



BEFORE THE PUBLIC UTILITIES COMMISSION

**IN RE: REVIEW OF \$12 MILLION)
 ANZ COMMERCIAL LOAN)
 FOR PURCHASE OF THE)
 POLA CRANES)
_____)**

**PAG DOCKET 12-01

ALJ REPORT
RE: GANTRY CRANE #2**

INTRODUCTION

This matter comes before the Guam Public Utilities Commission (the “PUC”) pursuant to a Petition filed by the Jose D. Leon Guerrero Commercial Port, Port Authority of Guam (“PAG”) on June 18, 2012, whereby PAG requested review and approval of the Sales Agreement, and the Interim Maintenance Agreement, related to the acquisition of the Port of Los Angeles (“PoLA”) cranes.

BACKGROUND

In its August 27, 2012 Order, the PUC preliminarily approved the Sales Agreement and the Interim Maintenance Agreement, but required PAG to file a report with the PUC, by February 15, 2013, regarding its plans for Gantry Crane #2 (“Gantry 2”). On February 26, 2013, the PUC requested another status report regarding Gantry 2 by May 31, 2013. On May 24, 2013, PAG transmitted a report to the Administrative Law Judge of the PUC (the “ALJ”) that detailed the status of its efforts to dispose of the crane. On May 31, 2013, PAG transmitted another report to the ALJ indicating that the Department of Administration’s General Services Agency (“GSA”) was in the process of finalizing an award, which would effectively dispose of Gantry 2.

COPY

**RECEIVED
LAW OFFICES OF
HORECKY & ASSOCIATES**

Date: 6/18/13
Time: 10:35am **By:** LH

DISCUSSION

In its May 24, 2013 report, PAG indicated that Gantry 2 was surveyed and then transferred to GSA by February 18, 2013.¹ PAG included in this submission a January 7, 2013 Report Survey, wherein PAG personnel found Gantry 2 to be “beyond economical repair” and, therefore, recommended that the crane be tendered to GSA “for further disposition.” PAG also included in its submission a February 8, 2013 Equipment Survey Report, wherein PAG personnel further found that the parts for Gantry 2 were: “obsolete, not easy to maintain,” “deteriorating,” “defective and malfunctioning,” “worn,” and requiring “complete replacement”; “replacement parts” “now obsolete, and are therefore unavailable.

Thereafter, GSA issued Bid Invitation No. GSA-SS-002-13, which included Gantry 2 as part of GSA’s items for bid, offered for a minimum bid of \$25,000.00. PAG has indicated that, pursuant to the invitation for bids, the “[s]cope of work involves the demolition and removal of the asset from the Port through a contractual solicitation.”²

In its May 31, 2013 report, PAG indicated that “GSA has confirmed positive bidder response for Gantry Crane 2 and is in the process of finalizing the award.”³

¹ PAG’s Report Re: Gantry Crane 2 (“May 23, 2013 Report”), PAG Docket 12-01, p. 1 (May 23, 2013).

² May 23, 2013 Report, p. 1.

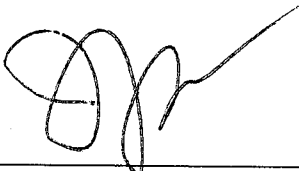
³ PAG’s Report Re: Gantry Crane 2 (“May 31, 2013 Report”), PAG Docket 12-01, p. 1 (May 31, 2013).

PAG has further indicated that should the solicitation prove unsuccessful, "PAG will provide an alternative approach on the future plans or demolition of Gantry Crane 2."⁴

CONCLUSION

Based on the information provided by PAG in its May 23, 2013 and May 31, 2013 reports, the ALJ is encouraged by PAG's efforts to dispose of Gantry 2.
Therefore, no additional information from PAG will be required at this time.

Respectfully submitted this 18th day of June, 2013.

fw 

DAVID A. MAIR
Administrative Law Judge

P134064.JRA

⁴ May 31, 2013 Report, p. 1.