



REGULAR BOARD MEETING
CCU Board Room, Gloria B. Nelson Public Service Building
10:00 a.m., Tuesday, July 25, 2023

MINUTES

1. CALL TO ORDER

The Vice-Chairman Santos opens CCU Regular Board Meeting, July 25 at 10:03 a.m. For the purpose of a quorum, Chairman Duenas appearing via GoTo Meeting; Commissioner Limtiaco, Martinez, and Santos are present in the CCU conference room. A quorum is present and meeting is called to order.

Commissioners:

Joseph T. Duenas	CCU Chairman (GoTo Meeting)
Francis E. Santos	CCU Vice-Chairman
Pedro Roy Martinez	CCU Secretary
Michael T. Limtiaco	Commissioner
Simon Sanchez	Commissioner (Absent then Appearing GoTo Meeting)

Executive Mgmt.:

John Benavente	GM/GPA
Miguel Bordallo	GM/GWA
John Kim	CFO/GPA
Jennifer Sablan	AGMO/GPA
Taling Taitano	CFO/GWA
Chris Budasi	AGMA/GWA
Joyce Sayama	Communications Director/GPA
Maripaz Perez	Acting CFO/GPA
Vangie Lujan	Compliance-Safety/GWA
Therese Rojas	Legal Counsel / GWA

Management & Staff:

Candice Ananich	Management Analysis/GPA
Ann Borja-Gallardes	Management Analysis/GWA
Reginald Diaz	Management Analysis/GPA
Vladimir Navasca	IT/GPA
John Dixon	IT/GWA

Lourissa Gilman	Utility Board Secretary
Ciana Afilleje	Summer Intern/GPA
Victor Babauta	Summer Intern/GPA
Jonathan Arriola	Summer Intern/GPA
Clara Grace Diaz	Summer Intern/GPA

Guest:

Frank San Nicolas	Guam Daily Post
Haidee Gilbert	Online via GoTo Meeting
Office of Senator Parkinson	Online via GoTo Meeting
George Castro	Depo Resources/Court Reporter

2. PUBLIC COMMENTS

No public comments.

3. APPROVAL OF MINTUES

Commissioner Limtiaco motions to approve February 21, 2023 meeting minutes; Comm. Martinez second. With no further discussion, motion is approved. Vice Chairman Santos mentions that GPA will present first.

4. GPA

4.1 GPA Resolution No. FY2023-22 Increase of Contract Amount for Unarmed Security Guard - GM John Benavente states Resolution No. FY2023-22 Relative to authorizing GPA to exercise the option to renew the current unarmed, uniformed security guard services to Pacific Island Security. GPA has implemented the base portion of the contract and requesting the approval from the CCU for the first option year and the second option year. The total for the three years, \$2,396,736M. This is above the \$1M authorization for the GM and above the \$1.5M authorization by the PUC. Asking for the CCU's approval for the extension.

Commissioner Limtiaco motion to approve Resolution No. FY2023-22 Increase of Contract Amount for Unarmed Security Guard; Commissioner Martinez second.

Vice Chairman Santos clarifies that the resolution is to extend the contract to June 30, 2025. GM Benavente states yes, there is a base year contact with two option years and the request is for the two option years. Vice Chairman Santos asks why are the dates off and why it's not September 30th? GM Benavente its when the bid came in. Vice Chairman Santos confirm for acknowledgement purposes, the document handed out will be added to the record. Santos confirms everyone has a copy.

Vice Chairman Santos calls for the vote for Resolution FY2023-22, motion passes with four Ayes. [Aye = 4, Nay = 0, Absent = 1]

4.2 GPA Resolution No. FY2023-23 Procurement of Bucket Trucks – GPA seeks approval to purchase addition bucket trucks. 25 bucket trucks were GPA’s goal which was achieved, however going into Super Typhoon Mawar, it would be in GPA’s best interest to increase to 10 more to help improve the recovery timing. Getting bucket trucks to Guam is getting more difficult most especially after a storm. GPA was able to bring in manpower, linemen, directly from the sister companies from this area and the states. Bucket trucks are a huge burden to bring in. 99% of the island is already set up with concrete poles so bucket trucks are all that can be used. Therefore, GPA is requesting approval from the CCU to purchase 10 new bucket trucks. Purchasing four 65 footers and six 55 footers. Understanding GPA must go to the PUC to make this request.

Commissioner Martinez moves to approve Resolution No. FY2023-23 Procurement of Bucket Trucks; Commissioner Limtiaco second. Vice Chairman Santos ask for further discussion and there is none.

Vice Chairman Santos calls for the vote for Resolution FY2023-23, motion passes with four Ayes. [Aye = 4, Nay = 0, Absent = 1]

4.3 GPA Resolution No. FY2023-24 Hot Section Exchange for Yigo CT - The Yigo CT was running prior and during the storm. Subsequently, after Mawar passed it was discovered the generator had a lot of water in it as the water went into the building and into the generator. The rotor is grounded and has to be sent off island for repairs. The stator, the outside of the generator, is being repaired. The rotor is the critical part of the generator. After inspection of the turbine site, it will need to be replaced. It was recommended to move in with a hot section exchange for the turbine engine. Therefore, the Hot Section Exchange cost is \$1.8M and the generator repair is \$1.5M totaling about \$3.3M. This turbine is surely needed while waiting for Ukudu to be completed. GM Benavente is requesting approval from the CCU to move forward with a petition to the PUC.

Commissioner Limtiaco motions to approve Resolution No. FY2023-24 Hot Section Exchange for Yigo CT; Commissioner Martinez second.

Commissioner Limtiaco asks, if the repairs eligible for FEMA reimbursement? GM Benavente believes the generator side will be the minimum considered. Commissioner Limtiaco asks if the budget for the water infiltration is also to repair what caused the water infiltration in the building. GM Benavente states that portion is being done separately, working on a contract to repair the enclosure and make the repair so water does not pass through the building next time. GM Benavente believes the generator was running through the storm. After the storm, the generator had lots of water coming out of the generator site. The water grounded the unit. The generator is about 20-some years old and it was in the process to be overhauled. The stator was part of the overhaul, but now the rotor has to be repaired. The entire rotor has to be sent to be rewound in Texas.

Vice Chairman Santos asks for any questions and notes for the record Commissioner Sanchez is appearing via GoTo Meeting. Commissioners have no questions. Vice Chairman Santos calls for the vote for Resolution No. FY2023-24. Motion passes with five Ayes. [Aye = 5, Nay = 0]

GM Benavente last update; states the street light repairs are 50% completed. The repairs started from the South sweeping up North.

5. GWA

5.1 GM Bordallo states there are no updates to the GM Report and will go straight to the Issues for Decisions

5.2 No update on Financial report

5.3 Resolution No. 18-FY2023 Relative to Approval of the Indefinite Delivery/Indefinite Quantity Undersized Waterline Replacement Design and CM Contract – TABLED

5.4 Resolution No. 29-FY2023 Relative to Approval of the Ugum #2 Reservoir Construction Contract - Seeing approval to reward the construction contract for the UGum Reservoir #2 and includes provisions for repair for the steel tank reservoir #1. Both are 2M gallon reservoirs. Located at Ugum Surface Water Treatment Plant. The lowest bidder was \$22.834M. GWA is seeking that along with a 5% contingency of \$1.41M for a total authorized amount of \$23.976M. To clarify there was a \$3M estimate for the repair of the steel tank, but will not know the exact amount until it is inspected and assessed. GM Bordallo wants to make clear the \$3M is not part of the authorized amount of what GWA is seeking for approval today. So, GWA will come back with an amount for CCU's authorization. The project is anticipated to be done within 515 calendar days from notice to proceed. It is funded using GWA bond fund.

Commissioner Limtiaco motions to approve Resolution No. 29-FY2023 Relative to Approval of the Ugum #2 Reservoir Construction Contract; Commissioner Martinez second.

Vice Chairman Santos ask for discussion. With no discussion from the Commissioners, Vice Chairman Santos calls for a vote of Resolution No. 29-FY2023. Motion passes with five Ayes. {[Aye = 5, Nay = 0]}

5.5 Resolution No. 32-FY2023 Relative to Approval and Ratification of Conflicts/Legal Counsel Fees Pursuant to RFP 2018-01 – GWA Legal Counsel Theresa Rojas states GPA, CCU and GWA has entered into professional services agreement with the Law Offices of Vincent Leon Guerrero and that was awarded after competitively procured through RFP 2018-01. Each of the agencies respectively are able to request for legal services from the firm of Vincent Leon Guerrero and each agency separately pays from any service requested. So, for GWA, since the contract award, GWA has paid \$1.4M to the firm of Vincent Leon Guerrero...specifically, \$1,438,021.20. The GM's obligating authority is set at \$1M. Therefore, GWA is asking the Board to ratify the amount above

\$1M...to ratify \$438,021.20. GWA is also asking the Board to approve an additional amount of \$1M on this contract. To explain, these professional service agreements are entered to augment the legal services required for the Utilities. They're procured to support the Utilities or the Board for any temporary or legal services which arise on an as needed basis. The law firm of Vincent Leon Guerrero was awarded the contract on May 2018 and shortly thereafter, in March of 2019, GWA intervened and entered its appearance into a litigation with Core Tech. So, that litigation wasn't expected at the time. We've put together the numbers in the resolution and the bulk of the legal services which have been paid throughout the term of the contract have been for the Core Tech litigation. So, of the \$1.4M approximately \$1.15M have been exclusively for GWA representation in the Core Tech litigation. This contract doesn't have a set contract ceiling so we come to the Board now. GWAS is still in litigation with Core Tech and the litigation will continue. It is on record with the court that there is a decision pending. By late July or early August, GWA will know how much of the litigation will go. Therefore, GWA is requesting, not to exceed the amount of \$1M, to provide an approval. Expenses will likely be incurred for several months going forward. The engagements which were entered under this contract are separate contracts that were entered for this litigation...separately. This will continue until the litigation concludes. Again, requesting the Board to ratify the amount \$438,021.20 and then approve an additional \$1M on the contract, but that \$1M contract is exclusive to the Core Tech litigation with no other legal services, because this legal services contract is actually expired. So, a couple of months ago, GWA put forth a separate resolution before the Board requesting to competitively procure firms or any individual attorney, again, for temporary conflicts counsel that may arise as needed.

Vice Chairman Santos asks where is that RFP? Atty. Rojas states GWA hasn't put it out yet, but it was approved in May. Comm. Martinez moves to approve Resolution No. 32-FY2023; Comm. Limtiaco second the motion. Vice Chairman Santos call for questions. Comm. Limtiaco asks what provisions for the contract allows for the continuation rather allows for the extension for Civil Case 1198-18?

Atty. Rojas states within Section 2 of the original contract scope of general services such as preparing opinions, advising the CCU on legal issues that arise, representing the CCU before any board or commissions and representing the Board, GPA or GWA in litigation. So, that section within the contract allowed GWA to engage the firm to represent the utility in litigation. It is in the ordinary course of business that when a law firm is engaged in litigation, that attorney client agreements are signed and contracts are entered. It is made clear the scope of the representation includes and what it will cover. GWA's engagement with firm of Vincent Leon Guerrero, states that Vincent Leon Guerrero and any other co-counsels that engages will continue the litigation before the Superior Court or any appeals that may arise out of the litigation until it concludes. Comm. Limtiaco state the contract serves as the contracting vehicle, but the actual agreements that are entered into are separate engagement agreements. Atty. Rojas agrees.

Vice Chairman Santos calls for a vote of Resolution 32-FY2023; motion passes with five Ayes.
[Aye = 5, Nay = 0]

5.6 Resolution No. 34-FY2023 Relative to Contract Approval for the Design and Construction Management Services for Waterline Replacement of Various Bridges - GM Bordallo states seeking the Boards approval will provide needed engineering and construction management services to assess utility crossings at 30 bridges located throughout central and southern Guam. There were 17 interested firms that downloaded the RFP packages in which GWA received six firm submissions before the deadline and the highest qualified offer was recommended and signed off. Negotiations for fees for service commenced and negotiated to an amount approximately \$1.232M. Therefore, GWA is seeking that fee with 10% contingency of \$123,290.90 for a total of \$1.356M. Anticipate services will take 365 calendar days to complete assessment and any designs necessary. Funding is from Bond Funds, CIP Line-item MP-RW-Pipe 12 Rehabilitation and Replacement Program, and other CIP line item that may be applicable to the project.

Comm. Martinez moved to approve Resolution No. 34-FY2023; Comm. Limtiaco second. There was no discussion.

Vice Chairman Santos calls for a vote of Resolution 34-FY2023; motion passes with five Ayes.
[Aye = 5, Nay = 0]

5.7 Resolution N. 35-FY2023 Relative to Approval of the Year 3 Task Order of the Water Loss Control Professional Services Contract – GWA is seeking the Board’s approval of the Year 3 Task Order of the Water Loss Control Professional Services Contract. As a result, from the PUC’s recommendation in the February 2020 Rate Order, GWA undertook an analytical study in a Year 3 Program of a water loss of District Metered Areas implementation and leak detection support services. Work is ongoing and the water loss consultant oversees and guides the systematic leak detection and repair, monitoring the analysis of water loss data in order to achieve the needed reduction and bring down loss levels to acceptable standards. The contract was awarded for Year 1 for \$402,774K. GWA anticipates the remaining two years will be lower and GWA will be under the threshold of the GM’s procurement authority. However, with the impact of inflationary pressures, the Year 3 proposal is at \$422,289K so services to date are at \$785,463K. With the addition, Year 3 services will be at \$1.207M which is above the GM’s procurement authority. Therefore, GWAS is seeking approval for Year 3 Task Order for a total contract amount of \$1.207M. Anticipate completion in August 2024. Funding will be from GWA Operations and Maintenance budget.

Comm. Limtiaco motions to approve Resolution No. 35-FY2023; Comm. Martinez second. Vice Chairman Santos calls for a vote; motion passes with five Aye. [Aye = 5, Nay = 0]

5.8 Resolution No. 36-FY2023 Relative to Approval of an Increase in Funding Scope of Work for the Pressure Zone Realignment Construction Phase 1 Project - TABLED

5.9 Resolution No. 37-FY2023 Relative to Adoption of the Electrician Supervisor Position to the Guam Waterworks Authority Certified, Technical and Professional List – Seeking approval for job classification for (CTP) position of Electrician Supervisor. This position does not exist in GWA's Certified, Technical, Professional Position List. There are gaps in responsibility and leadership from Electrician I to Electrician Leader with no supervision. Due to the importance of GWA's asset management program and leadership in the Electrician section, GWA is seeking to establish the Electrician Supervisor position. Posting have been conducted and the job standard classification has been completed; salary range is based on the 20th market percentile using the 2017 market data. The pay range is at \$70.5K per annum to \$73.4K per annum. GWA anticipates once the Board approves, there is a 30-day period after which GWA can begin recruiting for the position. Funding source will be from GWA revenues.

Comm. Limtiaco motions to approve Resolution No. 37-FY2023; Comm. Martinez second. Comm. Limtiaco asks is this an actual addition of an FTE or just a reclassification of an existing FTE? AGMA Chris Budasi states GWA is establishing the position. There has been no discussion about whether or not someone will be promoted into the position and not backfill that position. GM Bordallo states within the Electrician Section, the most senior personnel are close to retirement. There will be a need to recruitment of that position, whether GWA fills it with an in-house promotion or an open recruitment, it has not been decided. Comm. Limtiaco ask what is the immediate reclassification? GM Bordallo states the reason is to have someone in charge in the official and correct capacity. AGMA Budasi mentions, GWA is considering putting in a special necessary qualification for a Master Electrician in this position.

Vice Chairman Santos calls for a vote for Resolution No. 37-FY2023; motion passes with five Ayes. [Aye = 5, Nay = 0]

6. Vice Chairman Santos announces the meeting will go into an Executive Session. Comm. Limtiaco motions to recess regular session and enter into Executive Session; Comm. Martinez second.

7. EXECUTIVE SESSION

7.1 GWA Litigation Matter

8. Back in regular session, Comm. Limtiaco motions to recess to Tuesday, August 1, 2023 at 10:00 a.m.; Comm. Martinez second.

Vice Chairman Santos calls for a vote to recess; motion passes with five Ayes. [Aye = 5, Nay = 0]

Meeting recess at 12:10 p.m. until August 1, 2023.

REGULAR BOARD MEETING
CCU Board Room, Gloria B. Nelson Public Service Building
10:00 a.m., Tuesday, July 25, 2023
Reconvene: August 1, 2023

MINUTES

1. CALL TO ORDER

Chairman Duenas opens CCU Regular Board Meeting, August 1, 2023 at 10:00 a.m., this is a reconvened meeting from July 25, 2023. Present in the meeting, Chairman Duenas, Commissioners Limtiaco, Sanchez, Santos, and Martinez.

Commissioners:

Joseph T. Duenas	CCU Chairman
Francis E. Santos	CCU Vice-Chairman
Pedro Roy Martinez	CCU Secretary
Michael T. Limtiaco	Commissioner
Simon Sanchez	Commissioner

GWA Executive Mgmt.:

Miguel Bordallo	GM
Taling Taitano	CFO
Chris Budasi	AGMA
Jeanet Owens	AGME
Therese Rojas	Legal/GWA

Management & Staff:

John Dixon	IT/GWA
Vien Wong	IT/GPA
Lourissa Gilman	Board
Secretary	

Chairman Duenas entertains a motion to go into Executive Session; Comm. Sanchez moved and Comm. Santos second.

Chairman Duenas calls for a vote to go into Executive Session; motion passes with five Ayes. [Aye = 5, Nay = 0]

2. EXECUTIVE SESSION

2.1 GWA Litigation Matter

- 3.** Back in regular session, Chairman Duenas entertains a motion to recess the regular session. Comm. Santos motions to recess to Tuesday, August 8, 2023, 10:00 a.m.; Comm. Limtiaco second.

Chairman Duenas calls for a vote to recess; motion passes with five Ayes. [Aye = 5, Nay = 0]

Meeting recess at 11:32 a.m. until August 8, 2023.

REGULAR BOARD MEETING
CCU Board Room, Gloria B. Nelson Public Service Building
10:00 a.m., Tuesday, July 25, 2023
Reconvene: August 8, 2023 from August 1, 2023

MINUTES

1. CALL TO ORDER

Chairman Duenas opens CCU Regular Board Meeting, August 8, 2023 at 10:11 a.m., this is a reconvened meeting from July 25, 2023 and August 1, 2023. Present in the meeting, Chairman Duenas, Commissioners Sanchez, Santos, and Martinez. Commissioner Limtiaco is absent.

Commissioners:

Joseph T. Duenas	CCU Chairman
Francis E. Santos	CCU Vice-Chairman
Pedro Roy Martinez	CCU Secretary
Simon Sanchez	Commissioner
Michael T. Limtiaco	Commissioner (absent)

GWA Executive Mgmt.:

Miguel Bordallo	GM
Taling Taitano	CFO
Therese Rojas	Legal Counsel

Management & Staff:

John Dixon	IT/GWA
Allen McDonald	IT/GPA
Lourissa Gilman	Board Secretary

Chairman Duenas entertains a motion to go into Executive Session; Comm. Santos motions to go into Executive Session and Comm. Martinez second.

Chairman Duenas calls for a vote to go into Executive Session; motion passes with four Ayes. [Aye = 4, Nay = 0, Absent = 1]

2. EXECUTIVE SESSION

2.1 GWA Litigation Matter

3. ADJOURNMENT

Back in regular session, Chairman Duenas entertains a motion adjourn the regular meeting. Comm. Martinez moved to adjourn; Comm. Sanchez second.

Chairman Duenas calls for a vote to adjourn; motion passes with four Ayes. [Aye = 4, Nay = 0, Absent = 1]

Meeting is adjourned at 11:22 a.m.

//s/

Lourissa L. Gilman

Attested



JOSEPH T. DUENAS, Chairman



PEDRO ROY MARTINEZ, Secretary

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