



RESOLUTION NO. 2020-20

**RELATIVE TO AUTHORIZATION OF CONTRACT INCREASE FOR ENGINEERING, PROCUREMENT,
AND CONSTRUCTION MANAGEMENT THRU MARCH 2022**

WHEREAS, Stanley Consultants was selected through GPA RFP-17-001 as the Engineering, Procurement and Construction Management (EPCM) Contractor for the New 120-180 MW Power Plant in March 2017; and

WHEREAS, in October 2016 the PUC Docket 17-06¹ approved the initial funding of \$750,000 for the procurement development of the new power plant from 2014 Bond Funds – LNG Startup Bond Project; and

WHEREAS, in March 2018 the PUC Docket 18-09² approved an increase of \$600,000 to the contract to complete procurement document development and solicitation support as well as to initiate land studies of the Ukudu site for bid documents; and

WHEREAS, in November 2018 the PUC Docket 18-09³ approved an increase of \$2.4M projected services to complete procurement support and to provide owner’s engineer support during construction and commissioning from 2019 thru 2022; and

WHEREAS, GPA issued the Multi-Step Bid for the 180MW Power Plant on October 1, 2018. Technical and price proposals were received in April 2019. A final selection was made in June 2019. After contract negotiations and CCU and PUC approvals the contract was signed on November 5, 2019; and

WHEREAS, Stanley provided necessary support of the bid process which included providing biological, archaeological and noise studies at the plant site, responding to bidder inquiries and clarifications, evaluating technical and price proposals and addressing protest claims; and

¹ CCU Resolution No. 2015-21, Relative to Approval of Consulting Services for USEPA Compliance Plan, approved on March 24, 2015.

² CCU Resolution No. 2018-05, Relative to Authorization of Increase for Engineering, Procurement, and Construction Management Contract Amount, approved on March 29, 2018.

³ CCU Resolution No. 2018-25, Relative to Authorization of Increase for Engineering, Procurement, and Construction Management Contract Amount thru 2022, approved on October 19, 2018.

26 **WHEREAS**, upon selection of bidder, Stanley lead contract negotiations which firmed up
27 technical requirements and commercial terms and continues to provide contract management; and

28 **WHEREAS**, based on verified average monthly costs estimates for contract services thru
29 March 2022 will exceed the current approved budget in January 2021. A summary of funding and
30 invoices is provided in **Attachment A**; and

31 **WHEREAS**, GPA still requires Stanley support to meet key milestones and most especially
32 address technical issues prior to financial close; and

33 **WHEREAS**, GPA has projected additional costs for the Stanley EPCM contract thru March 2022
34 totaling \$2.25M which would increase the total contract amount to \$6M with an allowance for a 20%
35 contingency; and

36 **WHEREAS**, the new total contract amount is 1% of the \$600M plant project cost and is within
37 a reasonable percentage (1%-3%) for similar contracts; and

38 **WHEREAS**, the funding source for the additional contract costs will be from Cabras 3 & 4
39 Insurance proceeds; and

40 **WHEREAS**, the EPCM contract terminates in March 2022 and as such, GPA will solicit for
41 Construction Management by August 2021 to assist GPA in reviewing and monitoring construction
42 progress of the new power plant; and

43 **WHEREAS**, the increased contract cost exceeds the GPA General Manager's approval
44 authority.

45 **NOW, THEREFORE, BE IT RESOLVED**, by the **CONSOLIDATED COMMISSION ON UTILITIES**, the
46 **GOVERNING BODY** of the **GUAM POWER AUTHORITY** and **SUBJECT TO THE REVIEW AND APPROVAL**
47 **OF PUC AS FOLLOWS:**

- 48 1. The General Manager of GPA is hereby authorized to increase the Stanley EPCM contract by
49 \$2.25M for consulting and technical services through March 2022 to be funded through Cabras
50 3 & 4 insurance proceeds for a contract total of \$6M.

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

53

54

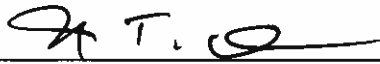
55

56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74

DULY and REGULARY ADOPTED AND APPROVED THIS 20th DAY of OCTOBER, 2020

Certified by:

Attested by:



JOSEPH T. DUENAS
Chairperson
Consolidated Commission on Utilities



MICHAEL LIMTIACO
Secretary
Consolidated Commission on
Utilities

I, **Michael 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 correct copy of the resolution duly adopted at a regular meeting of the members of Guam Consolidated Commission on Utilities, duly and legally held at the meeting 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



ATTACHMENT A

	Approved Funds	PUC Order	Funding Source
Initial Budget	\$ 750,000.00	Docket 15-05, 10/27/16	2014 Bond Funds (LNG Initial Startup)
Funding Increase #1	\$ 600,000.00	Docket 18-09, 3/29/18	Revenue Funds
Funding Increase #2	\$ 2,400,000.00	Docket 18-09, 11/29/18	Cab3&4 Insurance Proceeds
Total:	\$ 3,750,000.00		

Summary of Invoices & Funding by Year:

Year	Authorized Funding	Invoice Totals	Amount Available	Balance	Notes
2017	2014 Bond Funds (LNG)	\$ 508,936.28	\$ 750,000.00	\$ 241,063.72	
2018	2014 Bond Funds (LNG)	\$ 240,991.32	\$ 241,063.72	\$ 72.40	Balance of Bond Funds
	Revenue Funds	\$ 396,079.81	\$ 600,000.00	\$ 203,920.19	
2019	Revenue Funds	\$ 133,575.34	\$ 203,920.19	\$ 70,344.85	Balance of Revenue Funds
	Cab3&4 Insurance Funds	\$ 823,439.52	\$ 2,400,000.00	\$ 1,576,560.48	
2020*	Cab3&4 Insurance Funds	\$ 1,023,499.89	\$ 1,576,560.48	\$ 553,060.59	Balance of C34 Insurance Funds
	Total	\$ 3,126,522.16			4 Months of Contract Services based on \$125K on Balance of Funds

Summary of Invoices and Funding by Funding Source:

	Authorized Funding	Invoice Totals	Amount Available	Balance
2014 Bond Funds (LNG)	\$ 749,927.60	\$ 749,927.60	\$ 750,000.00	\$ 72.40
Revenue Funds	\$ 529,655.15	\$ 529,655.15	\$ 600,000.00	\$ 70,344.85
Cab3&4 Insurance Funds	\$ 1,846,939.41	\$ 1,846,939.41	\$ 2,400,000.00	\$ 553,060.59
Total	\$ 3,126,522.16	\$ 3,126,522.16		