

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION



PETITION OF
GUAM WATERWORKS AUTHORITY
FOR RATE RELIEF

GWA DOCKET 13-01

ALJ STATUS REPORT
RE: COMPLIANCE WITH
MAY 28, 2013 ORDER

INTRODUCTION

This matter comes before the Guam Public Utilities Commission (the “PUC”) pursuant to the Petition for a \$1.2 million increase in the Program Management Office (“PMO”) contract with Brown & Caldwell, filed by Guam Waterworks Authority (“GWA”) on November 13, 2012.

BACKGROUND

On April 30, 2013, the Guam Public Utilities Commission (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.

Specifically, pursuant to the May 28, 2013 Order, the PUC required that GWA provide the PUC, the ALJ, and the PUC’s consultants with the current balance

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

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available from the 2010 Series Bond proceeds net of any future project commitments.
In addition, the PUC also required GWA to furnish its contract with Brown & Caldwell, including any amendments made to the contract. The Order further required GWA to begin providing to the PUC, the ALJ, and the PUC's consultants with the monthly reports generated by the PMO to track GWA's progress. Finally, GWA was additionally ordered GWA to provide the PUC, the ALJ and the PUC's consultants with information that would confirm that in 2012 approximately 25% of the payments to Brown & Caldwell were in turn used to pay local firms for their subcontracted services.

DISCUSSION

Based on the documents submitted by GWA, it appears that GWA has provided the PUC with the supplemental information requested in the PUC's May 28, 2013 Order. In particular, GWA has submitted documentation that indicates the current available 2010 Series Bond proceeds, net of any future project commitments, total \$29,793,993.00.

In addition, GWA has submitted documentation related to the professional services contract between Brown & Caldwell, and Guam Power Authority and GWA. GWA's documentation included a Schedule of Hourly Billing Rates, and Brown & Caldwell-GWA Work Authorizations, which indicate scopes of work and budgets.

Furthermore, GWA has also furnished documentation indicating that \$1,297,275.00 of work has been contracted to Guam subcontractors as of February 28, 2013, and that \$479,589.38 has been paid to these subcontractors as of February 28, 2013.

GWA submitted Brown & Caldwell's monthly report and invoice, which
details the contractor's billing and services it provided from January 25, 2013 through
February 21, 2013. The following contains a few examples of Brown & Caldwell's
activities during this period.

For instance, with respect to general program management, the Brown &
Caldwell monthly report indicated that it had performed the following activities:
continued the development of memorandum for water reservoir storage; managed the
Agana Wastewater Treatment Plant preliminary design project; and finalized the scope
for the Umatac-Merizo request for proposal for design services; reviewed electrical
specifications for new wells, among others.

Under this billing period, Brown & Caldwell engineers visited the
treatment plant to assess contractor performance and construction progress for GWA's
Northern District Interim Improvements project. For the Agana Interim Improvements
project, Brown & Caldwell prepared and submitted construction management work
authorization for subconsultant GHD for the Primary Treatment Upgrades.

With regard to the Chaot and Agana Heights design and build
procurement, Brown & Caldwell adds that it has responded to request for information
from bidders; evaluated the bids; and prepared a recommendation for award. For the
Ugum Wastewater Treatment Plant assessment project, Brown & Caldwell developed
its final construction inspection report. For the project related to the groundwater well
pump failure analysis, Brown & Caldwell finalized its report to GWA's deep well task
force.

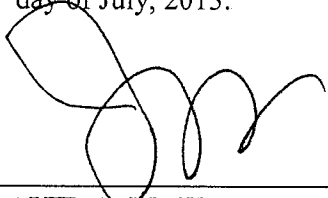
With respect to NPDES negotiation support, Brown & Caldwell
continued its development of draft financial models and met with GWA to discuss
negotiation strategy. Finally, with respect to the NEIC water inspection support,

Brown & Caldwell submits that aside from managing the project, it has also conducted site visits and has taken photographs of GWA's improvements, among others.

CONCLUSION

Based on the foregoing, GWA has substantially complied with the May 28, 2013 Order. However, GWA should continue to provide the PUC with monthly reports generated by Brown & Caldwell tracking its performance.

Respectfully submitted this 26th day of July, 2013.

for 

DAVID A. MAIR
Administrative Law Judge

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