



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

REGULAR BOARD MEETING
CCU Board Room, Gloria B. Nelson Public Service Building
5:30 PM, Tuesday, March 26, 2024

MINUTES

1. CALL TO ORDER

Chairman Duenas calls the CCU Regular Board Meeting to order on March 26, 2024, at 5:31 PM. For the record, those present are Chairman Duenas, and Commissioners Limtiaco, Sanchez, Santos and Martinez.

Commissioners:

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

Executive Mgmt.:

Miguel Bordallo	GM/GWA
John Benavente	GM/GPA
Tricee Limtiaco	AGMA/GPA
Chris Budasi	AGMA/GWA
Jennifer Sablan	AGMO/GPA
John Kim	CFO/GPA
Taling Taitano	CFO/GWA
Marianne Woloschuk	Legal Counsel/GPA

Management & Staff:

Joyce Sayama	Comms/GPA	John Dixon	IT/GWA
Melvyn Kwek	IT/GPA	Jon-Rey Aguigui	HR/GPA
Joshua Manibusan	HR/GPA	Vangie Lujan	Safety/GWA
Ann Borja-Gallardes	MA/GWA	Vladimir Navasca	IT/GPA
Candice Ananich	MA/GWA	Lourissa Gilman	UBS

Guest:

Jonah Benavente	Guam Daily Post
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2. APPROVAL OF MINTUES

First order of business is approval of minutes. Commissioner Santos moves to approve meeting minutes for February 23, 2024; Commissioner Sanchez second. Approval subject to written correction.

With no further discussion, Chairman Duenas calls for the vote, motion passes with five Ayes. [Aye = 5, Nay = 0, Absent = 0]

3. PUBLIC COMMENTS

No public comments.

4. GWA

4.1 GWA Resolution No. 13-FY2024 Relative to Increase Funding for Central Guam Reservoirs Design – GM Miguel Bordallo states, the purpose of this resolution is to authorize additional engineering design and construction support services for the A-23 and A-25 GAC treatment system project. The needed engineering work will include a new generator system, new chlorine building and electrical panel upgrades, along with new SCADA, as well as additional site security improvements that are needed because of recent damage by an automobile accident that occurred on September 23, 2023. The accident damaged the A-25 Deep Well Facility. The project is necessary to correct the recent damages, but is also urgently needed to treat poly/perfluoroalkyl substances (PFAS) at A-23 and A25 and return the deep wells to service.

Design (A-23 and A-25 Wells):

- Generator and ATS system upgrades: new generator and automatic transfer switch
- Site security upgrades: new camera system and site fencing
- Chlorine system and building upgrades: new chlorine feed, chlorine residual analyzer, new building door, ventilation
- Electrical system upgrades: new conduits, panels
- SCADA panel replacement: replace with new remote terminal unit

Construction:

- Construction support services to include A-23 and A-25 GAC Deep Wells. Construction services include responding to contractor's request for information, design changes

The additional design cost will be \$78,891.00. The total additional funding request to include contingencies is \$100,000.00. Design work is anticipated to be completed with 30 days of an approved change order. Construction support work will start during the construction project. Construction phase is anticipated to begin June 2024 with a 16-month construction period. The source of funding will be from CIP line items PW 09-02 Water Wells bond, other bonds and grants. Comm. Limtiaco moves to approve Resolution 13-FY2024; Comm. Santos second.

With no further discussion, Chairman Duenas calls for the vote for Resolution 10-FY2024, motion passes with five Ayes. [Aye = 5, Nay = 0, Absent = 0]

4.2 GWA Resolution No. 16-FY2024 / Resolution No. FY2024-19 (GPA) – Relative to the Creation of Positions: Information Security Supervisor; Infrastructure Support Supervisor; and Application Support Supervisor in the Classified Status and to Add to GPA and GWA's Certified, Technical and Professional List of Positions – GM Bordallo states, this resolution is joint between the two utilities, he will have GPA present.

Also noted, the agenda states GWA has an Executive Session in the agenda, but it is not needed at this time. Chairman Duenas acknowledges GM Bordallo.

5. GPA

5.1 GPA Resolution No. FY2024-17 Relative to the Approval of the Energy Conversion Agreement (ECA) Amendment for Ukudu Power Plant – The ECA requires an amendment to address the cancellation of the Reserve Facility due to a significant increase in the cost of the diesel generators after the initial quote expired in 2022. A change in the GWA discharge permit after the ECA was signed triggered additional scope not initially included in the ECA, triggered a Change of Law event that requires GPA to compensate the additional construction and operation cost of a phosphate removal system. GUP is also seeking compensation for unanticipated permit conditions, additional scope and for the acceleration of the commercial operation of the Ukudu Power Plant after the site sustained significant damages due to Typhoon Mawar. The new commercial operation date is September 15, 2025.

It starts with a \$57,300,00.00 reduction in the contract cost. Then adding cost claims total \$11,098, 831.00 plus \$5M acceleration of schedule from January 2026 to September 2025. The contract will be adjusted down \$41,201,169.00. The other components of the contract, there is a phosphate removal system of \$2,732,123.00, a reserve facility cancellation claim of \$6,559,205.00 and the backup cooling water supply (change order) of \$1,807,503.00.

GM Benavente states, the accelerated Commercial Operational Date compensation is \$5M. \$4M if a COD is by September 30 and another million if COD is September 15. If they don't meet those dates, GPA does not pay anything. If they are one day late, they pay \$240K. They pay everyday their late beyond September 30.

In the last GM report, it is 82% completed so what's left is the pipeline, the storage tanks which they're trying to finish this year or in January. So, testing will start in February and there will be fuel savings because the state-of-the-art combustion turbines are 35% thermal efficiency and they're more efficient than the Cabras Plant. Then testing will begin with the three turbines. Comm. Santos motions to approve Resolution FY2024-17; Comm. Sanchez second.

With no further discussion, Chairman Duenas calls for the vote for Resolution FY2024-17, motion passes with five Ayes. [Aye = 5, Nay = 0, Absent = 0]

5.2 GPA Resolution No. FY2024-19 / GWA Resolution No. 16-FY2024 Relative to the Creation of the Information Security Supervisor, Infrastructure Support Supervisor, and Application Support Supervisor positions for GPA and GWA – The Guam Power Authority (GPA) and Guam Waterworks Authority (GWA) Information Technology (IT) Divisions continue to modernize operations due to the evolution of the cyber security landscape over the past few years. The pandemic has accelerated digitization, necessitating the creation of new processes to achieve the Authorities goals. These changes have heightened cyber security risks, including infrastructure and application vulnerabilities. The Geopolitical agendas also raise concerns about electronic warfare and cyber-attacks on Guam especially affecting the Authorities with targeted attacks increasing. Additionally, the demand for certified technical professionals has led to skill shortages, contributing to these challenges.

The Authorities are proposing to create the following positions:

- Information Security Supervisor
- Infrastructure Support Supervisor
- Application Support Supervisor

The creation of the aforementioned positions offers supervisory oversight to provide strategic direction and enhance workflow efficiency within GPA and GWA's IT departments.

The positions will be organizationally based with the IT Divisions of GPA and GWA. The proposed pay ranges and demonstration of compliance with the with §6301 of this Title: GWA & GPA's compensation plan was authorized by P.L. 28-159 and approved by the CCU in October 2007. The proposed compensation is in accordance with the Strategic Pay Plan Methodology. There is no cost in creating the series of positions, however, the proposed salary range to fill the positions are as follows:

- **Application Support Supervisor**
 - **Minimum:** \$91,823 per annum / \$44.15 per hour
 - **Maximum:** \$95,552 per annum / \$45.94 per hour
- **Information Security Supervisor**
 - **Minimum:** \$94,606 per annum / \$45.48 per hour
 - **Maximum:** \$98,447 per annum / \$47.33 per hour
- **Infrastructure Support Supervisor**
 - **Minimum:** \$91,823 per annum / \$44.15 per hour
 - **Maximum:** \$95,552 per annum / \$45.94 per hour

Public Law 28-159, Section 7.0.3 (c) requires GPA and GWA to post a petition on their respective websites for ten (10) days (*Saturdays, Sundays, and government of Guam holidays excepted*). GPA and GWA have met the posting requirements and the position creation can be acted upon by CCU at the March 26, 2024, Board meeting. Once adopted by the CCU, the creation of the Information Security Supervisor, Infrastructure Support Supervisor and Application Support Supervisor positions will not be filled, until the thirty (30) days have elapsed from the date of filing the petition and resolution with the Legislative Secretary.

GPA and GWA are responsible for the funding available for these positions and are in compliance with all applicable laws, rules, and regulations regarding the creation, filling and retention of positions in certified, technical, and professional positions. The funding of this position has no financial impact on the Government of Guam General Fund. Comm. Santos motion to approve GPA Resolution FY2024-19 and motions to approve GWA Resolution 16-FY2024; Comm. Limtiaco second.

With no further discussion, Chairman Duenas calls for the vote for Resolution FY2024-17, motion passes with five Ayes. [Aye = 5, Nay = 0, Absent = 0]

6. ADJOURNMENT

Comm. Santos moves to adjourn; Comm. Sanchez second. Meeting is adjourned at 6:29 PM.

//s/

Lourissa L. Gilman

Attested



JOSEPH T. DUENAS, Chairman



PEDRO ROY MARTINEZ, Secretary

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