



CONSOLIDATED COMMISSION ON UTILITIES

Guam Power Authority | Guam Waterworks Authority

P.O. Box 2977 ~~Hagatna~~, Guam 96932 | (671) 648-3002 | guamccu.org

GPA RESOLUTION NO. FY2022-09

GWA RESOLUTION NO.08-FY2022

**RELATIVE TO THE AUTHORIZATION FOR THE GUAM POWER AUTHORITY
AND THE GUAM WATERWORKS AUTHORITY TO AWARD A CONTRACT FOR
MERCHANT BANKING SERVICES AND TO PETITION THE GUAM PUBLIC
UTILITIES COMMISSION FOR APPROVAL**

WHEREAS, the Guam Power Authority (GPA) and the Guam Waterworks Authority (GWA) were authorized by the Consolidated Commission on Utilities (CCU) to issue a Request for Proposal (RFP) for a one-year contract for Merchant Banking Services with the option to extend for four one-year periods on March 23, 2021; and

WHEREAS, GPA and GWA personnel were selected to review and evaluate three proposals received in response to the RFP; and

WHEREAS, the evaluation committee has completed its review and has determined that, although all three proponents submitted responsive and appropriate technical proposals, the proposal from First Hawaiian Bank was the most comprehensive and acceptable; and

WHEREAS, in addition to features offered in its technical proposal, the First Hawaiian Bank, in its price proposal, offered Visa Utility Program and MasterCard® Utility Industry Program rates which offer low interchange rates for utilities; and

WHEREAS, this program features a very favorable interchange rate introduced specifically for the utility industry and GPA and GWA expect to save approximately \$1,000,000 and \$220,000 respectively, each year in merchant fees under this new contract; and

1 **WHEREAS**, the First Hawaiian Bank has proposed to provide all implementation support
2 at no extra cost to the Authority in addition to maintaining consistent pricing throughout the
3 duration of the contract; and
4

5 **WHEREAS**, the GPA and GWA General Managers now recommends the approval to
6 award for a one-year contract for Merchant Banking Services with the option to extend for four
7 one-year periods at the cost of approximately **\$600,000 per year and \$3 million for five years**
8 **for GPA and \$350,000 per year and \$1,750,000 for five years for GWA**; and
9

10 **NOW, THEREFORE BE IT RESOLVED**, by the Consolidated Commission on
11 Utilities, subject to the review and approval of the **PUBLIC UTILITIES COMMISSION (PUC)**,
12 as follows:

- 13 1. The General Managers of the Guam Power Authority and Guam Waterworks Authority are
14 authorized to award the Merchant Banking services contract to the First Hawaiian Bank at
15 a cost of approximately **\$600,000 per year and \$3 million for five years and \$350,000**
16 **per year and \$1,750,000 for GPA and GWA**, respectively, for the five-year contract
17 period consisting of a base year and four additional one-year options. The offer includes
18 options for renewal that can be exercised at a later date.
- 19 2. The CCU further authorizes the management of GPA and GWA to petition for the PUC's
20 as required by the contract review protocol.
21

22 **DULY AND REGULARLY ADOPTED AND APPROVED THIS 22nd DAY OF**
23 **FEBRUARY 2022.**
24

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26 Certified by:

Attested by:

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30 **JOSEPH T. DUENAS**

31 Chairperson

32 Consolidated Commission on Utilities

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MICHAEL T. LIMTIACO

Secretary

Consolidated Commission on Utilities

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

3
4 The foregoing is a full, true and correct copy of the resolution duly adopted at a
5 regular meeting by the members of the Guam CCU, duly and legally held at a place properly
6 noticed and advertised at which meeting a quorum was present and the members who were
7 present voted as follows:

8
9 Ayes: 4
10 Nays: 0
11 Absent: 1
12 Abstain: 0

