTION PHASE SERVICES & EXPENSES TOTAL	-	34,440	-	-	70,956	-	105,396
<b>C</b>	<b>POST CONSTRUCTION SERVICES</b>							
C1	Final Report	-	16			40		9,120
C2	Record Drawings		8			8		2,808
	POST CONSTRUCTION PHASE SERVICES HOUR SUBTOTAL	-	24	-	-	48	-	
	POST CONSTRUCTION PHASE SERVICES SUBTOTAL	-	4,920	-	-	7,008	-	11,928
	POST CONSTRUCTION PHASE EXPENSES SUBTOTAL							
	SUBTOTAL POST CONSTRUCTION SERVICES	-	4,920	-	-	7,008	-	11,928
ALL	SUBTOTAL HOURS	-	192	-	-	534	-	

Phase Letter and Task Number	Task Description	Principal Engineer (Paul)	PM/Resident Engineer (Aaron)	Structural/Special Inspector (Aaron)	CM Safety Officer (Mark)	Civil Inspector/Structural (Peter)	Admin (Quinn)	Amount
ALL	SUBTOTAL							117,324
ALL	GRT AT 5%							5,866
ALL	GRAND TOTAL							123,190



*"Better Water, Better Lives."*

Gloria B. Nelson Public Service Building | 688 Route 15 | Mangilao, Guam 96913  
Tel: (671) 300-6846

### **Issues for Decision**

#### **Resolution No. 30-FY2019**

Relative to Approval of Change Order No. 4 for the Central Guam Reservoirs Design Project

#### **What is the projects objective and is it necessary and urgent?**

The objective of the change order is to authorize additional design services that are necessary for GWA to improve water distribution system functionality and reliability for service areas associated with the Hyundai, Pulantat/Manenggon, Chaot No. 2, Tamuning No. 1 (Airport), Tumon No. 1 (Nissan), and Piti reservoir. The following are part of this proposed change order:

1. Task A: Design changes to install a new pump controller unit at the new Hyundai Tank Booster Pump Station.
2. Task B: Design changes to the Chaot No. 1, Chaot No. 2, and Agana Heights Reservoirs SCADA.
3. Task C: Programming of the Chaot No. 1, Chaot No. 2, and Agana Heights Reservoirs SCADA.
4. Task D: Programming of the Manenggon, Tamuning No. 1 (Airport), and Piti Reservoirs SCADA.
5. Task E: Tamuning No. 1 (Airport) Reservoir - Tiyan Booster Pump Station, Sewer Line Rehabilitation, and Water Line Abandonment.
6. Task F: A-23 and A-25 (Serves Chaot and Agana Heights Reservoir) GAC System Additional Design.
7. Task G: Manenggon Reservoir Access Pump Station Additional Design.
8. Task H: Additional Structural Design to Increase Tamuning No. 1 Reservoir (Airport) from 2 Million Gallon Capacity to 3 Million Gallon Capacity.

GWA finds that it is in the best interest of the agency that the current engineering consultant conducts the additional work so as to expedite the design package preparation and provide cost savings given the design consultant is already aware of the system improvement needs.

#### **How much will it cost?**

The cost for the additional design services is \$200,458.00.

#### **When will it be completed?**

If the Change Order is approved, the design schedule will have the final tank design tasks completed by December 2019; however, the date may be adjusted if new issues arise.

#### **What is the funding source?**

The source of funding will be from CIP line item PW 09-11 Water System Reservoirs 2005 Improvements and EE 09-09 SCADA Improvement – Phase 4.



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

**GWA RESOLUTION NO. 30-FY2019**

**RELATIVE TO APPROVAL OF CHANGE ORDER NO. 4 FOR THE  
CENTRAL GUAM RESERVOIRS DESIGN**

**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**, GWA is a Guam Public Corporation established and existing under the laws of Guam; and

**WHEREAS**, GWA is currently working on critical reservoir projects under the 2011 Court Order (“CO”) Paragraph 29 – Storage Tank/Reservoir Repair, Replacement, and Relocation Program; and

**WHEREAS**, the CCU approved Resolution No. 21-FY2015 that authorized a funding of Two Million Five Hundred Fifty-Two Thousand Four Hundred Forty-Five Dollars (\$2,552,445.00) plus 10% contingency of Two Hundred Fifty-Five Thousand Two Hundred Forty-Four Dollars and Fifty Cents (\$255,244.50) bringing the total authorized funding to a maximum of Two Million Eight Hundred Seven Thousand Six Hundred Eight Nine Dollars and Fifty Cents (\$2,807,689.50); and

**WHEREAS**, following CCU approval in Resolution No. 21-FY2015, GWA contracted with GHD in the amount of Two Million Five Hundred Fifty-Two Thousand Four Hundred Forty-Five Dollars (\$2,552,445.00) in May 2015 to provide design services for the Central Guam Reservoirs; and

**WHEREAS**, GWA subsequently issued Change Order No. 1 and Change Order No. 2 with GHD for additional design services in the amount of Two Hundred Fifty-Five Thousand Two Hundred and Forty-Four Dollars (\$255,244.00);

**WHEREAS**, in July 2016 the CCU approved Resolution No. 49-FY2016 which authorized an additional Six Hundred Eighty Thousand Five Hundred Forty-Eight Dollars (\$680,548.00) for additional design services to bring the total authorized funding to Three Million Four Hundred Eighty-Eight Thousand Two Hundred Thirty-Seven Dollars and Fifty Cents (\$3,488,237.50); and

**WHEREAS**, following CCU approval in Resolution No. 49-FY2016, GWA issued the Change Order No. 3 to GHD; and

**WHEREAS**, GWA engineering has further determine through the course of the design process that additional system improvements associated with the central reservoir project are needed; and

**WHEREAS**, GWA is requesting for additional design work which includes the following (Exhibit A):

- (1) Task A: Design changes to install a new pump controller unit at the new Hyundai Tank Booster Pump Station,
- (2) Task B: Design changes to the Chaot No. 1, Chaot No. 2, and Agana Heights Reservoirs SCADA,
- (3) Task C: Programming of the Chaot No. 1, Chaot No. 2, and Agana Heights Reservoirs SCADA,
- (4) Task D: Programming of the Manenggon, Tamuning No. 1 (Airport), and Piti Reservoirs SCADA,
- (5) Task E: Tamuning No. 1 (Airport) Reservoir - Tiyan Booster Pump Station, Sewer Line Rehabilitation, and Water Line Abandonment,
- (6) Task F: A-23 and A-25 GAC System Additional Design,
- (7) Task G: Manenggon Reservoir Access Pump Station Additional Design,

- (8) Task H: Additional Structural Design to Increase Tamuning No. 1 Reservoir (Airport) from 2 Million Gallon Capacity to 3 Million Gallon Capacity.

**WHEREAS**, GWA engineering and GHD negotiated the price for the services to be provided in the amount of Two Hundred Thousand Four Hundred Fifty-Eight Dollars (\$200,458.00); and

**WHEREAS**, GWA Management is seeking CCU approval of the fee proposal relative to Change Order No. 4 in the amount of Two Hundred Thousand Four Hundred Fifty-Eight Dollars (\$200,458.00) to fund the design services; and

**WHEREAS**, GWA Management further seeks CCU approval of the total authorized funding for the design contract with GHD, Inc to Three Million Six Hundred Eighty-Eight Thousand Six Hundred Ninety-Five Dollars and Fifty Cents (\$3,688,695.50); and

**WHEREAS**, funding for this project will be from PW 09-11 Water System Reservoirs 2005 Improvements and EE 09-09 SCADA Improvement – Phase 4; and

**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve the following:

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU finds that the terms of the fee proposal submitted by GHD is fair and reasonable.
3. The CCU finds that the terms of the conditions set by GWA relative to commencement of subsequent work activities are fair and reasonable and serve as a measure of Quality Assurance/Quality Control (QA/QC).
4. The CCU hereby authorizes the management of GWA to issue Change Order No. 4 in the amount of Two Hundred Thousand Four Hundred Fifty-Eight Dollars (\$200,458.00) (Exhibit A).

5. The CCU hereby further approves the total authorized funding to Three Million Six Hundred Eighty-Eight Thousand Six Hundred Ninety-Five Dollars and Fifty Cents (\$3,688,695.50); and
6. Funding source will be CIP PW 09-11 Water System Reservoir 2005 Improvements and EE 09-09 SCADA Improvement – Phase 4.

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

**DULY AND REGULARLY ADOPTED**, this 28<sup>th</sup> day of May 2019.

Certified by:

Attested by:

\_\_\_\_\_  
**JOSEPH T. DUENAS**  
 Chairperson

\_\_\_\_\_  
**MICHAEL T. LIMTIACO**  
 Secretary

# **SECRETARY’S CERTIFICATE**

I, Michael T. Limtiaco, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the 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: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSTENTIONS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

///



## Exhibit A

May 13, 2019

Mr. Tom Cruz, PE  
 Chief Engineer  
 Guam Waterworks Authority  
 Gloria B. Nelson Public Service Building  
 688 Route 15  
 Mangilao, Guam 96913

**RE: Change Proposal 10 for PW12-04 Design Services for GWA's Central Water Reservoirs, GWA Project W14-006-BND  
 Design Changes for SCADA System at Hyundai Pump Station and Agana Heights and Chaot Reservoir Sites and Miscellaneous**

Dear Mr. Cruz:

GHD is pleased to submit this change proposal to amend our Scope of Work and Fee for the above referenced project. This scope of work defines the additional design services GHD will provide in connection with the Design Services for GWA's Central Water Reservoirs Project. Deliverables of the tasks will be amendments to the Tumon 2, Hyundai and Chaot 2 Reservoirs construction project. The additional scope for CP-10 is detailed below. The original project scope will be amended on a lump sum basis per the fees in the table below.

### **SCOPE OF WORK**

**Task A – Design Changes for Grundfos Controller at Hyundai Pump Station:** GWA requested GHD make design adjustments to the pump controller at the new Hyundai Pump Station to add a package triplex Grundfos controller for the pumps. The current design provides for the pumps to be controlled by the SCADAPak. GWA is requesting the addition of the Grundfos controller to keep consistency between GWA facilities. GWA and the Contractor have requested only a change to the P&ID on sheet J-002 which will be issued as an addendum to the construction drawings that are currently under construction by AIC. No additional Division 1 specifications or front-end documents are included in this scope.

**Task B – Design Changes to Chaot and Agana Heights SCADA:** See attached SOW from ArcSine dated April 4, 2019.

**Task C – Programming of Chaot and Agana Heights SCADA:** See attached, revised SOW from ArcSine dated May 8, 2019. The scope of work includes programming for all of the Central Reservoirs project, but only the costs for programming at Agana Heights Reservoir and Chaot Reservoirs are





included in this Change Proposal because they were not included in the SOW for Change Order 3. The remaining of the cost of \$85,000 for the programming at the other sites will be divided by three and covered by GHD, remaining funds from the Water Hydraulic Modeling Data Collection - Barrigada Service Area project, and excess funds from Change Order No. 2 Task P that were not used.

**Task D – Programming of Manenggon, Tamuning No. 1, and Piti Reservoirs SCADA:** See attached revised SOW from ArcSine dated May 8, 2019.

**Task E – Tiyan Booster Pump Station, Sewer Line Repair and Waterline Abandonment:** Change Order No. 2 included a task from Change Proposal 4 for the design of additional piping to connect the area west of the airport runways to GWA waterlines. The task assumed that properties along the cliff line would be purchased by DPW and disconnected from an existing GWA waterline. There was a delay in the purchase of these properties. In order to abandon a waterline under the runways and still serve these houses, GHD was requested to design a small booster pump station in Tiyan to boost the pressure. GWA also requested the replacement or repair of the sewer line through GIAA property west of the runways. The work for this task has already been completed.

**Task F – Wells A-23 and A-25 GAC System Additional Design:** The scope for approved Task A of Change Proposal 9 included piping design for the installation of an existing GAC system at Well A-23 that would treat water from A-23 and A-25. A concrete slab for the relocated tanks was part of the scope. The fee for Task A of Change Proposal 9 was covered by unused fee for the Pulantat Reservoir site. The design has expanded to include sizing of the GAC system, investigation of treatment options, option figures for locations for the GAC tanks, additional piping design, and design of new GAC systems at both sites. The additional work is the scope for this task and has already begun.

**Task G – Access Pump Station Additional Design:** Amendment 1 provided scope to refurbish the Access Water Booster Pump Station. The fees for the scope were covered by a contingency in the original contract. The scope of Amendment 1 included new pumps, piping, pump system evaluation, possible replacement of electrical, instrumentation, and control equipment. Architectural improvements and replacement of the generator and fuel storage were also part of the scope. GWA requested additional improvements during the design including a roof hatch above the pumps, converting an office to an electrical room, and changing the piping to stainless steel. The scope for this task consists of structural design for the roof hatch, electrical design to move the electrical and controls to the new electrical room, piping design to change to stainless steel pipe, and fuel changes to move the tank to the exterior of the building. The work for this task has already begun and is almost completed.

**Task H – Additional Structural Design for 3 MG Reservoir at Tumon (Tamuning) No. 1:** The original scope for the Tumon No. 1 site was for the design of a 2.0 MG reservoir. GWA has requested we upsize the reservoir to 3.0 MG. The structural design for the larger reservoir requires more effort and is included in this task. The cost for this task will be deducted from the design budget meant for the relocation of the Tumon No. 1 Reservoir included in Task P of Change Order No. 3.



### **ASSUMPTIONS AND EXCEPTIONS**

- This change proposal only applies to the scope of work. The terms of the original executed agreement still apply.

**Our lump sum fees are summarized in the following Fee Schedule:**

### **FEE SCHEDULE FOR ADDITIONAL DESIGN SERVICES**

TASKS	TOTALS
Original Contract Amount	\$2,552,445
Contract Amount with CO #1	\$2,675,912
Contract Amount with CO #2	\$2,807,689
Contract Amount with CO #3	\$3,488,237
Task A: Grundfos Controller at Hyundai Pump Station	\$2,500
Task B: Chaot and Agana Heights SCADA	\$20,146
Task C: Programming of Chaot and Agana Heights SCADA	\$24,500
Task D: Programming of Manenggon, Tamuning No. 1 and Piti SCADA	\$55,995
Task E: Tiyan BPS, Sewer Line Repair and Waterline Abandonment	\$20,960
Task F: Wells A-23 and A-25 GAC System Additional Design	\$21,950
Task G: Access Pump Station Additional Design	\$44,861
Task H: Additional Structural Design for 3 MG Reservoir at Tumon (Tamuning) No. 1 – (\$15,000 deducted from Tumon #1 relocation budget)	\$0
<b>Subtotal Cost</b>	<b>\$190,912</b>
Guam GRT (at 5%)	\$9,546
<b>TOTAL CHANGE PROPOSAL COST</b>	<b>\$200,458</b>
<b>AMENDED CONTRACT AMOUNT</b>	<b>\$3,688,695</b>

Work that exceeds the scope of this proposal will be brought to your attention for review, approval and fee adjustment. Work performed will be billed monthly based on the estimated percent complete. We stand ready to provide the professional services necessary to assist GWA in this endeavor.

Sincerely,

Aaron Sutton, PE, ENV SP  
Project Manager

Reviewed by,

Eric Penn  
Electrical Engineer

Attachments: Task B SOW from ArcSine dated April 4, 2019  
Task C and D SOW from ArcSine dated May 8, 2019

Cc: file



**GUAM WATERWORKS AUTHORITY**  
**SCADA PHASE A1/CENTRAL RESERVOIRS DESIGN CHANGE**  
**SCOPE OF WORK**

**ArcSine Project XM1809007**

**April 4, 2019**

**INTRODUCTION**

This document describes design services to be performed by ArcSine Engineering on behalf of the Guam Waterworks Authority (GWA), as a subconsultant to GHD, for the SCADA Phase A1 project, and the Central Reservoirs project, both under construction as of April 2019.

The following sites are included in this Scope of Work:

- Chaot Reservoir
- Agana Heights Reservoirs

**SCOPE**

This Task is to develop change documentation to effect the following:

**SCADA Phase A1 Project**

- Remove Chaot Reservoir from the project.
- Remove Agana Heights Reservoirs from the project.

**Central Reservoirs Project**

For Chaot, incorporate the SCADA Phase A1 provisions into the Central Reservoirs project. Reconcile RTU approach and depictions, to result in a single new control panel/RTU to be furnished and installed under the Central Reservoirs project. Coordinate and consolidate interconnection. Resolve layout considerations/conflicts.

**DELIVERABLES**

For each project, develop narrative summaries of the changes, and accompanying drawing packages. To the extent practical, existing Contract Drawings will be neatly handmarked depicting the changes.

The narratives will reinforce that Central Reservoirs' submittals from the Contractor must be integrated, even if multiple drawings are used to depict the Scope.

Provide peer review support to GHD to review GHD's Design Change for Hyundai Reservoir/Pumping Station.



**ArcSine Engineering**

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Page 1 of 2

**Central Reservoirs Programming  
Scope Of Work**

**CHANGE SUPPORT**

Provide support to GWA and the respective CM organizations, in negotiating and finalizing the contractual aspects of the changes (price, time, etc.).



**GUAM WATERWORKS AUTHORITY  
CENTRAL RESERVOIRS PROGRAMMING**

**SCOPE OF WORK**

**September 20, 2018**  
**Revised November 28, 2018**  
**Revised December 21, 2018**  
**Revised April 4, 2019**  
**Revised April 17, 2019**  
**Revised May 8, 2019**

**ArcSine Project XM1809007**

**INTRODUCTION**

This document describes programming services to be performed by ArcSine Engineering on behalf of the Guam Waterworks Authority (GWA), as a subconsultant to GHD, for the Central Reservoirs project under construction as of April 2019, and other similar project(s).

The following Central Reservoir's sites are included in this Scope of Work:

- Barrigada Booster Pump Station (and its reservoirs) – New RTU/ programming.
- Hyundai Reservoir and Booster Pump Station (co-located sites) – New RTU/programming.
- Tumon Tank 2 Reservoir – New RTU/programming (including two chlorine analyzers).
- Chaot Reservoir - New RTU/programming (including three chlorine analyzers).
- Agana Heights Reservoirs – New RTU/programming.
- Dero Road PRV (1 PRV and 1 flowmeter) – New RTU/programming.
- Pale San Vitores PRV (2 PRV's and 2 flowmeters) – New RTU/programming.
- St Johns (Marine Corps) PRV (2 PRV's and 1 flowmeter) – New RTU/programming.

Programming and testing for the sites above will be coordinated with the RTU panel builder, CPC.

The following additional sites are included in this Scope of Work, with the Construction Contract structure to be determined.

- Airport Reservoirs (also known as Tamuning No. 1, two reservoirs)
- Piti (one reservoir)
- Manenggan (up to three reservoirs)

Programming and testing for the sites above will be coordinated with the applicable Contractor(s).

**TASK 1 - INFORMATION REQUESTS, COORDINATION, AND WORKSHOPS**



**ArcSine Engineering**

G:\8411830\01-Project Management\Contract\Change Proposals\10-SCADA Ch-AH-H and Misc\GWA Central Reservoirs Prog SOW.docx

Page 1 of 6

## **Central Reservoirs Programming Scope Of Work**

### **1.1 Information Requests**

Request the following information:

- Example RTU code and structure, and standards to the extent they are available.
- Example remote site graphical displays and standards developed by the Central SCADA project (Benson/Siemens) to the extent they are available.
- Example control strategy format and standards.
- Latest information on tag naming and identification conventions.
- CPC's favorably reviewed shop drawing submittals.

Also consider responses to CM RFI's authored by ArcSine for the SCADA Phase A-1 project.

### **1.2 Project Coordination**

It is expected that available GWA standards will be minimal. Accordingly, coordinate with the work under the SCADA Phase A-1 project, with the goal of achieving uniformity between the projects, and thus establishing defacto standards. Allow 12 hours.

### **1.3 Workshop #1 – Overview, Programming and Communications, Testing**

Conduct a telephone workshop with project stakeholders; allow two people, 2 hours each. The following are topics to discuss at the workshop:

- Status of Island-wide communications.
- Status of GWA SCADA.
- Communications, general.
- Communications, DNP3 configuration.
- RTU configuration/programming, data types, data mapping, data management.
- Local Graphical Operator Interface.
- Supervisory system (graphics, databases, alarm notification coordination with work at each site).
- Supervisory outputs for use in Water Model.
- Testing, parties involved and their roles, acceptance criteria.

### **1.4 Ongoing Coordination**

Provide ongoing coordination with the Construction Manager (TG Engineers), Contractor, GHD, and GWA via e-mail and telephone over the course of construction, on topics specific to this Scope. Allow 20 hours.

## **Central Reservoirs Programming Scope Of Work**

### **TASK 2 - PROGRAMMING STANDARDS (NOT INCLUDED)**

#### **2.1 Define Approach; Develop Standards**

Limited standards exist. Develop and submit the proposed approach to the following items, prior to Workshop #1. Revise following the Workshop, and as-built at project conclusion, as brief standards.

1. RTU program organization.
2. RTU programming techniques.
3. Local graphical operator interface configuration:
  - a. Layout
  - b. Navigation
  - c. Colors
  - d. Animation
  - e. Depictions
  - f. Alarming
  - g. Setpoints
  - h. Passwords/privilege/protection
  - i. Consistency with supervisory layout
  - j. Other display topics
4. Data mapping and structure at the point of demarcation in the RTU (where the communications system “picks up” values).
5. RTU input/output data management:
  - a. Debouncing
  - b. Scaling
  - c. Detection/management on loss of input
  - d. Related topics
6. File naming, file management.
7. Configuration management and recordkeeping (RTU's, communications, instrument scaling, etc.)
8. Other topics as covered in the workshop.

### **TASK 3 - PROGRAMMING SERVICES**

**3.1** For existing Barrigada Booster Pump Station Descriptions, assume no existing control descriptions exist and that this Scope of Work will develop them. For all sites included, develop site-by-site, function-by-function Control Descriptions. Submit to GWA for review and approval. Allow one round of revisions, then final submission.

- For each control loop, provide a functional description of the operation of the equipment, signals, and controls shown on the P&IDs and as otherwise included in the project:
  - Include functions depicted or described in the Contract Documents.

## Central Reservoirs Programming Scope Of Work

- Include the following within each loop description:
    - ❖ Requirements specific to that loop.
    - ❖ List of ranges, setpoints, timers, values, counters, etc.
  - Functions to consider:
    - ❖ Program a “semi-auto” functionality so that sites can run “automatically” when unable to connect to the Island-wide SCADA network. (For various reasons this could occur – Island-wide SCADA network is not configured by the time site is commissioned, nearby router(s) to link the site to the Island-wide network are not available, etc.).
    - ❖ Address functionality/flow totalization at PRV’s if communications are down. Totalize flows locally, so upon communications restoration totals are correctly reported.
  - If similar loops exist with identical control, such as multiple loops for individual equipment or process units, only develop one loop description, and reference the remaining loops to that loop description.
  - Organize loop descriptions with a Table of Contents, page numbers, and footers.
- 3.2 Program the local PLC and display (OIP) for each site in accordance with the Control Strategies. Apply a structured approach, suitable for later emulation at other GWA projects. All sites are new RTU’s and OIP’s.
- 3.3 Prepare written test procedures for factory test off-Island at CPC’s facility in Seattle, Washington, for the Central Reservoir’s sites.
- 3.4 For the additional reservoirs, assume no factory testing will be provided. Only field testing will be undertaken.
- 3.5 Review and mark up screens, developed by others under the Central SCADA project, to cause the screens to be applicable to these sites. Provide Central SCADA Consultant with a tag list to achieve the required handshaking. **Item 3.5 is not included.**

## **TASK 4 - TESTING AND STARTUP**

### 4.1 Startup Testing Summary

- Develop an overview suitable for distribution to the Contractor’s organization and GWA, of startup and testing responsibilities. Reference specification sections. Include also the roles of GWA’s programmer (ArcSine), and expected coordination.

### 4.2 Unwitnessed Factory Testing at ArcSine’s Facility:

- Perform in-house unwitnessed factory testing on the RTU’s and displays programmed under this Scope of Work.



## **Central Reservoirs Programming Scope Of Work**

- Submit RTU code to CPC for downloading to each site's RTU, for the Central Reservoir's sites.

### **4.3 Witnessed Factory Testing at Panel Fabricator's Facility (Central Reservoir's sites):**

- The Contractor's panel fabricator has responsibility for panel physical construction, including hardwired relay logic. Testing of those functions is under the Contractor's jurisdiction. For programmed functions, under this Scope develop test procedures for factory and field testing.
- Attend witnessed factory testing at the panel fabricator's facility in Seattle, Washington. Allow one person, 5 man-days.
- In the event that project schedule, including panel fabrication and shipping schedules, do not correlate well with program development schedules, factory testing of the automation functions will comprise "best efforts," with ArcSine testing whatever remains unwitnessed at ArcSine's facility.

### **4.4 Preliminary Electrical Field Tests (Operational Readiness Test, ORT)**

- Provide test checklists for the specified Preliminary Electrical Field Tests. The goal will be to have the Contractor conduct the tests, witnessed by the CM and/or GWA, without the programmer present. Tests covered by the programmer's procedure will largely be comprised of end-to-end signal tests, where signal existence is confirmed at the local displays (and at central SCADA, if so available).

### **4.5 Final Control System Field Tests (Functional Acceptance Tests, FAT):**

- Provide testing support on-Island during the Final Control System Field Tests. For the Central Reservoir's sites, assume 1 day each for reservoir and PRV sites, 2 days each for booster pumping stations. Assume Final Control System Field Tests for all sites will occur over a consecutive 2-week period.
- For the additional sites, allow an additional week on-Island, under a separate schedule, to start up and test these sites.
- The automation portion of the test procedures will be developed by ArcSine, as an adaptation of the factory test procedures. The hardwired portion will be by the Contractor. Using these procedures, execute complete testing of the hardwired and programmed logic. Prove out local stand-alone functionality.
- In the event that site commissioning and final testing do not fall on a consecutive 2-week period (Central Reservoirs) or the 1-week followup period (other), the procedures will be developed such that a preliminary first run can be work by the Contractor on his schedule with witnessing by the CM/GWA. Then ArcSine's on-Island work will comprise a revisit by the CM/GWA to verify final testing completion and close out loose ends.
- In cooperation with GPA and its Central SCADA consultant, these procedures will also test functions and data transmissions end-to-end, to the extent practical.

### **4.6 In conjunction with the FAT's, provide the following on-Island services:**

## **Central Reservoirs Programming Scope Of Work**

### **Item 4.6 is not included.**

- Provide training of GWA personnel on site-specific functions. PLC training to include description of PLC parameters and how values are determined. Training will be optimized within the available timeframe.
- During this time, coordinate/facilitate the activities above, assisting the parties in achieving the end-to-end functionality desired.
- Handmark Contractor control-related shop drawings for as-built conditions, as observed by ArcSine in the course of the work. The on-Island time will make best use of ArcSine's staff including as-building these details to the extent possible.
- Mark up control strategies.
- Perform file management, and provide version-controlled final programs for structured storage within the central server environment. Coordinate with GPA, GWA, and GPWA IT.
- Provide a log of setpoints as-installed.
- Submit electronic copy and one hardcopy of the RTU program.
- Allow 2 days, contiguous with the FAT allowance, for the items above.

### **TASK 5 - AS-BUILT RESULTS (NOT INCLUDED)**

- Submit the documents described under Subtask 4.5, as-built.
- Submit RTU program settings sheets, listing parameters, descriptions, and how values are determined.

### **TASK 6 - PROGRAMMING PLATFORM**

Obtain for programming and unwitnessed factory testing purposes, one RTU with a selection of I/O, and one graphical display. Assume these can be made available by the project Contractor.

### **NOT INCLUDED**

1. Programming or testing of network switch, firewall, and Tropos radio.
2. Developing DNP3 philosophies and resulting configurations. This information is the subject of outstanding RFI's for the SCADA Phase A-1 project.
3. Furnishing, installing, and configuring a temporary central SCADA system at GWA's headquarters if the Benson/Siemens SCADA system is not installed/operational at time of commissioning the sites programmed in this Scope of Work.
4. Task 2, Programming Standards, is not included.
5. Screen Coordination (Task 3.5), is not included.
6. Additional on-Island services (Task 4.6), is not included.



Gloria B. Nelson Public Service Building | 688 Route 15 | Mangilao, Guam 96913  
Tel: (671) 300-6846

### Issues for Decision

#### **Resolution No. 31-FY2019**

Relative to Approving the Liquid Chlorine Supply Contract for Water Production and Treatment Facilities Island-Wide

#### **What is the project's objective and is it necessary and urgent?**

The objective is to provide sufficient supply of liquid chlorine used to treat and disinfect GWA's drinking water in accordance with the Safe Drinking Water Act and as required by federal and local laws and regulations.

The purpose of this procurement and the use of product (liquid chlorine) supplied under this procurement are necessary for the protection of public health and safety, and are a mandatory and critical part of GWA's water operations, and therefore are inherently necessary and urgent.

#### **Where is the location?**

Various locations Island-wide

#### **How much will it cost?**

##### **3 Year contract cost for the following:**

150lbs. Chlorine Cylinder \$618.00 each

1 Ton Chlorine Cylinder \$6,097.78 each

Bid Specified amount estimated for 150lbs. is 1,260 cylinders Annually

Bid Specified amount estimated for 1 Ton is 12 cylinders Annually

Cost for 150lbs. Chlorine Cylinder \$586.68/\$778,680.00 Annually

Estimated Cost for 1 Ton. Chlorine Cylinder \$6,097.78/\$73,173.36 Annually

Total Cost \$851,853.36 Annually

Total expenditure for the 3-year contract term is **\$2,555,560.08**

#### **When will it be completed?**

After the 3-year term.

#### **What is the funding source?**

The procurement of these essential treatment chemical is intended to be funded from revenues (O & M expense).

#### **The RFP/BID responses (if applicable):**

Reference Bid No. GWA 2019-05

5 downloaded IFB package

1 submitted



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

**GWA RESOLUTION NO. 31-FY2019**

**RELATIVE TO APPROVING THE LIQUID CHLORINE SUPPLY CONTRACT FOR  
WATER PRODUCTION AND TREATMENT FACILITIES ISLAND-WIDE**

**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**, on February 27, 2019, GWA issued an Invitation for Bid No. 2019-05 (IFB) for an Indefinite Quantity/Indefinite Delivery (ID/IQ) requirements contract (see Exhibit A); and

**WHEREAS**, five (5) interested parties registered to download a bid package from GWA’s website and on April 17, 2019, GWA received one (1) bid proposal from Island Equipment Company; and

**WHEREAS**, on April 22, 2019, the IFB 2019-05 offer was evaluated by GWA’s review committee and determined that the best and only offer was made by Island Equipment Company (see Exhibit B); and

**WHEREAS**, GWA Management seeks CCU approval of the IDQ/ID contract for Liquid Chlorine 150lb. Cylinder for a quantity of One Thousand Two Hundred Sixty (1,260) at a cost of Six Hundred Eighteen Dollars (\$618.00) each, for an annual cost of Seven Hundred Seventy

Eight Thousand Six Hundred Eighty Dollars (\$778,680.00) and Liquid Chlorine One (1) Ton for a quantity of twelve (12) at a cost of Six Thousand Ninety Seven Dollars and Seventy Eight (\$6,097.78) each, for an annual cost of Seventy Three Thousand One Hundred Seventy Three Dollars and Thirty Six Cents (\$73,173.36), for a combined annual cost of Eight Hundred Fifty One Thousand Eight Hundred Fifty Three Dollars and Thirty Six Cents, (\$851,853.36) for a total amount of Two Million Five Hundred Fifty Five Thousand Five Hundred Sixty Dollars and Eight Cents (\$2,555,560.08) for the initial three (3) year contract term.

**WHEREAS**, GWA has determined that the issuance of the bid will allow GWA to continue to purchase liquid chlorine used for disinfecting GWA's drinking water for the protection of public health and safety, and as required under the Safe Drinking Water Act and federal and local regulations; and

**WHEREAS**, a multiple year contract term of three (3) years with the option to renew for an additional two (2) one (1) year term is in the best interest of GWA due to the fact that it provides fixed prices over a longer period of time and economies of scale may result in a lower bid price than what GWA would otherwise receive for a shorter contract term; and

**NOW BE IT THEREFORE RESOLVED**; the Consolidated Commission on Utilities does hereby approve the following:

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU finds that cost proposal submitted by Island Equipment Company are fair and reasonable.
3. The CCU hereby authorizes the management of GWA to accept the bid offer from Island Equipment Company (Exhibit B).
4. The CCU hereby further authorizes the funding amount for this project to a maximum of Two Million Five Hundred Fifty-Five Thousand Five Hundred Sixty Dollars and Eight Cents (\$2,555,560.08) for the initial three (3) year term with the option to renew for an additional two (2) one (1) year terms.

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

**DULY AND REGULARLY ADOPTED**, this 28<sup>th</sup> day of May, 2019.

Certified by:

Attested by:

\_\_\_\_\_  
**JOSEPH T. DUENAS**  
Chairperson

\_\_\_\_\_  
**MICHAEL T. LIMTIACO**  
Secretary

**SECRETARY'S CERTIFICATE**

I, Michael T. Limtiaco, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the 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: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSTENTIONS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

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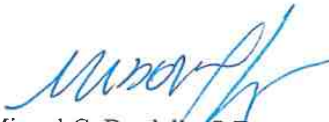
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## EXHIBIT A

### INVITATION TO BID

The GUAM WATERWORKS AUTHORITY, will receive sealed bids for **Liquid Chlorine**, in **GWA IFB. NO. 2019-05**. Bids will be accepted until 10:00 a.m. Chamorro Standard Time, **March 20**, 2019 at the GWA Procurement Office, first floor located at the Gloria B. Nelson Public Services Building in Mangilao at which time and place all bids will be publicly opened and read aloud. All bids must be accompanied by a Bid / Performance Bond, in the amount of 15 percent (15%) of the total bid price. Bid security may be bid/performance bond, Surety Bond, certified check or cashier check made payable to Guam Waterworks Authority. A non-refundable amount of \$15.00 is required for the purchase price of every set of bidding documents which are available at the GWA Procurement Office. Bidders can download a bid package at [www.guamwaterworks.org](http://www.guamwaterworks.org) without charge, although vendors are strongly encouraged to contact or visit GWA Procurement Office to register to ensure that updated information, notices or bid amendments are distributed to you.

GWA reserves the right to revise or reject any or all proposals and to waive any minor imperfection in the bid proposal in the interest of the Guam Waterworks Authority.

  
Miguel C. Bordallo, P.E.  
General Manager

GWA STAMP ISSUE DATE:

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NON-COLLUSION AFFIDAVIT  
CERTIFICATION OF NON-EMPLOYMENT OF CONVICTED SEXUAL OFFENDERS  
MAJOR SHAREHOLDER DISCLOSURE AFFIDAVIT  
BID AND PERFORMANCE BOND FOR GOODS AND SERVICES  
AS REQUIRED UNDER 5 G.C.A. § 5212

(This form must be used; failure to utilize this form is subject to rejection of bid)

[illegible]



**Guam Waterworks Authority  
Invitation for Bid Number: GWA IFB 2019-05  
For Liquid Chlorine**

**Indefinite Quantity Bid**

Any reference in the Solicitation to a manufacturer brand name or product number is solely due to need by GWA to provide minimum satisfactory product specifications. Thus, all references to a brand name is solely intended to provide a description of the type of products or services sought by GWA and not to limit bids nor restrict a vendor from providing equivalent products or services. Bids on comparable items will be considered provided the bidder clearly states in his bid the exact articles he is offering and clearly indicates how it differs from the original specification. Approved equivalents will be **acceptable**.

**I. BID ITEM(s)**

<u>Item No</u>	<u>Description</u>	<u>Min Qty</u>	<u>Unit Cost</u>	<u>Total Cost</u>
1.0	Liquid Chlorine 150 lb. Cylinders	1,260 each	_____	_____
2.0	Liquid Chlorine One (1) Ton	12 each	_____	_____
			<b>Grand Total \$</b>	_____

**BIDDING ON:**

MFG: \_\_\_\_\_

Brand: \_\_\_\_\_

Place of Origin: \_\_\_\_\_

Date of Delivery: \_\_\_\_\_

After Receipt of Purchase Order

## **TECHNICAL SPECIFICATIONS ON ITEM 1.0**

- A. GENERAL:** The Guam Waterworks Authority ("GWA") uses liquid chlorine in 150 lbs. and One (1) Ton. Cylinders in order to disinfect drinking water at approximately 100 well sites and one (1) water treatment plant. GWA intends to enter into a three (3) year contract with the option to renew for two (2) additional one-year terms for the purchase of liquid chlorine in 150-pound cylinders. All extensions of the contract are subject to the availability of funding. Price modifications for the extensions may be made if the contractor provides proof of changes in their invoice price as required under 2 G.A.R. Section 3118. This specification describes the requirements for the provision of liquid chlorine under this solicitation.

The product described herein shall be manufactured, packaged, shipped, and stored in accordance with the latest additions of the following codes and standards as well as any applicable referenced standards within.

1. AWWA B301-04: Standard for Liquid Chlorine.
2. ANSI/NSF Standard 60: Drinking Water Chemicals.
3. Chlorine Institute, Pamphlet 17: Cylinder and Ton Container Procedures for Chlorine Packaging.
4. Compressed Gas Association, Pamphlet C6: Standards for Visual Inspection of Steel Compressed Gas Cylinders.
5. US Department of Transportation, Hazardous Materials Regulations 49 C.F.R. § 100-177 (Chapter 1, Subchapter C).

- B. MATERIAL SPECIFICATION:** Liquid Chlorine for disinfection of potable water supplies must meet the requirements of AWWA Standard B-301-04, Section 4.

The supplier under this contract shall be responsible for providing certified analysis from the manufacturer demonstrating compliance with the requirements set forth in this bid.

**CONTAINERS:** The supplier shall be responsible for providing, inspecting, testing and cleaning of cylinders in accordance with all referenced standards.

1. GWA currently has an inventory of 280 each 150 lbs. and 12 each One Ton GWA-owned cylinders that are currently being used by GWA. These cylinders shall be used by the successful bidder upon exchange on an empty 150 lbs. or 1-ton cylinder. GWA shall have the right to certify whether or not said cylinders are in good useable condition.
2. Cylinders shall be inspected, tested, and cleaned in accordance with AWWA Standard B301-04, Section 5. The supplier must maintain at all times documentation of compliance with these requirements at the supplier's facility.
3. GWA reserves the right to reject any cylinders that do not meet the chemical, physical, or safety requirements of this specification. In the event that a cylinder is rejected, the supplier shall replace it with a like amount of satisfactory liquid chlorine in an acceptable container.
4. No cylinder deposit or cleaning charge shall be separately levied. All fees for the maintenance of 150 lb and One Ton. cylinders in accordance with applicable codes shall be included in the unit cylinder price.

**C. STORAGE AND MINIMUM INVENTORY REQUIREMENTS:**

Due to the potential for interruption of shipping networks to Guam due to typhoons and other causes, it is necessary to maintain a minimum inventory (backup reserve) of chlorine in order to insure availability at all times. The minimum backup reserve has been established for GWA by the USEPA as noted below.

1. The supplier shall maintain a sufficient inventory of 150 pound and one-ton chlorine cylinders such that a backup reserve of at least 200 150 lbs. cylinders and three (3) one ton shall be available at any and all times. This reserve shall be exclusive of any reserve required by other customers.
2. The supplier shall provide an inventory plan (along with bid), based on the quantities described above, illustrating compliance with these backup reserve provisions.
3. The supplier shall be responsible for maintaining a storage facility in compliance with OSHA and other applicable law, codes and standards regarding the receiving, handling, storage, delivery, and emergency response to chlorine gas. The supplier shall maintain documentation of compliance to be provided at the request of GWA.
4. No additional facility maintenance or storage charges (or any other charge) shall be separately levied. All fees for shipping, storage and facility maintenance shall be included in the unit cylinder price.

**D. SPECIAL CONDITIONS:**

1. The contract for the supply of liquid chlorine shall be for a period of three (3) years. GWA reserves the right to renew this contract for two (2) additional one-year terms with both parties so agree in writing. All extensions of the contract are subject to the availability of funding. Price **modifications** for the extensions may be made if the contractor provides proof of changes in their invoice price as provided under 2 G.A.R. Section 3118.
2. Cost data pursuant to 2 G.A.R. § 3118 to support any proposed increase must be submitted to the Purchasing Director no less than 90 days prior to the effective date of any such requested price increase. Any adjustment allowed shall consist of verifiable material cost increases which may be passed on to the consumer.
3. No adjustment shall be made to compensate a supplier for inefficiency in operation, or for additional profit.
4. Bids indicating price in effect at time of shipment will be considered invalid.
5. Bidder shall respond to a GWA facility should an emergency situation develop, with the appropriate tools necessary to deal with a leak; said **response** shall be no longer than two hours from the time of notification. Emergency numbers for this procedure shall accompany the bid.
6. If the products proposed in the response to this bid vary in any way from the requirements contained in this specification or other solicitation documents, the bidder is responsible to clearly identify by specification section number, all such differences in writing at the time of bid. Otherwise, it will be assumed that bidder's offer is in total compliance with all aspects of the specification and bid.

## **II. GENERAL TERMS AND CONDITIONS**

### **A. AUTHORITY.**

This Invitation for Bids is issued subject to all of the provisions of the Guam Procurement Act and the Guam Procurement Regulations. The bid requires all parties involved in the preparation, negotiation, performance, or administration of contracts to act in good faith. Failure on the part of any bidder to act in good faith shall serve as a basis for voiding a bid or shall constitute a material breach of any contract entered into between GWA and any bidder which shall allow GWA to immediately terminate the contract.

### **B. EXPLANATION TO BIDDERS.**

Except as otherwise provided herein, no oral explanation in regard to the meaning of any provision of this Bid will be made and no oral instructions will be given before the award of the bid. Discrepancies, omissions, or doubts as to the meaning of any provision of this Bid shall be communicated in writing to the named individual of GWA.

### **C. QUESTIONS.**

All questions regarding the bid must be submitted in writing and be delivered, via US mail, via express delivery, e-mail or via fax and directed to the following:

Guam Waterworks Authority  
Procurement Section  
Gloria B. Nelson Public Service Building  
688 Route 15  
Mangilao, GU 96913  
Fax. No.: (671) 649-3750  
[psabids@guamwaterworks.org](mailto:psabids@guamwaterworks.org)

### **D. METHOD OF AWARD.**

GWA intends to review the bids immediately upon the opening of the bids as provided herein. The bids submitted will be the primary documents for evaluation. GWA reserves the right to waive any minor information or irregularity in bids received. GWA shall have the prerogative to award, amend or reject bids in whole or in part. GWA is not responsible for any and all costs incurred by any person or party incurred in preparing any bid. GWA reserves the right to retain all bids submitted regardless of whether a firm is selected. Submission of a bid indicates acceptance of all terms and conditions by the bidder.

### **E. REJECTION.**

GWA has the right to reject all bids or offers which have been submitted in response to this Bid, at any time, including after delivery if goods are determined to be non-conforming, if GWA

determines such to be in the best interest of GWA. All bids and contractual obligations are subject to the availability of funding.

**F. TAXES.**

Bidders are cautioned that they may be subject to Guam Business Privilege Taxes, including Gross Receipt Tax and Guam Income Taxes on Guam transactions. GWA shall not be responsible for paying any taxes owed by any vendor. Specific information of taxes may be obtained from the Director of the Guam Department of Revenue and Taxation.

**G. LICENSING.**

Bidders are cautioned that GWA will not consider for award any bid offer submitted by a bidder who has not complied with Guam Licensing Laws. Specific information on licenses may be obtained from the Director of Revenue and Taxation.

**H. COVENANT AGAINST CONTINGENT FEES.**

The bidder warrants that it has not employed any person to solicit or secure any resultant contract upon agreement for a commission, percentage, brokerage or contingent fee. Breach of this warranty shall give GWA the right to terminate the contract, or in its discretion, deduct from the contract price or consideration the amount of such commission, percentage, brokerage, or contingent fees. This warranty shall not apply to commissions payable by the bidder upon contracts or sales secure or made through bona fide established commercial or selling agencies maintained by the bidder for the purpose of securing business.

**I. JUSTIFICATION OF DELAY.**

The bidder who is awarded the bid guarantees that performance will be completed within the agreed upon completion date. If, however, the selected bidder cannot comply with the completion requirement, it is the selected bidder's responsibility to advise GWA in writing explaining the cause and reasons of the delay.

**J. DISCLOSURE OF MAJOR SHAREHOLDERS.**

As a condition of bidder, any partnership, sole proprietorship or corporation doing business with GWA shall submit an affidavit executed under oath that list the name address of any person who has held more than ten percent (10%) of the outstanding interest or shares in said partnership, sole proprietorship or corporation at any time during the twelve (12) month period immediately preceding submission of a bid. The affidavit shall contain the number of shares or the percentage of all assets of such partnership, sole proprietorship or corporation, which have held by each such person during the twelve (12) month period. In addition, the affidavit shall contain the name and address of any person who has received or is entitled to receive a commission, gratuity or other compensation for procuring or assisting in obtaining business related to the bid for the bidder and shall also contain the amounts of any such commission, gratuity or other compensation. A bid from any firm that has person on the list 10% or more affidavit that is a member of the CCU or a GWA



or Guam Power Authority officer that reports directly to the Board will not be evaluated and will be rejected. The affidavit shall be open and available to the public inspection and copying.

**K. EQUAL EMPLOYMENT OPPORTUNITY.**

Section 3.01(1) of Presidential Executive Order No. 10935 dated March 7, 1965, that was adopted on Guam, requires that the bidder not discriminate against any employee or applicant for employment because of race, creed, color or national origin. The bidder will take whatever steps are necessary to ensure that its employees are treated equally during employment without regard to their race, creed, color or national origin.

**L. DETERMINATION OF RESPONSIBILITY OF OFFERORS.**

GWA reserves the right to secure information necessary to assess the competency and qualifications of the bidder, in accordance with the "Standard for Determination of the most Qualified bidder" section of the General Terms and Conditions. The competency of bidders, includes, but is not limited to testing of goods and/or services provided by the bidder.

**M. STANDARD FOR DETERMINING WHETHER BIDDER IS QUALIFIED.**

In determining whether a bidder is qualified, GWA shall be guided by the following:

1. the ability, capacity, and skill of the bidder to perform (i.e., is bidder qualified);
2. whether GWA believes that the bidder can perform promptly or within the specified time;
3. the **character, integrity**, reputation, judgment experience, and efficiency of the bidder;
4. the sufficiency of the financial resources and ability of the bidder to perform;
5. whether the bidder has submitted all documents required under this Bid; and
6. whether the bidder can meet the terms and conditions of the Bid.

**N. PRE-BID CONFERENCES.**

Pre-bid conferences may be held at any time prior to the date established herein for submission of bids to explain the procurement requirements for this Bid. GWA will notify all bidders of any substantive clarification provided in response to any inquiry. GWA may extend the due date if such information significantly amends the solicitation or makes compliance with the original proposed due date impractical.

**O. BIDS.**

The Bidder is required to read each and every page of the bid and by the act of submitting a bid shall be deemed to have accepted all conditions contained therein except as noted elsewhere in the bid. In no case will failure to inspect constitute grounds for a claim or for the withdrawal of a bid after opening. Bids shall be filled out in ink or typewritten and signed in ink. Erasures or other changes in a bid must be explained or noted over the signature of the bidder. Bids containing any conditions, omissions, unexplained erasures or alterations or items not called for in the bid or irregularities of any kind may be rejected by GWA in whole or in part.

**P. COMPETENCY OF BIDDERS.**

Bids will be considered only from such bidders who, in the sole opinion of GWA, can show evidence of their ability, experience, equipment, and facilities to render satisfactory performance of the terms and conditions herein (see item "N" above for standards). GWA reserves the right to take all reasonable steps to determine the competency of bidders, including asking questions, testing or any other act deemed prudent by GWA based on the circumstances.

**Q. REQUEST FOR BID FORMS.**

Each bidder shall be provided with one (1) set of the Bid packet at a cost of \$15.00. If the bidder wishes to download a bid packet on GWA website [www.guamwaterworks.org](http://www.guamwaterworks.org), the fee will not be charged and be automatically registered with GWA procurement office. All payments shall be by cash, certified check, credit card or money order and shall be made payable to GWA. Prospective bidders are encouraged to visit our website or visit/contact GWA Procurement section located on the first floor of Gloria B. Nelson Public Service Building, 688 Route 15, Mangilao, GU 96913 @ 300-6027/6030 to **ensure that updated information, for obtaining answers to questions, bid amendments and notices are distributed.**

**R. BID ENVELOPE.**

Bid envelopes shall be sealed and marked with the bidder's name and GWA's Invitation for Bid Number.

**S. FORM OF BID.**

**One (1) original hard copy, two (2) complete hard copies and one (1) electronic copy of the bid must be submitted.** The original bid must be signed in ink by a person authorized to submit bids on behalf of the bidder. All bids shall be submitted entirely in English (including brochures).

**The electronic copy of the bid shall be submitted on a compact disk ("CD").** All documents shall be in ".pdf" format. Electronic bids shall constitute an exact replica of the original hard copy of the bid that is being submitted.

Bidders may declare portions of their bid as being confidential. Material so designated shall accompany the bid and shall be readily separable from the bid in order to facilitate public inspection of the non-confidential portion of the bid. However, prices and makes and models or catalogue numbers of the items offered, deliveries, and terms of payment shall be publicly available at the time of bid opening regardless of any designation to the contrary. GWA may review the material declared to be confidential to determine the validity of any requests for nondisclosure of trade secrets and other proprietary data identified in writing. If the parties do not agree as to the disclosure of data, GWA shall inform the bidders in writing what portions of the bids will be disclosed. All bids shall be opened to public inspections subject to any continuing prohibition on the **confidential** data.



**T. MODIFICATION / ALTERATION.**

After the opening of bids, GWA or its designee(s) may conduct discussions with bidders that have submitted valid bids for the purpose of clarification to provide GWA with a full understanding as to the responsiveness and capabilities of the proposed bidder in meeting the requirements of the bid. In conducting discussions there shall be complete confidentiality of any information derived from bids submitted by competing bidders.

**U. MODIFICATION OR WITHDRAWAL OF BIDS.**

Bids may be modified or withdrawn at any time prior to submission, as otherwise provided herein or by the Guam Procurement Code.

**V. CONTACT FOR CONTRACT NEGOTIATION.**

All vendors are required to designate a person whom GWA may contact for prompt negotiation.

NAME: \_\_\_\_\_ TITLE: \_\_\_\_\_

\_\_\_\_\_

ADDRESS: \_\_\_\_\_ TELEPHONE: \_\_\_\_\_

\_\_\_\_\_

**W. AWARD OF CONTRACT AND NEGOTIATION (IF APPLICABLE).**

The lowest **responsible** bidder may be required to enter into a contract with GWA on terms and conditions acceptable to GWA. If the services are to be secured via Purchase Order, the bidder must still comply with all applicable laws, bid requirements and directives from GWA regardless of whether or formal "contract" has been issued.

The bidder who submits the lowest responsible bid for the required services or supplies may be required to enter into a contract within twenty (20) days following Bidder's **receipt** of the Notice of Award of Bid. Contract negotiations will be directed toward: (1) making certain that the bidder has a clear understanding of the scope of work, specifically, the essential requirements involved in providing the required services; and (2) determining that the bidder will make available the necessary personnel and facilities to perform the services within the required time. Bidders will be required to follow all laws applicable to this bid at all times and the Bidder is responsible for ascertaining what laws are applicable to this bid.

**X. NOTICE OF AWARD.**

Written notice of award will be public information and made a part of the procurement file.

**Y. CERTIFICATION AGAINST THE EMPLOYMENT OF CONVICTED SEX**

**OFFENDERS.**

All vendors must complete and fill out a Certification Against the Employment of Convicted Sex Offenders (part of bid packet – if not present, make sure you ask for one).

**Z. TERMINATION OF BID.**

After opening, but prior to award, GWA may terminate the bid in whole, or in part if:

1. It is in the best interest of GWA to do so.
2. The goods or services being sought are no longer required.
3. Bid amounts exceed available funding.
4. No bidder is qualified.

**III. SPECIAL TERMS AND CONDITIONS**

**Note, these special terms and conditions apply in the event that GWA uses a purchase order. However, in the event a formal contract is entered into, the terms of the Contract shall control in the event of a conflict between these terms and conditions and the contract.**

**A. GENERAL COMPLIANCE WITH LAWS.**

The Bidder agrees that they shall comply with all Federal and territorial laws, rules, regulations and ordinances applicable to the work being performed hereunder. Bidder shall attach a copy of appropriate business license or an affidavit executed under penalty of perjury that indicates that Bidder is exempt under Guam law (must include legal citations proving exemption). Bidder agrees that they have and will continue to familiarize themselves with the requirements of all laws and rules applicable to this procurement. Failure on the part of the bidder to familiarize themselves with the law and rules shall not excuse Bidder in any way.

**B. ALL OR NONE BIDS**

If applicable to this bid, GWA is requesting all of the bid items to be bid or none at all. GWA will not award on an itemize basis.

**C. BIDDERS PRICE**

GWA will consider not more than (2) (Basic and Alternate Bids) item prices and the bidder shall explain fully each price if supplies, materials, equipment, and/or specified services offered comply with specifications and the products origin. Where basic or alternate bid meets the minimum required specification, cost and other factors will be considered. Failure to explain the requirements will result in rejection of the bid.

**D. ACCESS TO RECORDS AND OTHER REVIEW.**

The bidder, including his subcontractors, if any, shall maintain copies of all books, documents, papers, accounting records and other evidence pertaining to costs incurred and to make such materials available at their respective offices at all reasonable times during the contract period and for three (3) years from the date of the final payment under the contract, for inspection by the Guam Waterworks Authority. All originals of any documents related to this Contract shall be provided to GWA as soon as possible, but not later than one day prior to the conclusion of this Agreement. Each subcontract entered into by Bidder pursuant to this agreement shall include a provision containing the conditions of this Section.

**E. OWNERSHIP OF DOCUMENTS.**

All briefs, memoranda and other incidental Bidder work or materials furnished hereunder shall be and remain the property of GWA including all publication rights and copyright interests and may be used by GWA without any additional cost to GWA.

**F. INDEMNITY.**

Bidder agrees to save and hold harmless the CCU, GWA, its officers, agents, representatives, successors and assigns and other governmental agencies from any and all suits or actions of every nature and kind, which may be brought for or on account of any injury, death, or damage to the extent arising or growing out of the negligent acts or omissions of the Bidder, Bidder's officers, agents (including subcontractors), servants or employees under this agreement.

**G. CHANGES.**

By written order, at any time, and without notice to bidder's surety, GWA may, subject to all appropriate adjustments, make changes within the general scope of work of this Contract in any one or more of the followings:

1. Drawings, designs or specifications, if the supplies or services to be furnished are to be specifically manufactured for GWA in accordance therewith;
2. Method of shipping or packing; or
3. Place of delivery.

If any such change order increases or decreases the bidder's cost of, or the time required for performance of any part of the work under this contract, whether or not changed by the order, an adjustment shall be made and the contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this Contract.

Failure of the parties to agree to an adjustment shall not excuse the bidder from proceeding with the Contract as changed, provided that GWA promptly and duly make such provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the bidder shall not be deemed to have prejudiced any claim for additional compensation, or an extension of time for completion.

Within 30 days after receipt of a written change order, unless such period is extended by GWA in writing, the Bidder shall file notice of intent to assert a claim for an adjustment. Later notification shall not bar the Bidder's claim unless GWA is prejudiced by the delay in notification. No claim by the Bidder for an adjustment hereunder shall be allowed if notice is not given prior to final payment given under this bid.

In the **absence** of such a change order, nothing in this clause shall be deemed to restrict the bidder's right to pursue a claim arising under the contract if pursued in accordance with the clause entitled "Claims Based on Acts or Omissions by GWA" of this Contract.

#### **H. TERMINATION.**

##### **TERMINATION FOR DEFAULT:**

(1) Default. If the Bidder refuses or fails to perform any of the provisions of this contract with such diligence as will ensure its completion within the time specified in this contract, or any extension thereof, otherwise fails to timely satisfy the contract provisions, or commits any other substantial breach of this contract as determined by GWA, then GWA may notify the Bidder in writing of the delay or non-performance and if not cured in ten days or any longer time specified in writing by GWA. GWA may terminate the Bidder's right to proceed with the contract or such part of the contract as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part GWA may procure similar services in a manner and upon terms deemed appropriate by GWA. The Bidder shall continue performance of the contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar services.

(2) Bidder's Duties. Notwithstanding termination of the contract and subject to any directions from GWA, the Bidder shall take timely, **reasonable**, and necessary action to protect and preserve property in the possession of the Bidder in which GWA has an interest.

(3) Compensation. Payment for completed services delivered and accepted by GWA shall be at the contract price. Payment for the protection and preservation of property shall be in an amount agreed upon by the Bidder and GWA; if the parties fail to agree, GWA shall set an amount subject to the Bidder's rights under Chapter 9 (Legal and Contractual Remedies) of the Guam Procurement Regulations. GWA may withhold from amounts due the Bidder such sums as GWA deems to be necessary to protect GWA against loss because of outstanding liens or claims of former lien holders and to reimburse GWA for the excess costs incurred in procuring similar goods and services.

(4) Excuse for Nonperformance or Delayed Performance. Except with respect to defaults of sub-contractor(s) of Bidder, the Bidder shall not be in default by reason of any failure in performance of this contract in accordance with its terms (including any failure by the Bidder to make progress in the prosecution of the work hereunder which endangers such performance) if the Bidder has notified GWA within 15 days **after** the cause of the delay and the failure arises out of causes such as: acts of God; acts of the public enemy; acts of the government of Guam and any other governmental entity in its sovereign or contractual capacity; fires; floods; epidemics;



quarantine restrictions; strikes or other labor disputes; freight embargoes; or unusually severe weather. If the failure to perform or to make progress due to such causes similar to those set forth above, the Bidder shall not be deemed to be in default, unless the services to be furnished by the sub-contractor were reasonably obtainable from other sources in sufficient time to permit the Bidder to meet the contract requirements. Failure of the sub-contractor to perform for reasons other than cited above shall constitute a default of the Bidder unless cured by Bidder with a reasonable time. Upon request of the Bidder, GWA shall ascertain the facts and extent of such failure, and, if GWA determines that any failure to perform was occasioned by any one or more of the excusable causes, and that, but for the excusable cause, the Bidder's progress and performance would have met the terms of the contract, the delivery schedule shall be revised accordingly, subject to the rights of GWA and the government of Guam under the laws of Guam.

(5) **Erroneous Termination for Default.** If, after notice of termination of the Bidder's right to proceed under the provisions of this clause, it is determined for any reason that the Bidder was not in default under the provisions of this clause, or that the delay was excusable under the provisions of Paragraph (4) (Excuse for **Nonperformance** or Delayed Performance) of this clause, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Subsection C, below.

(6) **Additional Rights and Remedies.** The rights and remedies provided in this clause are in addition to any other rights and remedies provided by law or under this contract

#### **TERMINATION FOR CONVENIENCE:**

(1) **Termination.** GWA may, when the interest of GWA so requires, terminate this contract in whole or in part, for the convenience of GWA. GWA shall give written notice of the termination to the Bidder specifying the part of the contract terminated and when termination becomes effective.

(2) **Bidder's Obligations.** The Bidder shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the Bidder will stop work to the extent specified. The Bidder shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Bidder shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. GWA may direct the Bidder to assign the Bidder's right, title, and interest under terminated orders or subcontracts to GWA. The Bidder must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

(3) **Right to Work Product.** Upon termination of the contract for the convenience of GWA or for any other reason, Bidder shall transfer title and deliver to GWA all documents and reports, plans, drawings, information and other material produced by Bidder or any of its sub-contractors in connection with the performance of this contract. The Bidder shall protect and preserve property in its possession or in the possession of any of its sub-contractors in which GWA has an interest.

(4) **Compensation.**

- (a) The Bidder shall submit a termination claim specifying the amount due because of the termination for convenience together with cost or pricing data to the extent required by 2 G.A.R. § 3118 (Cost or Pricing Data) of the Guam Procurement Regulations bearing on such claim. If the Bidder fails to file a termination claim within one year from the effective date of termination, GWA may pay the Bidder, if at all, an amount set in accordance with Subparagraph (c) of this Paragraph.
- (b) GWA and the Bidder may agree to a settlement provided the Bidder has filed a termination claim supported by cost or pricing data to the extent required by 2 G.A.R. § 3118 (Cost or Pricing Data) of the Guam Procurement Regulations and that the settlement does not exceed the total contract price plus settlement costs reduced by payments previously made by GWA and the contract price of the work not terminated.
- (c) Absent complete agreement under Subparagraph 4(b) of this Section, GWA shall pay the Bidder the following amounts, provided payments that are agreed upon under Subparagraph 4(b) shall not duplicate payments under this Subparagraph:
  - (i) contract prices for services accepted under the contract;
  - (ii) costs incurred in preparing to perform and performing the terminated portion of the work plus a fair and reasonable profit on such portion of the work (such profit shall not include anticipatory profit or consequential damages) less amounts paid or to be paid for accepted supplies or services; provided, however, that if it appears that the Bidder would have sustained a loss if the entire contract would have been completed, no profit shall be allowed or included and the **amount** of compensation shall be reduced to reflect the anticipated rate of loss;
  - (iii) costs of settling and **paying** claims arising out of the termination of subcontracts or orders pursuant to Subparagraph (b) of this clause;
  - (iv) the reasonable settlement costs of the Bidder including accounting, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the contract for the termination and settlement of subcontracts hereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of property allocable to the terminated portion of this contract. Attorney's fees if for any reason it files suit against the government must be paid by the Bidder. The total sum to be paid the Bidder under this Subparagraph shall not exceed the total contract price plus the reasonable settlement costs of the Bidder reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under Subparagraph (b) of this Paragraph, and the contract price of work not terminated.
- (d) Cost claimed, agreed to, or established under Subparagraph (b) and (c) of this Paragraph shall be in accordance with Chapter 7 (Cost Principles) of the Guam Procurement Regulations.

**I. SEVERABLE PROVISIONS.**

If any provision of this agreement shall be deemed by a court of competent jurisdiction to be invalid, then such provision shall be deemed stricken from the agreement and the agreement shall be enforced according to its valid and subsisting terms and provisions. The terms of this Contract shall control in the event of any conflict between this Contract and any other document incorporated or referenced herein.

**J. GOVERNING LAW AND VENUE.**

The validity of any agreement entered into under this bid and any of its terms or provisions, as well as the rights and duties of the parties to this agreement, shall be governed by the laws of Guam. Moreover, any and all actions governing this agreement shall be brought in either the Guam Superior Court or the Guam District Court if applicable.

**K. EFFECTIVE DATE OF AGREEMENT.**

Any agreement under this Bid shall take effect upon the date said agreement is signed by the GWA General Manager (who shall sign last). Agreements under this provision includes Purchase Orders in the absence of a formal written contract.

**L. GOVERNMENT NOT LIABLE.**

1. GWA, its officers, agents, employees and governing board assumes no Liability for any accident or injury that may occur to the bidder, bidder's agents, employees, or to bidder's property while on the job or otherwise en route to or from the job during any travel required by the terms of this agreement.

2. GWA, its officers, agents, employees and governing board shall not be liable to bidder for any work performed by the bidder prior to the written and signed approval of this Contract by the General Manager for GWA and by submitting a bid, the bidder expressly waives any and all claims for service performed in expectation of this agreement prior to its signature of the General Manager.

**M. ASSIGNMENT.**

An assignment of any portion of the performance required under this Bid is not valid unless written approval is first obtained from GWA. Requests for approval of the right to assign any portion of the contract or obligation, if awarded, must be made in writing and submitted with the bid. No other requests for assignment will be accepted.

**N. LIQUIDATED DAMAGES.**

By submitting a bid, the Bidder agrees to commence work on the date to be specified in a written "Notice to Proceed" from GWA and to fully complete the project within the allotted time

thereafter. In the event that the Bidder fails to complete the work called for in the bid, fails to provide the goods or services in the allotted time, then Bidder shall pay to GWA  $\frac{1}{4}$  of 1% of the total bid price per day as liquidated damages for the non-performance as specified by the Guam Code Annotated. The liquidated damages herein are not a penalty, but rather a reasonable estimate by GWA of the loss it would suffer as a result of non-performance.

**O. CONTRACT DOCUMENTS.**

It is hereby mutually agreed that the following list of instruments, plans, specifications and documents which are attached hereto, bound herewith or incorporated herein by reference shall constitute the Contract Documents, all of which are made a part hereof, and collectively evidence and constitute the Contract between the parties, hereto, and they are as fully a part of any Agreement resulting from this bid as if they were set out verbatim and in full therein, and are designated as follows:

- a. Invitation to Bid
- b. Instructions to Bidders
- c. Bid
- d. Form of Non-Collision Affidavit
- e. Bid Bond
- f. Formal Contract (which shall control in the event of conflict between this and any other contract document)
- g. Performance Bond (if applicable)
- h. Payment Bond (if applicable)
- i. General Provisions
- j. Special Provisions
- k. Technical Specifications
- l. Plans (if any)
- m. Addenda/Amendments
- n. Answers to Questions (if GWA determines they are applicable).

**P. DISPUTES.**

Except as otherwise specifically provided in this contract, all disputes concerning questions of fact arising under this bid shall be decided by the GWA General Manager whose decision shall be final and conclusive upon the parties thereto. In the meantime, the bidder shall diligently proceed with the work as directed. However, the final decision of the GWA General Manager is appealable to the Guam Public Auditor as provided under 5 G.C.A. § 5427(e).

**Q. CONTRACT ISSUED UNDER THIS BID IS BINDING.**

It is agreed that any contract under this bid and all the Covenants hereof shall insure to the benefit of and binding upon GWA and the bidder respectively and his parties, successors, assignees and legal representative. Neither GWA nor the Bidder shall have the right to assign, transfer or sublet his interests or obligations hereunder without written consent of the other party.



It is hereby mutually agreed by and between the parties hereto that no mechanic, contractor, subcontractor, material man or other person can or will contract for or in any other manner have or acquire any lien upon the binding or works covered by the contract, or the land upon which the same is situated.

**R. BIDDER'S RESPONSIBILITIES.**

The Bidder shall be responsible for the quality and workmanship of all services and materials furnished under this **contract**. The Bidder shall, without additional cost to GWA, correct or revise all errors or deficiencies in his/her products or work.

GWA's review, approval, acceptance of, and payment for goods, fee, or for services required under this contract, shall not be construed to operate as a waiver of any rights under this contract or of any cause of action arising out of the Bidder's failure of performance of this contract and the Bidder shall be and remain liable to the GWA for all costs of any kind which may be incurred by the GWA as a result of the Bidder's negligent or erroneous performance of any of the services performed under this Bid. GWA shall continue to remain liable for its own negligent acts and those of its employees and its failure to perform as provided under this agreement.

**S. SCOPE OF AGREEMENT.**

Any Agreement issued under this bid and signed by the GWA General Manager (formal contract or Purchase Order) supersedes any and all other Agreements, either oral or in **writing**, between the parties hereto with respect to retaining the services of Bidder by the GWA and contains all of the covenants and terms between the parties with respect to such this project. Each party to this Agreement acknowledges that no **representation**, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement and addenda will be effective only if it is in writing signed by the party to be charged. For the purposes of this paragraph and of the entire agreement, the **signature** of the General Manager for the Guam Waterworks Authority (or his designee) is the only signature that will bind the GWA.

**T. CHANGE ORDERS.**

By written order, at any time, and without notice to Bidder's surety, GWA may, subject to all appropriate adjustments, make changes within the general scope of work of this Contract in any one or more of the followings:

1. Drawings, designs or specifications, if the supplies or services to be furnished are to be specifically manufactured for GWA in accordance therewith;
2. Method of shipping or packing; or
3. Place of delivery.

If any such change order increases or decreases the Bidder's cost of, or the time required for performance of any part of the work under this contract, whether or not changed by the order, an

adjustment shall be made and the contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this Contract.

Failure of the parties to agree to an adjustment shall not excuse the Bidder from proceeding with the Contract as changed, provided that GWA promptly and duly make such provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the Bidder shall not be deemed to have prejudiced any claim for additional compensation, or an extension of time for completion.

Within 30 days after receipt of a written change order, unless such period is extended by GWA in writing, the Bidder shall file notice of intent to assert a claim for an adjustment. Later notification shall not bar the Bidder's claim unless GWA is prejudiced by the delay in notification. No claim by the Bidder for an adjustment hereunder shall be allowed if notice is not given prior to final payment under this Contract.

In the absence of such a change order, nothing in this clause shall be deemed to restrict the Bidder's right to pursue a claim arising under the contract if pursued in **accordance** with the clause entitled "Claims Based on Acts or Omissions by GWA" of this Contract.

#### **U. STOP WORK ORDERS.**

GWA may by written order to the Bidder, at any time, and without notice to any surety, require the Bidder to stop all or any part of the work called for in the Contract. This order shall be for a **specified** period not exceeding ninety (90) days after the order is received by the Bidder, unless the parties agree to any longer period. Upon **receipt** of the order, the Bidder shall comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the parties have agreed, GWA shall either cancel the work order or terminate the work covered by the order as provided under the Termination for Default or Termination for Convenience Clauses contained in this contract.

If a stop work order issued under this clause is cancelled at any time during the period specified in the order, of the period of the order or any extension thereof expires, the Bidder shall have the right to resume work. An appropriate adjustment shall be made to the delivery schedule or Bidder only if: (a) the stop work order results in an increase in the time required for performance or the Bidder's cost; and (b) if the Bidder asserts a claim for such an adjustment within thirty (30) days after the end of the period of work stoppage; provided that, if GWA decides that the facts justify such action, any such claim asserted may be received and acted upon at any time prior to final payment under this Contract. If a stop work order is not cancelled and the work covered by the order is terminated for default or convenience, the reasonable costs resulting from the stop work order shall be allowed pursuant to the price adjustment clause of this Contract.

#### **V. CLAIMS BASED ON ACTS OR OMISSIONS BY GWA.**

If any action or omission on the part of GWA requiring performance changes within the scope of the contract constitutes the basis for a claim by the Bidder for additional compensation, damages,

or an extension of time for completion, the Bidder shall continue with performance of the contract in compliance with the directions or orders of GWA, but by so doing, the Bidder shall not be deemed to have prejudiced any claim for additional compensation, damages, or an extension of time for completion; provided:

- (a) the Bidder shall have given written notice to GWA:
  - (i) prior to the commencement of the work involved, if at that time the Bidder knows of the occurrence of such action or omission;
  - (ii) within 30 days after the Bidder knows of the occurrence of such action or omission, if the Bidder did not have such knowledge prior to the commencement of the work; or
  - (iii) within such further time as may be allowed by the Procurement Officer in writing.

This notice shall state that the Bidder regards the act or omission as a reason which may entitle the Bidder to additional compensation, damages, or an extension of time. The Procurement Officer or designee of such officer, upon receipt of such notice, may rescind such action, remedy such omission, or take such other steps as may be deemed advisable in the discretion of the Procurement Officer or designee of such officer.

(b) the notice required by Subparagraph (a) of this Paragraph describes as clearly as practicable at the time the reasons why the Bidder believes that additional compensation, damages, or an extension of time may be remedies to which the Bidder is entitled; and

(c) the Bidder maintains and, upon request, makes available to the Procurement Officer within a reasonable time, detailed records to the extent practicable, of the claimed additional costs or basis for an extension of time in connection with such changes.

Nothing herein contained, however, shall excuse the Bidder from compliance with any rules of law precluding any GWA official or its Bidders from acting in collusion or bad faith in issuing or performing change orders which are clearly not within the scope of the contract.

Any adjustment in the contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this contract.

#### **W. PRICE ADJUSTMENT CLAUSE.**

Any adjustment in contract price pursuant to clauses in this contract shall be made in one or more of the following ways:

- (a) by agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable;
- (b) by unit prices specified in the contract or subsequently agreed upon;

- (c) by the costs attributable to the event or situation covered by the clause, plus appropriate profit or fee, all as specified in the contract or subsequently agreed upon;
- (d) in such other manner as the parties may mutually agree; or
- (e) in the absence of an agreement between the parties, by a unilateral determination by the GWA General Manager of costs attributable to the event or situation covered by the clause, plus appropriate profit or fee, all as computed by the GWA General Manager in accordance with generally accepted accounting principles and applicable sections under Chapter 7 (Cost Principles) of the Guam Procurement Regulations and subject to the provisions under Title 5, Chapter 5 of the Guam Code Annotated (Legal and Contractual Remedies).

#### **X. SERVICE DISABLED VETERAN PREFERENCE.**

Please note that in the event a bid is submitted by a bona-fide service disabled veteran where the bidder is at least fifty-one percent (51%) owned by a service-disabled veteran and the price for the supply or service *does not* exceed one hundred five percent (105%) of the lowest price bidder, GWA is required under 5 G.C.A. § 5011 to award the bid to the service-disabled owned business. A service-disabled veteran business must meet all of the following qualifications under 5 G.C.A. § 5012:

- (a) the business concern is licensed to do business on Guam;
- (b) the business concern maintains its headquarters on Guam;
- (c) the business concern is *at least* fifty-one percent (51%) owned by a service-disabled veteran(s) who served in the active U.S. military service, was discharged or released under honorable conditions and whose disability is service-connected as demonstrated by a DD214, and certified by an award letter from the U.S. Department of Veterans Affairs;
- (d) the DD214 and Disability award letter from the U.S. Department of Veterans Affairs are submitted to the procuring entity for every service or supply offered; and;
- (e) the service-disabled veteran(s) owner of the business concern has filed individual tax returns on Guam for a period of *at least* three (3) consecutive years

For any request for a price adjustment, the contractor shall submit cost or pricing data for any price adjustments subject to the provisions of 2 G.A.R. § 3118 of the Guam Procurement Regulations.

#### **IV. ADDITIONAL SPECIAL TERMS AND CONDITIONS**

This is an “Indefinite Quantity Bid” pursuant to the Guam Procurement Regulations. **The quantities reflected in the bid are estimated requirements only and not guaranteed minimums. The amounts listed are GWA’s best estimate of its average annual needs.** Quantities may increase or decrease thru the duration of the contract and continued purchase is subject to the availability of funds. No commitment is made to vendors in terms of purchasing quantity.



- A. The purpose of this bid is to provide GWA with a sufficient quantity of 150 lbs. and one-ton liquid chlorine cylinders and to provide GWA with a sufficient supply of liquid chlorine to allow GWA to safely operate its water system and to comply with the terms and conditions of the USEPA / GWA Stipulated Order for Preliminary Relief (as amended) entered into on June 5, 2003. In addition, these specifications have been written to describe minimum performance requirements of the items to be supplied.
- B. GWA reserves the right to **conduct** a reasonable test following delivery and prior to acceptance to confirm that the products (both the cylinders and the chlorine) meet the minimum specifications set forth herein or otherwise performs as required.
- C. These specifications have been written to describe the minimum requirements to be supplied by the vendor bidding. This bid is subject to Guam's Procurement Laws.

GWA hereby notifies vendors that a reasonable test may be conducted upon delivery of each shipment and prior to acceptance, which may include, but is not limited to testing the goods to be provided under this Bid for quality, manufacturing defects, other irregularities and for compliance with these specifications. GWA also reserves the right to have any goods provided hereunder tested by an independent firm to ensure quality and compliance with requirements set forth in this bid. GWA also reserves the right to have the manufacturing process inspected for all goods provided hereunder.

- D. The Guam Waterworks Authority reserves the right to accept and/or reject any and all bids, to waive any defects, irregularities, or specification discrepancies and to award the bid as deemed to be the best interest to GWA.
- E. As required under Guam law, GWA reserves the right to cancel this bid if it is in the best interest of GWA to do so.
- F. The successful bidder shall warrant that all goods and services to be provided herein are fit for the intended purpose stated in this Bid, are **manufactured** in the **United States** and meet the standards set forth in this Bid. The bidder shall also warrant all goods provided under this Bid to have a useful product shelf life of a period of not less than one year. However, if the manufacturer of such goods provides a shelf life warranty for any period of time **greater** than one year for any item, that same warranty period shall be extended to GWA.
- G. In addition, the successful bidder will handle all warranty issues arising out of this agreement and shall act as the warranty administrator for the duration of any warranty provided under this Bid. Thus, if the vendor is not the manufacturer of the products provided under this Bid, GWA will not be required by the bidder to contact any manufacturer directly unless the bidder is the manufacturer of all goods provided hereunder and the bidder shall designate a delivery point on Guam for goods to be delivered or bidder shall pay all freight and handling charges associated with the return of the goods to the manufacturer and all costs for replacement.

- H. The successful bidder may be required to enter into a written contract on terms and conditions acceptable to GWA (also please note that a Purchase Order is a contract).
- I. Bidders are advised that they are required to follow all laws, rules and regulations relating to the provision of goods and services. Ignorance of any law, rule or regulation by the bidder at any time during the bidding process or performance under the bid shall not relieve the vendor from the applicability thereof.
- J. All Bidders shall maintain \$1,000,000 liability **insurance** policy throughout the duration of the performance of any contract entered into. Bidders shall provide a copy of the insurance policy to GWA as a condition for entering into the contract with GWA. Bidders shall also provide GWA with proof the policy has been renewed and kept in force throughout the contract term.
- K. Prior to entering into any contract with GWA, any and all successful bidders shall provide GWA with a valid and up-to-date copy of their Guam Business License which provides proof that they are able to engage in the type of business required for this bid.
- L. Bidders are also advised to use and fill out all forms attached to this Bid, including but not limited to the Affidavit of Non-Collusion, Certification Regarding Hiring Convicted Sex Offenders, Bid Bond, and any other form required to complete their bid.
- M. Bidders are reminded that submission of a bid constitutes an acknowledgement that they have read and understood all bid terms and agree to be bound by such an that failure to read the bid shall not excuse performance or otherwise give rise to any claim by bidder, including mistake, neglect or for any other reason.

## V. SPECIAL PROVISIONS

### 1. Bid and Performance Bond Requirements:

All bidders are required to submit bid security in the amount of **15%** of their total bid amount which must also indicate that the security is not only for a bid bond, but also for performance under this Bid as required by 5 G.C.A. 5312. Failure to submit a proper bid bond will cause the bid to be rejected. Bid amounts are based on the total cost for the total number of units specified.

As required by law, the bid security shall not be released upon award of the bid, but instead shall continue in full force and effect until after delivery of the supplies or services required by the contract awarded to the Bidder under the associated Invitation for Bid is completed to secure the faithful performance under this Bid (e.g., **until warranty period has ended as any warranty is a service provided in conjunction with the delivery of goods**).

#### THE BID/PERFORMANCE GUARANTEE MAY BE IN THE FORM OF:

- a. **Cashier's Check or Certified Check**

- b. Letter of Credit
- c. Surety Bond – Valid only if accompanied by:
  - i. Current Certificate of Authority;
  - ii. Power of Attorney issued by the Surety to the Resident General Agent;
  - iii. Power of Attorney issued by two (2) major officers of the Surety to whoever is signing on their behalf

2. **Performance Bond:** see Section 1 above.

3. **Failure To Submit Required Documentation.**

Failure by Bidder to submit the required information or data will be cause to declare the bidder as non-compliant with the bid. Any declaration of non-compliance shall be at the sole discretion of the General Manager of the Guam Waterworks Authority.

4. **Shipping and Cost:**

Total cost must include CIF delivery to GWA's Ugum Water Treatment Facility located in Talafofo, Guam. Deliveries shall be made via flatbed truck or other means acceptable to GWA. If necessary, a forklift must be provided during deliveries by the successful vendor to unload the truck and place the chemicals at places at the Ugum facility designated by GWA staff. The contractor shall contact GWA's Procurement Division at least 72 hours in advance of each delivery to determine whether or not a forklift will need to be provided

5. **Delivery and Payment**

- a. The vendor will be responsible for all cost and all risks associated with the provision of these goods until delivery is made and the items are formally accepted by GWA. Formal acceptance under this bid shall not be deemed to be the mere delivery of the goods. Acceptance will only occur after delivery and inspection / testing is performed by GWA. Delivery time is 30 days from the date on the Notice to Proceed. GWA reserves the right to reject non-conforming goods at any time prior to use after the goods have been delivered.
- b. All goods shall be delivered CIF to GWA's Ugum Water Treatment Facility.
- c. The initial shipment shall be delivered to GWA within thirty days after the Notice to Proceed has been provided to the vendor. **A Material Safety Data Sheet (MSDS) must be provided with each delivery, regardless of amount. Aside from the initial delivery, all goods must be delivered within 5 businesses from the date the vendor is notified of the need for goods and the amount of goods required to be delivered.**
- d. Vendors must maintain at least a three (3) month supply of goods they are responsible for supplying on Guam at all times. Goods shall be stored in a manner to ensure that typhoons or other natural disasters do not make them unavailable to GWA when needed

since weather and natural disasters are exactly why the three (3) month supply is being required given the fact that water is a **necessary** element to ensuring public health.

- e. Please note that usage of the chemicals is **dependent** upon many factors, including time of year, weather, etc.

Payment for all goods delivered shall be net 30 following the date that an invoice for goods delivered to GWA has been provided to GWA and verified by GWA. Verification shall take no longer than 10 business days. Vendors may not bill GWA for the inventory stock required to be maintained hereunder.

**6. Quality:**

All items to be delivered under this bid shall be of high quality and be of U.S. manufacture and they shall at all times conform to the specifications set out under this bid.

GWA reserves the right to reject items based on failure to meet the standards set forth herein or based upon quality.

GWA reserves the right to request samples from each bidder to test independently. If bidders do not provide a sample for testing if such a request is made, the bidder may not be deemed to be a qualified bidder and as such their bid may be rejected.

**7. Contract Term:**

The lowest responsive and **responsible** bidder for the item above will enter into a **contract** on terms acceptable to GWA. **Form contracts from vendors shall not be used.** The contract term shall commence on the date of the vendor's **acknowledged** receipt of a formal Notice to Proceed from GWA. The initial term is for three (3) years for chemicals to be used by GWA to operate the Ugum Surface Water Treatment Facility in compliance with the Long Term 2 Enhanced Surface Water Treatment Rule of the Safe Drinking water Act during the operation of a membrane water treatment facility. GWA finds that a multi-year fixed price contract will ensure the best price in the long-term to hedge against fluctuating prices which tend to increase over time and to increase efficiency in operations by not having to proceed through the bid process annually. This contract may be extended out annually for a maximum period of two (2) years subject to the consent of both parties. In the third-year price adjustments may be made subject to the provision of verified cost and pricing data from the vendor.

- 8. These specifications have been written to describe minimum performance requirements to be supplied by the manufacturers bidding.
- 9. The successful bidder shall furnish all necessary information and instructions for the proper operation / completion of all requirements in bid specifications.



10. GWA reserves the right to accept and/or reject any and all bids, to waive any defects, irregularities, or specification discrepancies and to award the bid in the best interest of Guam Waterworks Authority.

These specifications were approved and/or prepared by Miguel C. Bordallo, P.E. General Manager, and hereby constitute the findings and determinations of the General Manager.

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**NON-COLLUSION AFFIDAVIT**

Guam                    )  
                              )ss:  
Tamuning                )

I, \_\_\_\_\_ first being duly sworn, depose and say:  
(Name of Declarant)

1. That I am the \_\_\_\_\_ of \_\_\_\_\_  
(Title) (Name of Company or Person Bidding/RFP)

2. That in making the foregoing proposal or bid, that such proposal or bid is genuine and not collusive or sham, that said bidder/offeror has not colluded, conspired, connived or agreed, directly or indirectly, with any bidder or person, to put in a sham or to refrain from bidding or submitting a proposal and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price of affiant or any other bidder, or to secure any overhead, project or cost element of said bid price, or of that of any bidder, or to secure any advantage against the GUAM WATERWORKS AUTHORITY or any person interested in the proposed contract; and

3. That all statements in said proposal or bid are true.

4. This affidavit is made in compliance with 2 G.A.R. § 3126(b).

So sayeth \_\_\_\_\_  
(Declarant)

Signed on this \_\_\_\_ day of \_\_\_\_\_ 201\_\_\_\_, before me a Notary Public in and for Guam, personally appeared \_\_\_\_\_, known to me to be the authorized representative of \_\_\_\_\_, whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed on behalf of \_\_\_\_\_, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the date last above written.

) Seal (

Notary Public

**CERTIFICATION OF NON-EMPLOYMENT OF CONVICTED SEXUAL OFFENDERS**

Pursuant to Guam Public Law 28-24, as amended by Guam Public Law 28-98, if a contract for services is awarded to the bidder or offeror, then the service provider must warrant that no person in its employment who has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 of the Guam Code Annotated or of an offense defined in Article 2 of Chapter 28 of Title 9 of the Guam Code Annotated, or who has been convicted in any other jurisdiction of an offense with the same elements as heretofore defined, or who is listed on the Sex Offender Registry, shall provide services on behalf of the service provider while on government of Guam property, with the exception of public highways. If any employee of a service provider is providing services on government property and is convicted subsequent to an award of a contract, then the service provider warrants that it will notify the Guam Waterworks authority ("GWA") of the conviction within twenty-four hours of the conviction, and will immediately remove such convicted person from providing services on government property. If the service provider is found to be in violation of any of the provisions of this paragraph, then the GWA will give notice to the service provider to take corrective action. The service provider shall take corrective action within twenty-four hours of notice from GWA, and the service provider shall notify GWA when action has been taken. If the service provider fails to take corrective steps within twenty-four hours of notice from GWA, then GWA in its sole discretion may suspend temporarily any contract for services until corrective action has been taken.

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I, \_\_\_\_\_ being a duly authorized representative acknowledge the  
(print name)

directive as describe above and ensure the Bid Proposal as submitted **addresses** the directive.

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(Company Name)

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(Title)

---

(Signature)

---

(Date)



**BID AND PERFORMANCE BOND FOR GOODS AND SERVICES**  
**AS REQUIRED UNDER 5 G.C.A. § 5212**

KNOW ALL MEN BY THESE PRESENTS, that (bidder name) \_\_\_\_\_  
\_\_\_\_\_ as Principal, herein after called the Principal and  
(name of surety) \_\_\_\_\_  
as duly admitted insurer under the laws of the Territory of Guam, as Surety, hereafter called the  
Surety, are held and firmly bound unto the Guam Waterworks Authority for the sum  
of \_\_\_\_\_ Dollars  
(\$ \_\_\_\_\_), for payment of which sum will and truly to be made, the said Principal and the  
said Surety bind ourselves, our heirs, executors, administrators, successors and assigns, jointly  
and severally firmly by these presents:

WHEREAS, the Principal has submitted a bid for and is anticipated to enter into a contract in  
the amount specified below,

\_\_\_\_\_

\_\_\_\_\_

NOW, THEREFORE, if the Guam Waterworks Authority shall accept the bid and the Principal  
shall not withdraw said bid within one hundred twenty (120) calendar days after the opening of  
bids, and shall within twenty-one (21) calendar days after the prescribed forms are presented to  
him for signature, enter into a Contract with the Guam Waterworks Authority in accordance with  
the terms of such bid. This bond shall also be held by the Guam Waterworks Authority to secure  
the faithful **performance** of such Contract and for the prompt payment of labor, goods, services  
and materials furnished in the prosecution thereof. In the event of the failure of the Principal to  
enter into such Contract, or if the Principals (Bidder) fails to **perform** in accordance with the  
requirements set out under the Bid or any other written instrument requirement performance  
thereunder, the Surety, on behalf of the Principals shall pay to the Guam **Waterworks** Authority  
the differences not to exceed the penalty hereof between the amounts specified in said bid and  
such larger amount for which the Guam Waterworks Authority may in good faith contract with  
another party to perform work covered by said bid or an appropriate liquidated amount as  
specified in the Invitation for Bids then this obligation shall be null and void, otherwise to remain  
in full force and effect.

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION is such that, if the Bidder  
shall promptly and faithfully perform said Contract, and shall promptly make payment to all  
claimants as hereinafter defined for all **labor** and material used or reasonably required for use in  
the performance of the Contract, then this obligation shall be void; otherwise it shall remain in  
full force and effect, subject, however, to the following conditions:

- A. The Surety hereby waives notice of any alteration or extension of the time made by the  
Authority provided the same is within the scope of the Contract or any modification  
thereto.

- B. Whenever the Bidder shall be and is declared in default by the Authority to be in default under the Contract, the Authority having performed its obligations hereunder, the Surety may promptly remedy the default or shall promptly:
1. Complete the Contract in accordance with its terms and conditions; or
  2. Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by the Authority and the Surety of the lowest responsible bidder, arrange for a Contract between such bidder and the Authority, and make available as work progresses (even though there should be a default or a succession of defaults under the Contract or Contracts or completion arranged under this paragraph) sufficient funds to pay the cost of completion, less than balance of the Contract price, but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the Contract Price," as used in this paragraph shall mean the total amount payable by the Authority to Bidder under the Contract and any amendments thereto, less the amount properly paid by the Authority to Bidder. No right of action shall accrue on this bond to or for use of any person or corporation other than the Authority or successors of the Authority.
- C. A claimant is defined as one having a direct contract with the Bidder or with a sub-bidder of the Bidder for labor, material, or both, used or reasonably required for use in the performance of the Contract, labor and material being construed to include that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental of equipment directly **applicable** to the Contract.
- D. The above named Bidder and Surety hereby jointly and severally agree with the Authority that every claimant as herein defined, who has not been paid in full before the expiration of a period of ninety (90) days after the date of which the last of such claimant's work or labor was done or performed, or **materials** were furnished by such claimant, may sue on this bond for use of such claimant, prosecute the suit to final judgment to final judgment for such sum or sums as may be justly due the claimant, and have execution thereon. The Authority shall not be liable for the payment of any costs or expenses of any such suit.
- E. No suit or action shall be commenced hereunder by any claimant:
1. Unless claimant, other than one having a direct contract with the Bidder, shall have given written notice to any two (2) of the following entities named below:
    - (a) the Bidder; (b) the Guam Waterworks Authority, or (c) the Surety above named, within ninety (90) days after such claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were furnished, or for whom the work or labor was done or performed. Such notice shall be personally served by mailing the same by registered mail or certified mail, postage

prepaid, in an envelope addressed to the Bidder at any place the principal maintains an office or conducts its business.

2. After the expiration of one (1) year following the date on which the last of the labor was performed or material was supplied by the party bringing suit.

3. Other than in a court of competent jurisdiction in and for the Territory of Guam.

F. The amount of the bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder.

SIGNED AND SEALED THIS \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, A.D.

IN THE PRESENCE OF:

*(Note: If the Principals are Partners, each must execute the Bond)*

\_\_\_\_\_  
(WITNESS)

\_\_\_\_\_  
(BIDDER ) (SEAL)

\_\_\_\_\_  
(TITLE)

\_\_\_\_\_  
(TITLE)

\_\_\_\_\_  
(MAJOR OFFICER OF SURETY)

\_\_\_\_\_  
(MAJOR OFFICER OF SURETY)

\_\_\_\_\_  
(TITLE)

\_\_\_\_\_  
(TITLE)

\_\_\_\_\_  
(RESIDENT GENERAL AGENT)



## EXHIBIT B



### GUAM WATERWORKS AUTHORITY

"Better Water. Better Lives."

Gloria B. Nelson Public Services Building  
688 Route 15, Mangilao, Guam 96913

#### MEMORANDUM

**TO:** General Manager  
**VIA:** Supply Management Administrator  
**SUBJECT:** Invitation to Bid No. GWA 2019-05  
Ref: Liquid Chlorine  
**FROM:** Evaluation Committee Members  
**REF:** Recommendation of Award  
**DATE:** April 23, 2019

Invitation for Bid No: GWA 2019-05 was officially announced and advertised in the Pacific Daily News, Guam Daily Post and Guam Waterworks Authority Website on February 27, 2019 and open as scheduled on April 17, 2019 @ 10:00am Five (5) prospective bidders expressed their interests by acknowledging receipt of the bid package thru GWA's website.

Bidders Register:

1. M.D. Wholesale
2. Deltek
3. Island Equipment Company
4. Innovative Water Care
5. Martech Services, Inc.

Of the Five (5) One (1) submitted their bid package, namely:

- Island Equipment Company

An evaluation committee was formally assembled and met on April 22, 2019 @ 10:30 am in GPWA conference room 1<sup>st</sup> floor to review/discuss and evaluate the bid.



Upon further clarifications the committee members completed the evaluation process and have determined 'Island Equipment Company have been deemed a responsive bidder and respectfully submitted their bid proposal and is recommend to be awarded based on the lowest cost given on each line item below as follows:

### I. BID ITEM(s)

<u>Item No</u>	<u>Description</u>	<u>Min Qty</u>	<u>Unit Cost</u>	<u>Total Cost</u>
1.0	Liquid Chlorine 150 lb. Cylinders	1,260 each	<u>\$618.00</u>	<u>\$778,680.00</u>
2.0	Liquid Chlorine One (1) Ton	12 each	<u>\$6,097.78</u>	<u>\$73,173.36</u>
<b>Grand Total \$</b>				<b><u>\$851,853.36</u></b>

#### **BIDDING ON:**

MFG: Chemtrade Electrochem, Inc.

Brand: Chemtrade

Place of Origin: North Vancouver ( BC Source)

Date of Delivery: 30-35 days ARO  
After Receipt of Purchase Order

After a thorough evaluation the committee members agreed and accepts the bid offer from 'Island Equipment and have been determined complied with all specifications and requirements set forth in the IFB.

#### **SUMMARY:**

##### **Shipping and Cost:**

Total cost must include CIF delivery to GWA's Ugum Water Treatment Facility located in Talafofo, Guam. Deliveries shall be made via flatbed truck or other means acceptable to GWA. If necessary, a forklift must be provided during deliveries by the successful vendor to unload the truck and place the chemicals at places at the Ugum facility designated by GWA staff. The contractor shall contact GWA's Procurement Division at least 72 hours in advance of each delivery to determine whether or not a forklift will need to be provided

##### **Delivery and Payment**

- a. The vendor will be responsible for all cost and all risks associated with the provision of these goods until delivery is made and the items are formally accepted by GWA. Formal acceptance under this bid shall not be deemed to be the mere delivery of the goods. Acceptance will only occur after delivery and inspection / testing is performed by GWA. Delivery time is 30 days from the date on the Notice to Proceed. GWA reserves the right to reject non-conforming goods at any time prior to use after the goods have been delivered.
- b. All goods shall be delivered CIF to GWA's Ugum Water Treatment Facility.
- c. The initial shipment shall be delivered to GWA within thirty days after the Notice to Proceed has been provided to the vendor. A Material Safety Data Sheet (MSDS) must be provided with each delivery, regardless of amount. Aside from the initial delivery, all goods must be delivered within 5 businesses from the date the vendor is notified of the need for goods and the amount of goods required to be delivered.
- d. Vendors must maintain at least a three (3) month supply of goods they are responsible for supplying on Guam at all times. Goods shall be stored in a manner to ensure that typhoons or other natural disasters do not make them unavailable to GWA when needed since weather and natural disasters are exactly why the three (3) month supply is being required given the fact that water is a necessary element to ensuring public health.
- e. Please note that usage of the chemicals is dependent upon many factors, including time of year, weather, etc.

Payment for all goods delivered shall be net 30 following the date that an invoice for goods delivered to GWA has been provided to GWA and verified by GWA. Verification shall take no longer than 10 business days. Vendors may not bill GWA for the inventory stock required to be maintained hereunder.

**Contract Term:**

The lowest responsive and responsible bidder for the item above will enter into a contract on terms acceptable to GWA. **Form contracts from vendors shall not be used.** The contract term shall commence on the date of the vendor's acknowledged receipt of a formal Notice to Proceed from GWA. **The initial term is for three (3) years** for chemicals to be used by GWA to operate the Ugum Surface Water Treatment Facility in compliance with the Long Term 2 Enhanced Surface Water Treatment Rule of the Safe Drinking water Act during the operation of a membrane water treatment facility. GWA finds that a multi-year fixed price contract will ensure the best price in the long-term to hedge against fluctuating prices which tend to increase over time and to increase efficiency in operations by not having to proceed through the bid process annually. This contract may be extended out annually for a maximum period of two (2) years subject to the consent of both parties. In the third-year price adjustments may be made subject to the provision of verified cost and pricing data from the vendor.

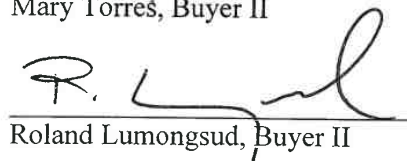
**NOTE:** Subject to CCU's approval.

Concurred and accepted by the committee members:

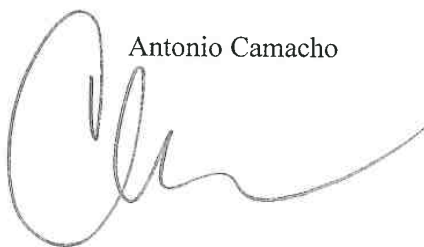
  
Paul Kemp, AGM Compliance and Safety

  
Ron Topasna, Operations and Maintenance Manager Water Productions

  
Mary Torres, Buyer II

  
Roland Lumongsud, Buyer II

Your approval is greatly appreciated.

  
Antonio Camacho

Reviewed by legal: \_\_\_\_\_

In consideration of the foregoing, please indicate your approval of this recommendation by your signature below.

☒ CONCURRED      ☐ UNCONCURRED

  
\_\_\_\_\_  
VINCENT ED. GUERRERO, SMA

☒ APPROVED      ☐ DISAPPROVED

  
\_\_\_\_\_  
MIGUEL C. BORDALLO, P.E. GENERAL MANAGER

REF: IFB 2019-05 Liquid Chlorine



**Gloria B. Nelson Public Service Building  
688 Route 15, Mangilao GU, 96913**

**NOTICE OF CONDITIONAL AWARD**

Date: April 24, 2019

Island Equipment Company.  
151 West Harmon Industrial Park Road, Unit A.  
Tamuning Guam 96913  
Phone- #671-646-5261  
Fax- #671-646-5268

Re: Invitation for Bid Number: GWA IFB-2019-05  
For: Island Equipment Company

Hafa Adai Ms. Bing Mejia,

The Guam Waterworks Authority ("GWA") has considered the bid submitted by Island Equipment Company, for the above described reference in response to its Advertisement for Bids dated February 27, 2019 you are hereby notified of your bid offer on Item Number (s) 1.0, 2.0 been accepted by GWA. Please be advised that you must now deliver all other documents required by the bid, including, but not limited to:

- Proof of Insurance: (if applicable/required part of the bid requirements.)
- Performance and Payment Bond: (if applicable/required part of the bid requirements.)

(Which must remain in full force and effect until all performance has ended, which includes all warranty periods).


You are also advised that any obligation incurred by your firm prior to execution of the contract is entirely at your own risk and GWA shall have no obligation to reimburse costs incurred prior to execution of the contract.

Please note this Notice of Award is conditional on obtaining the approval of the Guam Consolidated Commission on Utilities for any award over \$750,000 and the approval of the Guam Public Utilities Commission where the total value over the life of the contract could exceed \$1M. Also, award is conditional upon providing any documents such as proof of licensure, proof of insurance or other documents required to be submitted to GWA under the Bid or Guam law.

/

You are required to return an acknowledged copy of this Conditional Notice of Award to GWA Procurement Office.

Sincerely,



Miguel C. Bordallo, P.E.  
General Manager

**ACCEPTANCE OF CONDITIONAL NOTICE OF AWARD**

Receipt of the above Notice of Conditional Award for GWA IFB No. GWA 2019-05 is hereby acknowledged

By: \_\_\_\_\_ Title: \_\_\_\_\_  
Signature (Please Print)

Dated this \_\_\_\_ day of \_\_\_\_\_, 2019.

\*\*\*\*\* END OF CONDITIONAL NOTICE OF AWARD \*\*\*\*\*



**GUAM WATERWORKS AUTHORITY**

*"Better Water, Better Lives."*

Gloria B. Nelson Public Service Building | 688 Route 15 | Mangilao, Guam 96913

Tel: (671) 300-6846

## **Issues for Decision**

### **Resolution No. 32-FY2019**

Relative to the Ratification of Expenditures for Track Me Guam LLC.

#### **What is the project's objective and is it necessary and urgent?**

There is an ongoing need to maintain the fleet and fuel management software services which were provided under a previous Memorandum of Understanding, and GPA-led procurement for such services. The original contract for these services expired in January 2018, and GWA procured additional services for system access & data communication, also referred to as on-board vehicle diagnostics and GPS tracking, for proprietary fleet management devices already installed in active GWA Vehicles under a separate sole-source procurement.

An open competitive procurement is in process for fleet and fuel management services for GWA vehicles and is anticipated to be awarded shortly. However, the recurring monthly service charges prior to the issuance of the existing sole-source procurement were unauthorized, and GWA Management is requesting ratification of the existing procurement so that payment can be made.

#### **Where is the location?**

The service has been provided for active GWA fleet vehicles in which the proprietary fleet management devices have already been installed and are used island-wide (Tracking Services).

#### **How much will it cost?**

The amount GWA Management is seeking for ratification is \$24,640.00

#### **When will it be completed?**

This contract is on-going through FY2019.

#### **What is the funding source?**

Revenue funded.

#### **The RFP/BID responses (if applicable):**

N/A.



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

**RESOLUTION NO. 32-FY2019**

**RELATIVE TO AUTHORIZING THE RATIFICATION OF EXPENDITURES FOR  
TRACK ME GUAM, LLC.**

**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 Consolidated Commission on Utilities under Section 5452 of Title 5 of the Guam Code Annotated has the authority to ratify the procurement of goods and services if there is no indication that the company who was awarded the procurement acted in bad faith and there is a finding that the procurement is for GWA’s use and is in the best interest of the Territory of Guam; and

**WHEREAS**, GWA originally obtained the services through a GPA-led procurement, and a Memorandum of Understanding between GPA and GWA for fleet and fuel management software services; and

**WHEREAS**, after the expiration of this original contract, GWA issued purchase order no. 301506-000 for fleet and fuel management software services through a Sole Source Procurement (Exhibit A) to Track Me Guam, LLC for system access & data communication, also referred to as on-board vehicle diagnostics and GPS tracking, for proprietary fleet management devices already installed in active GWA fleet vehicles; and



1       **WHEREAS**, throughout the course of the service period, GWA exhausted the funds  
2 under purchase order no. 301506-000 and on March 21, 2019 a new purchase order request,  
3 (no. 303483-000), was prepared, but not initiated, processed or released in a timely manner.  
4 (Exhibit B); and

5  
6       **WHEREAS**, GWA has received services from Track Me Guam, LLC in excess of the  
7 authorized Purchase Order value, as shown in the invoices for the recurring monthly charges  
8 (Exhibit C), in the amount of Twenty-Four Thousand Six Hundred Forty Dollars (\$24,640.00);  
9 and

10  
11       **WHEREAS**, GWA Management is requesting ratification by the CCU for expenditures  
12 for the monthly recurring charges for system access & data communication of the proprietary  
13 fleet management devices installed in active GWA fleet vehicles in the amount of Twenty-Four  
14 Thousand Six Hundred Forty Dollars (\$24,640.00) and

15  
16       **WHEREAS**, the CCU hereby recognizes GWA's obligation to remit for services by  
17 Track Me Guam LLC, provided in good faith and also approves, authorizes and ratifies the  
18 expenditures.

19  
20       **NOW BE IT THEREFORE RESOLVED**; the Consolidated Commission on Utilities  
21 does hereby approve the following:

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

24       **Section 2.** The Consolidated Commission on Utilities hereby ratifies the payment to  
25 Track Me Guam LLC, in the amount not to exceed Twenty-Four Thousand Six Hundred Forty  
26 Dollars (\$24,640.00) (Exhibit C) on the following grounds:

- 27       a. There was no indication of bad faith or fraud in any of the procurements contained  
28 herein.  
29       b. According to GWA management, the services is required to ensure the ongoing  
30 need to maintain the existing tracking services conducted by Track Me Guam LLC.  
31       c. All of the procurements herein are in the best interest of the Territory of Guam and  
32 the Guam Waterworks Authority.

1       **Section 3.** This Resolution is hereby determined to be a declaration of official intent of  
2 the Consolidated Commission on Utilities

3       **Section 4.** All actions heretofore taken by the GWA or the officers thereof or on their  
4 behalf not inconsistent herewith related to these purchases are hereby ratified, approved and  
5 confirmed.

6       **Section 5.** Based on the foregoing, the CCU authorizes GWA management to pay the  
7 amount owed between GWA and Track Me Guam LLC, for the monthly recurring charges for  
8 system access & data communication for proprietary fleet management devices installed in  
9 active GWA fleet vehicles in the amount of Twenty-Four Thousand Six Hundred Forty Dollars  
10 (\$24,640.00).

11  
12       **RESOLVED,** that the Chairman certified and the Board Secretary attests to the  
13 adoption of this Resolution.

14  
15       **DULY AND REGULARLY ADOPTED,** this 28<sup>th</sup> day of May, 2019.

16  
17       Certified by:

Attested by:

18  
19       \_\_\_\_\_  
20       **JOSEPH T. DUENAS**  
21       Chairperson

\_\_\_\_\_  
22       **MICHAEL T. LIMTIACO**  
23       Secretary

24       ///

25       ///

26       ///

27       ///

28       ///

**SECRETARY'S CERTIFICATE**

I, Michael T. Limtiaco, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the 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: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSTENTIONS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

///

///

///

///

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///

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**GUAM WATERWORKS AUTHORITY**

**"Better Water. Better Lives."**

Gloria B. Nelson Public Service Building  
688 Route 15, Mangilao, Guam 96913

**TO:** Miguel C. Bordallo, P.E., General Manager

**CC:** Vince Guerrero, SMA

**FROM:** Nicolas Cabo, Buyer


**SUBJECT:** Sole Source Determination

MAK 28 2010


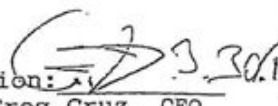
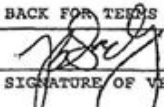
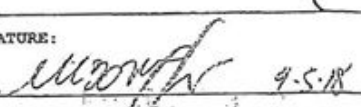
**RE:** Sole Source Justification for maintenance services for Track Me Guam LLC under 2  
G.A.R. 3111

The Guam Waterworks Authority has been doing business with Track Me Guam LLC since June 23, 2009 thru a MEMORANDUM OF UNDERSTANDING, between GWA and GPA in reference to IFB No. GPA-006-15 for Fleet and Fuel Management Software Services which expired on January 2018. This service provided Fleet Management GPS for a number of GWA vehicles. At the time of the initial procurement, Track Me Guam LLC was the Sole and Exclusive distributor to install, perform repairs and support services for vehicle tracking device for E-Drive Technology LTD on island and remains so to this day. Presently, Track Me Guam is providing maintenance services to GWA's existing vehicle fleet (estimated 125) and it has been highly recommended by GWA fleet management that Track Me Guam continue providing these services. GWA has determined and confirmed that no other tracking device product is compatible with E-Drive Technology (corporate number 511295131) system setup, which is solely supported by Track Me Guam. Based upon the forgoing justification, GWA specifically finds it in the best interest of the authority and the Territory of Guam will be best served by granting award to Track Me Guam LLC on the basis of Sole Source as determined.


Concurred by:

  
Miguel C. Bordallo, P.E., GWA General Manager

Cc: Procurement file

 <b>GUAM WATERWORKS AUTHORITY</b> 1 : Page 6852: n/g 03/29/18, Date FOB GWA, P.O.B.	<b>PURCHASE ORDER</b> <b>GUAM WATERWORKS AUTHORITY</b> P.O. Box 3010, Hagatna, Guam 96932 PHONE: (671) 647-7818 FAX: (671) 649-3750	No. 301506-000 OP THIS PURCHASE ORDER MUST APPEAR ON ALL INVOICES PACKING SLIPS, PACKAGES, E/L CORRESPONDENCE, ETC. Payment Terms: Net 30 Days
<b>VENDOR:</b>		<b>SHIP TO:</b>
TRACK ME GUAM, LLC DBA TRACKME] GUAM 107 E. HARMON INDUSTRIAL P UNIT B TAMUNING GU 96913 AUTHORITY PL 16-124 / PL 21-148		GUAM WATERWORKS AUTHORITY 578 N. Marine Corps. Dr. ATTENTION: P & S WAREHOUSE Tamuning GU 96913
IFB / REFERENCE		TIME FOR DELIVERY
		EXPIRATION 09/30/2018
ARTICLES OR SERVICES		QTY UNIT UNIT PRICE AMOUNT
CONDITIONS: 2GARS Sole Source Procurement REQUESTED BY: PAUL LUJAN / VINCE P. AUTHORIZED PERSONNEL: PAUL LUJAN/PETER BORJA/ERIC HALMI BUSINESS UNIT: 6852 G/L ACCOUNT NO: 6852.950.35022 FUNDING SOURCE (REVENUE FUNDED) OQ# 31017 OR# 31206 BUYER: NICOLAS CABO #1008 * IMPORTANT NOTICE TO VENDORS " All invoices must indicate P.O. Number for payment " All invoices must indicate on the invoice the Employee's " Name, Badge Number that must be signed and printed clearly " Submit signed and dated P.O. acknowledgement with invoice " GWA will not be liable for any unauthorized services that are not listed in the Purchase Order - only the services listed on the Purchase Order will be paid by GWA. " Only the authorized names listed on the Purchase Order are allowed to transact. Unauthorized person(s) will not be honored by GWA. * SPECIFICATIONS (ARTICLES OR SERVICES): AGREEMENT TO COVER THE COST FOR MONTHLY RECURRING CHARGES FOR DEVICES THAT ARE INSTALLED IN GWA'S FLEET FOR A TWELVE (12) MONTH PERIOD. * AN ESTIMATED OF 125 GWA VEHICLES TO BE SERVICED. *		
MAINTENANCE SERVICE		MO .00 MO 63,000.00
		Funds Certification:  Greg Cruz, CFO
NOTE: "SUBJECT TO THE GUAM PROCUREMENT CODE AND ACCOMPANYING REGULATIONS"		
SPECIAL INSTRUCTIONS TO VENDOR: Send certified original and three (3) copies of invoice to Guam Waterworks Authority, Government of Guam, at the address shown above. Payment upon receipt of merchandise in Guam in good condition. SEE BACK FOR TERMS AND CONDITIONS		TOTAL \$ 63,000.00
ACKNOWLEDGED BY:  DATE: 4/9/18 SIGNATURE OF VENDOR RETURN TO PROCUREMENT DIVISION AT THE ABOVE ADDRESS		DO NOT FILL THIS ORDER if your total cost exceeds this total. >> SIGNATURE:  Miguel C. Bordallo, P.E. General Manager NAME TITLE



 <b>GUAM WATERWORKS AUTHORITY</b> 1 : Page 6852, B/U 03/21/19, Date FOB GWA, F.O.B.	<b>PURCHASE ORDER</b> <b>GUAM WATERWORKS AUTHORITY</b> P.O. Box 3010, Hagatna, Guam 96932 PHONE: (671) 300-6026 FAX: (671) 649-3750	No. 303483-000 OP THIS PURCHASE ORDER MUST APPEAR ON ALL INVOICES PACKING SLIPS, PACKAGES, B/L CORRESPONDENCE, ETC. Payment Terms: Net 30 Days
---	--	--

VENDOR:

SHIP TO:

TRACK ME GUAM, LLC DBA: TRACKME] GUAM 107 E. HARMON INDUSTRIAL P SUITE 201 TAMUNING GU 96913 AUTHORITY PL 16-124 / PL 21-148		GUAM WATERWORKS AUTHORITY 578 N. Marine Corps. Dr. ATTENTION: P & S WAREHOUSE Tamuning GU 96913	
IFB / REFERENCE		TIME FOR DELIVERY	EXPIRATION 09/30/2019
ARTICLES OR SERVICES	QTY	UNIT	UNIT PRICE
*** SERVICES DESCRIPTION: * MONTHLY RECURRING CHARGES FOR EXISTING DEVICES INSTALLED IN GWA FLEET VEHICLES. * *** SPECIFICATIONS (ARTICLES OR SERVICES): SERVICES AGREEMENT TO COVER COST FOR MONTHLY RECURRING CHARGES FOR EXISTING DEVICES THAT ARE INSTALLED IN GWA'S FLEET FOR TWELVE (12) MONTH PERIOD. ** NOTE: AN ESTIMATED OF 126 GWA VEHICLES TO BE SERVICED CONDITIONS: 2GAR\$ Sole Source Procurement REQUESTED BY: Paul Lujan AUTHORIZED PERSONNEL: Vincent P./Paul L./Eric Halmi BUSINESS UNIT: 6853 G/L ACCOUNT NO: 6852.950 .35022 FUNDING SOURCE (REVENUE FUNDED) OQ# 33701 OR# 33390 BUYER: NICOLAS CABO #1008 * IMPORTANT NOTICE TO VENDORS " All invoices must indicate P.O. Number for payment " All invoices must indicate on the invoice the Employee's " Name, Badge Number that must be signed and printed clearly " Submit signed and dated P.O. acknowledgement with invoice " GWA will not be liable for any unauthorized services that are not listed in the Purchase Order - only the services listed on the Purchase Order will be paid by GWA. " Only the authorized names listed on the Purchase Order are allowed to transact. Unauthorized person(s) will not be honored by GWA. * LIQUIDATED DAMAGES: In the event Vendor fails to deliver the Goods/Services in Accordance with Gaum Waterworks Authority requirements NOTE: "SUBJECT TO THE GUAM PROCUREMENT CODE AND ACCOMPANYING REGULATIONS"			

## SPECIAL INSTRUCTIONS TO VENDOR:

Send certified original and three (3) copies of invoice to Guam Waterworks  
 Authority, Government of Guam, at the address shown above.

Payment upon receipt of merchandise in Guam in good condition.

SEE BACK FOR TERMS AND CONDITIONS

ACKNOWLEDGED BY:

DATE: 4-10-19

SIGNATURE OF VENDOR

RETURN TO PROCUREMENT DIVISION AT THE ABOVE ADDRESS

DO NOT FILL THIS ORDER

if your total cost exceeds this total. &gt;&gt;

TOTAL

\$


SIGNATURE:

ACKNOWLEDGEMENT COPY

Miguel C. Bordallo, P.E. General Manager

NAME

TITLE


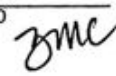
 <b>GUAM WATERWORKS AUTHORITY</b> 2 : Page 6852, n/u 03/21/19, Date FOB GWA, r.o.b.	<b>PURCHASE ORDER</b> <b>GUAM WATERWORKS AUTHORITY</b> P.O. Box 3010, Hagatna, Guam 96932 PHONE: (671) 300-6026 FAX: (671) 649-3750	No. 303483-000 OP THIS PURCHASE ORDER MUST APPEAR ON ALL INVOICES PACKING SLIPS, PACKAGES, B/L CORRESPONDENCE, ETC. Payment Terms: Net 30 Days
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VENDOR:

SHIP TO:

TRACK ME GUAM, LLC DBA: TRACKME] GUAM 107 E. HARMON INDUSTRIAL P SUITE 201 TAMUNING GU 96913 AUTHORITY PL 16-124 / PL 21-148		GUAM WATERWORKS AUTHORITY 578 N. Marine Corps. Dr. ATTENTION: P & S WAREHOUSE Tamuning GU 96913	
IFB / REFERENCE	TIME FOR DELIVERY	EXPIRATION 09/30/2019	

ARTICLES OR SERVICES	QTY	UNIT	UNIT PRICE	AMOUNT
and by the delivery date(s) specified therein, Vendor shall be liable to GWA for liquidated damages in accordance with the provisions of this clause and the amount of such liquidated damages shall be calculated in accordance with the Guam Procurement Regulations, 2 GAR Div.4 §6101(9) Liquidated Damages. *				
MONTHLY RECURRING CHARGES		EA	.00	EA 70,000.00
SOLE SOURCE PROCUREMENT				


  
 Gilda M. Mafnas, Acting CFO
 

NOTE: "SUBJECT TO THE GUAM PROCUREMENT CODE AND ACCOMPANYING REGULATIONS"

**SPECIAL INSTRUCTIONS TO VENDOR:**  
 Send certified original and three (3) copies of invoice to Guam Waterworks  
 Authority, Government of Guam, at the address shown above.

Payment upon receipt of merchandise in Guam in good condition.

SEE BACK FOR TERMS AND CONDITIONS

 ACKNOWLEDGED BY:  DATE: 4-10-19  
 SIGNATURE OF VENDOR

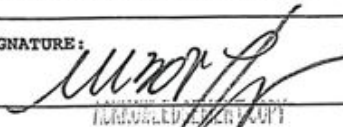
RETURN TO PROCUREMENT DIVISION AT THE ABOVE ADDRESS

 DO NOT FILL THIS ORDER  
 if your total cost exceeds this total. >>

TOTAL

\$ 70,000.00

SIGNATURE:

  
 MIGUEL C. BORDALLO  
 Miguel C. Bordallo, P.E. General Manager  
 NAME TITLE



TRACK ME GUAM, LLC  
 107 E. HARMON INDUSTRIAL PARK RD.  
 SUITE 201, TAMUNING, GUAM 96913  
 TEL: 671-649-6347/8 | FAX: 671-649-6346  
 EMAIL: acct@trackmeguam.com

## Invoice

Date	Invoice #
11/1/2018	18-0833

### Bill To

Guam Waterworks Authority  
 P.O. Box 3010  
 Hagatna, GU 96932

Terms	Due Date
Net 30	12/1/2018

P.O. No.	Month Charges Apply To
	OCTOBER 2018

Veh. Cnt.	Charges Are For	Fee Rate/Veh.	Amount
102	Monthly Recurring Charge for System Access & Data Communication for Fleet Management Devices Installed in ACTIVE GWA VEHICLES	35.00	3,570.00
*****BASED ON ACTIVE VEHICLE LISTING*****			

PLEASE PRINT NAME, SIGN, DATE & FAX BACK TO 649-6346 THAT YOU  
 HAVE RECEIVED THIS INVOICE

<b>Total</b>	<b>\$3,570.00</b>
Payments/Credits	\$0.00

PRINT NAME

SIGNATURE

DATE

<b>Balance Due</b>	<b>\$3,570.00</b>
--------------------	-------------------

Monthly Recurring Charges must be paid on or before the 5th of every month. A late fee of \$10 shall be applied for unpaid invoices with an aging date of 10 days.

If invoices are 30 days past due, accounts will be temporarily de-activated until payment is received. To re-activate account, a \$35.00 re-activation fee will be charged and accounts must be made current.

Should you have any questions regarding this policy please contact TrackMe! Guam Administrators at (671) 649-6348, or thru email support@trackmeguam.com.

PRICES ARE ALSO INDICATED ON TRACKME! GUAM SCHEDULE OF FEES & CHARGES, AND ADDITIONAL SERVICES





TRACK ME GUAM, LLC  
 107 E. HARMON INDUSTRIAL PARK RD.  
 SUITE 201, TAMUNING, GUAM 96913  
 TEL: 671-649-6347/8 | FAX: 671-649-6346  
 EMAIL: [acct@trackmeguam.com](mailto:acct@trackmeguam.com)

## Invoice

Date	Invoice #
12/3/2018	18-0913

### Bill To

Guam Waterworks Authority  
 P.O. Box 3010  
 Hagatna, GU 96932

### Terms Due Date

Net 30 1/2/2019

P.O. No. Month Charges Apply To

NOVEMBER 2018

Veh. Cnt.	Charges Are For	Fee Rate/Veh.	Amount
101	Monthly Recurring Charge for System Access & Data Communication for Fleet Management Devices Installed in ACTIVE GWA VEHICLES	35.00	3,535.00

\*\*\*\*\*BASED ON ACTIVE VEHICLE LISTING\*\*\*\*\*

PLEASE PRINT NAME, SIGN, DATE & FAX BACK TO 649-6346 THAT YOU  
 HAVE RECEIVED THIS INVOICE

**Total** \$3,535.00

Payments/Credits \$0.00

PRINT NAME

SIGNATURE

DATE

**Balance Due** \$3,535.00

Monthly Recurring Charges must be paid on or before the 5th of every month. A late fee of \$10 shall be applied for unpaid invoices with an aging date of 10 days.

If invoices are 30 days past due, accounts will be temporarily de-activated until payment is received. To re-activate account, a \$35.00 re-activation fee will be charged and accounts must be made current.

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PRICES ARE ALSO INDICATED ON TRACKME! GUAM SCHEDULE OF FEES & CHARGES, AND ADDITIONAL SERVICES



TRACK ME GUAM, LLC  
 107 E. HARMON INDUSTRIAL PARK RD.  
 SUITE 201, TAMUNING, GUAM 96913  
 TEL: 671-649-6347/8 | FAX: 671-649-6346  
 EMAIL: acct@trackmeguam.com

## Invoice

Date	Invoice #
1/3/2019	19-0007

### Bill To

Guam Waterworks Authority  
 P.O. Box 3010  
 Hagatna, GU 96932

Terms	Due Date
Net 30	2/2/2019

P.O. No.	Month Charges Apply To
	DECEMBER 2018

Veh. Cnt.	Charges Are For	Fee Rate/Veh.	Amount
104	Monthly Recurring Charge for System Access & Data Communication for Fleet Management Devices Installed in ACTIVE GWA VEHICLES	35.00	3,640.00

\*\*\*\*\*BASED ON ACTIVE VEHICLE LISTING\*\*\*\*\*

PLEASE PRINT NAME, SIGN, DATE & FAX BACK TO 649-6346 THAT YOU HAVE RECEIVED THIS INVOICE

<b>Total</b>	\$3,640.00
Payments/Credits	\$0.00

PRINT NAME

SIGNATURE

DATE

<b>Balance Due</b>	<b>\$3,640.00</b>
--------------------	-------------------

Monthly Recurring Charges must be paid on or before the 5th of every month. A late fee of \$10 shall be applied for unpaid invoices with an aging date of 10 days.

If invoices are 30 days past due, accounts will be temporarily de-activated until payment is received. To re-activate account, a \$35.00 re-activation fee will be charged and accounts must be made current.

Should you have any questions regarding this policy please contact TrackMe! Guam Administrators at (671) 649-6348, or thru email support@trackmeguam.com.

PRICES ARE ALSO INDICATED ON TRACKME! GUAM SCHEDULE OF FEES & CHARGES, AND ADDITIONAL SERVICES



TRACK ME GUAM, LLC  
 107 E. HARMON INDUSTRIAL PARK RD.  
 SUITE 201, TAMUNING, GUAM 96913  
 TEL: 671-649-6347/8 | FAX: 671-649-6346  
 EMAIL: acct@trackmeguam.com

## Invoice

Date	Invoice #
2/1/2019	19-0146

### Bill To

Guam Waterworks Authority  
 P.O. Box 3010  
 Hagatna, GU 96932

Terms	Due Date
Net 30	3/3/2019

P.O. No.	Month Charges Apply To
	JANUARY 2019

Veh. Cnt.	Charges Are For	Fee Rate/Veh.	Amount
101	Monthly Recurring Charge for System Access & Data Communication for Fleet Management Devices Installed in ACTIVE GWA VEHICLES	35.00	3,535.00

\*\*\*\*\*BASED ON ACTIVE VEHICLE LISTING\*\*\*\*\*

PLEASE PRINT NAME, SIGN, DATE & FAX BACK TO 649-6346 THAT YOU  
 HAVE RECEIVED THIS INVOICE

<b>Total</b>	<b>\$3,535.00</b>
--------------	-------------------

Payments/Credits	\$0.00
------------------	--------

PRINT NAME

SIGNATURE

DATE

<b>Balance Due</b>	<b>\$3,535.00</b>
--------------------	-------------------

Monthly Recurring Charges must be paid on or before the 5th of every month. A late fee of \$10 shall be applied for unpaid invoices with an aging date of 10 days.

If invoices are 30 days past due, accounts will be temporarily de-activated until payment is received. To re-activate account, a \$35.00 re-activation fee will be charged and accounts must be made current.

Should you have any questions regarding this policy please contact TrackMe! Guam Administrators at (671) 649-6348, or thru email support@trackmeguam.com.

PRICES ARE ALSO INDICATED ON TRACKME! GUAM SCHEDULE OF FEES & CHARGES, AND ADDITIONAL SERVICES



TRACK ME GUAM, LLC  
 107 E. HARMON INDUSTRIAL PARK RD.  
 SUITE 201, TAMUNING, GUAM 96913  
 TEL: 671-649-6347/8 | FAX: 671-649-6346  
 EMAIL: acct@trackmeguam.com

## Invoice

Date	Invoice #
3/1/2019	19-0230

### Bill To

Guam Waterworks Authority  
 P.O. Box 3010  
 Hagatna, GU 96932

Terms	Due Date
Net 30	3/31/2019

P.O. No.	Month Charges Apply To
	FEBRUARY 2019

Veh. Cnt.	Charges Are For	Fee Rate/Veh.	Amount
98	Monthly Recurring Charge for System Access & Data Communication for Fleet Management Devices Installed in ACTIVE GWA VEHICLES	35.00	3,430.00
*****BASED ON ACTIVE VEHICLE LISTING*****			

PLEASE PRINT NAME, SIGN, DATE & FAX BACK TO 649-6346 THAT YOU  
 HAVE RECEIVED THIS INVOICE

<b>Total</b>	<b>\$3,430.00</b>
Payments/Credits	\$0.00

PRINT NAME

SIGNATURE

DATE

<b>Balance Due</b>	<b>\$3,430.00</b>
--------------------	-------------------

Monthly Recurring Charges must be paid on or before the 5th of every month. A late fee of \$10 shall be applied for unpaid invoices with an aging date of 10 days.

If invoices are 30 days past due, accounts will be temporarily de-activated until payment is received. To re-activate account, a \$35.00 re-activation fee will be charged and accounts must be made current.

Should you have any questions regarding this policy please contact TrackMe! Guam Administrators at (671) 649-6348, or thru email support@trackmeguam.com.

PRICES ARE ALSO INDICATED ON TRACKME! GUAM SCHEDULE OF FEES & CHARGES, AND ADDITIONAL SERVICES



TRACK ME GUAM, LLC  
 107 E. HARMON INDUSTRIAL PARK RD.  
 SUITE 201, TAMUNING, GUAM 96913  
 TEL: 671-649-6347/8 | FAX: 671-649-6346  
 EMAIL: acct@trackmeguam.com

## Invoice

Date	Invoice #
4/4/2019	19-0306

### Bill To

Guam Waterworks Authority  
 P.O. Box 3010  
 Hagatna, GU 96932

Terms	Due Date
Net 30	5/4/2019

P.O. No.	Month Charges Apply To
	MARCH 2019

Veh. Cnt.	Charges Are For	Fee Rate/Veh.	Amount
98	Monthly Recurring Charge for System Access & Data Communication for Fleet Management Devices Installed in ACTIVE GWA VEHICLES	35.00	3,430.00
*****BASED ON ACTIVE VEHICLE LISTING*****			

PLEASE PRINT NAME, SIGN, DATE & FAX BACK TO 649-6346 THAT YOU  
 HAVE RECEIVED THIS INVOICE

<b>Total</b>	<b>\$3,430.00</b>
Payments/Credits	\$0.00

PRINT NAME

SIGNATURE

DATE

<b>Balance Due</b>	<b>\$3,430.00</b>
--------------------	-------------------

Monthly Recurring Charges must be paid on or before the 5th of every month. A late fee of \$10 shall be applied for unpaid invoices with an aging date of 10 days.

If invoices are 30 days past due, accounts will be temporarily de-activated until payment is received. To re-activate account, a \$35.00 re-activation fee will be charged and accounts must be made current.

Should you have any questions regarding this policy please contact TrackMe! Guam Administrators at (671) 649-6348, or thru email support@trackmeguam.com.

PRICES ARE ALSO INDICATED ON TRACKME! GUAM SCHEDULE OF FEES & CHARGES, AND ADDITIONAL SERVICES





TRACK ME GUAM, LLC  
107 E. HARMON INDUSTRIAL PARK RD.  
SUITE 201, TAMuning, GUAM 96813  
TEL: 671-648-6347 | FAX: 671-648-6348  
EMAIL: [info@trackme-guam.com](mailto:info@trackme-guam.com)

**ORIGINAL**

## Invoice

Date	Invoice #
4-10-2019	19-0310

Bill To

Guam Waterworks Authority  
P.O. Box 3010  
Hagatna, GU 96832

Form #	Due Date
Net 30	5/10/2019

Net 30 5/10/2019

P.O. No.	Month Charges Apply To
	APRIL 2019

APRIL 2019

Veh. Cnt.	Charges Are For	Fee Rate/Veh.	Amount
100	Monthly Recurring Charge for System Access & Data Communication for Fleet Management Devices Installed in ACTIVE GWA VEHICLES	35.00	3,500.00
BASED ON ACTIVE VEHICLE LISTING			

PLEASE PRINT NAME, SIGN, DATE & FAX BACK TO 648-6346 THAT YOU HAVE RECEIVED THIS INVOICE

Total	\$3,500.00
Payments/Credits	\$0.00
Balance Due	\$3,500.00

ERIC HARMY

PRINT NAME

ERIC HARMY

SIGNATURE

4-10-19

DATE

Monthly Recurring Charges must be paid on or before the 10th of every month. A late fee of \$10 shall be applied for unpaid invoices with an aging date of 10 days.  
If invoices are 30 days past due, accounts will be temporarily de-activated until payment is received. To re-activate account, a \$25.00 re-activation fee will be charged and accounts must be made current.  
Should you have any questions regarding this policy please call TrackMe Guam Administrators at (671) 648-6348, or thru email [support@trackme-guam.com](mailto:support@trackme-guam.com).



## **Issues for Decision**

### **Resolution No. 33-FY2019**

Relative to Approval of the One (1) Year Extension of the Indefinite Quantity Contract with Badger Meter Inc. for the purchase of additional water meters of various sizes and accessories.

#### **What is the projects objective and is it necessary and urgent?**

The objective is to exercise the available one (1) year option period under the existing contract to authorize the purchase of additional water meters that are needed for meter replacements and to insure there is adequate stock available to meet the requirements of the 2011 Court Order and new service applications.

GWA management is seeking CCU approval to exercise the one (1) year extension of the indefinite quantity contract with Badger Meter Inc. and for additional purchases under that contract extension. Price adjustments allowable under the terms of the contract have been proposed by Badger Meter and have been found to be reasonable by management. The project is necessary to keep sufficient meters and accessories in stock for operational needs, and for the on-going meter replacement program.

#### **Where is it at?**

The meters will be used to replace old and/or install new meters throughout GWA's systems.

#### **How much will it cost?**

Additional meter purchases are estimated to cost up to One Million Five Hundred Fifty-Nine Thousand Eight Hundred Eighty-Three and Nineteen Cents (\$1,559,883.19) which brings the total authorized funding to Five Million Three Hundred Seventy Thousand Five Hundred Eighty-Eight Dollars and Twenty-Eight Cents (\$5,370,588.28) under IFB 2015-13. GWA Management is still negotiating with Badger Meter Inc. for cost adjustments related to meters management believes should be replaced under warranty, and as such, the additional costs estimated do not reflect anticipated credit adjustments.

#### **When will it be completed?**

The contract term is from February 23, 2019 through February 23, 2020.

#### **What is the funding source?**

The source of the funding for the purchase of additional water meters will come from Internally Funded Capital Improvement Projects and any other appropriate funds identified by finance.



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

**RESOLUTION NO. 33-FY2019**

**RELATIVE TO APPROVAL OF THE ONE (1) YEAR EXTENSION OF THE INDEFINITE QUANTITY CONTRACT WITH BADGER METER INC FOR THE ADDITIONAL PURCHASE OF WATER METERS OF VARIOUS SIZES AND ACCESSORIES.**

**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**, in order to support fulfilling Court Order requirements for meter replacements and provide for maintaining an adequate inventory, GWA advertised an Invitation for Bid (IFB) 2015-13 soliciting proposals from experienced and responsive bidders to provide water meters to replenish Guam Waterworks Authority stock as needed for water meter change outs and new installations; and

**WHEREAS**, out of fifteen (15) bidders expressing interest, there were two (2) responsive and responsible bidders who offered water meters of various sizes and accessories meeting the requirements of IFB 2015-13; and

**WHEREAS**, the IFB 2015-13 offers were evaluated by GWA’s review committee; and

**WHEREAS**, GWA’s review committee reviewed the proposals for IFB 2015-13 and determined that the offer for “All or None Bid for water meters of various sizes and accessories” with an estimated amount of Four Hundred Twenty-Seven Thousand Five Hundred Forty Dollars and Two Cents (427,540.02) over a three (3) year contract term, made



1 by Badger Meter Inc. ("Badger") was fair and reasonable and recommended Badger Meter Inc.  
2 be awarded the contract (see Res. No. 24-FY2018 at Exhibit A); and

3  
4 **WHEREAS**, GWA issued a Notice to Proceed to Badger Meter Inc. on February 23,  
5 2016 at which time Badger Meter accepted the notice (see Res. No. 24-FY2018 at Exhibit B);  
6 and

7  
8 **WHEREAS**, GWA submitted Resolution No. 32-FY2017 which sought approval of  
9 purchases up to One Million Dollars (\$1,000,000.00) for additional water meters and CCU  
10 approved it on May 23, 2017 (see Res. No. 24-FY2018 at Exhibit C); and

11  
12 **WHEREAS**, GWA Management, in response to emergent functional issues with  
13 Badger's Model LP Meter, had initiated efforts to replace that model under warranty with a  
14 more robust and reliable model, and such efforts have outpaced the receipt of warranty  
15 replacement from the manufacturer; and

16  
17 **WHEREAS**, GWA Management seeks to continue its increased efforts to replace the  
18 Model LP meters to mitigate impacts to, and improve revenues, and will need to purchase  
19 additional meters to achieve this goal; and

20  
21 **WHEREAS**, during the course of the replacement program additional meters were  
22 found to have failed the testing procedure and it is GWA's position that those meters are still  
23 under warranty and will be either credited toward the supplier's future invoices or under a  
24 reimbursement program; and

25  
26 **WHEREAS**, In Resolution 24-FY2018, GWA sought and received approval of the  
27 ratification for purchases in excess of the \$1M threshold related to IFB 2015-13 in the amount  
28 of Fourteen Thousand Two Hundred Twenty-Four Dollars and Thirty-Two Cents (\$14,224.32),  
29 plus One Million One Hundred Fifteen Thousand Seven Hundred Eighteen Dollars and Sixty-  
30 Five Cents (\$1,115,718.65) for the meter inventory replenishment, and One Million Four  
31 Hundred Forty-Nine Thousand Eight Hundred Fifty-Five Thousand for additional water meter  
32 supply, which brought the total authorized funding to Three Million Five Hundred Seventy-

1 Nine Thousand Seven Hundred Ninety-Seven Dollars and Ninety-Seven Cents (\$3,579,797.97)  
2 (Exhibit A); and  
3

4 **WHEREAS**, GWA Management encumbered purchases under previously issued  
5 purchase orders totaling \$3.3M which leaves a remaining authorization of Two Hundred Thirty  
6 Thousand Nine Hundred Seven and Twelve Cents (\$230,907.12); and  
7

8 **WHEREAS**, the three (3) year contract term with Badger expired on February 23,  
9 2019 and on February 25, 2019 GWA and Badger mutually agreed to extend the contract for an  
10 additional year with amendments outlined in a letter from Badger to include a price increase of  
11 five (5%) percent, as per Section U, Price Adjustment Clause of the Agreement. (Exhibit B);  
12 and  
13

14 **WHEREAS**, on April 10, 2019 GWA issued a Contract Renewal Notice to Badger  
15 Meter Inc. for the One (1) year contract extension of IFB 2015-13 for Water Meters Various  
16 Sizes and Accessories. (Exhibit C); and  
17

18 **WHEREAS**, GWA seeks approval of additional funding under the one (1) year  
19 contract extension for IFB 2015-13 with Badger to purchase and additional Nine Thousand  
20 One (9001) water meters of various sizes and accessories in the amount of One Million Five  
21 Hundred Fifty-Nine Thousand Eight Hundred Eighty-Three and Nineteen Cents  
22 (\$1,559,883.19) which will cover the costs of both meter supply and replenishment inventory  
23 throughout the one (1) year term (Exhibit D); and  
24

25 **WHEREAS**, GWA Management is still negotiating the terms of adjustments and/or  
26 credits for replacement meters for the failed LP meters which were replaced by GWA with  
27 M25 Models, and therefore the proposed additional amounts are estimated as a not-to-exceed  
28 value; and  
29

30 **WHEREAS**, the source of the funding increase for the purchase of additional water  
31 meters will come from Internally Funded Capital Improvement Projects and any other  
32 appropriate funds identified by finance.

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

- a. The recitals set forth above hereby constitute the findings of the CCU.
- b. The CCU finds that the negotiated contract terms and price agreed to by Badger Meter Inc. is fair and reasonable.
- c. The CCU hereby authorizes the management of GWA to exercise the one (1) year option period allowed under the contracts with Badger Meter Inc.
- d. The CCU hereby further authorizes the funding amount under IFB 2015-13 not to exceed One Million Five Hundred Fifty-Nine Thousand Eight Hundred Eighty-Three Dollars and Nineteen Cents (\$1,559,883.19) bringing the total authorized funding to Five Million Three Hundred Seventy Thousand Five Hundred Eighty-Eight Dollars and Twenty-Eight Cents (\$5,370,588.28).
- e. The CCU hereby further authorizes GWA Management to notify the PUC of this procurement as set forth in Section 3 of the PUC Order filed April 11, 2003, as a continuing obligation under the Court Order.

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

**DULY AND REGULARLY ADOPTED**, this 28th day of May, 2019.

Certified by:

Attested by:

\_\_\_\_\_  
**JOSEPH T. DUENAS**  
Chairperson

\_\_\_\_\_  
**MICHAEL T. LIMTIACO**  
Secretary

///

///

///

**SECRETARY'S CERTIFICATE**

I, Michael T. Limtiaco, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the 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: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSTENTIONS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

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**EXHIBIT A****Guam Waterworks Authority****Accounting of Remaining CCU Authorization for IFB 2015-13 - Water Meters**

Summary of Payments to Badger	\$ 35,205.27	<b>GWA Resolution No. 32-FY2017</b>	\$ 1,000,000.00
	\$ 11,659.70	<b>GWA Resolution No. 24-FY2018</b>	
	\$ 3,001.71	Ratification	\$ 14,224.32
	\$ 102,727.15	Additional Meter Purchases	\$ 1,449,855.00
	\$ 107.30	Meter Inventory Replenishment	\$ 1,115,718.65
	\$ 7,291.20		
	\$ 10,722.58	<b>Total CCU Authorization</b>	<b>\$ 3,579,797.97</b>
	\$ 14,355.00		
	\$ 43,088.30	<b>Payments to Badger</b>	<b>\$ 3,348,890.85</b>
	\$ 28,710.00		
	\$ 49,793.35	<b>Remaining CCU Authorized Funds:</b>	<b>\$ 230,907.12</b>
	\$ 43,065.00		
	\$ 57,420.00		
	\$ 14,355.00		
	\$ 50,242.50		
	\$ 430,650.00		
	\$ 46,979.70		
	\$ 5,426.10		
	\$ 6,003.42		
	\$ 23,718.24		
	\$ 4,537.40		
	\$ 14,355.00		
	\$ 10,810.40		
	\$ 1,435,500.00		
	\$ 12,355.00		
	\$ 7,234.80		
Pending Order	\$ 448,926.73		
Pending Order	\$ 430,650.00		
<b>Total Amount to Badger:</b>	<b>\$ 3,348,890.85</b>		
<b>CCU Authorized Spending Amount</b>	<b>\$ 3,579,797.97</b>		

## EXHIBIT B



4545 W Brown Deer Road  
PO Box 245036  
Milwaukee, Wisconsin 53224-9536  
414-355-0400 | 800-876-3837  
www.badgermeter.com

### VIA EMAIL

Guam Waterworks Authority  
Attention: Mr. Miguel C. Bordallo, P.E.  
GWA Procurement Division  
Gloria B. Nelson Public Service Building  
688 Route 15  
Mangilao, GU 96913

### RE: IFB 2015-13 Renewal Option Water Meters Various Sizes and Accessories

Dear Mr. Bordallo,

In accordance with your request dated February 20, 2019 to exercise the option to extend for a period of 12 months, per Paragraph 7 of the Agreement we would like to request an amendment to the IFB 2015 – 13 Agreement (Agreement) to extend the term with the following considerations.

- Badger Meter, Inc. (Badger Meter) and Guam Waterworks Authority (GWA) mutually agree to extend the Agreement for an additional year, with a price increase of five (5%) percent, per Section U, Price Adjustment Clause of the Agreement. This increase is necessary due to significant increases in the costs of metals, including copper and aluminum in addition to the increased costs of energy, oil and plastic resins. Please see the attached quotes to amend and replace previous product offering.
- Badger Meter continues to improve and redesign our products to provide our customers with state-of-the-art technology solutions. Therefore, Badger Meter reserves the right to provide our newest product solutions as an alternative to the proposed products, provided the replacement products meet the following requirements: are substantially similar to and are at least of equal quality and performance to, are in conformance with the requirements in the applicable specifications, meet the actual needs or are otherwise suitable for the intended use, and are priced at an amount that does not exceed the price of the quoted products. Wherefore, the attached quotes provide alternative product options for inclusion to the Agreement.
- All other terms and conditions remain the same.

We acknowledge and agree the IFB2015-13 Agreement is separate and apart from the warranty claims or any claims related to the previous procurement of LP meters. We request acceptance of the aforementioned term extension, price increase and alternative product offering by the issuance of GWA's Amendment to the Agreement.

Badger Meter appreciates this opportunity to extend this Agreement in an effort to meet the metering needs of the Guam Waterworks Authority.

Sincerely,  
BADGER METER, INC.

A handwritten signature in blue ink, appearing to read 'Korrine L. Fleming'.  
Korrine L. Fleming  
Assistant Secretary



## EXPORT QUOTATION

Quotation No. 413922

4545 W Brown Deer Road Milwaukee WI 53223  
 PO Box 245036 Milwaukee WI 53224-9536  
 Phone: 800-876-3837 Fax: 888-371-5982  
 Customer Service Rep: utilityorders2@badgermeter.com

February 25, 2019

TO Mr. Miguel Bordillo  
 GUAM WATERWORKS AUTHORITY  
 P O BOX 3010

CUSTOMER ID: 00003307

HAGATNA 96932

Phone: 1 (671) 300-6845

Fax: 1 (671) 649-3750

E-mail: mcbordallo@guamwaterworks.org

EFFECTIVE DATES: 2/25/2019-2/26/2020

FINAL DESTINATION : GUAM

SALESPERSON	PROPOSAL SUBJECT	SHIPPING TERMS/INCO TERMS	PAYMENT TERMS
030000	Guam - Orion ME2	PREPAY/NO CHARGE EXW FACTORY	NET 30 DAYS

LINE #	DESCRIPTION	QTY	UNIT NET PRICE USD	LINE TOTALS USD
1	No Register, Orion ME 2, Traditional, Indoor-Outdoor, Pig-Tail (gel-cap), 10 ft Wire, UM1-0015-7639	21	\$112.67	\$2,365.97
2	RCDL M25 LL Disc Meter (NSF 61-G), 5/8" X 3/4-3/4 Bore (3/4 X 7 1/2), Cast Iron Bottom, Less Connections, HRE Registration, Gallon, 8 Dial - 0.1 Gallons, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Indoor-Outdoor, Badger Meter Twist Tight Connector, 5 ft, UM1-0016-7978	500	\$150.73	\$75,365.00
3	RCDL M25 LL Disc Meter (NSF 61-G), 5/8" X 3/4-3/4 Bore (3/4 X 7 1/2), Cast Iron Bottom, Less Connections, HRE Registration, Gallon, 8 Dial - 0.1 Gallons, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Integral Indoor-Outdoor, Factory Pre-Wired, 3 ft Break-Away Wire, UM1-0016-7979	1	\$155.38	\$155.38
4	RCDL M55 LL Disc Meter (NSF 61-G), 1" (1 X 10 3/4), Cast	1	\$233.56	\$233.56

## THANK YOU FOR YOUR BUSINESS!

This quotation is an offer, made subject to the terms & conditions found on our website: [www.badgermeter.com/Company/Legal/Sales-Terms.aspx](http://www.badgermeter.com/Company/Legal/Sales-Terms.aspx)  
 Quoted prices are firm for acceptance, via an order, within the effective dates provided, shipping within 60 calendar days past the expiration of this quotation.





# Badger Meter

## EXPORT QUOTATION

Quotation No. 413922

LINE #	DESCRIPTION	QTY	UNIT NET PRICE USD	LINE TOTALS USD
	Iron Bottom, Less Connections, HRE Registration, Gallon, 8 Dial - 0.1 Gallons, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Indoor-Outdoor, Badger Meter Twist Tight Connector, 5 ft. UM1-0018-0772			
5	RCDL M55 LL Disc Meter (NSF 61-G), 1" (1 X 10 3/4), Cast Iron Bottom, Less Connections, HRE Registration, Gallon, 8 Dial - 0.1 Gallons, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Integral Indoor-Outdoor, Factory Pre-Wired, 3 ft Break-Away Wire. UM1-0018-0756	10	\$238.21	\$2,382.10
6	RCDL M120 LL Disc Meter (NSF 61-G), 1 1/2", Elliptical Long Drilled, Less Connections, HRE Registration, Gallon, 8 Dial - 1 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Indoor-Outdoor, Badger Meter Twist Tight Connector, 5 ft. UM1-0018-0757	10	\$379.83	\$3,798.30
7	RCDL M170 LL Disc Meter (NSF 61-G), 2", Elliptical Long Drilled, Less Connections, HRE Registration, Gallon, 8 Dial - 1 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Indoor-Outdoor, Badger Meter Twist Tight Connector, 5 ft. UM1-0018-0759	15	\$567.55	\$8,513.25
8	RCDL Turbo Series Meter LL (NSF 61-G), 3", Round, Without Integral Strainer, Less Connections, HRE Registration, Gallon, 8 Dial - 1 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Indoor-Outdoor, Badger Meter Twist Tight Connector, 5 ft. UM1-0018-0760	5	\$775.03	\$3,875.15
9	RCDL Turbo Series Meter LL (NSF 61-G), 4", Round, Without Integral Strainer, Less Connections, HRE Registration, Gallon, 8 Dial - 1 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Indoor-Outdoor, Badger Meter Twist Tight Connector, 5 ft. UM1-0018-0761	5	\$1,260.97	\$6,304.85
10	RCDL Turbo Series Meter LL (NSF 61-G), 6", Round, Less Connections, HRE Registration, Gallon, 8 Dial - 10 Gallons, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Indoor-Outdoor, Badger Meter Twist Tight Connector, 5 ft. UM1-0018-0762	2	\$2,313.00	\$4,626.00
11	RCDL Turbo Series Meter LL (NSF 61-G), 8", Round w/Test Plug, Less Connections, HRE Registration, Gallon, 8 Dial - 10 Gallons, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Indoor-Outdoor, Badger Meter Twist Tight Connector, 5 ft.	1	\$3,151.80	\$3,151.80

### THANK YOU FOR YOUR BUSINESS!

This quotation is an offer, made subject to the terms & conditions found on our website: [www.badgermeter.com/Company/Legal/Sales-Terms.aspx](http://www.badgermeter.com/Company/Legal/Sales-Terms.aspx)  
Quoted prices are firm for acceptance, via an order, within the effective dates provided, shipping within 60 calendar days past the expiration of this quotation.





## EXPORT QUOTATION

Quotation No. 413922

LINE #	DESCRIPTION	QTY	UNIT NET PRICE USD	LINE TOTALS USD
	UM1-0018-0763			
12	RCDL Turbo Series Meter LL (NSF 61-G), 10", Round, Less Connections, HRE Registration, Gallon, 8 Dial - 10 Gallons, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Indoor-Outdoor, Badger Meter Twist Tight Connector, 5 ft, UM1-0018-0764	1	\$4,284.81	\$4,284.81
13	External Plate Strainer, 2", Round Strainer w/Drain Plug, LL Bronze (NSF 61-G), External Plate Strainer, UM1-0001-2381	1	\$324.46	\$324.46
14	External Plate Strainer, 3", Round Strainer w/Drain Plug, LL Bronze (NSF 61-G), External Plate Strainer, UM1-0000-4904	1	\$425.93	\$425.93
15	External Plate Strainer, 4", Round Strainer w/Drain Plug, LL Bronze (NSF 61-G), External Plate Strainer, UM1-0000-4801	1	\$563.00	\$563.00
16	External Plate Strainer, 6", Round Strainer w/Drain Plug, LL Bronze (NSF 61-G), External Plate Strainer, UM1-0000-4802	1	\$799.18	\$799.18
17	External Plate Strainer, 8", Round Strainer w/Drain Plug, Steel, Zinc Plated Bolts, Nuts, & Std Black Gaskets, External Plate Strainer, UM1-0000-5939	1	\$2,153.88	\$2,153.88
18	External Plate Strainer, 10", Round Strainer w/Drain Plug, Steel, Zinc Plated Bolts, Nuts, & Std Black Gaskets, External Plate Strainer, UM1-0001-1470	1	\$4,795.56	\$4,795.56
19	ASSY ELL. FLG NL BRASS 1-1/2" 20336-046	1	\$153.00	\$153.00
20	ASSY ELL. FLG NL BRZ 2" 20336-048	1	\$207.00	\$207.00

## Notes and Assumptions:

If applicable, sales tax, freight, and customs-related charges will be added at time of invoice.

Actual lead time to be provided at time of order.

If you have any questions concerning this quotation, please contact: 1 (414) 371-6196, MLeveille@badgermeter.com  
To place an order, please contact: Kimmie Drogier, 800 616 3837 option 1, utilityorders2@badgermeter.com

Official authorized quote of Badger Meter Inc.

**THANK YOU FOR YOUR BUSINESS!**

This quotation is an offer, made subject to the terms & conditions found on our website: [www.badgermeter.com/Company/Legal/Sales-Terms.aspx](http://www.badgermeter.com/Company/Legal/Sales-Terms.aspx)  
Quoted prices are firm for acceptance, via an order, within the effective dates provided, shipping within 60 calendar days past the expiration of this quotation.



Export Quotation  
Quotation No. 3055603

4545 W Brown Deer Road Milwaukee WI 53223  
PO Box 245036 Milwaukee WI 53224-9536  
Phone: 800-876-3837 Fax: 888-371-5982

Customer Service Rep KDrogier@badgermeter.com

To Yearly Guam Quote - MAG & E-Series Meters  
GUAM WATERWORKS AUTHORITY  
P O BOX 3010  
HAGATNA  
96932  
Phone(671) 300-6845  
Email mcbordallo@guamwaterworks.org

Revised Date

Customer ID 00003307

Final Destination GUAM

Effective Dates 02-25-2019 - 02-25-2020

Salesperson	Proposal Subject	Shipping Terms / INCO Terms	Payment Terms
030000 Mark Leveille	Yearly Guam Quote - MAG & E-Series Meters	PREPAY/NO CHARGE For SHIPMENTS > \$25,000 FCA FACTORY	NET 30 DAYS

Line #	Description	Qty	Unit Net Price USD	Line Totals USD
1	<b>BMI Part No.: 100-0347</b> <b>Description:</b> M2000, 2" standard LL, Hard Rubber, C-Steel with 150# flanges, Alloy C with 316 Stainless Steel Grounding Rings, 110/220 VAC Remote Mount Submersible, 15ft. Standard Cable, Standard Output XX - NONE Gal/Gal Per Minute, Factory Calibrated, N/A <b>Cat String:</b> M2-020-R1-A-SAC-S-XXGF-STD	2	2,045.40	4,090.80
2	<b>BMI Part No.: 100-0350</b> <b>Description:</b> M2000, 3" standard LL, Hard Rubber, C-Steel with 150# flanges, Alloy C with 316 Stainless Steel Grounding Rings, 110/220 VAC Remote Mount Submersible, 15ft. Standard Cable, Standard Output XX - NONE Gal/Gal Per Minute, Factory Calibrated, N/A <b>Cat String:</b> M2-030-R1-A-SAC-S-XXGF-STD	2	2,196.81	4,393.62
3	<b>BMI Part No.: 100-0351</b> <b>Description:</b> M2000, 4" standard LL, Hard Rubber, C-Steel with 150# flanges, Alloy C with 316 Stainless Steel Grounding Rings, 110/220 VAC Remote Mount Submersible, 15ft. Standard Cable, Standard Output XX - NONE Gal/Gal Per Minute, Factory Calibrated, NSF-61-372 <b>Cat String:</b> M2-040-R1-A-SAC-S-XXGF-STD	11	2,308.32	25,391.52

**Thank you for your business!**

This quotation is an offer made subject to the terms & conditions found on our website: [www.badgermeter.com/Company/Legal/Sales-Terms.aspx](http://www.badgermeter.com/Company/Legal/Sales-Terms.aspx)  
Quoted prices are firm for acceptance, via an order, within the effective dates provided, shipping within 60 calendar days past the expiration of this quotation.



Export Quotation  
Quotation No. 3055603

Line #	Description	Qty	Unit Net Price USD	Line Totals USD
4	<b>BMI Part No.: 100-0060</b> <b>Description:</b> M2000, 6" standard LL, Hard Rubber, C-Steel with 150# flanges, Alloy C with 316 Stainless Steel Grounding Rings, 110/220 VAC Remote Mounted, 15ft. Standard Cable, Standard Output XX - NONE Gal/Gal Per Minute, Factory Calibrated, NSF-61-372 <b>Cat String:</b> M2-060-R1-A-RAC-S-XXGF-STD	5	2,580.48	12,902.40
5	<b>BMI Part No.: 100-0613</b> <b>Description:</b> M2000, 8" standard LL, Hard Rubber, C-Steel with 150# flanges, Alloy C with 316 Stainless Steel Grounding Rings, 110/220 VAC Remote Mount Submersible, 15ft. Standard Cable, Standard Output XX - NONE Gal/Gal Per Minute, Factory Calibrated, NSF-61-372 <b>Cat String:</b> M2-080-R1-A-SAC-S-XXGF-STD	1	2,951.13	2,951.13
6	<b>BMI Part No.: 100-3773</b> <b>Description:</b> EU - E-Series Ultrasonic SS (NSF-61-372), EAC - 5/8" X 3/4" (3/4 X 7-1/2) Potable, XT - None -Thick Washers, X - NONE Encoder, DA - ORION ME MIGRATABLE, 1 - Standard, 9 Dial - 0.01 Gal, E - 1,000 A2 - BADGER STD (TS-420) YX - YR MFG 8D & PBB Pit/Remote Thru Lid Kit, TH - TWIST TIGHT - 10 FT (MTR, ASSY) B0A - BADGER METER STANDARD (ID=B0A) <b>Cat String:</b> EU-EAC-PXTX-E5-DA-19AE-A2YX-AGTH-AK-B0A	1	184.97	184.97

<b>Subtotal - USD</b>	49,914.44
<b>Total Price - USD</b>	49,914.44

#### Notes and Assumptions

If applicable, sales tax, freight, and custom-related charges will be added at time of invoice.

Actual lead time to be provided at time of order.

Badger Meter provides certification files to help manage meter and endpoint inventory and to maintain meter accuracy data. The standard method of delivery for this format is via electronic mail. Any deviations from our standard format, or any custom file formats, will be considered on a time and material basis. Please contact your Account Manager if you require more information.

Badger Meter continues to improve and redesign our products to provide our customers with state-of-the-art technology solutions. Therefore, Badger Meter reserves the right to provide our newest product solutions as an alternative to the proposed products, provided the replacement products meet the following requirements: are substantially similar to and are at least of equal quality and performance to, are in conformance with the requirements in the applicable specifications, meet the actual needs or are otherwise suitable for the intended use, and are priced at an amount that does not exceed the price of the quoted products.

If you would like to place an order, please contact your Customer Service Rep Kimmie Drogier, 800-616-3837 x15945 or KDrogier@badgermeter.com

#### Thank you for your business!

This quotation is an offer made subject to the terms & conditions found on our website: [www.badgermeter.com/Company/Legal/Sales-Terms.aspx](http://www.badgermeter.com/Company/Legal/Sales-Terms.aspx)  
Quoted prices are firm for acceptance, via an order, within the effective dates provided, shipping within 60 calendar days past the expiration of this quotation.



Export Quotation  
Quotation No. 3055603

If you have questions, please contact your Account Manager Mark Leveille, 800-876-3837 X16196 [mleveille@badgermeter.com](mailto:mleveille@badgermeter.com)

**Thank you for your business!**

This quotation is an offer made subject to the terms & conditions found on our website: [www.badgermeter.com/Company/Legal/Sales-Terms.aspx](http://www.badgermeter.com/Company/Legal/Sales-Terms.aspx)  
Quoted prices are firm for acceptance, via an order, within the effective dates provided, shipping within 60 calendar days past the expiration of this quotation.

Page 3 of 3



## EXHIBIT C



### CONTRACT RENEWAL NOTICE

April 10, 2019

Badger Meter INC.  
Attention: Ms. Korrine Fleming  
4545 W. Brown Deer Road  
P.O. Box 245036  
Milwaukee, Wisconsin 53224-9536

RE: Contract Extension for IFB2015-13  
"Water Meters Various Sizes and Accessories"

Referencing Invitation for Bid No: 2015-13, GWA issued a Notice of Conditional Award dated January 26, 2016 which was acknowledged by Badger Meter on February 5<sup>th</sup>, 2016; on February 23, 2016, GWA issued a Notice to Proceed (NPT) which was acknowledged by Badger Meter on the same day.

Contract Terms:

As specified in IFB2015-13, Section IV. Special Provisions, subsection 7. Contract Term, authorizing GWA to enter into 1<sup>st</sup> year option contract extension, GWA hereby agrees to exercise the contract renewal extension effective February 23, 2019 and expiring February 23, 2020, this contract extension is governed by specifications, pricing, and the terms and conditions set forth per the above reference bid number for Water Meters Various Sizes and Accessories, plus amendments outlines in your enclosed letter.

Please acknowledge your acceptance of this renewal by signing this document in the space provided below and returning to this office within ten (10) days.

Sincerely,

Miguel C. Bordallo, P.E.  
General Manager,  
Guam Waterworks Authority

Guam Waterworks Authority and Badger Meter IFB2015-13 Contract Renewal Notice Letter, page 2

(Name) Korrine L. Fleming  
(Title) Assistant Secretary

I We hereby acknowledge acceptance of this Contract renewal, and agree to be bound by all requirements, terms, and conditions as set forth in the above referenced bid number.

Badger Meter, Inc.

Company: ~~Badger Meters~~

Signed: 

Date: April 25, 2019

Print Name: Korrine L. Fleming

Enclosure: Letter from Korrine Fleming emailed on March 5, 2019 by Bill Bergum  
Notice of Conditional Award  
Notice to Proceed (NPT)

cc: Kelly Clark, GWA General Counsel  
Chris Budasi, AGMAS  
Gilda Mafnas, Acting CFO  
Procurement

**Additional Purchases Relative to IFB 2015-13  
May 2019 to February 2021**

**EXHIBIT D**

LINE #	GWA STOCK #	PRODUCT DESCRIPTION	QTY.	UNIT NET PRICE USD	TOTALS USD
1	61604	No Register, Orion ME 2. Traditional, Indoor-Outdoor, Pig-Tail (gel cap), 10 ft Wire, UMI-0015-7639	0	112.67	-
2	60484	RCDL M25 LL Disc Meter (NSF 61-G), 5/8" X 3/4-3/4 Bore (3/4 X 7 1/2), Cast Iron Bottom, Less Connections, HRE Registration, Gallon 8 Dial - 0.1 Gallons, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Indoor-Outdoor, <b>Badger Meter Twist Tight Connector, 5 ft.</b> , UMI-0016-7978	6391	150.73	963,315.43
3	65293	RCDL M25 LL Disc Meter (NSF 61-G), 5/8" X 3/4-3/4 Bore (3/4 X 7 1/2), Cast Iron Bottom, Less Connections, HRE Registration, Gallon 8 Dial - 0.1 Gallons, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, <b>Integral</b> Indoor-Outdoor, <b>Factory Pre-Wired, 3 ft Break-Away Wire.</b> , UMI-0016-7979	1598	155.38	248,297.24
4	47466	RCDL M55 LL Disc Meter (NSF 61-G), 1" (1 X 10 3/4). Cast Iron Bottom, Less Connections, HRE Registration, Gallon 8 Dial - 0.1 Gallons, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Indoor-Outdoor, <b>Badger Meter Twist Tight Connector, 5 ft.</b> , UMI-0018-0772	180	233.56	42,040.80
5	47466	RCDL M55 LL Disc Meter (NSF 61-G), 1" (1 X 10 3/4). Cast Iron Bottom, Less Connections, HRE Registration, Gallon 8 Dial - 0.1 Gallons, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Indoor-Outdoor, <b>Factory Pre-Wired, 3 ft Break-Away Wire.</b> , UMI-0018-0756	180	238.21	42,877.80
6	47474	RCDL M120 LL Disc Meter (NSF 61-G), 1 1/2", Elliptical Long Drilled, Less Connections, HRE Registration, Gallon, 8 Dial - 1 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Indoor-Outdoor, Badger Meter Twist Tight Connector, 5 ft., UMI-0018-0757	264	379.83	100,275.12
7	47482	RCDL M170 LL Disc Meter (NSF 61-G), 2", Elliptical Long Drilled, Less Connections, HRE Registration, Gallon, 8 Dial - 1 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Indoor-Outdoor, Badger Meter Twist Tight Connector, 5 ft., UMI-0018-0759	129	567.55	73,213.95
8	47491	RCDL Turbo Series Meter LL (NSF 61-G), 3", Round, Without Integral Strainer, Less Connections, HRE Registration, Gallon, 8 dial - 1 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion ME 2. Traditional, Indoor-Outdoor, Badger Meter Twist Tight Connector, 5 ft., UMI-0018-0760	4	775.03	3,100.12
9	47520	RCDL Turbo Series Meter LL (NSF 61-G), 4", Round, Without Integral Strainer, Less Connections, HRE Registration, Gallon, 8 dial - 1 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion ME 2. Traditional, Indoor-Outdoor, Badger Meter Twist Tight Connector, 5 ft., UMI-0018-0761	6	1,260.97	7,565.82
10	47538	RCDL Turbo Series Meter LL (NSF 61-G), 6", Round Less Connections, HRE Registration, Gallon 8 Dial - 10 Gallons, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Indoor-Outdoor, Badger Meter Twist Tight Connector, 5 ft., UMI-0018-0761	3	2,313.00	6,939.00
11	47546	RCDL Turbo Series Meter LL (NSF 61-G), 8", Round w/Test Plug, Less Connections, HRE Registration, Gallon 8 Dial - 10 Gallons, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Indoor-Outdoor, Badger Meter Twist Tight Connector, 5 ft., UMI-0018-0763	1	3,151.80	3,151.80
12	47554	RCDL Turbo Series Meter LL (NSF 61-G), 10", Round, Less Connections, HRE Registration, Gallon 8 Dial - 10 Gallons, Plastic Shroud / Plastic Lid (Gray) Orion ME 2, Traditional, Indoor-Outdoor, Badger Meter Twist Tight Connector, 5 ft., UMI-0018-0764	1	4,284.81	4,284.81
13	47651	External Plate Strainer, 2", Round Strainer w/Drain Plug, LL Bronze (NSF 61-G), External Plate Strainer, UMI-0001-2381	129	324.46	41,855.34
14	48266	External Plate Strainer, 3", Round Strainer w/Drain Plug, LL Bronze (NSF 61-G), External Plate Strainer, UMI-0000-4904	4	425.93	1,703.72
15	48282	External Plate Strainer, 4", Round Strainer w/Drain Plug, LL Bronze (NSF 61-G), External Plate Strainer, UMI-0000-4801	6	563.00	3,378.00
16	48303	External Plate Strainer, 6", Round Strainer w/Drain Plug, LL Bronze (NSF 61-G), External Plate Strainer, UMI-0000-4802	3	799.18	2,397.54
17	48320	External Plate Strainer, 8", Round Strainer w/Drain Plug, Steel, Zinc Plated Bolts, Nuts, & Std Black Gaskets, External Plate Strainer, UMI-0000-5939	1	2,153.88	2,153.88
18	48338	External Plate Strainer, 10", Round Strainer w/Drain Plug, Steel, Zinc Plated Bolts, Nuts, & Std Black Gaskets, External Plate Strainer, UMI-0000-1470	1	4,795.56	4,795.56

**Additional Purchases Relative to IFB 2015-13  
May 2019 to February 2021**

LINE #	GWA STOCK #	PRODUCT DESCRIPTION	QTY.	UNIT NET PRICE USD	TOTALS USD
19	48231	ASSY ELL. FLG NL BRASS 1-1/2", 20336-046	0	153.00	-
20	48240	ASSY ELL. FLG NL BRZ2", 20336-048	0	207.00	-
21	73390	<b>BMI Part No.: 100-347</b> <b>Description:</b> M2000, 2" standard LL, Hard Rubber, C-Steel with 150# flanges, Alloy C with 316 Stainless Steel Grounding Rings, 110/220 VAC Remote Mount Submersible, 15ft. Standard Cable, Standard Output XX-NONE Gal/Gal per Minute, Factory Calibrated, N/A <b>Cat String:</b> M2-020-R1-A-SAC-S-XXGF-STD	1	2,045.40	2,045.40
22	73402	<b>BMI Part No.: 100-0350</b> <b>Description:</b> M2000, 3" standard LL, Hard Rubber, C-Steel with 150# flanges, Alloy C with 316 Stainless Steel Grounding Rings, 110/220 VAC Remote Mount Submersible, 15ft. Standard Cable, Standard Output XX-NONE Gal/Gal per Minute, Factory Calibrated, N/A <b>Cat String:</b> M2-030-R1-A-SAC-S-XXGF-STD	1	2,196.81	2,196.81
23	73411	<b>BMI Part No.: 100-0351</b> <b>Description:</b> M2000, 4" standard LL, Hard Rubber, C-Steel with 150# flanges, Alloy C with 316 Stainless Steel Grounding Rings, 110/220 VAC Remote Mount Submersible, 15ft. Standard Cable, Standard Output XX-NONE Gal/Gal per Minute, Factory Calibrated, NSF-61-372 <b>Cat String:</b> M2-040-R1-A-SAC-S-XXGF-STD	40	2,308.32	92,332.80
24	73429	<b>BMI Part No.: 100-0060</b> <b>Description:</b> M2000, 6" standard LL, Hard Rubber, C-Steel with 150# flanges, Alloy C with 316 Stainless Steel Grounding Rings, 110/220 VAC Remote Mounted Submersible, 15ft. Standard Cable, Standard Output XX-NONE Gal/Gal per Minute, Factory Calibrated, NSF-61-372 <b>Cat String:</b> M2-060-R1-A-RAC-S-XXGF-STD	1	2,580.48	2,580.48
25	73437	<b>BMI Part No.: 100-0613</b> <b>Description:</b> M2000, 8" standard LL, Hard Rubber, C-Steel with 150# flanges, Alloy C with 316 Stainless Steel Grounding Rings, 110/220 VAC Remote Mounted Submersible, 15ft. Standard Cable, Standard Output XX-NONE Gal/Gal per Minute, Factory Calibrated, NSF-61-372 <b>Cat String:</b> M2-080-R1-A-SAC-S-XXGF-STD	1	2,951.13	2,951.13
26	84769	<b>BMI Part No.: 100-3773</b> <b>Description:</b> EU - E-Series Ultrasonic SS (NSF-61-372), EAC -5/8" X 3/4" (3/4 X7-1/2) Potable, XT - None - Thick Washers, X-NONE Encoder, DA - ORION ME MIGRATABLE, 1 - Standard, 9 Dial - 0.01 Gal, E 1,000 AD -BADGER STD (TS-420) YX - YR MFG 8D & PBB Pit/Remote Thru Lid Kit, TH - TWIST TIGHT - 10 FT (MTR, ASSY) B0A - BADGER METER STANDARD (ID=B0A) <b>Cat String:</b> EU-EAC-PXTX-E5-DA-19AE-A2YX-AGTH-AK-B0A	0	184.97	-
27	51650	RCDL Compound Series Meter LL (NSF 61-G), 3", Round w/Test Plug,	22	1,772.38	38,992.36
28	51668	RCDL Compound Series Meter LL (NSF 61-G), 4", Round w/Test Plug,	31	2,789.88	86,486.28
29	51676	RCDL Compound Series Meter LL (NSF 61-G), 6", Round w/Test Plug,	3	3,953.04	11,859.12
		Total			1,790,790.31



# GENERAL MANAGER'S REPORT

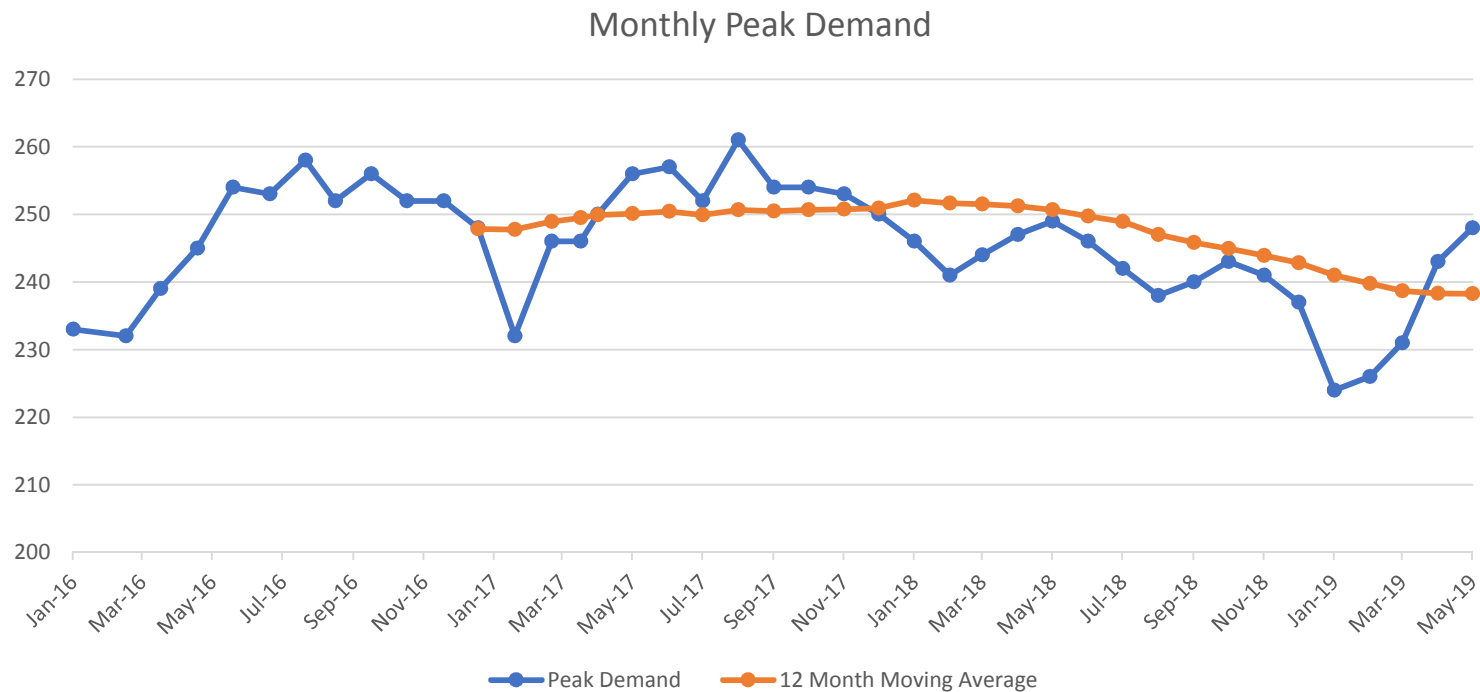
## MAY 2019



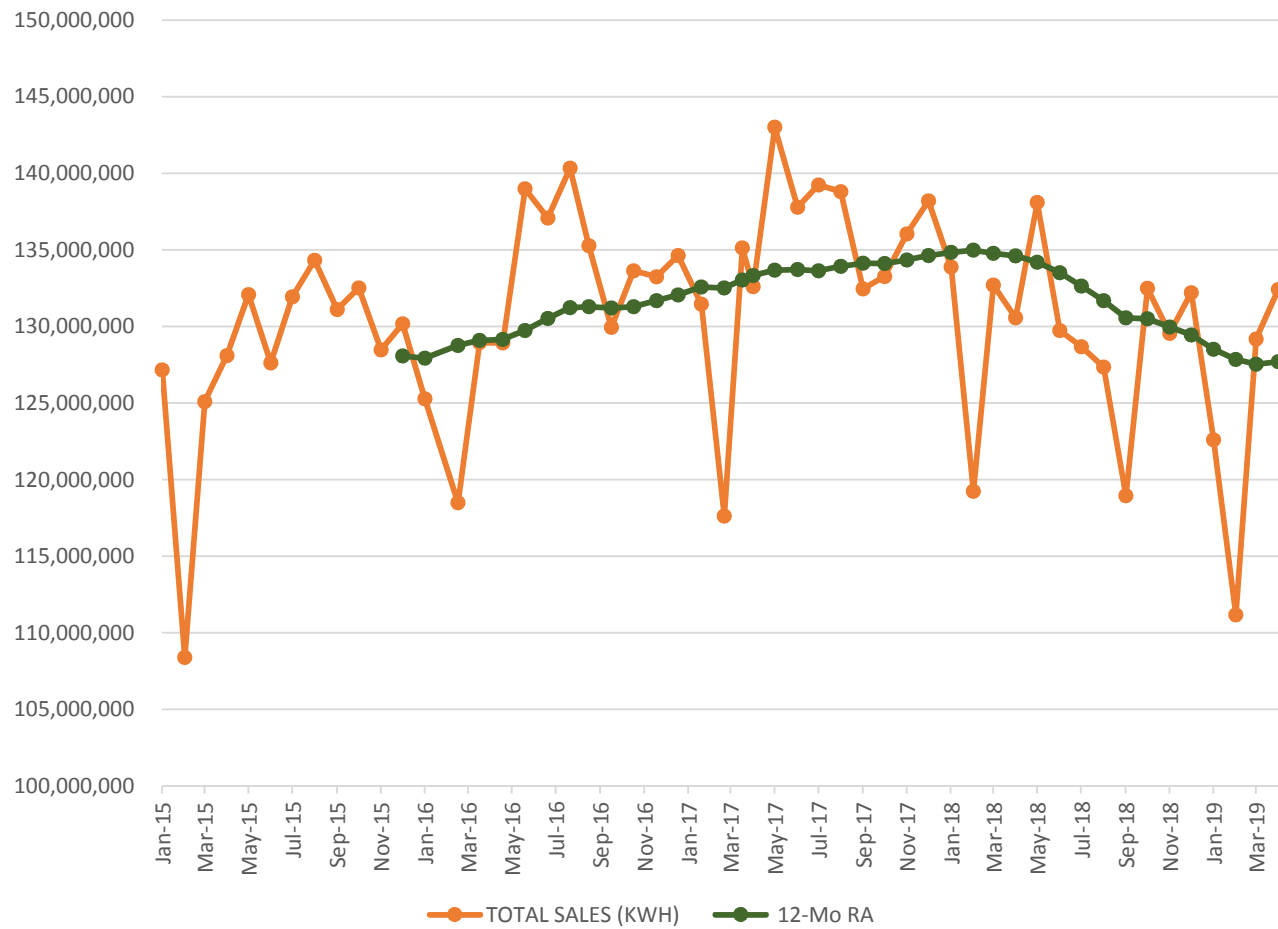
1. **Generation System:** The following summarizes the generation forecast for June 2019:

Projected Available Capacity: 397 MW  
 Projected Demand: 245 MW  
 Anticipated Reserve Margin: 152 MW

**Peak Demand Trend.** The following shows the Peak demand from January 2017 to May 2019 and the running 12-months trend:



## Monthly Energy Sales



# Demand Side Management (DSM)

2. Program directly reduces energy cost to customer at a one time fixed rebate. GPA currently funded \$3.9M from base rate. Program growing exponentially and GPA base rate not able to fund the growth.

## DSM PROGRAM SUMMARY

Description	FY16	FY17	FY18	FY19 thru 4/30/19*	Total to Date
Regular/OT Pay	\$11,348.80	\$22,256.00	\$26,121.83	\$ 28,166.28	\$ 87,892.91
Other Contractual	\$28,278.50	\$85,550.05	\$116,977.50	\$ 3,025.00	\$ 233,831.05
Ads & Radio Announcements	-	-	-	\$ 4,000.00	\$ 4,000.00
Paid Rebates-Split AC	\$ 154,700.00	\$ 557,275.00	\$ 1,247,000.00	\$ 624,700.00	\$ 2,583,675.00
Paid Rebates- Central AC	\$ 3,400.00	\$ 8,200.00	\$ 4,400.00	\$ 3,400.00	\$ 19,400.00
Paid Rebates- Washer/Dryer	\$ 2,800.00	\$ 7,425.00	\$ 48,800.00	\$ 60,000.00	\$ 119,025.00
<b>Total Expenses</b>	<b>\$200,527.30</b>	<b>\$680,706.05</b>	<b>\$1,443,299.33</b>	<b>\$ 723,291.28</b>	<b>\$3,047,823.96</b>

### 3. Net Metering (NEM) Credit Adjustment:

CCU approved GPA filing a petition to the PUC to consider changes to the existing net metering credit. GPA filed with PUC for adjustment of net metering credits from retail to avoided cost with a grandfather phase-out approach over 5 years to the GPA avoided cost credit. PUC engaged its consultant Daymark to review the petition. The PUC has conducted three public hearings on the petition. A decision by the PUC is anticipated soon. The following summarizes Net Metering Customers as of April 2019:

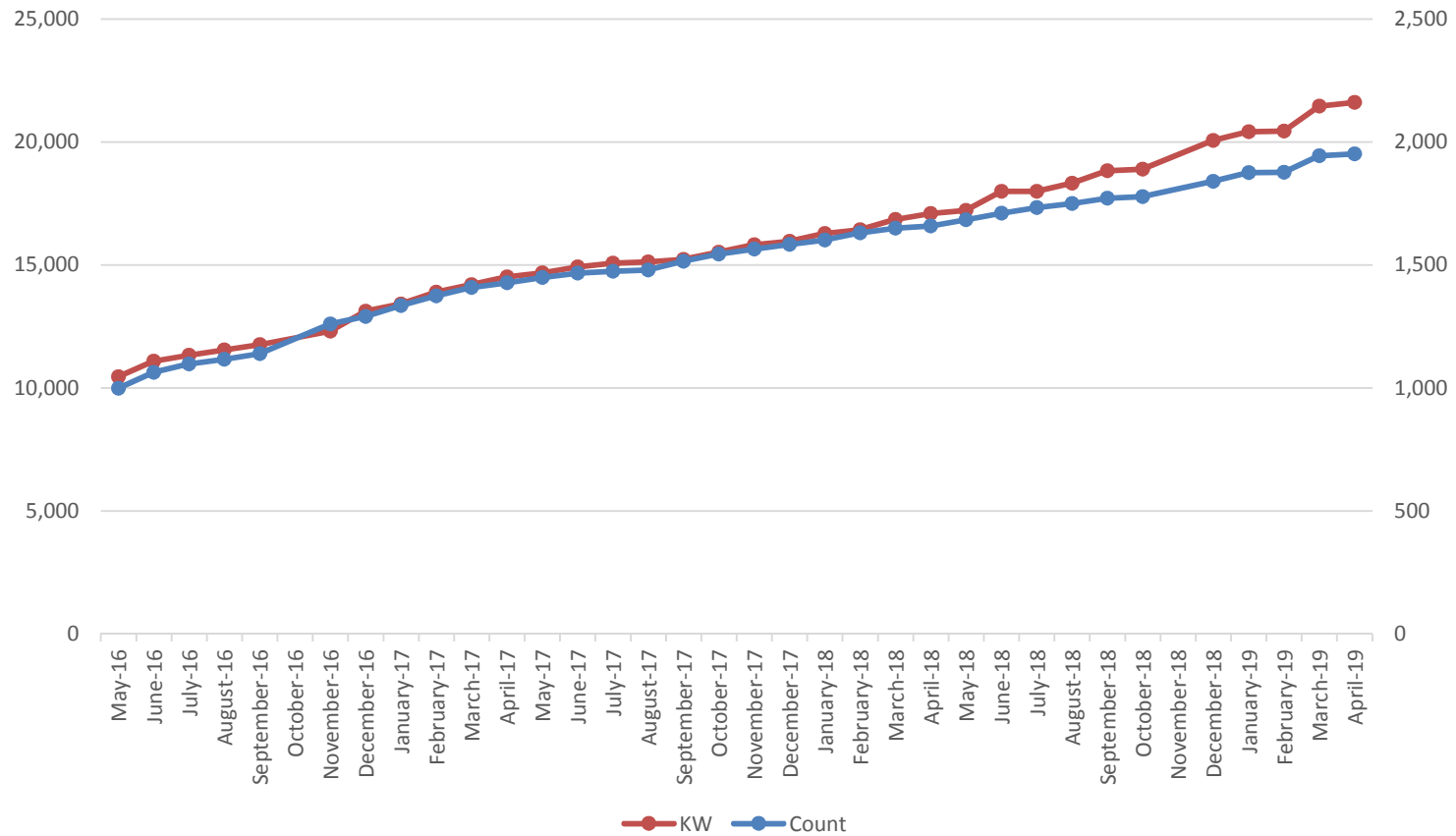
#### Net Metering Summary Ending April 2019:

Description:	Count	Kw
Active	1,951	21,611
Pending	1	7
Totals:	1,952	21,618

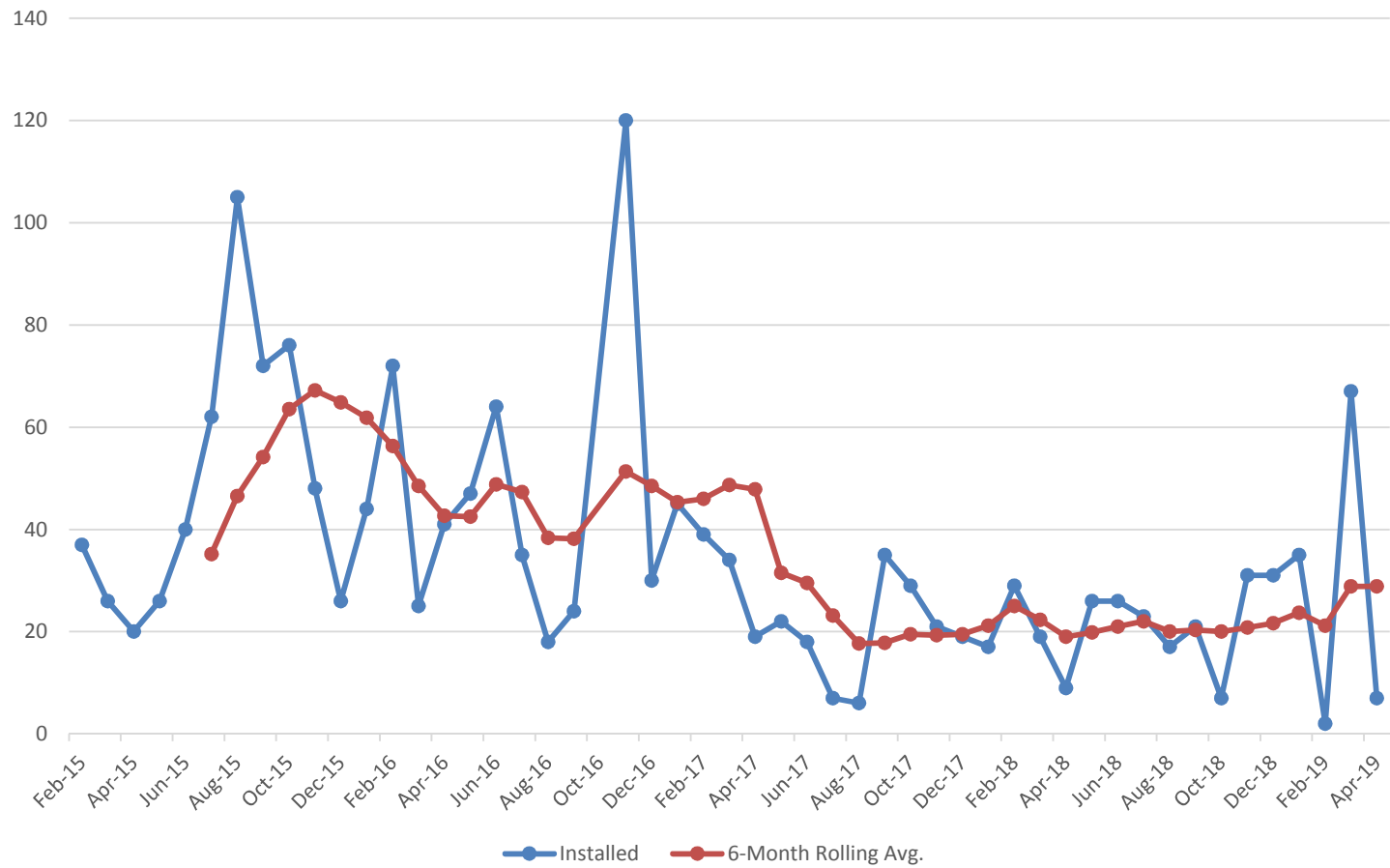
Service:	Count	KW	Kw/Customer
Residential	1,846	17,291	9.4
Others	105	4,320	41.1
Total:	1,951	21,611	11.1
% Residential	94.6%	80.0%	
Estimated 12 Months Revenue Impact:	\$3,424,495		



### NEM KW Capacity and Count Ending April 2019



### NEM Installed Monthly





#### 4. PUC NEM Public Hearings:

Three NEM public hearings were held by the Public Utilities Commission between March 26<sup>th</sup> to April 4<sup>th</sup> regarding GPA's petition for Modification of Current Net Metering Rider (GPA Docket No. 19-04). The May PUC Agenda is pending.

#### 5. GPA's Village Management Program (VMP):

The program with the village Mayors of Asan, Piti, Agana-Heights, Mongmong-Toto, Ordot-Chalan Pago, Mangilao, Yona, Talofofo and Inarajan is showing progress in these villages. A drive thru the main road of these villages would show vegetation being cleared away from lines and poles painted with traffic yellow for safety. The program actually helps to beautify the island.



**6. Update on New Power Plant Bid Opening:**

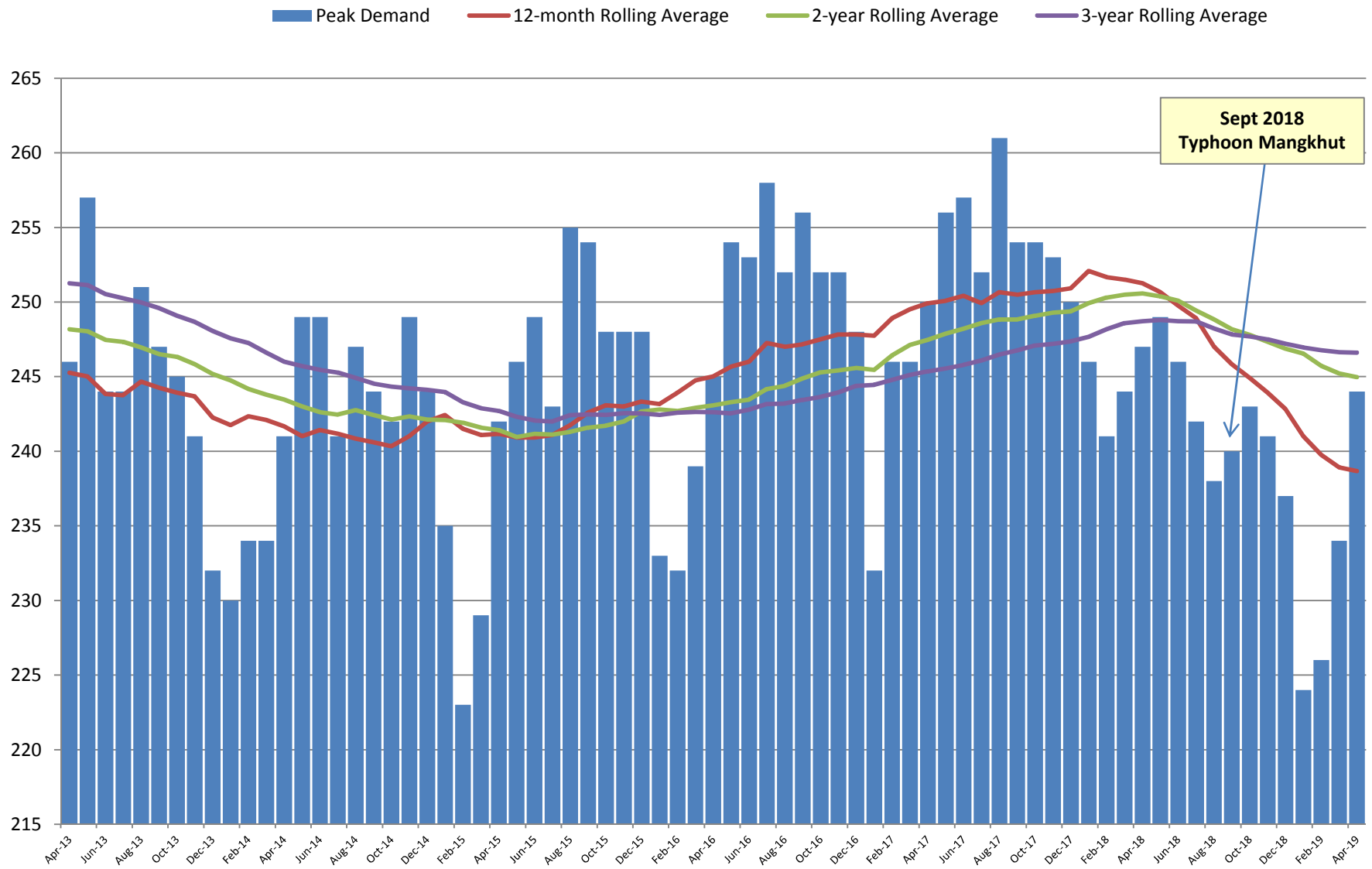
- The technical proposals for the new power plant were reviewed and the following bidders have been qualified to submit their pricing by May 31, 2019:
  - Powerflex LLC (c/o Wartsila Development and Financial Services)
  - Hanwha Energy Corporation
  - Korea Electric Power Corporation
- **Updated Schedule:**
  - May 31, 2019 - Deadline to receive price proposal from acceptable bidders
  - June 3, 2019 - Public bid pricing opening date is at 9am at the GPA Procurement Conference Room
  - June 19, 2019 - Complete initial evaluation of price submittals
  - September 18, 2019 - GPA's targeted date to have a contract ready for CCU and PUC approvals



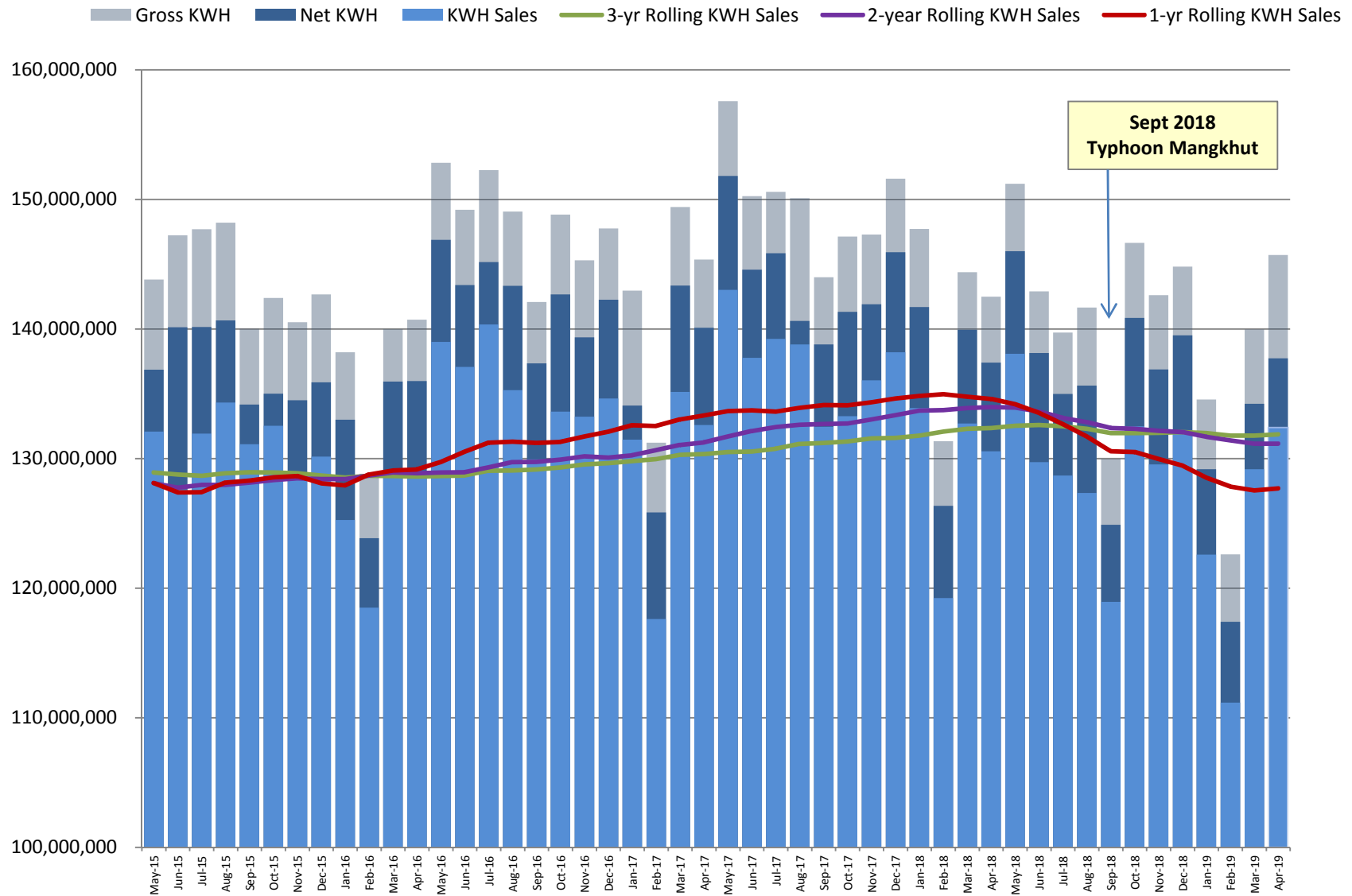
## 7. Generation KPI's - April 2019



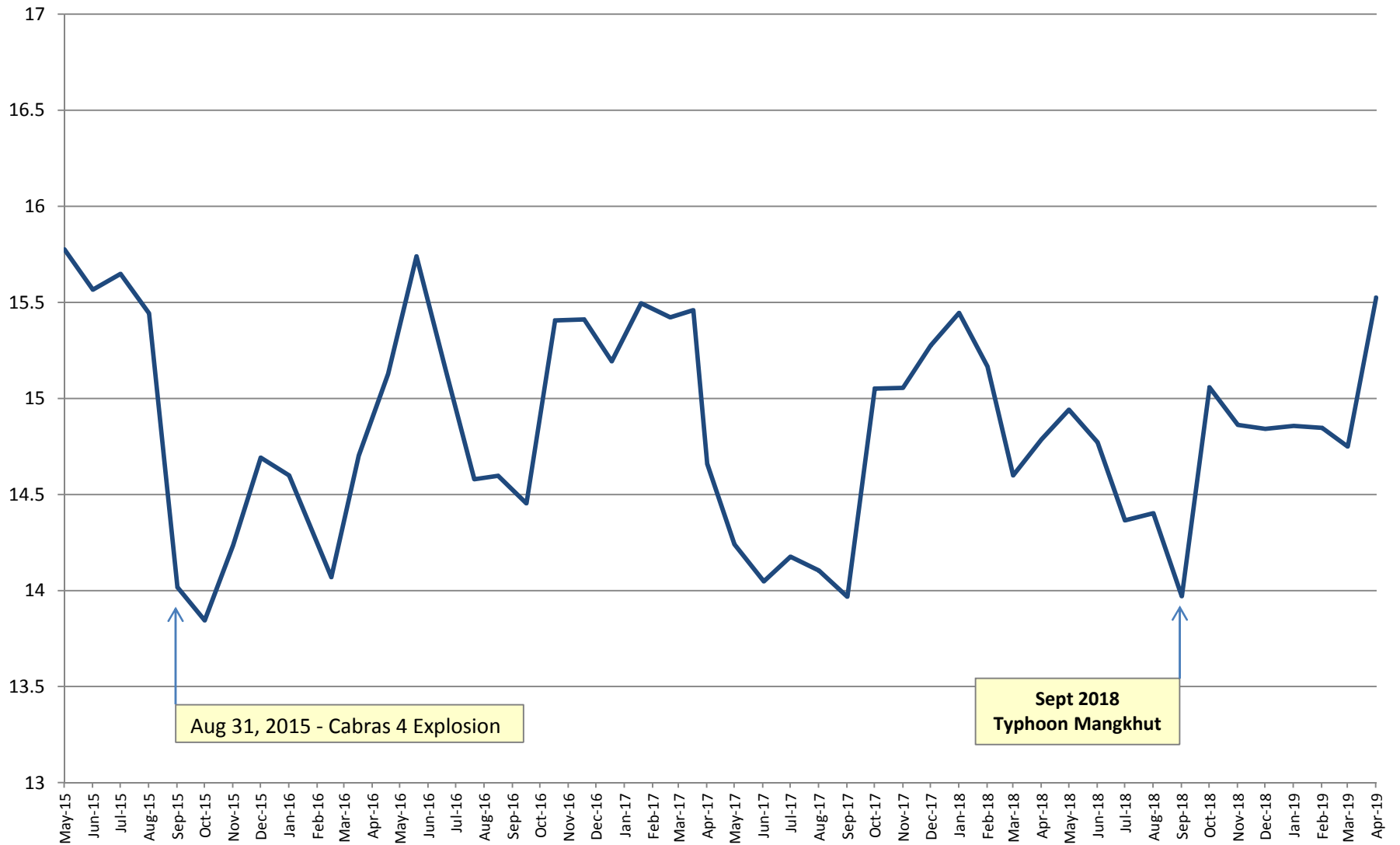
## Historical Monthly Peak Demand April 2013 - April 2019



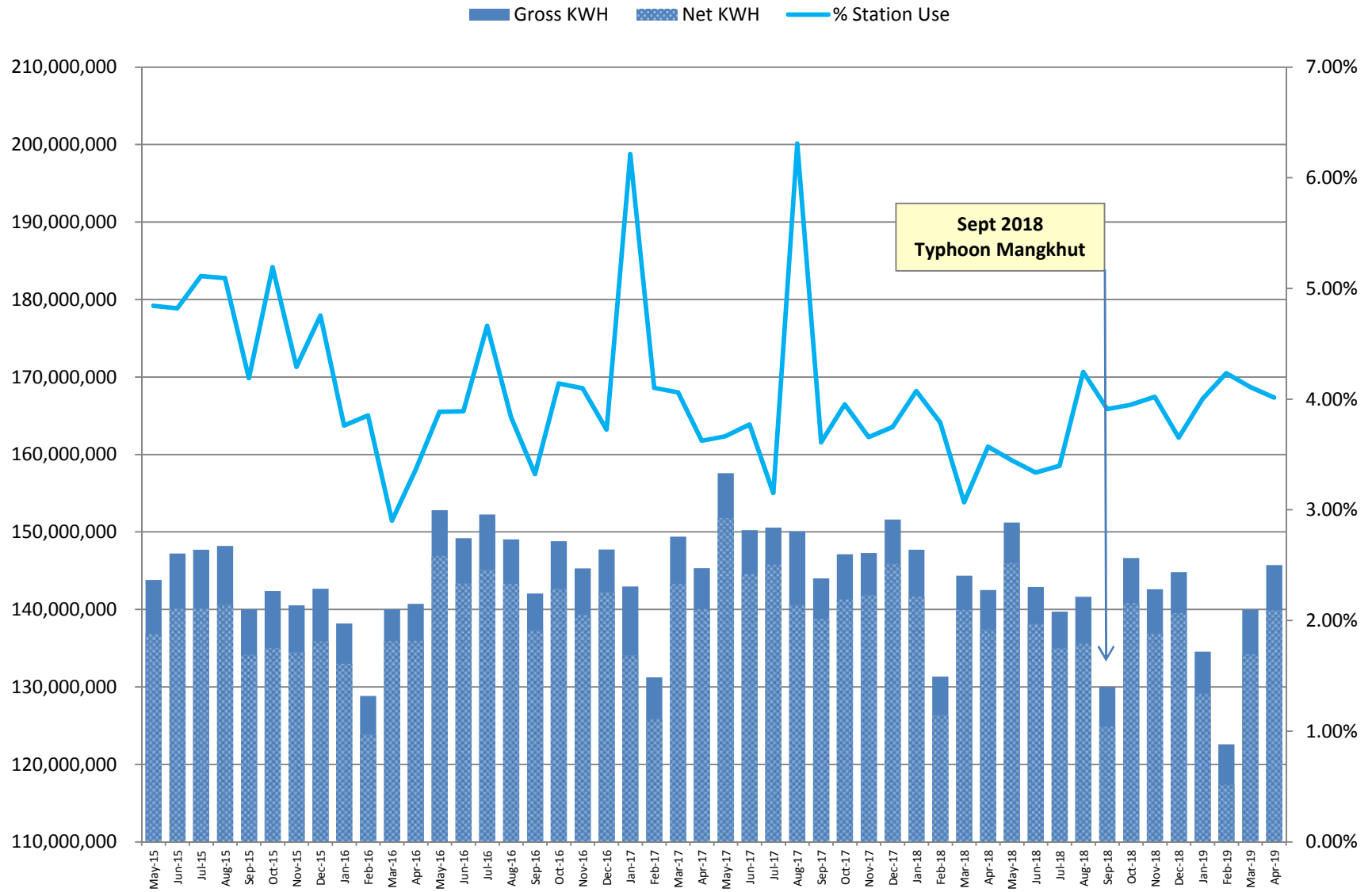
## Historical KWH Sales May 2015 - April 2019



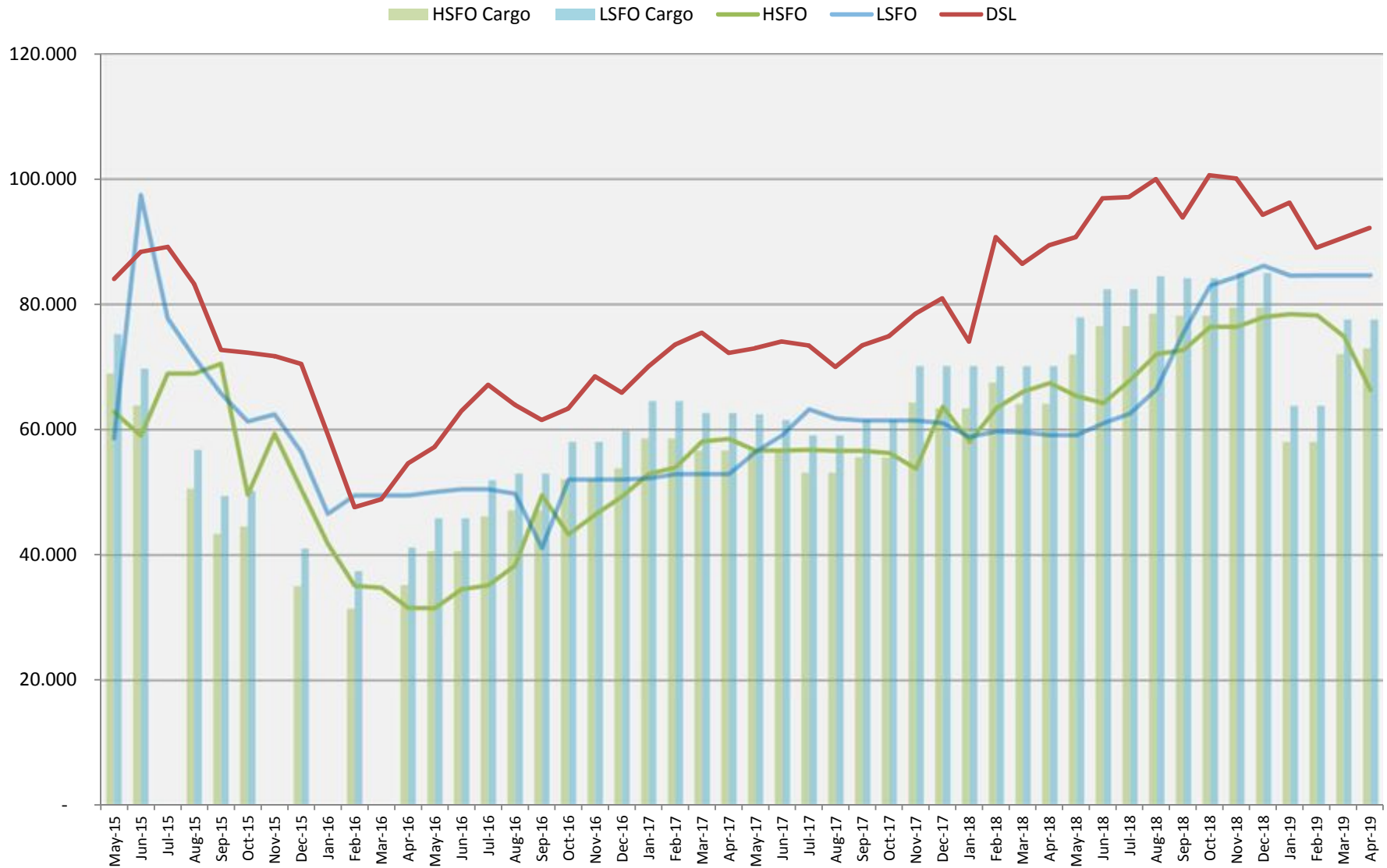
## SYSTEM GROSS HEAT RATE (KWH/Gal) May 2015 - April 2019



## Gross and Net Generation (KWH) May 2015 - April 2019



## Fuel Cargo and Fuel Consumption Costs (\$/bbl) April 2015 - April 2019





# CFO

# FINANCIAL HIGHLIGHTS

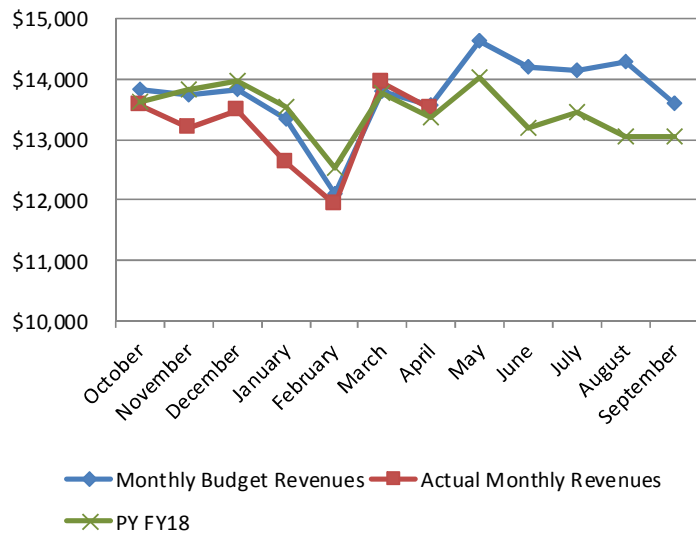
## April 2019



# April 2019 Monthly Financial Highlights

17

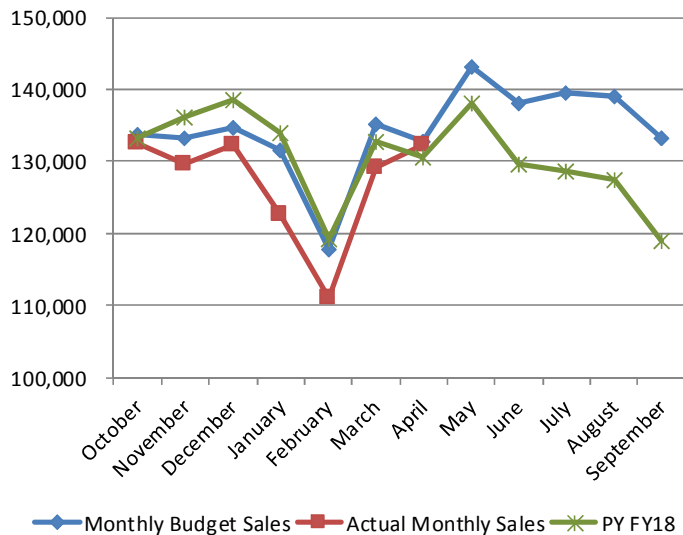
Base Rate Revenue \$000



Through April 30, 2019

	Monthly Budget Revenues \$000	Actual Monthly Revenues	Variance		PY FY18	CY vs PY Variance	
October	\$ 13,811	\$ 13,564	\$ (246)	↓	\$ 13,625	\$ (61)	↓
November	13,723	13,203	\$ (519)	↓	13,827	\$ (624)	↓
December	13,833	13,467	\$ (365)	↓	13,968	\$ (501)	↓
January	13,321	12,616	\$ (705)	↓	13,534	\$ (918)	↓
February	12,114	11,915	\$ (199)	↓	12,522	\$ (607)	↓
March	13,790	13,926	\$ 135	↑	13,776	\$ 150	↑
April	13,562	13,520	\$ (42)	↓	13,351	\$ 169	↑
May	14,630				14,011		
June	14,196				13,201		
July	14,152				13,446		
August	14,280				13,041		
September	13,590				13,041		
<b>Total</b>	<b>\$ 165,002</b>	<b>\$ 92,212</b>	<b>\$ (1,941)</b>		<b>\$ 161,343</b>	<b>\$ (2,391)</b>	

MWh Sales



Through April 30, 2019

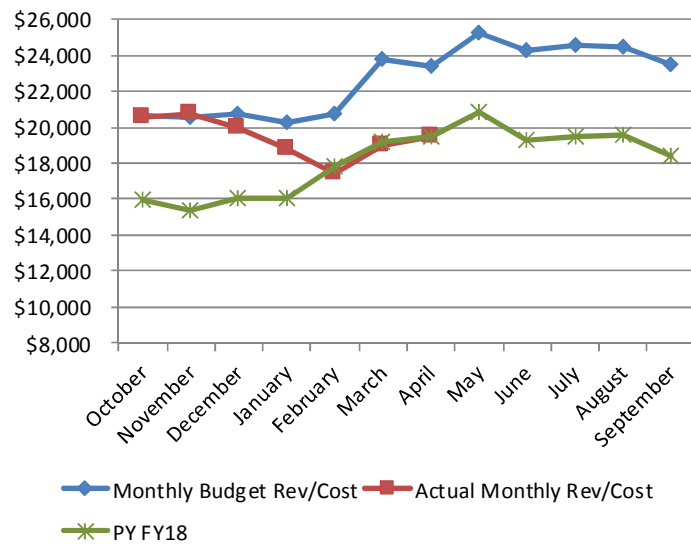
	Monthly Budget Sales gwh	Actual Monthly Sales	Variance		PY FY18	CY vs PY Variance	
October	133,797	132,489	(1,308)	↓	133,262	(773)	↓
November	133,346	129,537	(3,809)	↓	136,044	(6,506)	↓
December	134,715	132,190	(2,525)	↓	138,587	(6,397)	↓
January	131,547	122,590	(8,958)	↓	133,882	(11,292)	↓
February	117,775	111,159	(6,616)	↓	119,241	(8,082)	↓
March	135,196	129,170	(6,026)	↓	132,693	(3,523)	↓
April	132,763	132,396	(367)	↓	130,565	1,830	↑
May	143,236				138,085		
June	138,016				129,728		
July	139,434				128,681		
August	139,030				127,348		
September	133,149				118,935		
<b>Total</b>	<b>1,612,003</b>	<b>889,531</b>	<b>(29,608)</b>		<b>1,567,052</b>	<b>(34,745)</b>	



# April 2019 Monthly Financial Highlights (Continued)

18

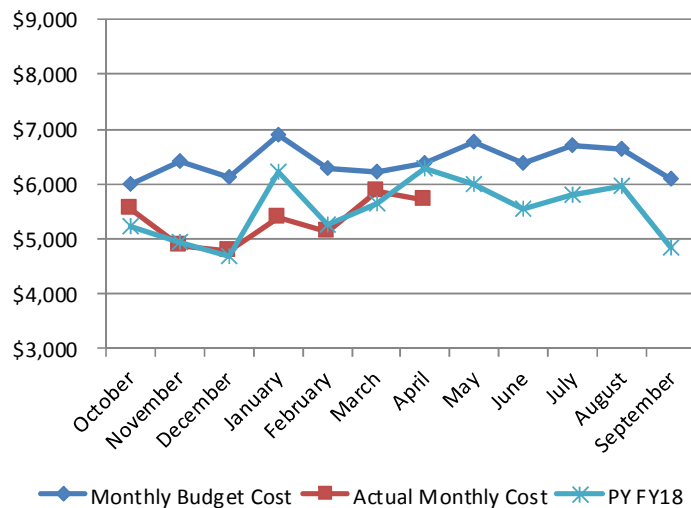
Fuel Revenue/ Cost \$000



Through April 30, 2019

	Monthly Budget Rev/Cost \$000	Actual Monthly Rev/Cost	Variance		PY FY18	CY vs PY Variance	
October	\$ 20,637	\$ 20,550	\$ (87)	↓	\$ 15,936	\$ 4,615	↑
November	20,568	20,711	\$ 143	↑	15,400	\$ 5,310	↑
December	20,779	19,969	\$ (810)	↓	16,007	\$ 3,961	↑
January	20,290	18,822	\$ (1,468)	↓	16,036	\$ 2,785	↑
February	20,718	17,368	\$ (3,350)	↓	17,763	\$ (395)	↓
March	23,783	19,017	\$ (4,765)	↓	19,180	\$ (163)	↓
April	23,354	19,442	(3,912)	↓	19,441	\$ 2	↑
May	25,197				20,854		
June	24,279				19,252		
July	24,528				19,457		
August	24,457				19,608		
September	23,422				18,390		
<b>Total</b>	<b>\$ 272,011</b>	<b>\$ 135,879</b>	<b>\$ (14,250)</b>		<b>\$ 217,324</b>	<b>\$ 16,115</b>	

O&amp;M Cost \$000



Through April 30, 2019

	Monthly Budget Cost \$000	Actual Monthly Cost	Variance		PY FY18	CY vs PY Variance	
October	\$ 5,986	5,551	435	↑	5,239	(312)	↓
November	6,419	4,875	1,544	↑	4,941	66	↑
December	6,119	4,762	1,358	↑	4,694	(68)	↓
January	6,882	5,399	1,483	↑	6,204	805	↑
February	6,291	5,114	1,177	↑	5,252	138	↑
March	6,231	5,869	362	↑	5,638	(231)	↓
April	6,374	5,704	670	↑	6,269	565	↑
May	6,753				6,005		
June	6,373				5,558		
July	6,710				5,797		
August	6,648				5,961		
September	6,079				4,836		
<b>Total</b>	<b>\$ 76,866</b>	<b>\$ 37,274</b>	<b>\$ 7,029</b>		<b>\$ 66,394</b>	<b>\$ 963</b>	



# April 2019 Monthly Financial Highlights (Continued)

19

Through April 30, 2019

	2Q2018	3Q2018	4Q2018	1Q2019	2Q2019	3Q2019
Residential	44,065	44,074	43,887	43,920	44,144	44,200
Commercial	5,262	5,278	5,261	5,273	5,291	5,290
Government	1,086	1,092	1,077	1,090	1,074	1,070
Streetlights	1,005	1,091	1,152	1,151	1,152	1,143
Navy	1	1	1	1	1	1
	51,419	51,536	51,378	51,435	51,662	51,704

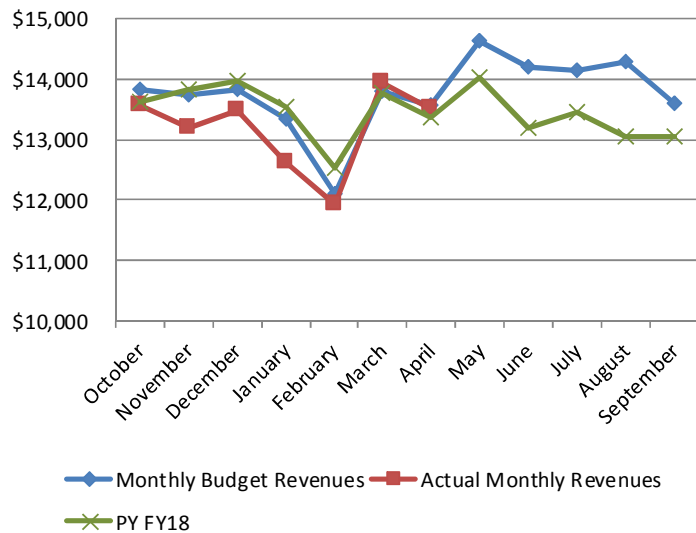
Debt service coverage (DSC) calculation-indenture	2013	2014	2015	2016	2017	2018	YTD Apr 2019
Senior lien coverage	3.36	3.16	3.62	3.28	2.65	2.68	1.95
Aggregate debt service coverage	1.88	1.98	2.62	3.28	2.65	2.68	1.95
Debt service coverage (DSC) calculation-IPP as O&M							
Senior lien coverage	2.16	2.55	2.56	2.45	1.79	1.80	1.52
Aggregate debt service coverage	1.21	1.41	1.85	2.45	1.79	1.80	1.52



# April 2019 Monthly Financial Highlights

1

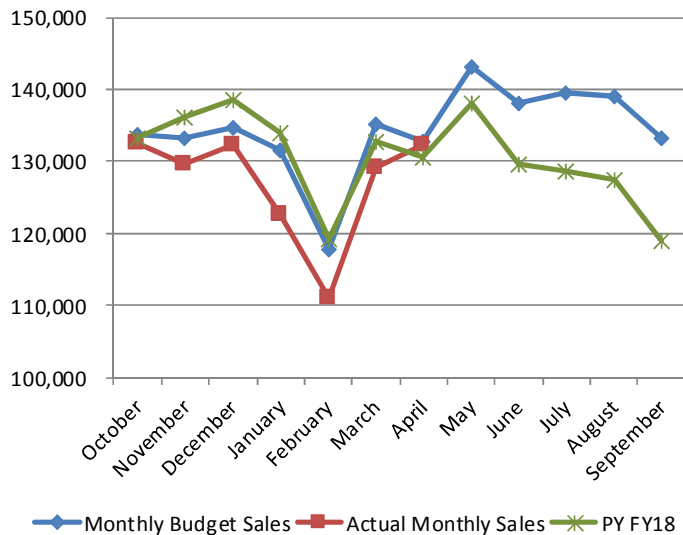
Base Rate Revenue \$000



Through April 30, 2019

	Monthly Budget Revenues \$000	Actual Monthly Revenues	Variance		PY FY18	CY vs PY Variance	
October	\$ 13,811	\$ 13,564	\$ (246)	↓	\$ 13,625	\$ (61)	↓
November	13,723	13,203	\$ (519)	↓	13,827	\$ (624)	↓
December	13,833	13,467	\$ (365)	↓	13,968	\$ (501)	↓
January	13,321	12,616	\$ (705)	↓	13,534	\$ (918)	↓
February	12,114	11,915	\$ (199)	↓	12,522	\$ (607)	↓
March	13,790	13,926	\$ 135	↑	13,776	\$ 150	↑
April	13,562	13,520	\$ (42)	↓	13,351	\$ 169	↑
May	14,630				14,011		
June	14,196				13,201		
July	14,152				13,446		
August	14,280				13,041		
September	13,590				13,041		
<b>Total</b>	<b>\$ 165,002</b>	<b>\$ 92,212</b>	<b>\$ (1,941)</b>		<b>\$ 161,343</b>	<b>\$ (2,391)</b>	

MWh Sales



Through April 30, 2019

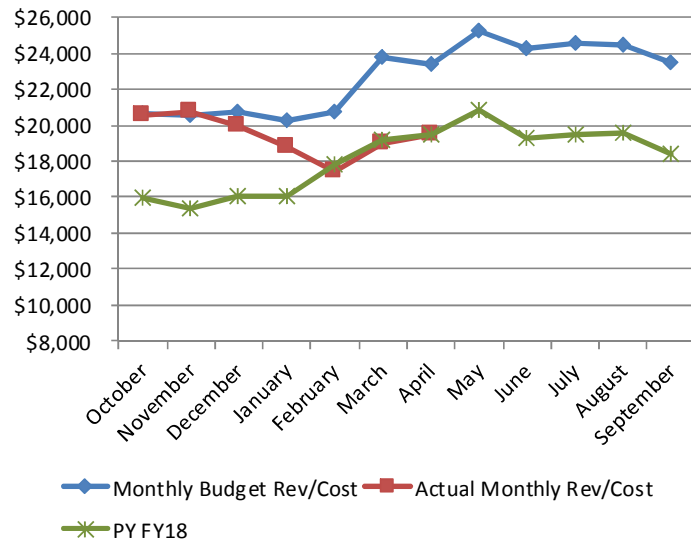
	Monthly Budget Sales gwh	Actual Monthly Sales	Variance		PY FY18	CY vs PY Variance	
October	133,797	132,489	(1,308)	↓	133,262	(773)	↓
November	133,346	129,537	(3,809)	↓	136,044	(6,506)	↓
December	134,715	132,190	(2,525)	↓	138,587	(6,397)	↓
January	131,547	122,590	(8,958)	↓	133,882	(11,292)	↓
February	117,775	111,159	(6,616)	↓	119,241	(8,082)	↓
March	135,196	129,170	(6,026)	↓	132,693	(3,523)	↓
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# April 2019 Monthly Financial Highlights (Continued)

2

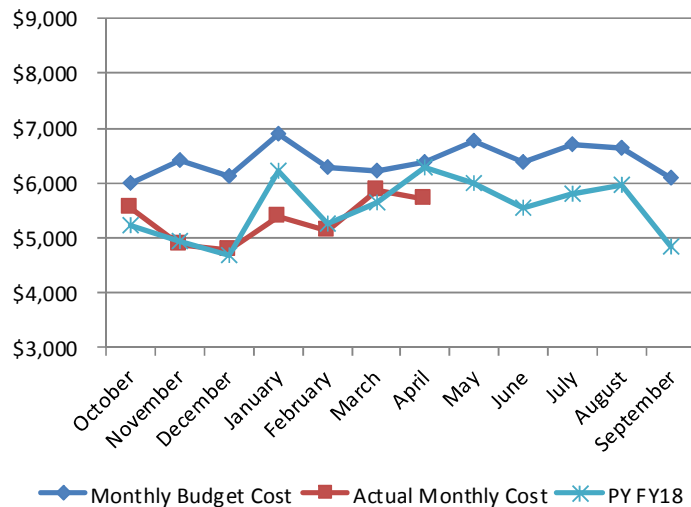
Fuel Revenue/ Cost \$000



Through April 30, 2019

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O&amp;M Cost \$000



Through April 30, 2019

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September	6,079				4,836		
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# April 2019 Monthly Financial Highlights (Continued)

3

Through April 30, 2019

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Streetlights	1,005	1,091	1,152	1,151	1,152	1,143
Navy	1	1	1	1	1	1
	51,419	51,536	51,378	51,435	51,662	51,704

Debt service coverage (DSC) calculation-indenture	2013	2014	2015	2016	2017	2018	YTD Apr 2019
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Debt service coverage (DSC) calculation-IPP as O&M							
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Aggregate debt service coverage	1.21	1.41	1.85	2.45	1.79	1.80	1.52





**GUAM POWER AUTHORITY**

ATURIDÂT ILEKTRESEDÂT GUAHAN  
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

## Issues for Decision

### Resolution No. 2019-06:

#### Relative to Authorizing Expenditure for the Tank Farm New ULSD Pipeline System (Design-Build)

##### What is the project's objective and is it necessary and urgent?

The project's objective is to comply with USEPA's requirement for GPA to significantly reduce power plant emissions. GPA will comply with USEPA's requirement by procuring services for the design and construction of the Tank Farm New ULSD Pipeline System to supply ULSD oil to the Piti Tank Farm, and Power Plants TEMES 7, MEC 8 and MEC 9. The ULSD pipeline system consists of 8-inch, 12-inch, and 24-inch diameter pipes with supports/pedestals, pipe manifolds, valves, and pumping station to include motor, pumps, concrete roof, berms and pads. 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 the pumping station to the Power Plants TEMES 7, MEC 8 and MEC 9. The ULSD pipeline system will be operated and maintained under USEPA and American Petroleum Institute (API) guidelines and regulations.

GPA seeks to comply with USEPA's Consent Decree.

##### Where is at?

GPA Tank Farm in Piti with pipe connections to Power Plants TEMES 7, MEC 8 and MEC 9.

##### How much will it Cost?

The anticipated cost is as follows

Engineering/Construction Management	\$ 100,000.00
<b>AYM Contract (Design-Build)</b>	<b><u>\$3,495,944.00</u></b>
<b>Total</b>	<b>\$3,595,944.00</b>

##### What is its funding Source?

Cabras 3&4 Insurance Proceeds

##### When will it be completed?

The anticipated schedule is as follows:

Planned Start:	July, 2019
Planned Finish:	July, 2020
Duration:	12 months





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

**GPA RESOLUTION NO. 2019 - 06**

**RELATIVE TO AUTHORIZING EXPENDITURE FOR THE TANK FARM NEW ULSD PIPELINE SYSTEM  
(DESIGN – BUILD)**

**WHEREAS**, the Guam Power Authority (GPA) is mandated by United States Environmental Protection Agency (USEPA) to significantly reduce power plant emissions; and

**WHEREAS**, GPA seeks to comply with the USEPA requirement through the use of Ultra Low Sulfur Diesel (ULSD) oil to fuel power plants; and

**WHEREAS**, GPA intends to build and use a pipeline system to supply ULSD oil to the Piti Tank Farm and Power Plants TEMES 7, MEC 8 and MEC 9; and

**WHEREAS**, the ULSD pipeline system consists of 8-inch, 12-inch, 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 pumping station and the 6-inch pipeline will be interconnected from pumping station to the Power Plants TEMES 7, MEC 8 and MEC 9; and

**WHEREAS**, the ULSD pipeline system will be operated and maintained under USEPA, GEPA and American Petroleum Institute (API) guidelines and regulations; and

**WHEREAS**, the Procurement Officer has provided adequate public announcement for the Design-Build of GPA Tank Farm New ULSD Pipeline System through Bid Invitation No. GPA-027-19; and,

**WHEREAS**, three (3) qualified bidders submitted bids for GPA's consideration (Attached **Exhibit "A"**); and

**WHEREAS**, GPA's Evaluation Committee has determined AYM International, Inc. to be the lowest responsive bidder at a cost of \$3,495,944.00.

**WHEREAS**, the award of the Purchase Order to AYM International, Inc. has been made pursuant to a written finding by the Procurement Officer that the AYM International, Inc.'s offer meets the requirements of GPA and has been determined to be fair and reasonable.

1       **WHEREAS**, GPA has allocated \$5.9M from GPA's proceeds from the Cabras 3&4  
2 Insurance Settlement to fund this expenditure; and

3       **WHEREAS**, the total cost exceeds the \$ 1.5M threshold requiring GPA to seek contract  
4 approval and authorization from PUC; and

5       **WHEREAS**, GPA is requesting the approval of the CCU to petition the PUC for approval  
6 to issue a Purchase Order for the Tank Farm New ULSD Pipeline System; and,  
7

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

- 10       1. GPA's request to award the Contract for the Tank Farm New ULSD Pipeline System is  
11       reasonable and prudent.
- 12       2. GPA is authorized to petition the Public Utilities Commission for approval to issue a  
13       Purchase Order in the amount of \$ 3,495,944.00 for the design and construction of  
14       the Tank Farm New ULSD Pipeline System utilizing Cabras 3&4 Insurance Proceeds.
- 15       3. Upon PUC approval, the General Manager is hereby authorized obligating authority  
16       of \$3,495,944 for the purpose of securing design-build services for the GPA Tank  
17       Farm New ULSD Pipeline System.

18  
19       **RESOLVED**, that the Chairman certifies and the Board Secretary attests the adoption of  
20 this Resolution.

21       **DULY AND REGULARLY ADOPTED AND APPROVED THIS 28th DAY OF MAY, 2019.**

22  
23                   Certified by:

23                   Attested by:

24  
25  
26  
27                   \_\_\_\_\_  
28                   JOSEPH T. DUENAS

27                   \_\_\_\_\_  
28                   MICHAEL T. LIMTIACO

29                   Chairperson

29                   Secretary

30                   Consolidated Commission on Utilities

30                   Consolidated Commission on Utilities

31  
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35                   **SECRETARY'S CERTIFICATE**

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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: \_\_\_\_\_  
Nays: \_\_\_\_\_  
Absent: \_\_\_\_\_  
Abstain: \_\_\_\_\_

NUMBER OF INVITATIONS ISSUED: 6NUMBER OF BIDS RECEIVED: 3

PROCUREMENT DIVISION  
GUAM POWER AUTHORITY

## ABSTRACT OF BIDS

DESCRIPTION OF SUPPLIES OR SERVICES: GPA Tank Farm New ULSD Pipeline System (Design-Build)

INVITATION NUMBER: ITB G04-03 7-19OPENING DATE: 04/02/19 2:00 P.M.

ATTACHMENT A - BID ABSTRACT (GPA TANK FARM  
ULSD PIPELINE SYSTEM)

LINE ITEM 1	LINE ITEM 2	LINE ITEM 3	LINE ITEM 4	LINE ITEM 5
DESCRIPTION QTY. UNIT <u>300 Calendar Days 4000 LSS and 4000 NTP</u>				
BASIC				
UNIT COST				
PART NUMBER				
CATALOG NUMBER				
MANUFACTURER				
DELIVERY				
TOTAL LUMP SUM				
ALTERNATE				
UNIT COST				
PART NUMBER				
CATALOG NUMBER				
MANUFACTURER				
DELIVERY				
TOTAL LUMP SUM				

Rank For Award

☐ Lowest Responsive Bidder

☐ Tie Bid

☐ Only Bid

☐ Other Than Lowest Responsive Bidder

PAGE 1 OF 3

## BIDDER

No.: 01 Vendor Name: Tri Star

BID GUARANTEE:









☐ Bid Bond #: \_\_\_\_\_ Amount \$ \_\_\_\_\_☐ Certificate of Authority ☐ Power of Attorney☐ Standby Letter of Credit # 01-55-1521 Amount \$ 599,115.00☐ Letter of Credit # \_\_\_\_\_ Amount \$ \_\_\_\_\_☐ Cashier's or Certified Check # \_\_\_\_\_ Amount \$ \_\_\_\_\_☐ Wire Transfer☐ Statement of Qualifications☒ Affidavits (Original Form)☐ Affidavits (Copy Form) Originals submitted with \_\_\_\_\_☒ Major Shareholders ☒ Non-Collusion ☒ No Gratuities or Kickbacks☒ Ethical Standards ☒ Wage Determination ☒ Restriction Against Sex Offenders☐ Business License ☐ Contractors License☐ Local Procurement Signed and Submitted☐ Literature

I hereby certify that all bids received in response to this invitation were opened under my personal supervision, and that the names of all bidders have been entered herein.

SIGNATURE

DATE: 4/2/19TABULATED BY: JeffDATE: 4/2/19

# NAMES OF PERSONS PRESENT AT THE BID OPENING AND WHOM THEY REPRESENT

PRINT NAME:	COMPANY NAME:	SIGNATURE:	DATE:
1 NIVER KANNA	TRISTAR TERMINALS huamdc		04/02/19
2 Brian Park			
3 Harold W	AVM Int'l Inc		4/2/19
4 ROBERT W. THAYER JR	RWB & Sons Inc.		04/02/19.
5 NOEL LOPEZ	J&B modern tech		4.2.19
6 Honorable JUAN ESTRADA	GPA ENG'g / PM		4/2/19
7manuel minas	GPA eng'g / pm		04/02/19
8 Sharlyne Tainetongso	GPM		4/2/19
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NUMBER OF INVITATIONS ISSUED:

6

NUMBER OF BIDS RECEIVED:

3



## PROCUREMENT DIVISION

## GUAM POWER AUTHORITY

## ABSTRACT OF BIDS

DESCRIPTION OF SUPPLIES OR SERVICES: *GPA Tank Farm New ULSI**Pipeline System Constr-Build*

INVITATION NUMBER:

*ITB GPA-227-19*

OPENING DATE:

*04/02/19*

OPENING TIME:

*2:00PM*

LINE ITEM 1	LINE ITEM 2	LINE ITEM 3	LINE ITEM 4	LINE ITEM 5
DESCRIPTION QTY. UNIT				
<i>Completion</i>				
<i>270 calendar days upon issuance of PRP</i>				
BASIC				
UNIT COST				
PART NUMBER				
CATALOG NUMBER				
MANUFACTURER				
DELIVERY				
TOTAL LUMP SUM				
<i>270 calendar days</i>				
<i>3,495,994.00</i>				
ALTERNATE				
UNIT COST				
PART NUMBER				
CATALOG NUMBER				
MANUFACTURER				
DELIVERY				
TOTAL LUMP SUM				

<input type="checkbox"/>	Lowest Responsive Bidder
<input type="checkbox"/>	Tie Bid
<input type="checkbox"/>	Only Bid
<input type="checkbox"/>	Other Than Lowest Responsive Bidder

PAGE 2 OF 3

I hereby certify that all bids received in response to this invitation were opened under my personal supervision, and that the names of all bidders have been entered herein.

*[Signature]*  
SIGNATURE

TABULATED BY: *[Signature]* DATE: *4/2/19*

NAMES OF PERSONS PRESENT AT THE BID OPENING AND WHOM THEY REPRESENT			
PRINT NAME:	COMPANY NAME:	SIGNATURE:	DATE:
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NUMBER OF INVITATIONS ISSUED:

6

NUMBER OF BIDS RECEIVED:

3

INVITATION NUMBER:

ITB GA-027-19

OPENING TIME:

04/02/2019 2:00 PM

## PROCUREMENT DIVISION

## GUAM POWER AUTHORITY

## ABSTRACT OF BIDS

DESCRIPTION OF SUPPLIES OR SERVICES: GA Tank Farm new USDPipeline System (Design-Build)

DESCRIPTION CITY UNIT	LINE ITEM 1	LINE ITEM 2	LINE ITEM 3	LINE ITEM 4	LINE ITEM 5
Complete	360 Calendar Days from issuance of RFP				
BASIC					
UNIT COST					
PART NUMBER					
CATALOG NUMBER					
MANUFACTURER					
DELIVERY	270 Calendar Days				
TOTAL LUMP SUM	6,794,811.52				
ALTERNATE					
UNIT COST					
PART NUMBER					
CATALOG NUMBER					
MANUFACTURER					
DELIVERY					
TOTAL LUMP SUM					

Bids For Award	
<input type="checkbox"/>	Lowest Responsive Bidder
<input type="checkbox"/>	Tie Bid
<input type="checkbox"/>	Only Bid
<input type="checkbox"/>	Other Than Lowest Responsive Bidder

PAGE 3 OF 3

## BIDDER

No.: 03 Vendor Name: BME i'Saus Inc.

TBD GUARANTEE:

TBD Bond #: 218 Amount: \$ 15% of Bid Amount

Certificate of Authority

Power of Attorney

Standby Letter of Credit #

Letter of Credit #

Cashier's or Certified Check #

Wire Transfer

Statement of Qualifications

Affidavits (Original Form)

Affidavits (Copy Form): Originals submitted with:

Major Shareholders

Technical Standards

Business License

Local Procurement Signed and Submitted

Literature

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SIGNATURE

DATE: 4/2/19TABULATED BY: [Signature]



NAMES OF PERSONS PRESENT AT THE BID OPENING AND WHOM THEY REPRESENT			
PRINT NAME:	COMPANY NAME:	SIGNATURE:	DATE:
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**GUAM POWER AUTHORITY**

ATURIDÂT ILEKTRESEDÂT GUAHAN  
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

## **Issues for Decision**

**Resolution No. 2019-07:**

### **RELATIVE TO AUTHORIZING MANAGEMENT OF THE GUAM POWER AUTHORITY (GPA) PETITION THE PUC FOR APPROVAL OF THE UTILITY ENERGY SERVICE CONTRACT COSTS**

**What is the project's objective? Is it necessary and urgent?**

This resolution seeks authorization to petition the PUC for the contract increase approval of Siemens to \$1,933,374 for projects related to demand side management and energy efficiency programs. Siemens was awarded the contract from the Request for Proposal No. GPA-RFP-16-013 issued in May 2016 for Partnering Opportunities for the Development of Demand-Side Energy Conservation Programs and Utility Energy Services Contract Programs. The Utility Energy Services Contract supports GPA's demand side management program in the implementation or execution of energy efficiency and renewable projects for our large customers which may include financing as well as technical support.

The tasks include energy efficiency projects at GDOE and potentially other schools on the island. The opportunity for the projects at Carbullido, George Washington and Southern schools will be during this summer while school is out of session. The majority of the contract cost, approximately 68%, is to be funded by grants.

**Where is the location?**

Most of the current contract costs will be used for energy efficiency projects at Carbullido Elementary School and the George Washington and Southern High Schools. In addition, some funds will be used at other schools, yet to be determined, for energy audits and an energy efficiency conference through the Guam Energy Office grant award.

**How much will it cost?**

Current contract costs are totaling \$1,933,374.

**When will it be completed?**

The projects for Carbullido, GW and Southern schools are expected to be completed by Summer 2019. The project under the Guam Energy Office must be completed before December 2020.

**What is its funding source?**

Of the total contract cost, \$1,311,100 or 68% is grant funded. \$500,000 is from the bond refinancing savings which was approved by CCU and PUC in January 2018. The balance of funds which would dependent on the grant award for the Electric Bus will be paid through CIP in FY 2020.



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

**RESOLUTION NO. 2019-07**

**AUTHORIZING MANAGEMENT OF THE GUAM POWER AUTHORITY (GPA) TO PETITION THE PUC  
FOR APPROVAL OF THE UTILITY ENERGY SERVICE CONTRACT COSTS**

**WHEREAS**, GPA issued GPA-RFP-16-013 for Partnering Opportunities for the Development of Demand-Side Energy Conservation Programs and Utility Energy Services Contract Programs; and

**WHEREAS**, Siemens was selected for the above solicitation and signed into a contract on May 15, 2017 for a base contract of 5 years with an optional renewal for 5 additional years (see Contract in **Exhibit A**); and

**WHEREAS**, the Utility Energy Services Contract supports GPA's demand side management program in the implementation or execution of energy efficiency and renewable projects for our large customers which may include financing as well as technical support; and

**WHEREAS**, Siemens' initial task was to provide energy efficient products for the UOG Sea Grant Office in a joint effort with UOG to promote Demand Side Management and provide a model reference for energy consumption and cost savings to similar buildings located in the UOG Dean Circle; and

**WHEREAS**, under this contract GPA also tasked Siemens to conduct a Feasibility Study on Guam Department of Education (GDOE) schools for energy efficiency and renewable projects and to execute a pilot project demonstrating cost savings through these programs; and

**WHEREAS**, the GDOE Feasibility Study and Pilot project is part of the Bringing Energy Solutions to Schools that was initially presented for the use of a portion of FY 18 bond refinancing savings; and

**WHEREAS**, during the evaluation of the GDOE schools, GPA, Siemens, and GDOE collaborated in developing grant proposals for several lighting retrofit projects at various schools as part of a Demand Side Management Program Expansion Project grant submittal for the FY2018 Energizing Insular Communities Program (EIC) under the Department of Interior, Office of Insular Affairs; and

**WHEREAS**, in September 2018, GPA received notice of award for \$1.2 M of grant funds for lighting retrofit at the George Washington and Southern High Schools (see Notice of Award in **Exhibit B**); and

**WHEREAS**, GPA and Siemens continue to collaborate on other grant opportunities to include Electric School Bus grant submittal which is anticipating an initial announcement of award selection end of May 2019; and

**WHEREAS**, the Guam Energy Office (GEO) has requested for GPA to execute a portion of their grant for Smart Energy Schools requiring energy audits and conference support to educate schools on the smart use of energy; and

**WHEREAS**, the GEO's grant scope is to be tasked to Siemens under their contract as well; and

**WHEREAS**, Siemens and GPA have met with other large commercial customers to include University of Guam and Navy to provide services as needed which would be at the expense of the customer, however no formal task requests have been received; and

Resolution No.: 2019-08

**WHEREAS**, the tasks for Siemens total more than \$1.8 M which exceeds the General Manager approval authority and under the PUC Contract Protocol also requires PUC approval; and

**WHEREAS**, of the \$1.8M for current tasks, \$1.3M is to be funded through grant funds as shown in **Exhibit C**; and

**WHEREAS**, the total contract costs may increase to \$1.93M should GPA be awarded the grant for the Electric Bus to be announced in May 2019.

**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. The General Manager is authorized to petition for approval of contract for Siemens for up to \$1,933,374.

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

**DULY and REGULARY ADOPTED this 28<sup>th</sup> day of May 2019.**

**Certified by:**

**Attested by:**

---

**JOSEPH T. DUENAS  
CHAIRMAN**

---

**MICHAEL T. LIMTIACO  
SECRETARY**

Resolution No.: 2019-08

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**SECRETARY'S CERTIFICATE**

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**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: \_\_\_\_\_

Nays: \_\_\_\_\_

Absent: \_\_\_\_\_

Abstain: \_\_\_\_\_

Resolution No.: 2019 - 08

**EXHIBIT A**

**Contract**

Resolution No.: 2019-08

**EXHIBIT B**

**Notice of Award**

**EIC Grant (DOI/OIA)**

Resolution No.: 2019-08

**EXHIBIT C****Summary of Contract Costs**

	<b>Task Description</b>	<b>Fund Source</b>	<b>Task Cost</b>	<b>Running Total</b>	<b>Status</b>
1	DSM Model House @ UOG Sea Grant Office	GPA - DSM Funds	\$ 12,274	\$ 12,274	Completed
2	GDOE Feasibility Study & Carbullido Pilot	GPA - Bond Refinancing Savings	\$ 500,000	\$ 512,274	Study Completed / Pilot to start in June
3	GW Lighting Retrofit	Grant (DOI)	\$ 295,315	\$ 807,589	Scheduled for June
4	SHS Lighting Retrofit	Grant (DOI)	\$ 954,685	\$ 1,762,274	Scheduled for June
5	Guam Energy Office Energy Smart School Grant	DOE Grant (thru GEO)	\$ 61,100	\$ 1,823,374	Assigned to GPA / MOU in review

**Subtotal \$ 1,823,374****Total to be funded by Grant Funds: \$ 1,311,100****Future Scope**

6	Electric School Bus Pilot Program	GPA (55%) / EPA DERA Grant (45%)	\$ 110,000	\$ 1,933,374	Grant submitted. Pending award announcement. Of a \$853K Grant, \$110K is for Siemens Scope.
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## **CONTRACT FOR TECHNICAL SERVICES**

This CONTRACT is made and entered into on the 15<sup>th</sup> day of May, 2017, by **SIEMENS INDUSTRY, INC.**, hereinafter called the CONSULTANT, and the Guam Power Authority, hereinafter called GPA.

GPA engages the CONSULTANT to perform technical services for a project known and described as **Partnering Opportunities for the Development of Demand-Side Energy Conservation Programs and Utility Energy Services Contract Programs, GPA-RFP-16-013**, hereinafter called the "Project."

### **SECTION I - SERVICES OF THE CONSULTANT**

The CONSULTANT shall perform the following technical services in accordance with the degree of care and skill that a registered professional in Guam would exercise under similar conditions:

- A. GPA and the CONSULTANT have entered into this contract, wherein GPA will call upon a task and discuss scope and schedule with the CONSULTANT. The CONSULTANT shall provide services as described in the task list provided in Exhibit A. This list is not all-inclusive; GPA can negotiate tasks so long as it falls under the scope of Demand-Side Energy Conservation Programs and Utility Energy Services Contracts.
- B. The CONSULTANT has assigned Mike Hubbard, SIEMENS' Senior Project Manager, as the Project Manager for this CONTRACT. Prior written approval is required in the event the CONSULTANT needs to change the Project Manager. The CONSULTANT shall submit the qualifications of the proposed substituted personnel to GPA for approval.
- C. The CONSULTANT shall submit all final documents in both hard copy and electronic format. The software version used shall be compatible to current GPA standards.

### **SECTION II – CONTRACT PERIOD**

GPA and the CONSULTANT have agreed that this CONTRACT will be effective June 1<sup>st</sup>, 2017 for a base contract period of five years or until all of the tasks in Exhibit A are completed. Upon mutual agreement, the CONTRACT may be extended for a period no more than five years beyond the base contract term. GPA shall, at its sole discretion, determine task completion.

### **SECTION III - CONSULTANT'S COMPENSATION**

The CONSULTANT's compensation for this CONTRACT shall be obtained from the customer, through savings generated from the effective implementation of demand-side energy conservation programs and Utility Energy Services Contracts. A portion of the savings generated through these programs and contracts shall be allocated to pay for the services the CONSULTANT has provided.

Compensation structure shall be developed by CONSULTANT for each project implemented, based on generated savings, and shall be included in the proposal during the design and construction of each

project. Compensation structure should meet the approval of GPA and DoD or any other federal agency to whom GPA and the CONSULTANT shall provide the programs and contracts.

#### **SECTION IV – CONSULTANT'S STATUS**

The CONSULTANT agrees that there shall be no employee benefits occurring from this CONTRACT, such as:

- A. Insurance coverage provided by GPA;
- B. Participation in the Government of Guam retirement system;
- C. Accumulation of vacation or sick leave;
- D. There shall be no withholding of taxes by GPA;
- E. That it is expressly understood and agreed that, in the performance of services under this CONTRACT, the CONSULTANT and its employees shall at all times act as independent CONSULTANTS with respect to GPA, and not as an employee or agent of GPA. Further, it is expressly understood and agreed by the parties that nothing contained in this CONTRACT shall be construed to create a joint venture, partnership, association, or other affiliation or like relationship and shall remain that of independent parties to a contractual relationship set forth in this CONTRACT.

#### **SECTION V – GUAM POWER AUTHORITY'S RESPONSIBILITIES**

- A. GPA shall designate a project manager during the term of this CONTRACT. The project manager has the authority to administer this CONTRACT and shall monitor compliance with all terms and conditions stated herein. All requests for information from or a decision by GPA on any aspect of the work shall be directed to the project manager.
- B. GPA shall review submittals by the CONSULTANT and provide prompt response to questions and rendering of decisions pertaining thereto, to minimize delay in the progress of the CONSULTANT'S work. GPA will keep the CONSULTANT advised concerning the progress of GPA's review of the work. The CONSULTANT agrees that GPA's inspection, review, acceptance or approval of CONSULTANT'S work shall not relieve CONSULTANT'S responsibility for errors or omissions of the CONSULTANT or its sub-consultant(s).
- C. Unless included in the CONSULTANT'S Services as identified in Section I, GPA shall furnish the CONSULTANT gratis, the following information or services for this Project:
  - 1. Available GPA data relative to policies, regulations, standards, criteria, studies, etc., relevant to the Project.

#### **SECTION VI – INVOICING AND PAYMENT TERMS & CONDITIONS**

This is a revenue-neutral, zero-cost contract, and GPA shall not be invoiced for any services provided by the CONSULTANT related to Demand-Side Management Program and Utility Energy Services Contract activities.

Upon the finalization of the contract for this RFP, GPA and the CONSULTANT shall create Demand-Side Energy Conservation and UESC Programs that shall be proposed to the DoD and any other federal agency. These programs shall include Invoicing and Payment Terms based on Energy Savings realized by

DoD or the federal agency through the implementation of the Demand-Side Energy Programs and UESC Programs. The CONSULTANT shall properly keep track of all invoices including supporting documents (i.e. timesheets, shipping invoices, consumable listings). All supporting documents must be regularly reviewed and approved by the GPA Project Manager prior to invoice submittal for charges. Once DoD has approved the programs proposed by GPA and the CONSULTANT, invoicing shall commence based on the Payment Terms and Conditions proposed by the CONSULTANT. All invoices will be paid net 30 days from date invoice is received at the GPA Accounting Department. Payment shall be made using a method mutually agreed upon by GPA and the CONSULTANT.

## **SECTION VII - TERMINATION**

The Procurement Officer may, when the interest of GPA or the Territory so require, terminate this contract in whole or in part, for the Convenience of the Territory. The Procurement Officer shall give written notice of the termination to the CONSULTANT specifying the part of the contract terminated and when termination becomes effective. **[GSA Procurement Regulations 6-101.10.]**

Immediately after receiving such notice, the CONSULTANT shall discontinue advancing the services under this CONTRACT and proceed to close said operations under this CONTRACT. The CONSULTANT shall appraise the services it has completed and submit an appraisal to GPA for evaluation. GPA shall have the right to inspect the CONSULTANT'S work to appraise the services completed.

CONSULTANT shall deliver to GPA all drawings, special provisions, field survey notes, reports, estimates and any and all other documents or work product generated by the CONSULTANT under the CONTRACT, entirely or partially completed, together with all unused materials supplied by GPA.

In the event of such termination or abandonment, the CONSULTANT shall be paid for services performed prior to receipt of said notice of termination including reimbursable expenses then incurred.

If the remuneration scheduled hereunder is based upon a fixed fee or definitely ascertainable sum, the portion of such sum payable shall be proportionate to the percentage of services completed by the CONSULTANT based upon the scope of work set forth in Exhibit A, and shall be agreed upon mutually by the CONSULTANT and GPA. However, in no event shall the fee exceed that set forth in Section III.

GPA shall make final payment within thirty (30) days after the CONSULTANT has delivered the last of the partially completed items and the final fee has been agreed upon.

In the event this CONTRACT is terminated, GPA shall have the option of completing the work, or entering into a contract with another party for the completion of the work according to the provisions and agreements herein.

## **SECTION VIII – CHANGES**

GPA may at any time, by written order ("Change Order"), make any changes or deletions in the services to be performed hereunder. If such changes or deletions cause an increase or decrease in the costs of doing work under this CONTRACT, or in the time required for this performance, an equitable adjustment shall be made as agreed to by the parties and the CONTRACT shall be modified in writing accordingly. CONSULTANT shall have no obligation to perform any Change Order work until the parties reached an agreement on the equitable adjustment of CONSULTANT's compensation and/or time for performance.

*Contract for Technical Services  
GPA-RFP-16-013*

#### **SECTION IX – ASSIGNMENT OF AGREEMENT**

The CONSULTANT may not assign this CONTRACT, or any sum becoming due to under the provisions of this CONTRACT, without the prior written consent of GPA which consent shall not be unreasonably withheld, provided, however, that no consent will be required if, as a result of a corporate reorganization an affiliate of the CONSULTANT becomes the CONSULTANT's successor in interest.

#### **SECTION X – FORCE MAJEURE**

Neither party shall be liable for any delay in meeting or failure to meet its obligations under this CONTRACT due to a *Force Majeure*.

*Force Majeure* referred to herein shall mean an occurrence beyond the control and without the fault or negligence of the party affected including, but not limited to, acts of God or the public enemy, expropriation or confiscation; changes in law procedures, war, rebellion, or riots; floods, unusually severe weather that could not reasonably have been anticipated; fires, explosions, epidemics, catastrophes, or other similar occurrences which are not within the control of the party affected. However, the following shall not be considered as *Force Majeure*:

- a) Delay caused by lack or inability to obtain raw materials, congestion at CONSULTANT's or its subcontractor's facilities, or elsewhere; market shortages, or similar occurrences, or
- b) Delay, either on the part of THE CONSULTANT or its subcontractors, caused by shortages of supervisors or labor, inefficiency, or similar occurrences, or
- c) Sabotage, strikes, or any other concerted acts of workmen, which occur only in the facilities of THE CONSULTANT or its subcontractors.

Should the circumstances of *Force Majeure* continue over a period of ninety (90) days, GPA has the right, if no other understanding is reached, to terminate the whole Agreement or any part thereof. Any delay or failure in performing the obligations under the Contract Documents of the parties hereto shall not constitute default under this CONTRACT or give rise to any claim for damages or loss or anticipated profits if, and to the extent, such delay or failure is caused by Force Majeure, and if a claim is made therefore.

#### **SECTION XI - TAXES**

The CONSULTANT shall be liable for Guam Gross Receipt Taxes and all other applicable taxes and duties. GPA shall have no tax liability under this order. Specific information on taxes may be obtained from the Director of Revenue and Taxation.

GPA is a government agency exempted from ALL government taxes as stipulated in the Guam Code Annotated.

#### **SECTION XII – NOTICES**

Any notice, demand or other document required or permitted to be delivered hereunder shall be in writing and may be delivered personally (not to include facsimile transmission) or shall be deemed to be delivered when received postage prepaid, registered or certified mail, return receipt requested, addressed to the parties at their respective address as specified herein:

TO: Siemens Industry, Inc.  
Building Technologies Division

Contract for Technical Services  
GPA-RFP-16-013

15900 SE Eastgate Way, Suite 200  
Bellevue, WA 98008  
ATTN: Vice President - Pacific Zone  
FAX: (866) 394-2237

COPY: Siemens Industry, Inc.  
Building Technologies Division  
5333 Fairbanks Street, Suite B  
Anchorage, AK 99518  
ATTN: Branch Manager / Account Executive - Guam  
FAX: (907) 563-6139

TO: Guam Power Authority  
P.O. Box 2977  
Hagatna, Guam 96932-2977  
ATTN: General Manager  
FAX: (671) 649-6942

#### **SECTION XIII – GOVERNING LAW**

The validity of this CONTRACT and any of its terms or provisions, as well as the rights and duties of the parties to this CONTRACT, shall be governed by the laws of Guam, and the Federal Acquisition Regulation (FAR), in cases where FAR preempts the laws of Guam.

#### **SECTION XIV - SUPPLEMENTAL CONTRACT PROVISIONS**

There are no supplemental contract provisions to this Contract.

#### **SECTION XV – INDEMNIFICATION**

The CONSULTANT shall indemnify and hold GPA harmless from any claim, liability or product liability, loss, damage, demand, cause of action or suit, expense, or reasonable fee of legal counsel to the extent resulting from negligent acts or omissions of the CONSULTANT, including its employees, agents and subcontractors.

#### **SECTION XVI - LIMITATION OF LIABILITY**

UNLESS OTHERWISE PROVIDED IN THE APPLICABLE TASK ORDER, NEITHER PARTY IS LIABLE TO THE OTHER, WHETHER BASED IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, INDEMNITY OR ANY OTHER LEGAL OR EQUITABLE THEORY, FOR: LOSS OF USE, REVENUE, SAVINGS, PROFIT, INTEREST, GOODWILL OR OPPORTUNITY, COSTS OF CAPITAL, COSTS OF REPLACEMENT OR SUBSTITUTE USE OR PERFORMANCE, LOSS OF INFORMATION AND DATA, LOSS OF POWER, VOLTAGE IRREGULARITIES OR FREQUENCY FLUCTUATION, CLAIMS ARISING FROM BUYER'S THIRD PARTY CONTRACTS, OR FOR ANY TYPE OF INDIRECT, SPECIAL, LIQUIDATED, PUNITIVE, EXEMPLARY, COLLATERAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR FOR ANY OTHER LOSS OR COST OF A SIMILAR TYPE.

UNLESS OTHERWISE PROVIDED IN THE APPLICABLE TASK ORDER, CONSULTANT'S MAXIMUM LIABILITY UNDER THIS CONTRACT SHALL BE LIMITED TO THE AMOUNT PAID TO THE CONSULTANT UNDER THAT TASK ORDER.

## SECTION XVII – WORK PRODUCT DELIVERABLES

A. For the purposes of this Article "Intellectual Property" shall mean all trade secrets, patents and patent applications, trademarks (whether registered or unregistered and including any goodwill acquired in such trademarks), services marks, trade names, internet domain names, copyrights (including rights in computer software), moral rights, database rights, design rights, rights in know-how, rights in inventions (whether patentable or not) including, but not limited to, any and all renewals or extensions thereof, and all other proprietary rights (whether registered or unregistered, and any application for the foregoing), and all other equivalent or similar rights which may subsist anywhere in the world, including, but not limited to, any and all renewals or extensions thereof.

B. For the purposes of this Article, "CONSULTANT's Pre-Existing Intellectual Property" shall mean any Intellectual Property: (i) that has been conceived or developed by an employee or subcontractor of CONSULTANT before CONSULTANT performs any services under this CONTRACT; (ii) that is conceived or developed by such employee or subcontractor at any time wholly independently of CONSULTANT performing services under this Contract.

C. All reports, drawings, field survey notes, special provisions, estimates and any other documents commissioned by or deliverable to GPA under this CONTRACT ("Work Product Deliverables") shall become GPA's property upon receipt by GPA. CONSULTANT may retain file copies of such Work Product Deliverables. All CONSULTANT's Pre-existing Intellectual Property that may be included in the Work Product Deliverables provided to GPA under this CONTRACT shall also remain CONSULTANT's property. CONSULTANT hereby grants GPA a royalty-free, non-transferable, perpetual, nonexclusive license to use any CONSULTANT's Pre-existing Intellectual Property solely as incorporated into the Work Product Deliverables provided to GPA under this CONTRACT. Under such license, GPA and the customer shall have a right to:

- (a) Use, in object code form only, any software that is owned or licensed by the CONSULTANT and that is included in the Work Product Deliverables ("Software Deliverables"); and
- (b) Use all such Work Product Deliverables, provided however, that such use shall be limited to the particular project and location for which the Deliverables are provided. Any reuse of such Deliverables for other projects or locations without the written consent of the CONSULTANT will be at user's risk and without liability to the CONSULTANT.
- (c) In consideration of such license, GPA agrees not to reverse engineer any Work Product Deliverables to discover any source code, object code, firmware, underlying ideas, or algorithms of such Deliverables.

## SECTION XVIII - HAZARDOUS MATERIALS

A. For the purposes of this Article, "Hazardous Materials" means any material, substance, or waste, that, by reason of its composition or characteristics, is hazardous to human health and/or the environment, including any "solid waste" or "hazardous waste," as those terms are defined by the Resource Conservation and Recovery Act of 1976, as amended, any "hazardous substance," as that term is defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, and any other hazardous, toxic or radioactive chemical, waste, byproduct, pollutant, contaminant, compound, product, material or substance, including without limitation, Asbestos, Asbestos containing materials ("ACM"),

polychlorinated biphenyls, petroleum (including crude oil or any fraction or byproduct thereof), hydrocarbons, radon, urea, urea formaldehyde, and any other material that is prohibited, controlled, limited or regulated in any manner under any Environmental Laws.

B. CONSULTANT's services under this CONTRACT shall not include, either directly or indirectly, performing or arranging for the detection, monitoring, handling, storage, removal, transportation, disposal, or treatment of Hazardous Materials. In the event that CONSULTANT encounters any Hazardous Materials or other hazardous conditions at a project site, CONSULTANT shall immediately stop work in the area affected and report the condition to customer and GPA. CONSULTANT shall not have any liability arising from pre-existing Hazardous Materials present or howsoever occurring at, on or under a project site. To the extent that such Hazardous Materials impact CONSULTANT's schedule or cost to complete the work, CONSULTANT shall be entitled to a scope Change Order for such impact.

#### **SECTION XIX – DISPUTES**

All controversies between GPA and the CONSULTANT which arise under, or are by virtue of, this CONTRACT and which are not resolved by mutual agreement, shall be resolved under Guam Procurement Law and the Government Claims Act, and pursuant to the laws of Guam.

#### **SECTION XX – RELEASE OF INFORMATION**

The CONSULTANT shall not release any information, including the contract price; concerning this project or any part thereof in any form, including advertising, news releases, or professional articles, without written permission from GPA.

#### **SECTION XXI – INSURANCE**

The CONSULTANT shall not commence work under this CONTRACT until he has obtained reasonable insurance for Auto Liability and Worker's Compensation and Employer's Liability up to the statutory limits. The CONSULTANT shall maintain all insurance required during the course of the work.

#### **SECTION XXII – LICENSING**

CONSULTANTS are reminded that GPA will not consider for award any offer submitted by a CONSULTANT who has not complied with the Guam Licensing Law. Specific information on licenses may be obtained from the Director of Revenue and Taxation.

#### **SECTION XXIII – COVENANT AGAINST CONTINGENT FEES**

The CONSULTANT warrants that it has not employed any person to solicit or secure any resultant contract upon agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the Guam Power Authority the right to terminate the CONSULTANT, or in its discretion, to deduct from the Contract price or consideration the amount of such commission, percentage, brokerage, or contingent fees. This warranty shall not apply to commission payable by CONSULTANTS upon contracts or sales secured or made through, bona fide established commercial or selling agencies maintained by the CONSULTANT for the purpose of securing business.


**SECTION XXVI – EQUAL EMPLOYMENT OPPORTUNITY**

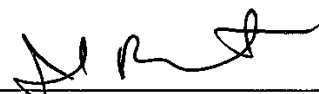
Section 3.01 of the Executive Order 10935 dated March 07, 1965 requires the CONSULTANT not to discriminate against an employee or applicant for employment because of race, creed, color or national origin. The CONSULTANT will take affirmative action to ensure that applicants are employed and that employees are treated equally during employment without regard to race, creed, color or national origin.

**SECTION XXV – AMERICAN DISABILITIES ACT**

If requested, the CONSULTANT must meet all ADA regulations and requirements.

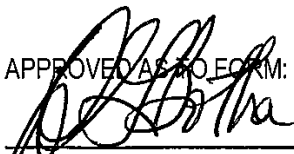
IN WITNESS WHEREOF, the parties hereto have executed this CONTRACT this day \_\_\_\_\_. The CONSULTANT warrants that the person who is signing this CONTRACT on behalf of the CONSULTANT is authorized to do so and to execute all other documents necessary to carry out the terms of this CONTRACT.

  
 Name: Dana Soukup  
 Title: Sr. Vice President  
Field Operations, BT Americas  
 Date: \_\_\_\_\_  
 SIEMENS INDUSTRY, INC.

  
 JOHN M BENAVENTE, P.E.  
 GENERAL MANAGER  
 Date: \_\_\_\_\_  
 GUAM POWER AUTHORITY

  
 Name: Peter Kamp  
 Title: Vice President  
Finance & Business Administration  
 Date: \_\_\_\_\_  
 SIEMENS INDUSTRY, INC.

Notary Public for the State of Guam  
 My Commission Expires on 12/31/2019  
 My Notary Public Number is 123456789  
 My Office Address is 1234567890  
 My Phone Number is 123-4567890  
 My Fax Number is 123-4567890  
 My Email Address is 1234567890@guam.gov

APPROVED AS TO FORM:  
  
 D. GRAHAM BOTHA, ESQ.  
 GPA Staff Attorney



## GPA-RFP-16-013

**Partnering Opportunities for the Development of Demand-Side Energy Conservation  
Programs and Utility Energy Services Contract Program**

**EXHIBIT A: Potential Scopes of Work**

Potential Project Scope
Potential Renewable Energy Project Development/Construction
Solar PV Ground Mounted Systems
Rooftop PV Systems
Wind Turbine Generator Systems
Core Energy Services
Energy audits including recommendations for energy efficiency measures (EEM)
Investment Grade Audits
Project scope development
Engineering and design
Financing
Equipment selection and purchasing
Construction management
Commissioning
Project documentation
Training owner's operating staff
Guarantee of savings through ongoing monitoring and verification activities
Other Services
Operations and maintenance of equipment
Energy management services
Chauffage: supplying end-use heating, air-conditioning, lighting, etc. for an agreed-upon rate and period of time.
Measurement and Verification (M&V)
Other Services as required to serve GPA's Federal Client



## United States Department of the Interior

OFFICE OF THE SECRETARY  
Washington, DC 20240

SEP 28 2018

Mr. John M. Benavente, P.E.  
General Manager  
Guam Power Authority  
Post Office Box 2977  
Hagåtña, Guam, 96932

Dear Mr. Benavente:

I am pleased to award the Guam Power Authority a total of \$1,250,000 in Fiscal Year 2018 grant funding through the Office of Insular Affairs' Energizing Insular Communities (EIC) program. Due to budget constraints, I am not able to fund other grant proposals submitted by the Guam Power Authority. Funding is awarded for the following two projects, as outlined in the proposals dated May 25, 2018:

- \$954,685 – GUAM-EIC-2018-1, Bringing Energy Savings To (BEST) Schools, Southern High School LED Lighting Retrofit
- \$295,315 – GUAM-EIC-2018-2, Bringing Energy Savings To (BEST) Schools, George Washington High School LED Lighting Retrofit

Please feel free to contact me directly if you have any questions or concerns. You may also have your staff contact Krystina Alfano by e-mail at [krystina\\_alfano@ios.doi.gov](mailto:krystina_alfano@ios.doi.gov) or by phone at 202-219-8536, should there be any issues regarding these grants.

Sincerely,

Nikolao I. Pula  
Director  
Office of Insular Affairs

cc: Mr. Jon J.P. Fernandez, Superintendent of Educationp



## **GUAM POWER AUTHORITY**

**ATURIDAT ILEKTRESEDAT GUAHAN  
P O BOX 2977, HAGATNA, GUAM 96932-2977**

May 25, 2018

The Honorable Douglas W. Dumanech  
Assistant Secretary of Insular and International Affairs  
U.S. Department of the Interior  
1849 C Street, N.W.  
Mail-Stop 2429  
Washington, D.C. 20240

**PROJECT TITLE: GPA Demand Side Management Expansion Program**  
**SUBJECT: Empowering Insular Communities Program (EIC)**  
**CFDA No. 15.875**  
**Fiscal Year 2018 Grant Application**

Dear Honorable Douglas W. Dumanech:

Hafa Adai! The Guam Power Authority (GPA) submits for this grant opportunity its Demand-Side Management Program Expansion Project. Our Demand-Side Management program, also known as the Energy Sense Program has Energy Efficiency Initiatives that GPA offers as rebate incentives for our customers. The Program currently offers rebates for Energy Star Washer & Dryer Units, Energy Star Window-Type Air Conditioning, and qualifying AHRI-certified Ducted and Ductless-Split Air Conditioning.

Since the re-launch of the rebate program, GPA has paid out over \$M1 in rebates for over 3,200 submitted applications as of March 2018. With the anticipated population boom on-island due to the import of Marine Soldiers to Guam, the Authority has embarked on DSM efforts in able to manage the expected increase in load with the replacement of inefficient and near-obsolete appliances and equipment with those that are third-party certified to be energy-efficient.

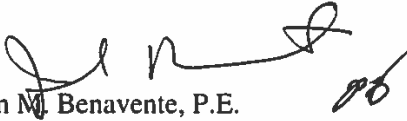
The Authority would like to increase impacts of Demand-Side Management by extending the current Rebate Program to other types of electrical equipment like lighting and water heating to both residential and commercial customers. This will allow Guam to reduce power costs, debilitate the increasing trend of the Island Wide Power System peak, and thereby save the utility and its ratepayers money in the form of avoided peak generation and avoided energy that would otherwise serve the load differential.

**PROJECT TITLE:** GPA Demand Side Management Expansion Program  
**SUBJECT:** Empowering Insular Communities Program (EIC)  
CFDA No. 15.875  
Fiscal Year 2018 Grant Application

Ultimately, the program expansion will pose benefits to GPA's ratepayers by lowering their utility bills, catalyze reduction in fuel imports due to higher efficiency products, lower greenhouse gas emissions, as well as lowering the demand needed to serve the island the power its needs.

We look forward to your consideration of this request and appreciate this funding opportunity.

Si Yu'os Ma'ase,

  
John M. Benavente, P.E.  
General Manager

cc: Krystina Alfano, EIC Grant Manager



**GUAM POWER AUTHORITY**  
ATURIDÂT ILEKTRESEDÂT GUAHAN  
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

## Issues for Decision

### Resolution No. 2019-08

#### Relative to LEAC

#### What is the project's objective? Is it necessary and urgent?

The Guam Public Utilities Commission (GPUC) has established a Tariff under which the Guam Power Authority (GPA) is allowed to recover its fuel costs and fuel related costs under a factor which is reset and trued up every (6) six months through the Levelized Energy Adjustment Clause (LEAC). The deadline for the next filing is June 15, 2019. For the LEAC period covered from February 1, 2019 through July 31, 2019, GPA requested to maintain the LEAC rate of \$0.154242/kWh that was approved by the CCU and GPUC.

The average market price of fuel in the initial filing for the current period was approved at \$66.73/bbl for the (6) six-month period ending July 31, 2019, the current projection for the same period is \$72.87/bbl and the projected price of fuel for the period ending January 31, 2020 is \$74.18/bbl;

*Although GPA will file the required LEAC schedules, it has determined that it will not petition for a change in the LEAC factor for secondary voltage service customers as well as alternative voltage customer for the period of August 1, 2019 to January 31, 2020.*

#### How much will it cost?

The LEAC rate to **remain at \$0.154242/kWh** effective for the period from August 1, 2019 thru January 31, 2020.

Based on this status quo approach, an under-recovery of about **\$9.7M** is anticipated by the end of the LEAC period on January 31, 2020 which will have some impact on the working capital and other financial ratios; however. GPA will be able to manage in a short-term period.



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

**RESOLUTION NO. 2019 - 08**

**AUTHORIZING THE MANAGEMENT OF THE GUAM POWER AUTHORITY TO  
PETITION THE GUAM PUBLIC UTILITIES COMMISSION FOR NO CHANGE IN  
THE LEVELIZED ENERGY ADJUSTMENT CLAUSE**

**WHEREAS**, the Guam Public Utilities Commission (GPUC) has established a Tariff under which the Guam Power Authority (GPA) is allowed to recover its fuel costs and fuel related costs under a factor which is reset and trued up every (6) six months through the Levelized Energy Adjustment Clause (LEAC); and

**WHEREAS**, the deadline for the next filing is June 15, 2019; and

**WHEREAS**, for the LEAC period covered from February 1, 2019 through July 31, 2019, GPA requested to maintain the LEAC rate of \$0.154242/kWh that was approved by the CCU and GPUC; and

**WHEREAS**, the average market price of fuel in the initial filing for the current period was approved at \$66.73/bbl for the (6) six-month period ending July 31, 2019, the current projection for the same period is \$72.87/bbl and the projected price of fuel for the period ending January 31, 2020 is \$74.18/bbl; and

**WHEREAS**, the most recent Morgan Stanley market projections indicate falling fuel prices over the next year and GPA anticipates taking advantage of this market to reduce the current under recovery for fuel; and

**WHEREAS**, although GPA will file the required LEAC schedules, it has determined that it will not petition for a change in the LEAC factor for secondary voltage service customers as well as alternative voltage customer for the period of August 1, 2019 to January 31, 2020; and

1       **WHEREAS**, based on this status quo approach, an under-recovery of about \$9.7M is  
2 anticipated by the end of the LEAC period on January 31, 2020 which will have some impact on  
3 the working capital and other financial ratios; however, GPA will be able to manage in the short-  
4 term period; and

5  
6       **WHEREAS**, if the price of fuel continues to increase above the projected \$74.18/bbl, GPA  
7 will file a proposed new LEAC rate adjustment if necessary, at that time; and

8  
9       **WHEREAS**, GPA is requesting the Consolidated Commission on Utilities to authorize the  
10 Authority to file such petition with the Guam Public Utilities Commission; and

11  
12       **NOW, THEREFORE BE IT RESOLVED**, by the Consolidated Commission on Utilities  
13 as follows:

- 14  
15  
16       1. The General Manager of the Guam Power Authority is authorized to petition the Guam  
17 Public Utilities Commission for the LEAC rate to remain at \$0.154242/kWh effective for  
18 the period from August 1, 2019 thru January 31, 2020. (LEAC factors for alternative  
19 voltage levels are as reflected in the attached spreadsheets in the attached **Exhibit A.**)  
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21  
22  
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1       **RESOLVED**, that the Chairman certifies and the Board Secretary attests to the adoption  
2 of this Resolution.

3  
4       **DULY AND REGULARLY ADOPTED AND APPROVED THIS 28<sup>th</sup> DAY OF MAY**  
5 **2019.**

6  
7 Certified by:

Attested by:

8  
9 \_\_\_\_\_  
10 **JOSEPH T. DUENAS**

\_\_\_\_\_

11 Chairperson

Secretary

12 Consolidated Commission on Utilities

Consolidated Commission on Utilities

13  
14       **I, Michael T. Limtiaco**, Board Secretary of the Consolidated Commission on Utilities  
15 (CCU), as evidenced by my signature above, do hereby certify as follows: The foregoing is a  
16 full, true and correct copy of the resolution duly adopted at a regular meeting by the members of  
17 the Guam CCU, duly and legally held at a place properly noticed and advertised at which  
18 meeting a quorum was present and the members who were present voted as follows:

19  
20       Ayes: \_\_\_\_\_

21       Nays: \_\_\_\_\_

22       Abstentions: \_\_\_\_\_

23       Absent: \_\_\_\_\_  
24  
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## GPA

## Proposed LEAC Rate (\$000)

	A	B	C
	No Change in LEAC Proposed Eff 8/01/2019	@50 % Recovery Proposed Eff 8/01/2019	@100 % Recovery Proposed Eff 8/01/2019
2 Average Price per Bbl-RFO	\$ 74.18	\$ 74.18	\$ 74.18
2 Average Price per Bbl-Diesel	\$ 95.19	\$ 95.19	\$ 95.19
4 Number 6 (HSFO/LSFO)	\$ 70,309	\$ 70,309	\$ 70,309
5 Number 2 (Diesel)	44,360	44,360	44,360
6 Renewable (Solar)	4,626	4,626	4,626
7 TOTAL COST	\$ 119,296	\$ 119,296	\$ 119,296
8 Handling Costs	5,711	5,711	5,711
9 Total Current Fuel Expense	\$ 125,007	\$ 125,007	\$ 125,007
10 Civilian Allocation	81.53%	81.53%	81.53%
11 LEAC Current Fuel Expense	\$ 101,921	\$ 101,921	\$ 101,921
12 Deferred Fuel Expense at the beginning of the period	9,225	9,225	9,225
13 Total LEAC Expense	\$ 111,146	\$ 111,146	\$ 111,146
14 Less: Trans. Level Costs	(5,837)	(6,117)	(6,396)
15 Distribution Level Costs	\$ 105,309	\$ 105,029	\$ 104,750
16 Under recovery at the end of the period	\$ (9,699)	\$ (4,850)	\$ -
17 Adjusted Distribution Level Costs	\$ 95,610	\$ 100,179	\$ 104,750
18 Distribution Level Sales (mWh)	619,867	619,867	619,867
19 LEAC Factor Distribution	0.154242	0.161614	0.168988
20 Current LEAC Factor Distribution	0.154242	0.154242	0.154242
21 Increase/(Decrease)	0.00000	0.00737	0.01475
22 Monthly Increase/(Decrease) - 1000 kWh	\$ 0.00	\$ 7.37	\$ 14.75
23 % Increase/(Decrease) in LEAC	0.00%	4.78%	9.56%
24 % Increase/(Decrease) in Total Bill	0.00%	2.96%	5.93%
25 Discount (3%) - Primary 13.8 KV	\$ 0.149579	0.156756	\$ 0.163908
26 Discount (4%) - 34.5 KV	\$ 0.149148	0.156305	\$ 0.163436
27 Discount (5%) - 115 KV	\$ 0.147312	0.154381	\$ 0.161424

Notes: This LEAC filing reflects the actual under recovery through April 30, 2019 and the average forward pricing from May 7-13, 2019.

# CCU Regular Meeting May 28, 2019 - GPA

## GUAM POWER AUTHORITY Fuel Clause Reconciliation

## Schedule 1

					Total FY 20	Total FY 19	FY 20 Civilian	FY 19 Civilian	FY 20 Navy
1 Start Date									
2 Total Sales					1,591,092	1,578,832	1,291,030	1,275,587	300,062
3 Daily Sales					4,359	4,326	3,537	3,495	822
4 Plant Use					4.30%	4.30%	152.14	150.32	35.36
5 Transmission Loss					0.33%	0.33%	11.53	11.39	-
5a Transmission Loss Above 13.8kV					2.38%	2.38%	84.07	83.06	19.54
6 Distribution Loss					3.29%	3.29%	116.42	115.03	-
7 Company Use					0.27%		9.41	9.30	2.19
8 Total Daily Demand							3,910.63	3,863.86	879.18
9 Month	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	TOTALS	Total	
10 Days	31	30	31	30	31	31			
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast			
11 Required Generation-Civilian	119,780	115,916	121,230	117,319	121,230	121,230	716,703	81.532%	
12 Required Generation-Navy	27,543	26,655	27,254	26,375	27,254	27,254	162,337	18.468%	
13 TOTAL REQUIRED GENERATION	147,323	142,571	148,484	143,694	148,484	148,484	879,040		
14 Number 6 (HSFO/LSFO)	\$ 12,100,613	\$ 11,334,168	\$ 10,066,231	\$ 11,831,399	\$ 12,209,928	\$ 12,766,970	\$ 70,309,309	Schedule 2	
15 Number 2 (GPA)	6,687,550	7,735,163	10,622,235	6,580,140	7,005,187	5,730,217	44,360,493	Schedule 3	
16 Renewables	800,126	736,142	773,696	812,741	643,570	859,440	4,625,715	Schedule 4	
17 TOTAL COST	\$ 19,588,289	\$ 19,805,474	\$ 21,462,162	\$ 19,224,280	\$ 19,858,686	\$ 19,356,627	\$ 119,295,517		
18 Handling Costs	886,889	886,659	984,002	984,326	984,296	985,033	5,711,204	Schedule 5	
19 TOTAL EXPENSE	\$ 20,475,178	\$ 20,692,133	\$ 22,446,163	\$ 20,208,606	\$ 20,842,982	\$ 20,341,660	\$ 125,006,722		
Calculation of Civilian Factor									
20 Sales-Civilian	109,793	103,809	110,552	111,811	113,204	109,758	658,927		
20a Sales-At Transmission Level	6,581	6,368	6,581	6,368	6,581	6,581	39,059		
20b Sales @ 13.8 kV	103,212	97,441	103,971	105,442	106,623	103,177	619,867		
21a Fuel Cost Recovery @ 13.8 kV	\$161.614	\$ 16,680,556	\$ 15,747,755	\$ 16,803,209	\$ 17,040,948	\$ 17,231,791	\$ 16,674,909	\$ 100,179,168	
21b Fuel Cost Recovery @ "Transmission"	1,030,572	997,328	1,030,572	997,328	1,030,572	1,030,572	6,116,943		
21c Total Recovery	\$ 17,711,128	\$ 16,745,083	\$ 17,833,781	\$ 18,038,275	\$ 18,262,363	\$ 17,705,481	\$ 106,296,111		
22 Civilian Costs (Total Expense x %)	81.532%	\$ 16,693,916	\$ 16,870,804	\$ 18,300,909	\$ 16,476,573	\$ 16,993,796	\$ 16,585,056	\$ 101,921,053	
22a Deferred Fuel Amort.								0	
23 Under/(Over)		\$ (1,017,212)	\$ 125,722	\$ 467,128	\$ (1,561,702)	\$ (1,268,567)	\$ (1,120,425)	\$ (4,375,057)	
24 Estimated Under/(Over)									
25 Net Recovery Under/(Over)									
26 Proposed Fuel Cost Recovery							\$ 168.6771	Proposed Rate Without Discount	
Estimated Insurance Proceeds		0							
Civilian Clause Reconciliation:									
27 Opening Recovery Balance-July 31, 2019	\$ 9,224,758	\$ 8,207,545	\$ 8,333,267	\$ 8,800,395	\$ 7,238,693	\$ 5,970,125			
Under/(Over)	(1,017,212)	125,722	467,128	(1,561,702)	(1,268,567)	(1,120,425)	(4,375,057)		
29 Closing Recovery Balance	\$ 8,207,545	\$ 8,333,267	\$ 8,800,395	\$ 7,238,693	\$ 5,970,125	\$ 4,849,700	4,375,057	Decrease/(Increase) in Deferred Fuel	
						\$ 4,849,701	4,849,701		

Bills Computed at 1000 kWh/month	Current Rates <sup>(1)</sup>	Current Bill	Rate to fully recover	Increase (Decrease)
Customer Charge \$/month	\$ 15.00	\$ 15.00	\$ 15.00	\$ -
Non Fuel Energy Charges (\$/Kwh)				
Lifeline Usage (500 Kwh)	\$ 0.0696	\$ 34.78	\$ 34.78	\$ -
Non Lifeline Usage	\$ 0.0869	\$ 43.44	\$ 43.44	\$ -
WaterWell Charge				
Lifeline Usage (500 Kwh)	0.00000	\$ -	\$ -	\$ -
Non Lifeline Usage	0.00279	\$ 1.40	\$ 1.40	\$ -
Insurance Charge	0	\$ -	\$ -	\$ -
WCF Surcharge	0	\$ -	\$ -	\$ -
Roll Back Credit (RBC)	0	\$ -	\$ -	\$ -
Fuel Recovery Charge		\$ 154.24	\$ 161.61	\$ 7.37
<b>TOTAL Bill</b>		<b>\$ 248.85</b>	<b>\$ 256.22</b>	<b>\$ 7.37</b>
Increase (Decrease) From Current Bill			\$ 7.37	
Percent Increase (Decrease)			<b>2.96%</b>	
Increase (Decrease) From Current Leac Factor			\$ 7.37	
Percent Increase (Decrease)			<b>4.78%</b>	

Adjusted LEAC Rate:	Rate to Recover	Current Rate Effective
Customer	Aug-19	May-18
Secondary - 13.8 KV	\$ 0.161614	\$ 0.154242
Primary - 13.8 KV	\$ 0.156756	\$ 0.149579
34.5 KV	\$ 0.156305	\$ 0.149148
115 KV	\$ 0.154381	\$ 0.147312
Customer		
Secondary - 13.8 KV		0.154242
Primary - 13.8 KV		0.149579
34.5 KV		0.149148
115 KV		0.147312

C:\Guam\GPA\LEACs\Mar02\LEAC Aug 19 thru Jan 20 50% Recovery

# CCU Regular Meeting May 28, 2019 - GPA

## GUAM POWER AUTHORITY Fuel Clause Reconciliation

## Schedule 1

					Total FY 20	Total FY 19	FY 20 Civilian	FY 19 Civilian	FY 20 Navy
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2 Total Sales					1,591,092	1,578,832	1,291,030	1,275,587	300,062
3 Daily Sales					4,359	4,326	3,537	3,495	822
4 Plant Use					4.30%	4.30%	152.14	150.32	35.36
5 Transmission Loss					0.33%	0.33%	11.53	11.39	-
5a Transmission Loss Above 13.8kV					2.38%	2.38%	84.07	83.06	19.54
6 Distribution Loss					3.29%	3.29%	116.42	115.03	-
7 Company Use					0.27%	0.27%	9.41	9.30	2.19
8 Total Daily Demand							3,910.63	3,863.86	879.18
9 Month	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	TOTALS	Total	
10 Days	31	30	31	30	31	31			
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast			
11 Required Generation-Civilian	119,780	115,916	121,230	117,319	121,230	121,230	716,703	81.532%	
12 Required Generation-Navy	27,543	26,655	27,254	26,375	27,254	27,254	162,337	18.468%	
13 TOTAL REQUIRED GENERATION	147,323	142,571	148,484	143,694	148,484	148,484	879,040		
14 Number 6 (HSFO/LSFO)	\$ 12,100,613	\$ 11,334,168	\$ 10,066,231	\$ 11,831,399	\$ 12,209,928	\$ 12,766,970	\$ 70,309,309	Schedule 2	
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16 Renewables	800,126	736,142	773,696	812,741	643,570	859,440	4,625,715	Schedule 4	
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18 Handling Costs	886,889	886,659	984,002	984,326	984,296	985,033	5,711,204	Schedule 5	
19 TOTAL EXPENSE	\$ 20,475,178	\$ 20,692,133	\$ 22,446,163	\$ 20,208,606	\$ 20,842,982	\$ 20,341,660	\$ 125,006,722		
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20 Sales-Civilian	109,793	103,809	110,552	111,811	113,204	109,758	658,927		
20a Sales-At Transmission Level	6,581	6,368	6,581	6,368	6,581	6,581	39,059		
20b Sales @ 13.8 kV	103,212	97,441	103,971	105,442	106,623	103,177	619,867		
21a Fuel Cost Recovery @ 13.8 kV	\$168.987	\$ 17,441,597	\$ 16,466,238	\$ 17,569,846	\$ 17,818,431	\$ 18,017,982	\$ 17,435,692	\$ 104,749,786	
21b Fuel Cost Recovery @ "Transmission"	1,077,591	1,042,830	1,077,591	1,042,830	1,077,591	1,077,591	6,396,025		
21c Total Recovery	\$ 18,519,188	\$ 17,509,068	\$ 18,647,437	\$ 18,861,261	\$ 19,095,573	\$ 18,513,283	\$ 111,145,811		
22 Civilian Costs (Total Expense x %)	81.532%	\$ 16,693,916	\$ 16,870,804	\$ 18,300,909	\$ 16,476,573	\$ 16,993,796	\$ 16,585,056	\$ 101,921,053	
22a Deferred Fuel Amort.								0	
23 Under/(Over)	\$ (1,825,273)	\$ (638,263)	\$ (346,528)	\$ (2,384,688)	\$ (2,101,777)	\$ (1,928,228)	\$ (9,224,758)		
24 Estimated Under/(Over)									
25 Net Recovery Under/(Over)									
26 Proposed Fuel Cost Recovery							\$ 168.6771	Proposed Rate Without Discount	
Estimated Insurance Proceeds		0							
Civilian Clause Reconciliation:									
27 Opening Recovery Balance-July 31, 2019	\$ 9,224,758	\$ 7,399,485	\$ 6,761,222	\$ 6,414,693	\$ 4,030,005	\$ 1,928,228			
Under/(Over)	(1,825,273)	(638,263)	(346,528)	(2,384,688)	(2,101,777)	(1,928,228)	(9,224,758)		
29 Closing Recovery Balance	\$ 7,399,485	\$ 6,761,222	\$ 6,414,693	\$ 4,030,005	\$ 1,928,228	\$ (0)	9,224,758	Decrease/(Increase) in Deferred Fuel	
					\$ -				

Bills Computed at 1000 kWh/month	Current Rates <sup>(1)</sup>	Current Bill	Rate to fully recover	Increase (Decrease)
Customer Charge \$/month	\$ 15.00	\$ 15.00	\$ 15.00	\$ -
Non Fuel Energy Charges (\$/Kwh)				
Lifeline Usage (500 Kwh)	\$ 0.0696	\$ 34.78	\$ 34.78	\$ -
Non Lifeline Usage	\$ 0.0869	\$ 43.44	\$ 43.44	\$ -
WaterWell Charge				
Lifeline Usage (500 Kwh)	0.00000	\$ -	\$ -	\$ -
Non Lifeline Usage	0.00279	\$ 1.40	\$ 1.40	\$ -
Insurance Charge	0	\$ -	\$ -	\$ -
WCF Surcharge	0	\$ -	\$ -	\$ -
Roll Back Credit (RBC)	0	\$ -	\$ -	\$ -
Fuel Recovery Charge		<u>\$ 154.24</u>	<u>\$ 168.99</u>	<u>\$ 14.75</u>
<b>TOTAL Bill</b>		<b>\$ 248.85</b>	<b>\$ 263.59</b>	<b>\$ 14.75</b>
Increase (Decrease) From Current Bill			\$ 14.75	
Percent Increase (Decrease)			5.93%	
Increase (Decrease) From Current Leac Factor			\$ 14.75	
Percent Increase (Decrease)			9.56%	

Adjusted LEAC Rate:	Rate to Recover	Current Rate Effective
Customer	Aug-19	May-18
Secondary - 13.8 KV	\$ 0.168987	\$ 0.154242
Primary - 13.8 KV	\$ 0.163908	\$ 0.149579
34.5 KV	\$ 0.163436	\$ 0.149148
115 KV	\$ 0.161424	\$ 0.147312
Customer		May-18
Secondary - 13.8 KV		\$ 0.154242
Primary - 13.8 KV		\$ 0.149579
34.5 KV		\$ 0.149148
115 KV		\$ 0.147312

# CCU Regular Meeting May 28, 2019 - GPA

## GUAM POWER AUTHORITY Fuel Clause Reconciliation

## Schedule 1

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5 Transmission Loss					0.33%	0.33%	11.53	11.39	-
5a Transmission Loss Above 13.8kV					2.38%	2.38%	84.07	83.06	19.54
6 Distribution Loss					3.29%	3.29%	116.42	115.03	-
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8 Total Daily Demand							3,910.63	3,863.86	879.18
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	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast			
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13 TOTAL REQUIRED GENERATION	147,323	142,571	148,484	143,694	148,484	148,484	879,040		
14 Number 6 (HSFO/LSFO)	\$ 12,100,613	\$ 11,334,168	\$ 10,066,231	\$ 11,831,399	\$ 12,209,928	\$ 12,766,970	\$ 70,309,309	Schedule 2	
15 Number 2 (GPA)	6,687,550	7,735,163	10,622,235	6,580,140	7,005,187	5,730,217	44,360,493	Schedule 3	
16 Renewables	800,126	736,142	773,696	812,741	643,570	859,440	4,625,715	Schedule 4	
17 TOTAL COST	\$ 19,588,289	\$ 19,805,474	\$ 21,462,162	\$ 19,224,280	\$ 19,858,686	\$ 19,356,627	\$ 119,295,517		
18 Handling Costs	886,889	886,659	984,002	984,326	984,296	985,033	5,711,204	Schedule 5	
19 TOTAL EXPENSE	\$ 20,475,178	\$ 20,692,133	\$ 22,446,163	\$ 20,208,606	\$ 20,842,982	\$ 20,341,660	\$ 125,006,722		
Calculation of Civilian Factor									
20 Sales-Civilian	109,793	103,809	110,552	111,811	113,204	109,758	658,927		
20a Sales-At Transmission Level	6,581	6,368	6,581	6,368	6,581	6,581	39,059		
20b Sales @ 13.8 kV	103,212	97,441	103,971	105,442	106,623	103,177	619,867		
21a Fuel Cost Recovery @ 13.8 kV	\$154.242	\$ 15,919,681	\$ 15,029,430	\$ 16,036,739	\$ 16,263,634	\$ 16,445,772	\$ 15,914,292	\$ 95,609,548	
21b Fuel Cost Recovery @ "Transmission"	983,384	951,662	983,384	951,662	983,384	983,384	5,836,862		
21c Total Recovery	\$ 16,903,066	\$ 15,981,092	\$ 17,020,124	\$ 17,215,296	\$ 17,429,156	\$ 16,897,676	\$ 101,446,410		
22 Civilian Costs (Total Expense x %)	81.532%	\$ 16,693,916	\$ 16,870,804	\$ 18,300,909	\$ 16,476,573	\$ 16,993,796	\$ 16,585,056	\$ 101,921,053	
22a Deferred Fuel Amort.								0	
23 Under/(Over)	\$ (209,150)	\$ 889,712	\$ 1,280,785	\$ (738,723)	\$ (435,361)	\$ (312,620)	\$ 474,644		
24 Estimated Under/(Over)									
25 Net Recovery Under/(Over)									
							\$ 168.6771	Proposed Rate Without Discount	
26 Proposed Fuel Cost Recovery									
Estimated Insurance Proceeds		0							
Civilian Clause Reconciliation:									
27 Opening Recovery Balance-July 31, 2019	\$ 9,224,758	\$ 9,015,608	\$ 9,905,320	\$ 11,186,105	\$ 10,447,382	\$ 10,012,022			
Under/(Over)	(209,150)	889,712	1,280,785	(738,723)	(435,361)	(312,620)	474,644		
29 Closing Recovery Balance	\$ 9,015,608	\$ 9,905,320	\$ 11,186,105	\$ 10,447,382	\$ 10,012,022	\$ 9,699,401	(474,644)	Decrease/(Increase) in Deferred Fuel	
							\$ -		

Bills Computed at 1000 kWh/month	Current Rates <sup>(1)</sup>	Current Bill	Rate to fully recover	Increase (Decrease)
Customer Charge \$/month	\$ 15.00	\$ 15.00	\$ 15.00	\$ -
Non Fuel Energy Charges (\$/Kwh)				
Lifeline Usage (500 Kwh)	\$ 0.0696	\$ 34.78	\$ 34.78	\$ -
Non Lifeline Usage	\$ 0.0869	\$ 43.44	\$ 43.44	\$ -
WaterWell Charge				
Lifeline Usage (500 Kwh)	0.00000	\$ -	\$ -	\$ -
Non Lifeline Usage	0.00279	\$ 1.40	\$ 1.40	\$ -
Insurance Charge	0	\$ -	\$ -	\$ -
WCF Surcharge	0	\$ -	\$ -	\$ -
Roll Back Credit (RBC)	0	\$ -	\$ -	\$ -
Fuel Recovery Charge		<u>\$ 154.24</u>	<u>\$ 168.99</u>	<u>\$ 14.75</u>
<b>TOTAL Bill</b>		<b>\$ 248.85</b>	<b>\$ 263.59</b>	<b>\$ 14.75</b>
Increase (Decrease) From Current Bill			\$ 14.75	
Percent Increase (Decrease)			5.93%	
Increase (Decrease) From Current Leac Factor			\$ 14.75	
Percent Increase (Decrease)			9.56%	

Adjusted LEAC Rate:

Customer	Rate to Recover	Current Rate Effective
Secondary - 13.8 KV	\$ 0.168987	\$ 0.154242
Primary - 13.8 KV	\$ 0.163908	\$ 0.149579
34.5 KV	\$ 0.163436	\$ 0.149148
115 KV	\$ 0.161424	\$ 0.147312
		Current Rate Effective
Customer		May-18
Secondary - 13.8 KV		0.154242
Primary - 13.8 KV		0.149579
34.5 KV		0.149148
115 KV		0.147312

## CCU Regular Meeting May 28, 2019 - GPA

**GUAM POWER AUTHORITY**  
Fuel Clause Reconciliation

### Schedule 1

		FY 19
		Civilian
1 Start Date	Total FY 19	
2 Total Sales	1,578,832	1,275,587
3 Daily Sales	4,326	3,495
4 Plant Use	3.83%	133.97
5 Transmission Loss	0.30%	10.51
5a Transmission Loss Above 13.8kV	2.19%	76.66
6 Distribution Loss	3.04%	106.16
7 Company Use	0.26%	9.23
8 Total Daily Demand		<u>3,831.30</u>

9 Month	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	TOTALS	Total
10 Days	28	31	30	31	30	31		
	Actual	Actual	Actual	Forecast	Forecast	Forecast		
11 Required Generation-Civilian	96,618	113,115	114,409	118,770	114,939	118,770	676,622	80.026%
12 Required Generation-Navy	<u>25,834</u>	<u>30,708</u>	<u>31,094</u>	<u>27,375</u>	<u>26,492</u>	<u>27,375</u>	<u>168,879</u>	19.974%
13 TOTAL REQUIRED GENERATION	122,452	143,823	145,504	146,146	141,431	146,146	845,501	

14 Number 6 (HSFO/LSFO)	\$ 11,291,749	\$ 13,293,456	\$ 12,762,527	\$ 11,341,469	\$ 11,602,121	\$ 11,600,416	\$ 71,891,738	Schedule 2
15 Number 2 (GPA)	4,724,737	4,383,487	3,042,317	7,760,969	5,911,533	6,926,318	32,749,361	Schedule 3
16 Renewables	<u>646,506</u>	<u>936,169</u>	<u>944,619</u>	<u>1,050,194</u>	<u>1,013,450</u>	<u>875,087</u>	<u>5,466,026</u>	Schedule 4
17 TOTAL COST	\$ 16,662,992	\$ 18,613,112	\$ 16,749,463	\$ 20,152,632	\$ 18,527,104	\$ 19,401,822	\$ 110,107,124	
18 Handling Costs	<u>419,588</u>	<u>1,043,173</u>	<u>755,675</u>	<u>869,121</u>	<u>869,246</u>	<u>869,354</u>	<u>4,826,157</u>	Schedule 5
19 TOTAL EXPENSE	\$ 17,082,580	\$ 19,656,285	\$ 17,505,138	\$ 21,021,753	\$ 19,396,350	\$ 20,271,175	\$ 114,933,281	

### Calculation of Civilian Factor

20 Sales-Civilian	88,790	103,092	105,312	112,836	110,082	108,977	629,088
20a Sales-At Transmission Level	<u>5,553</u>	<u>5,952</u>	<u>6,480</u>	<u>6,748</u>	<u>6,491</u>	<u>6,708</u>	<u>37,933</u>
20b Sales @ 13.8 kV	83,237	97,140	98,832	106,087	103,591	102,269	591,155

21a	Fuel Cost Recovery @ 13.8 kV	\$154,242	\$ 12,383,633	\$ 14,983,118	\$ 15,244,092	\$ 16,363,096	\$ 15,978,022	\$ 15,774,170	\$ 91,181,131
21b	Fuel Cost Recovery @ "Transmission"		829,808	889,397	968,399	1,008,431	970,021	1,002,355	5,668,411
21c	Total Recovery		\$ 13,668,441	\$ 15,872,515	\$ 16,212,491	\$ 17,371,527	\$ 16,948,042	\$ 16,776,525	\$ 96,849,542
			0			(968,399)			
22	Civilian Costs (Total Expense x %)	80.026%	\$ 13,383,266	\$ 16,511,669	\$ 14,275,387	\$ 16,822,895	\$ 15,522,148	\$ 16,222,236	\$ 92,737,601
22a	Deferred Fuel Amort.								0
23	Under/(Over)		\$ (285,176)	\$ 639,154	\$ (1,937,104)	\$ (548,632)	\$ (1,425,895)	\$ (554,289)	\$ (4,111,941)
24	Estimated Under/(Over)								
25	Net Recovery Under/(Over)								

\$ 168.6160 Proposed Rate Without Discount

## 26 Proposed Fuel Cost Recovery

Estimated Insurance Proceeds	0
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**Civilian Clause Reconciliation:**

27 Opening Recovery Balance-January 31, 2019	\$ 13,336,698	\$ 13,051,523	\$ 13,690,677	\$ 11,753,573	\$ 11,204,941	\$ 9,779,046	
Under/(Over)	(285,176)	639,154	(1,937,104)	(548,632)	(1,425,895)	(554,289)	(4,111,941)
29 Closing Recovery Balance	<u>\$ 13,051,523</u>	<u>\$ 13,690,677</u>	<u>\$ 11,753,573</u>	<u>\$ 11,204,941</u>	<u>\$ 9,779,046</u>	<u>\$ 9,224,758</u>	4,111,941 Decrease/(Increase) in Deferred Fuel
					\$	-	

Bills Computed at 1000 kWh/month					Adjusted LEAC Rate:	Rate to Recover	Current Rate Effective
	Current Rates <sup>(1)</sup>	Current Bill	Rate to fully recover	Increase (Decrease)	Customer	Feb-19	May-18
Customer Charge \$/month	\$ 15.00	\$ 15.00	\$ 15.00	\$ -	Secondary - 13.8 KV	\$ 0.168932	\$ 0.154242
Non Fuel Energy Charges (\$/kwh)					Primary - 13.8 KV	\$ 0.163849	\$ 0.149579
Lifeline Usage (500 Kwh)	\$ 0.0696	\$ 34.78	\$ 34.78	\$ -	34.5 KV	\$ 0.163377	\$ 0.149148
Non Lifeline Usage	\$ 0.0869	\$ 43.44	\$ 43.44	\$ -	115 KV	\$ 0.161366	\$ 0.147312
WaterWell Charge							
Lifeline Usage (500 Kwh)	0.00000	\$ -	\$ -	\$ -			
Non Lifeline Usage	0.00279	\$ 1.40	\$ 1.40	\$ -	Customer		
Insurance Charge	0 \$	\$ -	\$ -	\$ -	Secondary - 13.8 KV		\$ 0.154242
WCF Surcharge	0 \$	\$ -	\$ -	\$ -	Primary - 13.8 KV		\$ 0.149579
Roll Back Credit (RBC)	0 \$	\$ -	\$ -	\$ -	34.5 KV		\$ 0.149148
Fuel Recovery Charge	\$ 154.24	\$ 168.93	\$ 14.69		115 KV		\$ 0.147312
TOTAL BILL		\$ 248.85	\$ 263.54	\$ 14.69			
Increase (Decrease) From Current Bill			\$ 14.69				
Percent Increase (Decrease)			5.90%				
Increase (Decrease) From Current Leac Factor			\$ 14.69				
Percent Increase (Decrease)			9.52%				

C:\Guam\GPA\LEACs\Mar02\LEAC Feb 19 thru Jul 19 with Apr actuals