

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION



PETITION OF
GUAM WATERWORKS AUTHORITY
FOR RATE RELIEF

GWA DOCKET 13-01
ALJ STATUS REPORT

This matter comes before the Guam Public Utilities Commission (the "PUC") pursuant to the Petition for a \$2.16 million increase in the Program Management Office ("PMO") contract with Brown & Caldwell, filed by Guam Waterworks Authority ("GWA") on July 30, 2013.

BACKGROUND

On April 30, 2013, the PUC issued an Order approving the Petition filed by GWA to increase by \$1.2 million GWA's PMO contract with Brown & Caldwell, but requested that GWA provide certain additional information to the PUC.¹

On May 24, 2013, the Administrative Law Judge of the PUC (the "ALJ") filed an ALJ Report reviewing GWA's submission, and recommending that the PUC determine that GWA had substantially complied with the April 30, 2013 Order. Thereafter, on May 28, 2013, the PUC issued an Order finding that GWA substantially complied with its April 30, 2013 Order, but that GWA was required to submit supplemental documentation related to the Brown & Caldwell contract. On July 26, 2013, the ALJ issued a report indicating that GWA had substantially complied with the May 28, 2013 Order, but advised that GWA should continue to provide the PUC with monthly reports generated by Brown & Caldwell that track its performance.

¹ PUC Order, GPA Docket 11-02, p. 2 (Apr. 30, 2013).

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LAW OFFICES OF
HORECKY & ASSOCIATES
Date: 8/23/13
Time: 2:36pm By: LH

DISCUSSION

In the instant Petition, GWA maintains that it presently faces compliance with “Court Ordered requirements, PUC Stipulated orders, Findings of Significant Deficiencies in the Water System, Requests for Information in the Wastewater System, and NPDES permit requirements to upgrade the wastewater systems to secondary treatment”; and in order “[t]o execute the volume of work,” GWA needs “support by the PMO.”²

GWA submits that the PMO brings “technical resources, subject matter knowledge, and seasoned management from a pool of national experts”; and assists GWA with “identifying project needs, planning the work, executing the work, and coordinating with other Government of Guam agencies,” as well as “developing scopes of work and work plans for CIP Projects, PUC Stipulated Order projects and Court Order projects as required including preparation of work authorization.”³

GWA further submits that “[t]he PMO effectively manages project team members and performs administrative tasks for the projects to obtain a quality product within budget and schedule.”⁴ Accordingly, GWA intends to engage the PMO for its Court-ordered projects, as the PMO has been assisting GWA in meeting deadlines and completing such projects.

GWA maintains that the additional funding is “consistent with the Five-Year Plan” and that GWA believes that “the aforementioned projects are necessary for GWA to comply” with the federal Stipulated Order, and that “[t]he additional amount is

² GWA’s Petition for Approval of an Additional \$2.16 Increase in GWA’s Program Management Office Contract with Brown & Caldwell (“Petition”), GWA Docket 13-01, p. 2 (July 30, 2013).

³ Petition, p. 2.

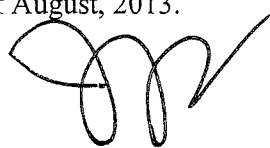
⁴ Petition, p. 2.

required since GWA's approved PMO funding for certification purposes must be consistent with the effort required to meet the Court Order."⁵

The Petition is supported by Resolution No. 34-FY2013 ("Resolution") issued by the Consolidated Commission on Utilities on June 25, 2013. The Resolution authorizes GWA to amend the PMO contract with Brown & Caldwell for an additional amount "not to exceed" \$2,166,091.00. The Petition is also supported by certain Brown & Caldwell work authorizations submitted by GWA.

To aid in this regulatory review, the ALJ has authorized Lummus Consultants International Inc. ("Lummus"), the PUC's consultants for water and wastewater matters, to examine GWA's request. Accordingly, a copy of the Petition has been transmitted to Lummus. Lummus has agreed to report its findings to the PUC within approximately thirty (30) days.

Respectfully submitted this 23rd day of August, 2013.



DAVID A. MAIR
Administrative Law Judge

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⁵ Petition, p. 3.