



CONSOLIDATED COMMISSION ON UTILITIES

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

RESOLUTION NO. 2020-03

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

WHEREAS, the first (1st) year extension of the contract with IP&E for the Management, Operation, and Maintenance of the GPA Fuel Bulk Storage Facility under GPA-014-17 will expire on September 30, 2020;

WHEREAS, the contract does include up to three optional one-year extensions; and

WHEREAS, it would be in GPA's best interest to have a continuity of this contract to avoid complications that could occur as GPA converts the facility to ULSD for use with the new power plant and for compliance with USEPA requirements; and

WHEREAS, GPA negotiated and mutually agreed for the remaining 2 years extension of the existing contract with IP&E commencing in October 1, 2020; and

WHEREAS, the total requirement for the second (2nd) year contract extension is estimated to cost \$885,108.88 and the total requirement for the third (3rd) year contract extension is estimated to cost \$911,662.13 (Exhibit A); and

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

WHEREAS, the aggregate total cost for the 2-Year base period thru the 3-Year extension period of the contract is about \$4,300,400.01; and

WHEREAS, GPA is requesting for the approval of the second (2nd) and third (3rd) year extension of the contract with IP&E.

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

1. The Guam Power Authority is hereby authorized to execute an agreement with IP&E for the second (2nd) and third (3rd) year extension of the contract for the Management, Operation, and Maintenance of the GPA Fuel Bulk Storage Facility commencing in October 01, 2020 and terminating in September 30, 2022.

31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57


2. The General Manager of the Guam Power Authority is hereby authorized an increase in obligating authority to the annual value of the contract over \$750,000.00 and execute such agreements and documents necessary for a contract extension with IP&E.

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

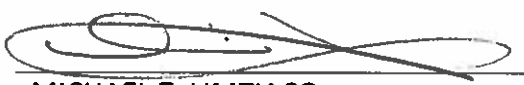
DULY AND REGULARLY ADOPTED AND APPROVED THIS 28th DAY OF JANUARY 2020.

Certified by:

Attested by:



JOSEPH T. DUENAS
Chairperson
Consolidated Commission on Utilities



MICHAEL T. LIMTIACO
Secretary
Consolidated Commission on Utilities

SECRETARY'S CERTIFICATE

I, Michael T. Limtiaco, Secretary for the Consolidated Commission on Utilities (CCU), as evidenced by my signature above do certify as follows: The foregoing is a full, true, and accurate copy of the resolution duly adopted at a regular meeting of the members of Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

Ayes: 5
Nays: 0
Absent: 0
Abstain: 0





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

EXHIBIT A

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

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

Variance vs. Previous year 3%

Contract Status Completed Completed

Aggregate Total Cost \$ 810,000.00 \$ 1,644,300.00 \$ 2,503,629.00 \$ 3,388,737.88 \$ 4,300,400.01

Legend: Bid Price Proposal Parameters for Mandatory Items

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