

BEFORE THE PUBLIC UTILITIES COMMISSION

**IN RE: REQUEST FOR REVIEW)
 AND APPROVAL OF)
 MAEDA PACIFIC)
 CONTRACT BY PORT)
 AUTHORITY OF GUAM)
_____)**

**PAG DOCKET 12-05

ORDER**

INTRODUCTION

This matter comes before the Guam Public Utilities Commission (the “PUC”) pursuant to the October 22, 2012 Petition for review and approval of the Maeda Pacific Corporation (“Maeda”) contract related to the Port Security Enhancement Project (the “PSE Project”), filed by the Jose D. Leon Guerrero Commercial Port, Port Authority of Guam (“PAG”) (hereinafter referred to as the “Petition”).

DETERMINATIONS

On August 1, 2012, PAG began the Invitation for Bid (“IFB”) process for the competitive solicitation of bids related to the PSE Project¹ by publishing the IFB in the Pacific Daily News.² On August 16, 2012, PAG held a pre-bid conference.³ Thereafter, PAG held the bid opening on September 28, 2012.⁴ Seven bids were received and publicly opened.⁵ Upon PAG’s review of the bids, PAG determined that Maeda submitted the lowest responsive and

¹ PAG’s Petition, p. 1 (Oct. 22, 2012).

² Petition, p. 1.

³ Petition, p. 1.

⁴ Petition, p. 1.

⁵ Petition, p. 1.

responsible bid,⁶ and that Maeda satisfied all the requirements set forth in the IFB. Accordingly, PAG recommended that its Board of Directors approve the award to Maeda in the amount of \$2,933,000.00.

On October 22, 2012, PAG petitioned the PUC to approve the subject Maeda contract. On October 25, 2012, PAG's Board of Directors ratified the award to Maeda for the amount of \$2,933,000.00. By way of Resolution No. 2012-22, the Board of Directors approved PAG's recommendation to award the contract to Maeda.

The entire project is federally funded by multiple grants from the U.S. Department of Homeland Security through the Federal Emergency and Management Agency's ("FEMA") grant program.⁷ In particular, the project is funded by the following federal grants: 2008-GB-T8-0148; 2009-PU-R1-0164; 2009-PU-T9-0043; and 2010-PU-T0-0080. According to PAG, the total grant award for this project is \$4,948,064.00.

On November 16, 2012, the Administrative Law Judge of the PUC (the "ALJ") submitted an ALJ Report detailing his findings and determinations regarding review of the Maeda contract. In the ALJ Report, the ALJ found that the PSE Project was "instrumental to PAG's objectives to have a fully integrated command center facility for the implementation of its protective and security measures."⁸ The ALJ also found that PAG's utilization of this funding opportunity would "enable the Port to effectively manage, mitigate, prepare for, respond and recover from any and all types of natural and man-made emergency incidents and/or disasters,"⁹

⁶ Petition, p. 1.

⁷ Petition, p. 2.

⁸ ALJ Report, p. 3 (Nov. 15, 2012) (citing Petition, p. 2).

⁹ ALJ Report, p. 3. (citing Petition, p. 2).

as well as “allow the Port to effectively communicate and provide essential information to port-wide emergency responders, other agencies in the Guam Emergency Management system and the U.S. Coast Guard Sector Guam.”¹⁰

The ALJ further found that the PSE Project was fully funded by multiple federal grants, at no cost to PAG’s consumers, and that the Maeda contract was about \$1,737,949.00 less than the Government of Guam’s estimate for the cost of the project. The ALJ found that the Petition was supported by Resolution No. 2012-22, which was issued by PAG’s Board of Directors on October 25, 2012, and which approved the award to Maeda. Accordingly, the ALJ recommended that the PUC approve the Maeda contract related to the PSE Project for the total cost of \$2,933,000.00.

The Commission hereby adopts the findings made in the November 16, 2012 ALJ Report and, therefore, issues the following:

ORDERING PROVISIONS

Upon consideration of the record herein, the November 16, 2012 ALJ Report, and for good cause shown, on motion duly made, seconded and carried by the affirmative vote of the undersigned Commissioners, the Commission hereby ORDERS the following:

1. The PUC approves the Maeda Pacific Corporation contract related to the Port Security Enhancement Project.
2. PAG is ordered to pay the PUC’s regulatory fees and expenses, including and without limitation, consulting and counsel fees, and the fees and expenses associated with the instant contract review process. Assessment of the PUC’s regulatory fees and expenses is

¹⁰ ALJ Report, p. 3 (citing Petition, p. 2).

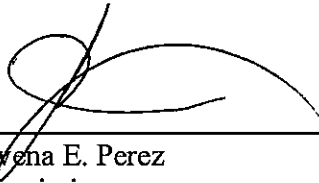
authorized pursuant to 12 G.C.A. §§ 12002(b) and 12024(b), and Rule 40 of the Rules of Practice and Procedure before the PUC.

SO ORDERED this 20th day of November, 2012.



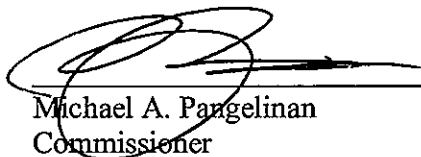
Jeffrey C. Johnson
Chairman

Joseph M. McDonald
Commissioner

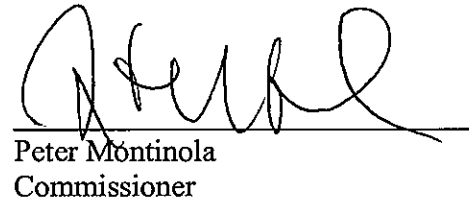


Rowena E. Perez
Commissioner

Filomena M. Cantoria
Commissioner



Michael A. Pangelinan
Commissioner



Peter Montinola
Commissioner

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