



Regular Board Meeting
CCU Conference Room, Gloria B. Nelson Public Service Building
5:30 p.m., February 26, 2019

MINUTES

1. CALL TO ORDER

The Chairman called the CCU regular meeting of February 26, 2019 to order at 5:30 p.m. He said four (4) Commissioners were present; Comm. Sanchez was absent and excused. 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

Executive Mgmt.:

Miguel Bordallo	GM / GWA
John Cruz	AGMET / GPA
Tricee Limtiaco	GM (A) / GPA
Chris Budasi	AGMA / GWA
John Kim	CFO / GPA
Gilda Mafnas	CFO (A) / GPA
Graham Botha	Staff Attorney / GPA

Management & Staff:

Paul Kemp	AGM Compliance & Safety / GWA
Ron Topasna	O&M Mgr, Water Treatment / GWA
Vincent Pangelinan	O&M Manager, Water Distribution / GWA
Vangie Lujan	Compliance & Safety / GWA
Lisa San Agustin	Utilities Services Administrator / GWA
Patti Diego	Communications / GPA
Zina Charfauros	Personnel Admin. / GWA HR
Joyce Sayama	Mgmt. Analyst / GPA Ex. Office
Lou Sablan	Board Secretary / CCU

Guest:

Juan Muna	AM Insurance
David Martin	AM Insurance

2. APPROVAL OF MINUTES

The Minutes of January 22, 2019 was presented for approval.

Comm. Guthertz motioned to approve the Minutes subject to verification and written correction; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

3. **COMMUNICATIONS**

3.1 **Public Comments** – None

4. **GPA**

4.1 **New Business**

4.1.1 **GM Report**

1. **Generation System:** The following summarizes the generation forecast for March 2019:
 - Projected Available Capacity: 335 MW
 - Projected Demand: 235 MW
 - Anticipated Reserve Margin: 100 MW
 - MEC 9 scheduled for overhaul Feb. 20th to March 5th.
 - Demand expected to be lower than March 2018 (244MW)
2. **Demand Side Management (DSM) -** DSM Program reduces a customer's consumption without impacting their quality of life. Additionally, peak demand and LEAC cost are reduced for all customers. GPA needs to add funding to DSM because the current funding of \$2.9M is nearly exhausted.

DSM PROGRAM SUMMARY

Description	FY16	FY17	FY18	FY19 thru 1/31/19*	Total to Date
Regular/OT Pay	\$11,348.80	\$22,256.00	\$26,121.83	\$14,397.99	\$74,124.62
Other Contractual	\$28,278.50	\$85,550.05	\$116,977.50	\$3,025.00	\$233,831.05
Bank Fees	\$ 155.00	\$ 1,032.06	\$ 1,085.08	\$ 80.00	\$2,352.14
Paid Rebates-Split AC	\$ 154,700.00	\$ 557,275.00	\$1,247,000.00	\$ 318,900.00	\$2,277,875.00
Paid Rebates- Central AC	\$ 3,400.00	\$ 8,200.00	\$ 4,400.00	\$ -	\$16,000.00
Paid Rebates- Washer/Dryer	\$ 2,800.00	\$ 7,425.00	\$ 48,800.00	\$ 27,000.00	\$86,025.00
Total Expenses	\$200,682.30	\$681,738.11	\$1,444,384.41	\$363,402.99	\$2,690,207.81

Workforce Retirement Eligibility Summary:								
Sections:----->	Finance	Customer Service	Engineering	SPORD	T&D	Generations	Others	Totals
Retirement Plans:								
Employee Count	40	34	31	9	108	127	98	447
Eligible at 30 years Service								
DB 30 Plus Years of Service	3	1	2	1	5	6	3	21
DB 25 Plus Years of Service	7	5	6	2	19	29	13	81
Sub-Total:	10	6	8	3	24	35	16	102
Eligible at 62 Years of Age								
DB1.75 60 Plus Age Group	2	3	2	0	1	20	5	33
DB1.75 55-59 Age Group	7	2	2	1	7	14	11	44
Sub-Total:	9	5	4	1	8	34	16	77
Eligible at 55 Years of Age								
DC 50 Plus Age Group	4	4	2	0	9	15	13	47
DC 45 Plus Age Group	2	2	0	4	9	12		29
Sub-Total:	6	6	2	4	18	27	13	76
Grand Total	25	17	14	8	50	96	45	255
% Eligible for Retirement within 10 years	62.5%	50.0%	45.2%	88.9%	46.3%	75.6%	45.9%	57.0%
Eligible Retirement Breakdown:	Count	%						
DB Plan	102	40.0%						
DB1.75	77	30.2%						
DC	76	29.8%						
Totals:	255							

7. **GPUC Dockets:** The petition for changes to the Net Metering Credit is currently under review. GPA has had conferences calls with and has responded to request for information by the PUC consultant.
8. **New Power Plant:** The deadline for receipt of technical proposals has been extended to March 21, 2019. Price proposals for approved proposals are due by April 29th. Price opening is now targeted for May 20, 2019.
9. **Saipan Yutu Recovery Assistance:** Saipan is now substantially recovered. GPA is now able to bring home employees and equipment. All employees will be back by this Saturday, February 23rd. A wrap-up presentation summarizing our efforts is attached. We will like to thank CNMI Governor Torres, Lt. Governor Palacios, CNMI Senate and Legislature, Mayors, CUC Board, CUC Executive Director Gary Camacho, employees of CUC and the Community of the Northern Marianas Islands for their hospitality and acknowledgement of the excellent efforts of the GPA teams. Our GPA teams worked tirelessly over the past four months assisting our brothers and sisters of the Marianas recover from the devastation of Yutu.

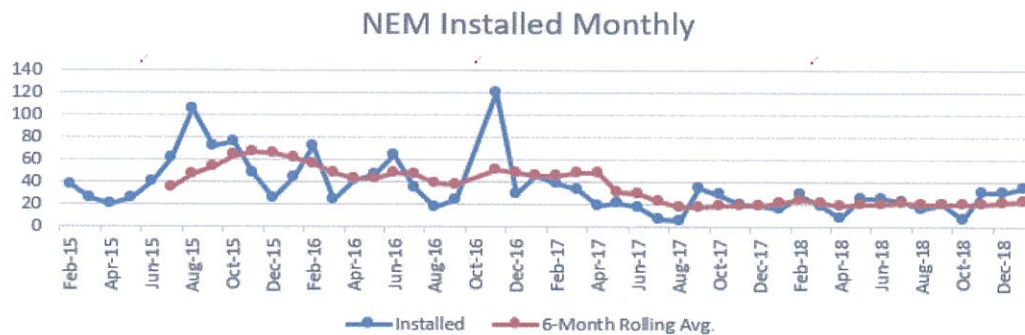
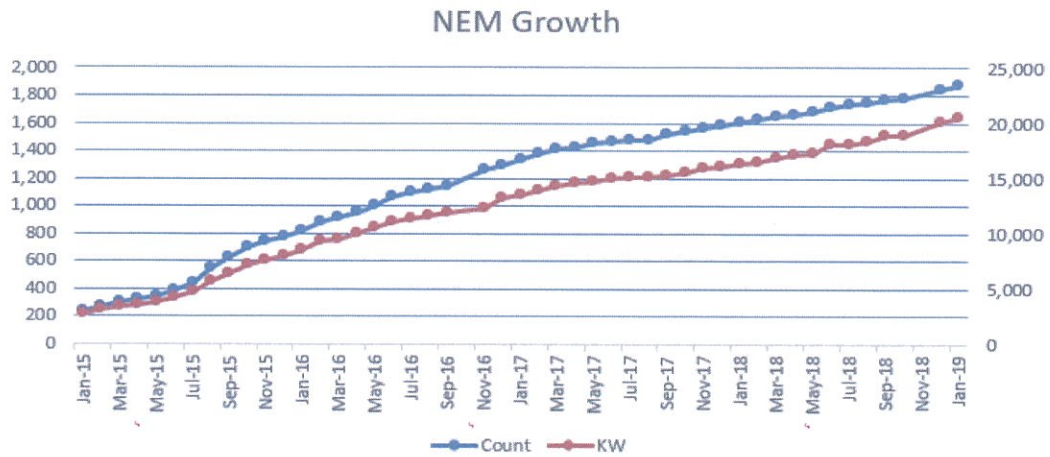
We thank our GPA employees and their families for their hard work, dedication and sacrifices and our ratepayers for their patience and understanding for any inconveniences during the recovery period as we assisted in Saipan's recovery.

10. **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 has engaged its consultant Daymark to review the petition and work is on-going at this time. The following summarizes Net Metering Customers as of January 2019:

Net Metering Summary Ending January 2019:

Description:	Count	Kw
Active	1,875	20,415
Pending	19	241
Totals:	1,894	20,656

Service:	Count	KW	Kw/Customer
Residential	1,774	16,077	9.1
Others	101	4,338	43.0
Total:	1,875	20,415	10.9
% Residential	94.6%	78.8%	
Estimated 12 Months Revenue Impact:	\$3,248,217		



11. **Briefings:** A briefing on GPA was conducted for Speaker Tina Muna Barnes on Wednesday, January 30, 2019. The briefing for the Governor and Lt. Governor has been scheduled for March 15th. A briefing to the Legislative Oversight Chairman, Senator Clynt Ridgell is being scheduled with the Senator's office.

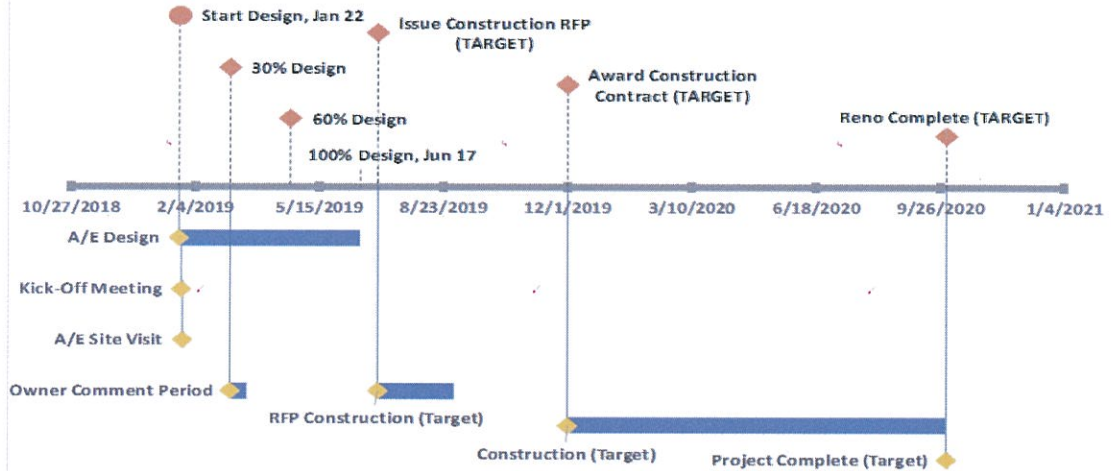
12. **GPWA Tumon Office Renovation:** The notice to proceed for design services has been issued to Architect Andy Cristobal with a completion date of July 30, 2019. We plan to budget for the renovation in FY2020 so that it could be completed by next year. The Tumon GPWA Customer Service Center has the most customer traffic of all our service centers. The following two slides consist of the preliminary schedule and the initial layout of the center.

The Disaster Recovery Center (DRO) is not included within this scope of work. The team is rethinking the location which may instead be best to place at the Dededo T&D compound. The team has determined that there isn't adequate space in Tumon. We would have to build a new building to accommodate DRO and a SCADA remote site. We plan to engage an engineering firm to design the project this fiscal year.

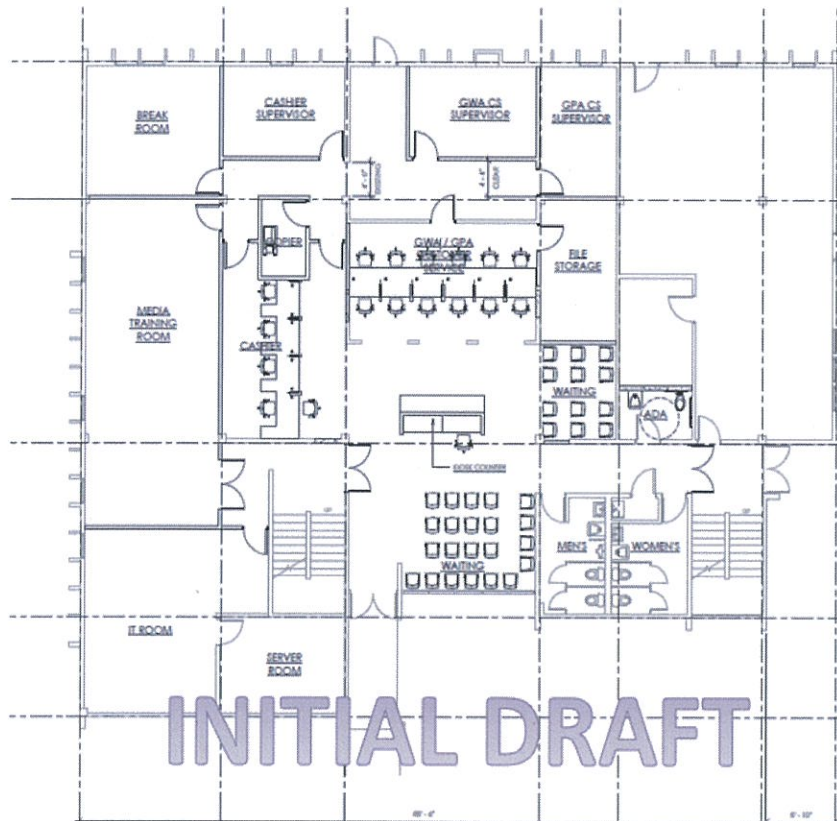
13. **GPA's Vendor Outreach:** GPA Procurement will hold its **First Annual Vendor Fair** to expand prospective vendor and supplier awareness of GPA's potential business opportunities and procurement process, and allow GPA to expand its prospective vendor/supplier listing. This event will promote transparency and accountability. The Vendor Fair will be held on Thursday & Friday, March 21 & 22 from 9 am to 4 pm at the Procurement Multi-Purpose Room.

UPPER TUMON CUSTOMER SERVICE LOBBY RENOVATION

PROJECT: Phase I: DESIGN - Upper Tumon Renovation, Customer Lobby (1st Fl)	STATUS: STARTED/ ON SCHEDULE
OWNER: GPA Engineering	REPORT DATE: 2/18/2019
LEAD: Manny Minas (GPA) & Barbara Cruz (GWA)	
NOTES: 1. 2/15/19 - GPWA team reviewed as-built, demolition, and initial design with Architect Cristobal. 2. Submitted verbal comments, including relocation of Cash Mgmt (security reasons), CS expansion, & addition of nursing room. 3. Owners comments due 2/19/19. 4. Next meeting: 2/20/19.	



UPPER TUMON CUSTOMER SERVICE LOBBY RENOVATION



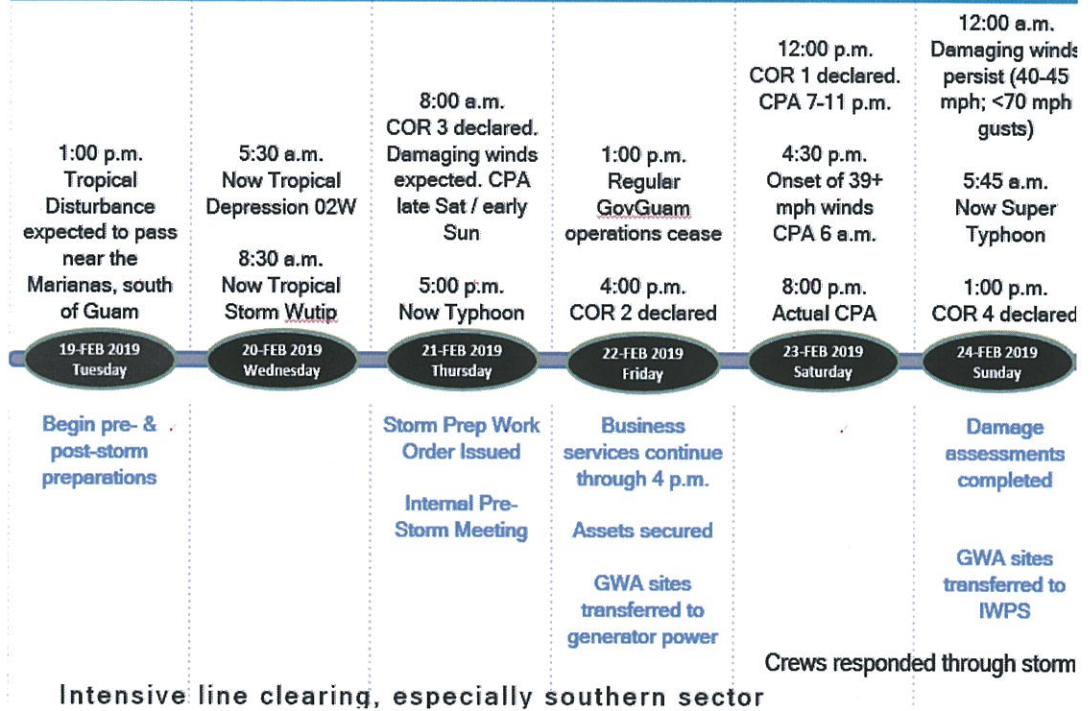
A/E SCOPE OF WORK:

- Redesigned and expanded Customer Service & Cash Management areas
- Upgraded IT area
- Expansion of restrooms
- Inclusion of training room, nursing room, etc.
- Roof repair (leak)
- As-Built Drawings

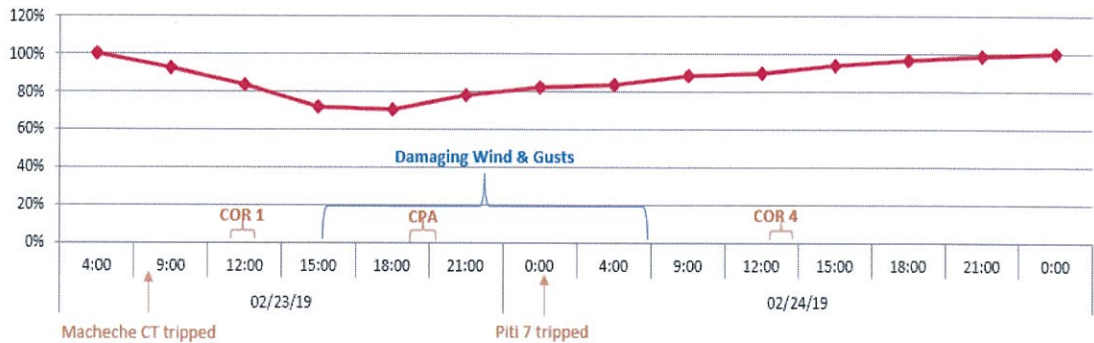
Project Leaders:
Manny Minas, GPA
Barbara Cruz, GWA

INITIAL DRAFT

TYPHOON WUTIP



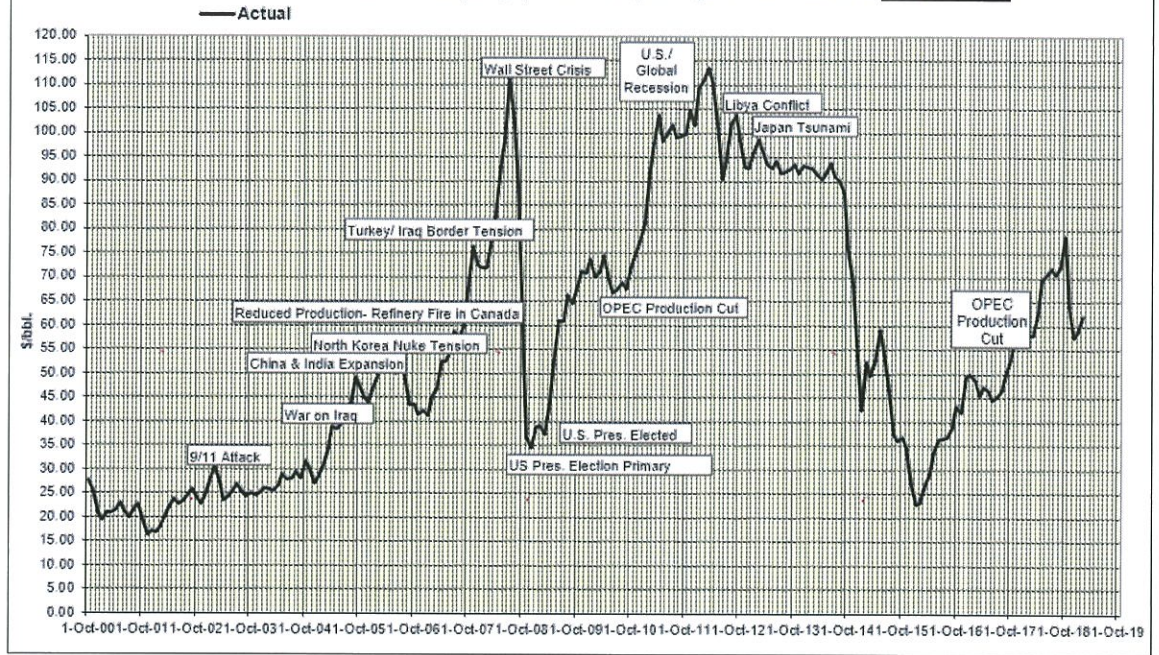
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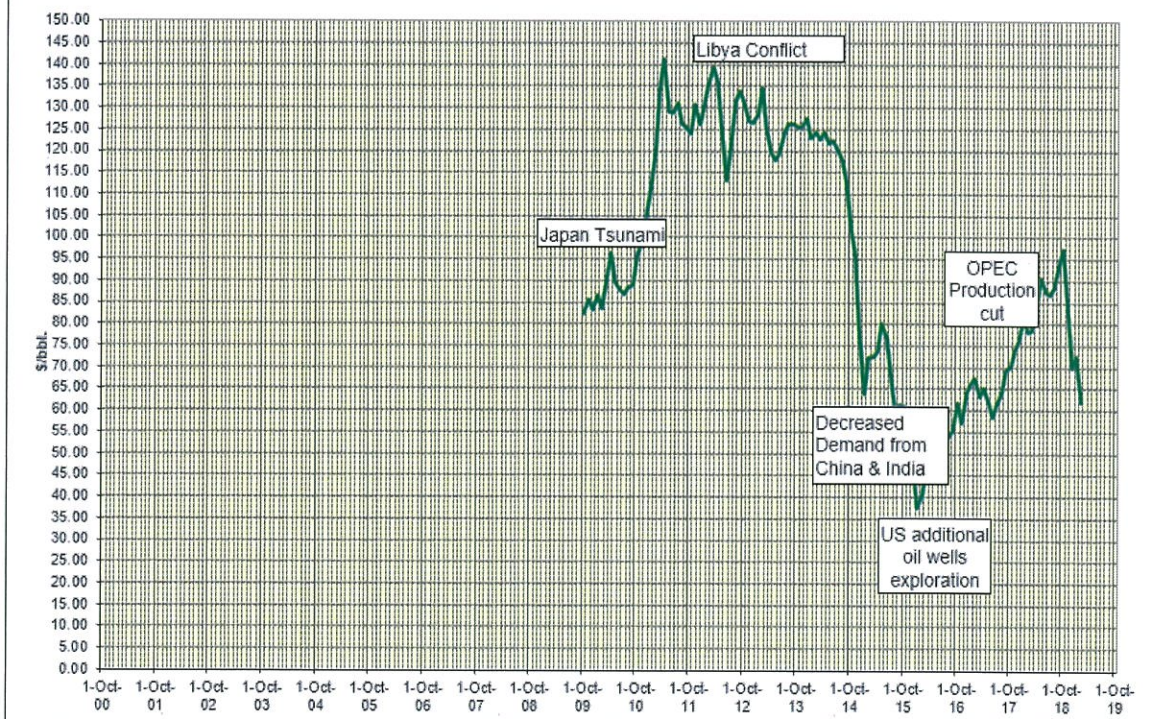
Station Summary

	N	C	S	TOTAL	Wutip Rentals	WSD Portable	Generator Avail	Generator UNAVAIL	Prestorm Availability
Booster Pumps	5	6	19	30		1	16	14	53%
Waterwells	71	34	0	105	4		102	3	97%
Wastewater	19	30	31	80	2	4	73	7	91%
Portable	4			4			4	0	100%
Laboratory	1			1			1	0	100%
TOTAL	100	70	50	220	6	5	196	24	89%

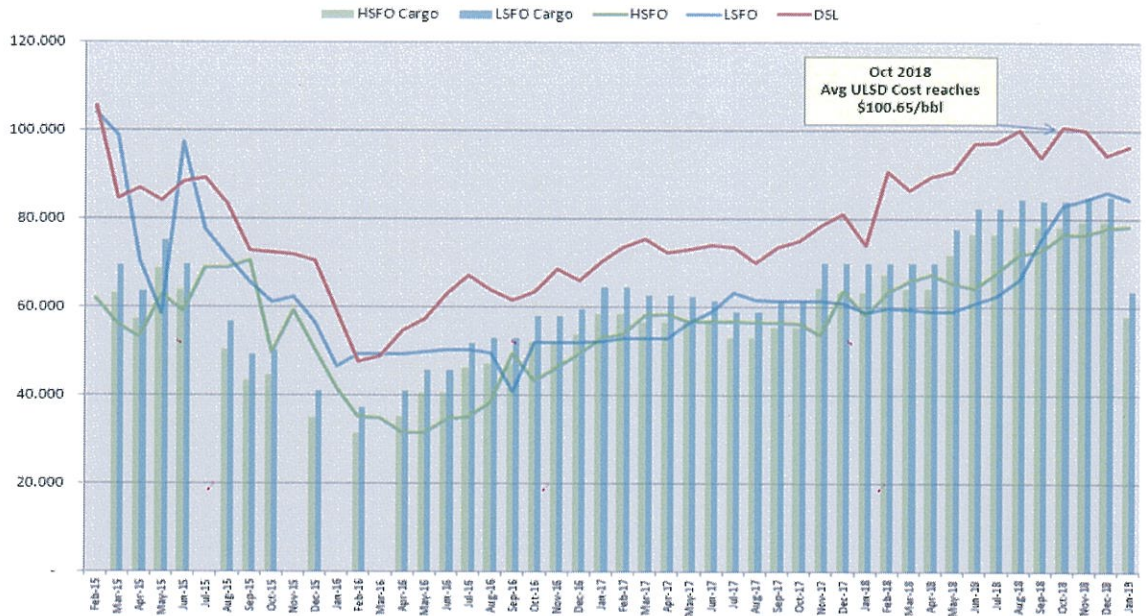
Fuel Prices (Singapore MOPS) - Progressive Chart for HSFO 180cst



Fuel Prices (Singapore MOPS) - Progressive Chart for ULSD 15ppm



Fuel Cargo and Fuel Consumption Costs (\$/bbl)
Feb 2015 - Jan 2019



GPA YUTU SUPPORT

Man Power

- Total Personnel: 64
- T&D Manager
 - T&D Assistant Manger
 - 26 Linemen
 - 10 Operators
 - 10 Engineers
 - 04 Substation Electricians
 - 02 Relay Technician
 - 02 Generation Mechanics
 - 02 Generation Electricians
 - 04 Heavy Equipment Mechanics
 - 02 Safety Officers

Equipment

- 6 Bucket Trucks
- 2 Vans
- 1 Light Cart
- 1 Flatbed
- 3 Utility Trucks

Materials

- 439 Power Poles
- 350,000 LF of Primary & Secondary Wire
- 92 Transformers
- 1,020 Crossarms
- Insulators, Connectors, Clamps, Nuts, Bolts

STATUS OF RECOVERY

POLES

Down and Damaged = 1,772

Installed = 1,374

FEEDERS

Total = 9

Energized = 9

METERS (since 1/8/19)

Damaged = 2,700

Energized = 988

GENERATION

Available = 59.4 MW

Recoverable = 33.0 MW

Gross Demand = 27.5 MW

TRANSFORMERS ASSESSED

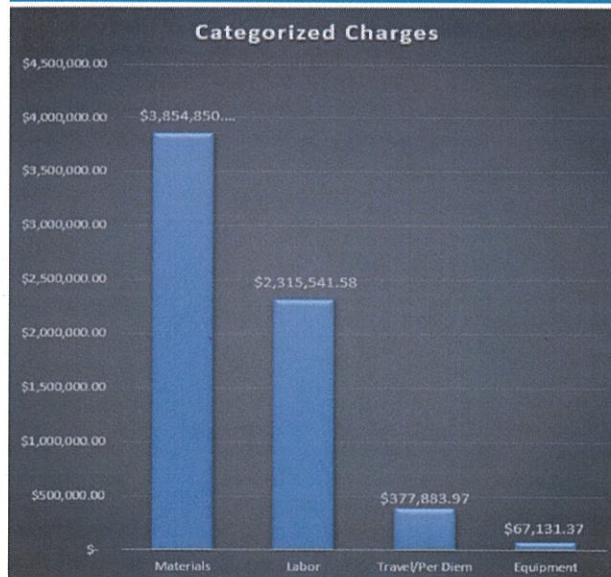
(since 1/8/19)

Total Qty. = 295

Failed = 115

Passed = 180

INVOICE SUMMARY



Materials	\$ 3,854,850.51
Labor	\$ 1,839,922.16
Travel/Per Diem	\$ 177,499.97
Equipment	\$ 67,131.37
Estimated Labor	\$ 475,619.42
Estimated Travel/Per Diem	\$ 200,384.00
Total	\$ 6,615,407.43
Payments	<u>\$(4,010,480.58)</u>
	<u>\$ 2,604,926.85</u>

- GPA has made a significant contribution to Saipan recovery efforts.
- The GPA Saipan team continues to work hard and has contributed to the restoration of critical services and businesses.
- The team on Guam at T&D, Generation, Engineering, Transportation, & Safety have had to multi-task and pick up extra duties to ensure continuity of services on Guam.
- GPA Executive Management has continuously worked in coordination with the CUC to ensure smooth operations.
- The 2nd wave demobilized on February 17th and began preparation for return.
- All personnel will be home by February 23rd.
- GPA will continue to invoice CUC for labor, equipment, materials, and expenses.

Acting GM Limtiaco updated the GM Report with summary of recovery for Typhoon Wutip. Crews focused on massive vegetation clean up far in advance. She said the system tripped because of sensitivity to outside disturbances which GPA is trying to address. The Chairman mentioned that GPA also helped out DOC and Public Health their generators and acting GM confirmed that with DPHSS was addressed a couple of weeks in advance; DOC secured a rental because their existing generator was in need of an alternator but GPA helped hook up a 2nd brand new generator that has never been used.

Comm. Santos updated re issue with respect to GMH, he said that he met with the current administrator and shared that GPA is still willing to assist with repair / upgrade of electrical panels that has been ongoing with their electrical panel issue. At a meeting with the Governor and GMH Administrator GM Benavente clarified the scope to allow GPA to access every panel on every floor to see exactly what needs to be done. He further updated that GRMC went off line due to intense fluctuation and had to utilize their own generating system. Comm. Santos wants to find out why GPA fluctuates that causes them to go off line. Comm. Limtiaco asked about relationship with other government agencies like GMH, DPHSS, DOC and how does GPA recoup the cost related to assisting them. The Chairman gave background / summary to update that GPA gets paid for services rendered to other government agencies. Acting GM Limtiaco mentions that there is an interagency work order in place. The Chairman commended GPA staff for their efforts during this last storm. Acting GM shared cost of customers complaint about overgrowth of mango trees and vegetation. Trees fall over into the lines and GPA continues to mitigate these types of issues which is dangerous to humans and the grid.

4.1.2 Financials

This was not discussed.

4.1.3 Resolution 2019-03 Demand Side Management (DSM) Funding

This resolution seeks approval to fund the DSM Program under LEAC for the following reasons:

- The DSM Program is experiencing exponential growth. Although perhaps not truly unexpected, this DSM Program exponential growth is volatile: subject or characterized by rapid change. The LEAC decoupling from base rates addresses expenses like fuel that have a volatile nature.
- DSM rebate expenses may likely double every year and would soon place great pressure on GPA base rate funding affecting GPA Debt Service Coverage requirements. At that point, GPA would have to severely curtail the growth of the DSM rebate program. This curtailment would not comport with CCU and PUC policy and their mutual desire to reduce customer energy consumption, demand, and cost.
- Like renewable energy, a major rationale behind DSM is predicated on the avoidance of fuel costs and the need for capacity additions. Furthermore, unlike renewable energy without energy storage, DSM provides reductions to future power system capacity expansion costs.
- The PUC has allowed GPA to recover its Utility Scale Renewable Energy Program costs under the LEAC; and therefore may use this precedent to treat DSM Program Expenses in a similar fashion.
- Managing consumer growth in its energy consumption and demand is critical until 2022 upon the commissioning of the new power plant.

Asst.GM for Engineering & Technical Services John Cruz shared that initial DSM funding negotiations were handled by SPORD and ALJ Horecky of PUC. The current DSM program is basically for residential customers only. A total of \$2.3M has been spent to date - \$200k the 1st year, \$700K the 2nd year and \$1.4M the 3rd year. This type of spending cannot come from base rates and capping the program is not recommended at this time. The commercial side of this program has not been implemented yet because it may double the funds needed to support the program. There has been discussions with the ALJ to use LEAC as a mechanism to source for this program and he neither agreed nor disagreed and recommended to wait until the current funding source is exhausted so this discussion has been already been brought up before. He said this resolution gives GPA authorization to petition the PUC to allow DSM funding from LEAC in the future.

Comm. Limtiaco said relative to the GM Report reference he DSM Summary he asked management to define contractual fees – AGM Cruz said it is advertising and marketing. Further he asked based on LEAC is this just cost avoidance. JC – yes for the customer and for us over the aggregation of the DSM program the need for additional generation will be impacted. DSM reduces fuel cost and eventually the need for additional

generation over the long haul; Chairman added that the DSM program will also help retire some inefficient generation units.

In summary it was mentioned that the DSM program should be pursued because it helps reduce fuel costs and with more participation it will eventually reduce the need for additional generation and hasten the retirement of older generation units that are inefficient.

Comm. Limtiaco motioned to table this resolution until the March meeting in order to understand the rationale better; Comm. Guthertz seconded.

Comm. Santos asked how much DSM funding is anticipated on a going forward basis annually. The past three years totaled about \$2-3M. Comm. Limtiaco said costs have doubled between 2017-2018 is it anticipated that this will double again this year? Asst GM Cruz confirmed yes.

Comm. Duenas said as this program is formalized more, how much will this program be taking from the LEAC and what does this mean to the LEAC rate. The CFO responded that for an additional \$1M DSM spending the customer has to pay \$2.16 more per kilowatt hour for LEAC to subsidize the DSM program. Another consideration is how will this decision impact non DSM customers – what benefits, if any do they get.

The resolution was tabled until the March meeting.

4.1.4 GPA Resolution 2019-04 / GWA Resolution 15-FY2019 Unified Holiday Personnel Management Policy for GPA&GWA

The CCU has directed GPA and GWA (“GPWA”) to review their existing policies regarding personnel management, wage obligations and official recognition of holidays set by statute and those set by executive order. GPWA management has determined that a unified policy for both utilities should be in place to set forth how the various holidays shall affect GPWA’s management, employees and customers. The CCU has solicited comments from GPA & GWA General Managers, General Counsels and Assistant General Managers regarding the proposed UNIFIED HOLIDAY PERSONNEL MANAGEMENT POLICY. Management of GPA and GWA request the Consolidated Commission on Utilities to adopt the proposed UNIFIED HOLIDAY PERSONNEL MANAGEMENT POLICY.

GPWA’s holidays shall follow the holiday schedule listed at **1 GCA §1000 (a)** as it may be amended from time to time and shall be posted on each agency’s website at the beginning of the calendar year. In the event a non-permanent holiday is declared by Executive Order of the Governor of Guam as allowed by **1 GCA §1000 (c)**, GPWA shall recognize said declaration and observe the holiday accordingly. Although GPWA will be observing the holiday, the policy of the utilities will be to provide customer service and GPWA’s General Managers shall determine each agency's business needs for holidays declared by Executive Order, and ensure that employees and ratepayers are duly notified. GPWA Management is requesting the CCU to delegate to the General

Managers the power to determine each agency's business needs on permanent and non-permanent **Government of Guam holidays**.

The current paid holidays of the Government of Guam are:

- (1) New Year's Day;
- (2) Martin Luther King, Jr. Day, the third Monday in January;
- (3) Guam History and Chamorro Heritage Day, the first Monday in March;
- (4) Memorial Day, the last Monday in May;
- (5) Independence Day, July 4th;
- (6) Liberation Day, July 21st;
- (7) Labor Day, the first Monday in September;
- (8) All Souls' Day, November 2;
- (9) Veterans' Day, November 11;
- (10) Thanksgiving, the fourth Thursday in November;
- (11) Our Lady of Camarin Day, December 8; and
- (12) Christmas, December 25th.

Whenever a holiday listed in Subsection (a) of this Section falls on a Saturday or Sunday, the government of Guam shall follow the Federal government's practice for that holiday.

GM (A) Limtiaco said that from time to time the Governor of Guam may declare a holiday and it's been the practice of both utilities to revert back to the CCU to vote for the holiday. This resolution recognizes that we do follow the law and grant the holiday but both utilities still want to provide customer service during the holiday and to allow management to decide what their respective business needs are and to have a unified approach to that end.

Comm. Duenas said once in a while the governor declares a holiday and this resolution if passed will allow management to determine the needs of the utilities and allow for a skeleton crew to maintain operations paying holiday pay to only those that work that day. GM Bordallo said at the recent work session, there was discussion on the possibility of exchanging holiday - swapping one for another - GM Bordallo said GWA counsel's response is not favorable but his opinion is not official until he comes back from off-island.

Comm. Guthertz motioned to approve the resolution as written; second by Comm. Limtiaco. On the motion there was no further discussion or objection and the motion carried.

5. **GWA**

5.1 **New Business**

5.1.1 **GM Report**

GM Miguel said he had nothing to add to GM report presented at the work session. A copy of the GM report is available upon request.

5.1.2 Financials

The financials were not discussed - no change to report given at work session. A copy of the financials is available upon request.

5.1.3 Resolution 13-FY2019 Relative to New Bank Signatories for GWA

GWA maintains a variety of bank accounts, letter of credit facilities and other financial instruments and accounts at institutions including but not limited to the Bank of Guam, Bank of Hawaii, First Hawaiian Bank, Community First, Coast360, ANZ Guam, Bank Pacific. Certain employees are designated to sign checks and financial instruments including, but not limited to, letters of credit as well as for the authorization of electronic transactions on behalf of the Authority. It has been determined that recent changes in management has necessitated an update of signatories for the GWA financial instruments.

The following GWA personnel are authorized to sign financial instruments including checks, letters of credit, bank transfers and other transaction documents and to authorize other types of payments on behalf of GWA.

MIGUEL C. BORDALLO, P.E., General Manager
GILDA M. MAFNAS, Assistant Chief Financial Officer
CHRISTOPHER M. BUDASI, Assistant General Manager – Administration & Support
THOMAS F. CRUZ, P.E., Chief Engineer
SANDRA J. SANTOS, Controller

Further, transaction amounts of \$10,000 or less will require a single signatory. All other transactions will require two signatories. Transaction amounts in excess of \$250,000 will require the General Manager's signature or his designee. The Chairman and Secretary of the CCU are authorized to sign resolutions which are considered consistent with the authorizations granted in this resolution as may be required from time to time by specific financial institutions with which GWA conducts financial transactions. All transactions must be in accordance with delegations of contracting authority approved by the CCU and the GWA General Manager.

GM Miguel explained that for contract obligations and transfers GM historically is not required to sign these unless the CFO is absent; in past, only CFO signature is required. With question raised at the work session re GM signature being a requirement for all expenses, the resolution was revised to state that with transaction setting a \$250k threshold requiring the GM's signature as one of the (2) signatures required. For transactions less than and up to \$10k only a single signature is required; all other requires 2 signatures.

Comm. Guthertz asked if there is a standard accounting / auditing requirement for signatures and the response was there was none.

CFO Kim confirmed that the GPA GM signs all procurement purchases and direct payment requests. The GPA GM approves all except payroll and bond payments.

Comm. Santos asked who approves ACH for payroll – CFO Kim confirmed that the CFO or the Asst. CFO or Controller signs the ACH. The GM’s signature is not required for ACH transactions.

Comm. Duenas said to CFO Kim to please bring this matter to GPA GM to see if he has any reaction / action related to the GPA side

Comm. Guthertz motioned to approve Resolution 13-FY2019; Comm. Limtiaco seconded. There was no further discussion or objection and the motion carried.

5.1.4 Resolution 14-FY2019 Authorization to Re-establish Customer Refund Account with the Bank of Guam

This resolution is to authorize management to re-establish a new Customer Refund Account, as recommended by the bank, due to recent fraudulent activities detected in the account. The account in question is with Bank of Guam. There are no incidental costs involved in this action and will take effect immediately upon adoption of this resolution.

GM Bordallo confirmed that GWA closed the account immediately upon the incident and requesting authority to open a new account. No funds were lost, the bank made GWA whole. It was mentioned that a police report was filed and that the related amount involved in the fraud was less than \$1,000.

Comm. Guthertz motioned to approve Resolution 14-FY2019; second by Comm. Limtiaco. There was no further discussion or objection and the motion passed.

5.1.5 GWA Resolution 15-FY2019 / GPA Resolution 2019-04 Adoption and Implementation of a Unified Holiday Personnel Management Policy for GPA & GWA

This resolution was discussed at GPA portion of the agenda – reference Section 4.1.4 of these Minutes. The vote was taken for the record.

Comm. Limtiaco motioned to adopt GWA Resolution 15-FY2019; Comm. Guthertz seconded. There was no further discussion or objection and the motion carried.

5.1.6 Resolution 16-FY2019 Authorizing the Ratification of Expenditures for Security Services with G4S and for the GWA to Seek the Approval of the Public Utilities Commission to Ratify Cost Exceeding One Million Dollar

GM Bordallo said this is to ratify security services over the GM’s authority. The # of guard was increased and cost went over the GM’s threshold. There is an ongoing need to maintain the existing security services at several GWA facilities. In particular, GWA Upper Tumon Facility to include the main building and inside the customer service area, the laboratory, customer parking lot, warehouse and FMES areas. The contract amount is \$15,356.09 (Ratification amount).and is revenue funded,

Comm. Guthertz motioned to approve Resolution 16-FY2019; second by Comm. Limtiaco. There was no further discussion or objection and the motion passed

1.1.7 Resolution 17-FY2019 Relative to Amendment of the Assistant General Manager of Operations Classification Standards

If approved, this resolution will authorize management to amend the Assistant General Manager of Operations job standards and salary range based on the 10th market percentile, 2017 market data; to facilitate the recruitment of the AGM position to support the Authority's daily operations of its Water and Wastewater Divisions, and construction and maintenance functions thereby providing effective and efficient delivery of safe drinking water and services to the community.

The CCU has mandated the recruitment of additional senior management support. The Authority currently employs one Assistant General Manager for Compliance & Safety and one Assistant General Manager – Administration & Support. The AGM of Operations position remains unfilled, while the operational divisions function remains under the supervision of the General Manager, affecting the efficiency and responsiveness of operations among Superintendents or Managers, who are addressing the water/wastewater needs of our community.

The Assistant General Manager of Operations will be under the direct supervision and management of the General Manager while overseeing and ensuring optimal performance of our Water and Wastewater Divisions. This position is revenue funded.

Public Law 34-131, §(e) as added and 4 GCA §6303 (d) & (2C), 5GCA, Chapter 10, Article 1 (Sunshine Law) requires GPA and GWA to post a petition on their websites for ten (10) days (not including Saturdays, Sundays and government of Guam holidays). After the 10 days posting, the petition can then be forwarded to the CCU for their disposition at any regularly scheduled meeting. GWA has met the posting requirements.

Additionally, Guam law requires notice of such posting to each newspaper of general circulation and broadcasting station, which airs regular news programs within Guam.

GM Bordallo said that a Professional Engineer (P.E.) license was a required classification and this resolution is to ask the Commission to change this and to make a PE license preferred not required. Salary is based on 10th market percentile.

There was discussed on the error in min./ max salary range and to correct maximum salary because it reads \$4M. It was clarified that this error was corrected and that originals reflect the correct amount.

Comm. Guthertz motioned to approve the Resolution 17-FY2019; second by Comm. Lintiaco. There was no further discussion or objection and the motion carried.

5.1.8 Resolution 18-FY2019 Approval of Policy on Timing and Issuance of Back Bills

If ratified, this resolution will help to clarify areas within GWA rules and regulations which are silent about timing and issuance of back bills, and to recommend policy based on recent discussions by Commission Members about this topic. GWA Management proposes the Commission adopt the recommended policy on acceptable timeframes for

these activities. The proposed policy is based on the following activities required within the involved GWA divisions:

Customer Service (Water Meter Exchange)

- 1) Work order created.
- 2) Water meter replaced and sent to testing facility.
- 3) Work order information submitted to customer service for recording into customer billing system.
- 4) Work order and new water meter information entered and posted into customer billing system.
- 5) Notice of meter replacement is automatically generated and sent to customer.
- 6) Meter exchange process takes up to 10 working days or 2 weeks to complete.

Meter Test Facility

- 1) Water meter received from field team and tested.
- 2) Testing results transmitted to Customer Service.
- 3) Testing results entered and posted into Customer Billing system.
- 4) If testing indicates a faulty water meter, then notice is automatically generated and sent to customer's that a back-bill may be forthcoming.
- 5) Process takes up to 30 working days or 2.5 months to complete.

Finance (Issuing Back Bill)

For customers determined to have faulty water meters:

- 1) Print water meter exchange and testing documentation, review, calculate back-billing amount, submit to supervisor for sign off.
- 2) Notice to customer manually generated with billing adjustment details and sent to customer.
- 3) Billing adjustments are entered and posted into Customer Billing system.
- 4) Documents generated by finance scanned and shared with customer service to support future customer inquiries.
- 5) Process runs concurrently with water meter testing process and takes up to 70 working days or 3.5 months to complete.

The time standards affect the following departments: Customer Service (water meter exchange task force), Meter Test Facility, IT and Finance. Each department is responsible to refine its processes to ensure time standards are met for issuing back bills. The time standard will be effective upon adoption of the policy resolution. No additional funding is required for this action.

Comm. Santos moved to approve the resolution; second by Comm. Guthertz. There was no further discussion or objection and the motion passed.

- 5.1.9 Resolution 19-FY2019 Approval of Funding Increase for the Baza Garden Conveyance and Pump Design
During the course of the on-going Baza Gardens Wastewater Cross-Island Pumping and Conveyance System construction project, in which the construction completion period had been extended a couple of times, the need for additional design services during

construction for responses to RFI's, as-built survey work of completed structures, archeological monitoring of excavations near Agat, and the re-design of the final surface grading at the Baza Gardens treatment plant site have emerged.

This authorization will fund the additional services as noted above and is necessary for the completion of the \$30M Baza Gardens Wastewater Cross-Island Pumping and Conveyance System construction projects.

The additional funding authorization per this resolution is One Hundred Thousand Dollars (\$100,000.00) which will increase the total funding for design services to a maximum of Three Million Three Hundred Fifty-Eight Thousand Nine Hundred Fourteen Dollars and Eighty Cents (\$3,358,914.80). The funding for the additional services will be from Bond Funds under the line items CIP WW 09-08 and WW 11-03, Internally Funded CIP fund or SDC, as applicable. The estimated the overall project will be completed by April 2019.

Comm. Limtiaco motioned to approve Resolution 19-FY2019; second by Comm. Guthertz. There was no further discussion or objection and the motion carried.

6. ANNOUNCEMENTS

6.1 Next CCU Meeting

The Chairman announced that the next CCU meeting would be a GWA Work Session on March 19; a GPA Work Session on March 21 and the monthly CCU meeting on March 26.

The Chairman said that there are a couple of items to discuss in executive session and presented the required affidavit from Legal Counsel Kelly. He called for a 15-min. recess before Executive Session. The time was 6:50 p.m.

7. EXECUTIVE SESSION

7.1 Litigation Matter – This matter was discussed, no action taken.

7.2 Personnel Matter – This matter was discussed, no action taken.

Executive Session ended at 7:15 p.m.

8. ADJOURNMENT

There was no further business to bring before the Commission.


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

It was 7:20 p.m.

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Bls

Attested:



JOSEPH T. DUENAS, Chairman



MICHAEL T. LIMTIACO Secretary