



GPA RESOLUTION NO. FY2022-26

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 third (3rd) year of the 3-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, 2022;

WHEREAS, GPA issued a Multi-Step Invitation for Bid under IFB GPA-015-22 for the Management, Operation, and Maintenance of the Fuel Bulk Storage Facility but was canceled on May 2022 due to non-compliance of all the proponents on a required affidavit submittal documents; and

WHEREAS, GPA issued a Re-Bid for Multi-Step IFB GPA-015-22 and anticipate a delay in the award of the contract; and

WHEREAS, the existing contract with IP&E need to be extended to ensure continued operation and maintenance of the facility for the uninterrupted supply of fuel to GPA's baseload and peaking units; and

WHEREAS, it would also be in GPA's best interest to have a continuity of the existing contract to avoid complications that could occur as GPA converts the facility to ULSFO (0.2% sulfur) and ULSD (10ppm sulfur) for compliance with the USEPA consent decree requirements; and

WHEREAS, GPA negotiated and mutually agreed for a one (1) year extension of the existing contract with IP&E commencing in October 1, 2022; and

WHEREAS, the total requirement for the one (1) year contract extension is estimated to cost \$1,118,000.00 (**Exhibit A**); and

WHEREAS, GPA has determined that the contract fee is reasonable; and

WHEREAS, GPA is requesting for the approval of the one (1) year extension of the contract with IP&E.

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

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30 1. The Guam Power Authority is hereby authorized to execute an agreement with IP&E for a one (1)
31 year extension of the contract for the Management, Operation, and Maintenance of the GPA Fuel
32 Bulk Storage Facility commencing in October 01, 2022 and terminating in September 30, 2023.

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

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

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41 **DULY AND REGULARLY ADOPTED AND APPROVED THIS 26th DAY OF JULY 2022.**

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Certified by: Attested by:
 

JOSEPH T. DUENAS MICHAEL T. LIMTIACO
Chairperson Secretary
Consolidated Commission on Utilities Consolidated Commission on Utilities

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SECRETARY'S CERTIFICATE

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Ayes: 3

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Nays: 0

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Absent: 1

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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 | | | ADDITIONAL 1-YEAR EXTENSION | | 2 YEAR BASE +4 YEAR EXTENSION OPTION OVER-ALL COST |
|---------------------------------------|--------------------------------|-----------------------------|------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|------------------------|---|
| | 1st Year Oct2017-Sep2018 | 2nd Year Oct2018-Sep2019 | Total | 1st Yr Extn Oct2019-Sep2020 | 2nd Yr Extn Oct2020-Sep2021 | 3rd Yr Extn Oct2021-Sep2022 | 4th Yr Extn Oct2022-Sep2023 | OVER-ALL COST | |
| Item 1 | \$ 516,560.00 | \$ 532,056.80 | \$ 1,048,616.80 | \$ 548,018.50 | \$ 564,459.06 | \$ 581,392.83 | \$ 700,000.00 | \$ 3,442,487.19 | |
| Item 2 | \$ 144,540.00 | \$ 148,876.20 | \$ 293,416.20 | \$ 153,342.49 | \$ 157,942.76 | \$ 162,681.04 | \$ 190,000.00 | \$ 957,382.49 | |
| Item 3 | \$ 35,000.00 | \$ 36,050.00 | \$ 71,050.00 | \$ 37,131.50 | \$ 38,245.45 | \$ 39,392.81 | \$ 39,500.00 | \$ 225,319.76 | |
| Item 4 | \$ 20,400.00 | \$ 21,012.00 | \$ 41,412.00 | \$ 21,642.36 | \$ 22,291.63 | \$ 22,960.38 | \$ 25,000.00 | \$ 133,306.37 | |
| Item 5 | \$ 2,500.00 | \$ 2,575.00 | \$ 5,075.00 | \$ 2,652.25 | \$ 2,731.82 | \$ 2,813.77 | \$ 3,500.00 | \$ 16,772.84 | |
| Item 6 | \$ 91,000.00 | \$ 93,730.00 | \$ 184,730.00 | \$ 96,541.90 | \$ 99,438.16 | \$ 102,421.30 | \$ 160,000.00 | \$ 643,131.36 | |
| TOTAL (Items 1 thru 6) | \$ 810,000.00 | \$ 834,300.00 | \$ 1,644,300.00 | \$ 859,329.00 | \$ 885,108.88 | \$ 911,662.13 | \$ 1,118,000.00 | \$ 5,418,400.01 | |
| Variance vs. Previous year Increments | \$ 24,300.00 | 3% | Completed | \$ 25,029.00 | \$ 25,779.88 | \$ 26,553.25 | \$ 206,337.87 | 23% | |
| Contract Status | Completed | Completed | Completed | Completed | Completed | In Progress | For Approval | | |
| 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: |
|--------|--|
| Item 1 | Management and Administration Fees (Include all expenses for staffing, office maintenance, expenses for utilities and communications, management fees and administration fees) |
| Item 2 | Security Contractor |
| Item 3 | Spill Response Company Membership Fees |
| Item 4 | Insurance Fees (Volume I - 5.41A) |
| Item 5 | Inventory - Environmental / Oil Spill Equipment |
| Item 6 | Oil Spill Response & Environmental Compliance (OPA, 90, SPCC and FRP, etc.) |
| | Operation and Maintenance Budget |
| | Reimbursible Cost |