

LUMMUS CONSULTANTS

I N T E R N A T I O N A L

Joseph R. Alcantara
Guam Public Utilities Commission, Counsel
(671) 472-2089
jalcantara@tgalaw.net
Submitted via email



December 19, 2014

Docket 13-01: Petition for Approval of an Additional \$2.458M Increase in GWA's Program Management Office Contract with Brown & Caldwell

Dear Mr. Alcantara,

Lummus Consultants International, Inc. (Lummus Consultants) is pleased to submit the attached report in response to Mr. Joseph Alcantara's request on October 13, 2014 to review and provide recommendations relative to Guam Waterworks Authority's (GWA) petition for approval of an addition \$2.458M increase in its Program Management Office (PMO) contract with Brown & Caldwell. This petition was filed on October 10, 2014 in GWA Docket 13-01.

Within this report we provide our observations and findings relative to the current petition as well as relative to GWA's compliance with the ordering provisions of the most recent GPUC order relative to its PMO contract.

Lummus Consultants appreciates the opportunity to support the Commission in this matter. If you have any questions or need further assistance, please do not hesitate to contact me at 617.794.5540 or by email at kathy.kelly@lummusconsultants.com.

Very truly yours,
Lummus Consultants International, Inc.

Handwritten signature of Kathleen A. Kelly in cursive.

K
Director

ORIGINAL

1 Executive Summary

1.1 Background

Lummus Consultants International, Inc. (Lummus Consultants) was commissioned by the Guam Public Utilities Commission (GPUC or Commission) to provide an evaluation of Guam Waterworks Authority's (GWA) petition for approval to increase its contract value for Brown and Caldwell's (B&C) Program Management Office (PMO) contract by the amount of \$2,458,315.00. This report presents our findings and recommendations in this matter. GWA's request, if approved, would bring the total amount of PMO expenditures by the GWA through FY2015 to \$12,223,899¹ as shown in Table 1.

Table 1: Calculation of Total Requested PMO Expenditure Amounts

| CCU Resolution Number | Amount Requested |
|-----------------------|---------------------|
| 11-FY12 | \$3,200,000 |
| 53-FY12 | \$1,200,000 |
| 34-FY13 | \$2,166,091 |
| 07-FY14 | \$3,199,493 |
| 37-FY14 | \$2,456,315 |
| Total | \$12,223,899 |

GWA's initial PMO contract with B&C was approved by the GPUC in an Order dated January 11, 2012. GWA subsequently entered into a contract with B&C on February 6, 2012. As stated in the GPUC's January Order, the purpose of that contract was to address:

- Planned Capital Improvement Projects (CIP) that accomplish the Court Ordered and ongoing system improvement efforts;
- Significant Military build-up requirements; and
- Ongoing operational requirements.

Since that Order the GPUC has approved three amendments to the PMO contract bringing the total level of fees currently approved to \$9.166M.² It should be noted that the need for any work related to the military buildup has been pushed out at least a few years into the future. The Consolidated Commission on Utilities (CCU) in Resolution No. 37 - FY2014 has approved this most recent proposed increase in PMO fees, and states that these additional fees are needed to support GWA's State Revolving Funds; and to fund five specific projects fully described in five Work Authorizations (WAs) attached to their resolution as Exhibit A. Additionally, as stated in the prior resolution to increase PMO expenditures, it is the belief of GWA's Management that the PMO is needed for the following reasons:

1. The PMO brings to GWA the technical resources, subject matter knowledge and seasoned management from a pool of national experts;

¹ Page 2 of the petition lists the cumulative approved contract amount as \$9.69M, which if correct would bring the cumulative amount approved by the GPUC after approval of the \$2.458M to \$12.148M, or \$86,000 less than the amount stated (\$12.224M).

² An additional \$599,000 was provisionally approved pending GWA's satisfaction of specified reporting requirements, which if satisfied would bring the total previously approved to \$9.766M.

2. The PMO assists GWA with identifying project needs, planning the work, executing the work, assisting GWA in the technical evaluation of other consultant's work products, and coordinating with other Government of Guam agencies as required;
3. The PMO assists GWA in developing scopes of work and work plans for CIP projects, PUC Stipulated Order projects and Court Order projects as required including preparation of work authorizations; and,
4. The PMO effectively manages project team members and performs administrative tasks for the projects to obtain a quality product within budget and schedule.

1.2 Premise of Due Diligence Review

The due diligence review performed by Lummus Consultants was premised on the following:

- Review of all documents provided by the GWA in their petition to the GPUC dated October 10, 2014;
- Prior Orders and Decisions issued by the GPUC related to the subject contract or similar contracts;
- Preparation of extensive discovery questions (43 Information Requests) including review and critique of responses provided by the GWA; follow-up phone discussions and emails were utilized to clarify the information provided, as needed; and,
- Preparation of this brief report summarizing our key findings, conclusions, and recommendations based on critical analysis, professional judgment, and extensive experience in directly related tasks and projects.

1.3 Recommendations to Commission

Lummus Consultants offers the following recommendations to the Commission relative to this request by GWA for approval of an additional \$2.458M in PMO funding. The efforts being managed through the PMO are critical to GWA's operations and management; equally critical is the need to build internal capabilities to provide the type of expertise offered by the PMO. Our overall recommendation is that the majority of the increase should be approved, subject to a minor modification to Work Authorization (WA) No. 2014-09. Table 2 summarizes the requested increases and our recommendations relative to approval; additional detail relative to these recommendations follows Table 2. In addition to recommendations relative to these five work authorizations, Section 2.2 provides recommendations relative to GPUC's previous PMO contract ordering provisions.

Table 2: Requested Increases by WA and Recommended Approvals

| Work Authorization Number | Requested Increase | Recommended Approved Increase | Recommended Modification (see details following this table) |
|---|--------------------|-------------------------------|--|
| 2014-09 | \$247,025 | \$247,025 | Modification to Documentation |
| 2014-10 | \$499,630 | \$499,630 | Modification to Documentation |
| 2014-11 | \$1,089,850 | \$544,925 | Proposal to Modify Amount and Approach |
| 2014-12 | \$322,030 | \$322,030 | Modification to Documentation |
| 2014-13 | \$299,780 | \$299,780 | No modifications |
| Total | \$2,458,315 | \$1,913,390 | |
| Holdback from Previous Increase Request | | \$599,000 | |

1.3.1 Work Authorization Recommendations

WA No: 2014-09

1. In general, Lummus Consultants commends GWA for issuing WA No.: 2014-09, and agree with the plan as outlined therein. Therefore, we recommend that the GPUC approve funding for this WA. However, because of its importance and the need to verify progress, Lummus Consultants recommends that the PUC/ALJ monitor the progress/effectiveness of implementing key subtasks throughout the duration of this WA.
2. Also, because it is not clear who in some cases has primary responsibility for producing deliverables or the quantity of documents to be provided by the PMO, Lummus Consultants recommends that GWA edit this WA by specifying who has primary responsibility for certain subtasks within the WA which are outlined below with references to certain sections of the WA:
 - o 1.f. – Specify the number or percentage of skills assessment tests that will be developed by the PMO.
 - o 1.h. – specify the number of courses (and/or the names of courses) for which the PMO will have primary responsibility to develop their content. (For example, those listed in section 1.c.)
 - o 1.i. – Specify the percentage of training curriculum and content that will be delivered/taught by the PMO, or the number of courses that the PMO will deliver/teach. (For example, those listed in section 1.c.)
 - o Task 3 – Specify the number or percentage of performance measures that the PMO will have primary responsibility for establishing/developing.

WA No: 2014-10

1. Lummus Consultants recommends that the GPUC approve funding for this WA. Again, for this WA it is not clear who in some cases has primary responsibility for producing deliverables or the quantity of documents to be provided by the PMO. Therefore, Lummus Consultants recommends that GWA edit this WA by specifying who has primary responsibility for certain subtasks within the WA. These are outlined below with references to certain sections of the WA :
 - o Task 4 – This task should state that the PMO will prepare any documents required for construction bidding and any RFP/RFQs that may arise during the execution of the Agat WWTP project.
 - o Task 6 - This task should state that the PMO will provide assistance to GWA's Communications and Customer Service assuring that technical engineering documents presented for public viewing are organized, presentable, meaningful, public-friendly and convey appropriate messages approved by GWA.
 - o Clarification of services provided - This Work Authorization does not include Construction Management Services (CMS). The work includes technical design oversight through bidding, with specialized technical assistance for issues that may arise during construction based on decisions made during the design process. References to CMS should be removed. For example, the bullet near the top of page 4 which reads, "provide technical engineering advice to GWA on issues arising during construction."

WA No: 2014-11

1. Lummus Consultants recommends that the GPUC initially approve funding for the first year of this WA, and reconsider approving the second half after evaluating 11 months of results/progress realized from this WA at that future date. This is further explained in recommendation 2 that follows.
2. This WA as currently written only commits the PMO to 10 of the 41 potential projects. Because of this and the opportunity to develop internal staff with the capabilities to handle all related tasks going forward, a two-phase approach for this WA is recommended. This approach is generally outlined below:
 - *Phase 1 – First year* – Fully fund the WA for approximately half of the proposed hours (about \$545,000) assuming that the PMO will expend approximately half of its projected labor hours in the first year. The GPUC should also authorize GWA to hire two Engineers/Technicians (to be funded from savings in phase 2 below and by avoiding the need for similar services by the PMO going forward) whose primary duty will be to shadow appropriate PMO personnel (for example – Smith, Cheng, Watson and the Inspector) during the first year to become fully familiar with and knowledgeable about the tasks performed by those consultants (one-on-one training) for this WA. GWA should take other similar steps to increase the training of GWA’s Grants Manager and the Assistant Grants Manager. This enhanced Grants Management Team should also receive specific training as a result of implementation of WA-09.
 - *Phase 2 – Second year* – Near the end of year 1 or the beginning of year 2 GWA should assess the capabilities of GWA’s Grants Managers and the 2 new Engineers/technicians to handle many if not most of the tasks performed by the PMO in phase 1. Based on this assessment adjust the needed continuation of PMO Fees to reflect activities that can be undertaken by the new GWA staff and Grants Personnel.
3. Because it is not clear who in some cases has primary responsibility for producing deliverables or the quantity of documents to be provided by the PMO, Lummus Consultants recommends that GWA edit this WA by specifying who has primary responsibility for certain subtasks within the WA. These are outlined below with references to sections of the WA :
 - Task 2. – Specify that the PMO team has primary responsibility for the initial drafting of each Project Implementation Plan (PIP). (GWA’s responsibility is limited to reviewing and commenting on each PIP drafted by the PMO.)
 - Tasks 5 and 6. – Specify what occurs if fewer than the 10 projects for which the PMO is proposed to have responsibility for are completed by them; and/or the completion dates for one or more of the 10 projects extend beyond the duration of this WA. For example, if the number is 5 instead of 10, will the expected number of consulting hours be reduced by 50%? Or, if 2 projects are delayed such that they can’t be completed until 6 months beyond the 2 year duration of this WA. [Note – if the 2-phase approach for WA-11 is put into effect, this recommendation may be moot.]

WA No: 2014-12

1. Lummus Consultants recommends that the GPUC approve funding for this WA. However, because it is not clear who in some cases has primary responsibility for producing deliverables or the quantity of documents to be provided by the PMO, Lummus Consultants also recommends that GWA edit this WA by specifying who has primary responsibility for certain subtasks within the WA. These are outlined below with references to a specific section of the WA:

- Task 6 – This task should state that the PMO is responsible for preparing the documents required for construction bidding and any RFP/RFQs that may arise during the definition phase of the Umatac-Merizo WWTP project.

WA No: 2014-13

1. Lummus Consultants recommends that the GPUC approve funding for this WA. The separation of responsibilities between GWA staff and the PMO are clear and appropriate as documented in the WA. Thus, for this WA, Lummus Consultants do not have specific recommendations relative to the division of labor.

1.3.2 Ordering Provision Recommendations

In response to the GPUC’s Order dated July 31, 2014 (GWA Docket Number 13-01,), Lummus Consultants reviewed GWA’s compliance with specific ordering provisions (Ops) as they related to the PMO contract with Brown & Caldwell. Our recommendations resulting from that review are summarized in Table 3 and are included in more detail in Section 2.2. Although advances have been made, GWA has not fully complied with these OPs, and some of them have significant implications for two of the WAs proposed in the GWA petition (WA-9 and WA-11).

Table 3: Ordering Provision Recommendations

| Ordering Provision | Recommended Modification (see details following this table) |
|---------------------------|--|
| OP 1 | Release holdback amount (\$599,000) |
| OP 2 | Modification to Quarterly PMO report |
| OP 3 | File a plan to comply with ordering provision |
| OP 4 | File the overdue report on remaining 2 topics |
| OP 5 | Make sure the reported training program is monitored throughout its implementation (see recommendation 1 in relation to WA-09 above) |
| OP 6 | File a staffing plan (re: OP 4 recommendation) |
| OP 7 | File a project bidding plan (re: OP 4 recommendation) |
| OP 8 | Modification to Quarterly PMO report |
| OP 9 | No modifications |
| OP 10 | Adopt a similar OP for this pending PMO increase petition |

2 Investigation into PMO Progress and Funding Request

2.1 Information Requested and Responses

On November 10, 2014 Lummus Consultants submitted to GWA, 43 Information Requests (IRs), with many subparts. On November 21, 2014 GWA submitted its responses to these information requests. In general, they were reasonably responsive. However, not all questions were answered fully and some of the responses were unresponsive. Some of GWA’s responses are used herein to support certain Lummus Consultants recommendations.

2.2 Observations and Findings

The PMO is, in general, providing valuable services to the GWA and is greatly improving the Authority's performance in meeting Court Ordered and other regulatory deadlines. However, in certain areas the level of the PMO's performance may need improvement, or its needs to be verified with measurable results. Additionally, GWA should continue to take steps to ensure that the skills and capabilities of its current staff are being improved over time and, coupled with hiring new staff with requisite competencies over the next 2 to 3 years, GWA should be able to reduce or eliminate the need for a PMO in two to three years (rather than several more years with the PMO, as all or most of those services could and should be handled "in-house").

In evaluating the proposed additional funding for the PMO, it is important to look back at what requirements/limitations the GPUC placed on GWA following the last proposed increase. The applicable conditions are specified in the Ordering Provisions of the Commission's Order in the prior PMO increase (\$3.199M) petition. Lummus Consultants' assessment of GWA's performance with respect to each of these provisions, as well as additional recommendations going forward, are both provided below.

In general Lummus Consultants recommends that the PUC continue to require that GWA comply fully with all of the Ordering Provisions listed in the Order dated July 31, 2014 in GWA Docket 13-01. In particular with respect to OP 5, Lummus Consultants recommends that GWA needs to increase the number of training days per year.

Ordering Provision 1

This OP limited the initial increase to about \$0.6M less than the total proposed (about \$3.2M). Lummus Consultants has recommended, subject to the additional requirements specified in the next paragraph (OP 2), that the holdback amount (\$599,000) be released to bring the total amount authorized with the last PMO increase petition to \$3,199,315.

Ordering Provision 2

Lummus Consultants recognizes that GWA has made a good faith effort to improve its reporting to date. Lummus Consultants has recommended that the GPUC authorize the remaining budget needs that were held back in June 2014. This is premised on the Commission requiring GWA to include the following modifications to their quarterly PMO reports. Note, the comparative citations below (i.e., "1.e") are in reference to Lummus Consultants' June 20, 2014 report on the PMO Funding increase in Section 2.3.

Missing Requirements in the Current PMO Reports as requested in Lummus Consultant's Report:

- 1.e) Staff training planned for the next quarter.

Solution – Require this to be added in the next report on PMO funding

- 2.e) None of the requirements of this section were included; this section called for: (1) number of local residents hired by B&C to work on GWA projects since 2011 up to the beginning of the quarter, and (2) the number of such local residents that were employed by B&C and working on GWA projects during the current quarter.

Solution – Require this information to be added in the next report on PMO funding

- 3.a) and 3.c) Portions of the requirements of these sections were not included. "3.a)" asked for approved project budget versus committed project funds versus expended project investment, PTD, and annual and "3.c)" asked for projected budgets going forward for project spending and for PMO spending, with a cumulative measure of spending for each.

Solution – Require in the next PMO funding review that Table 1-1 be expanded to add the following three columns:

- Invoiced Prior to Current Quarter (after “Approved Budget”)
- Invoiced in Current Quarter (after first added column)
- Estimated Additional Cost To Complete (last column)

Table 1-1 would include the following columns after this solution is implemented:

| (1) Work Authorization # | (2) Project Title | (3) Approved Budget | (4) New Invoiced Prior to Current Quarter | (5) New Invoiced in Current Quarter | (6) New Estimated Additional Cost to Complete | (7) Percent (%) Complete |
|-----------------------------------|----------------------|---------------------------|--|---|--|--------------------------------|
|-----------------------------------|----------------------|---------------------------|--|---|--|--------------------------------|

Lummus Consultants also recommends the addition of the following new requirement:

- Add Section “1.f)” – Number of new professional employees added during the quarter, their job titles, and the number of professional employees (and their position titles) that left or retired during the quarter.

Ordering Provision 3

It is not clear as to whether or not GWA has made progress in satisfying the requirements of this OP. Therefore, Lummus Consultants recommends that GWA be required to file the written plans and procedures it has developed to satisfy the stated requirements in a reasonable timeframe following the Commission order in this Docket if our recommendation is accepted by the Commission.

Ordering Provision 4

This OP required GWA to file a report detailing their plans “...regarding training, staffing, and project bidding ... by October 31, 2014.” To date GWA has filed a report addressing one (training) of the three required topics, and that report was filed almost three weeks after the deadline, making it very difficult to fully assess GWA’s compliance with this OP. Therefore, Lummus Consultants recommends that GWA be required to file a report covering the other two topics by February 28, 2015.

Ordering Provision 5

This OP relates directly to the report required in OP 4, particularly with respect to the section(s) pertaining to training requirements and performance measures needed to evaluate improvements in staff skill levels and competencies. With respect to this OP’s requirements it appears the GWA has deferred compliance and placed some responsibility on the PMO through issuance of WA No.: 2014-09. Thus, evaluation of this part of the OP must be held in abeyance because much of the work to be performed by the PMO under this WA will not be completed for several months. With respect to the increased number of training days required by this OP, neither the training report nor the WA addressed this issue. However, in response to IR number-3, GWA responded that it would satisfy all requirements of this OP. Therefore, the GPUC and Lummus Consultants expect that in all future quarterly reports it will be made clear that for that quarter between five and ten formal training days will have been provided by the PMO and that at least thirty formal training days will have been provided by the PMO during each fiscal year as per our earlier recommendations.

Ordering Provision 6

This OP relates directly to the report required in OP 4, particularly with respect to the section(s) pertaining to GWA's plans to hire more professional staff. It is not clear as to whether or not GWA has made progress in satisfying the requirements of this OP. Lummus Consultants recommends that GWA be required to file the required staffing plans to satisfy the stated requirements in a reasonable timeframe. Therefore, the same recommendation made with respect to OP 4 also applies here.

Ordering Provision 7

This OP relates directly to the report required in OP 4, particularly with respect to the section(s) pertaining to GWA's plans to pursue competitive bidding processes for all projects that are not typical management and supervisory assistance handled by a PMO. It is not clear as to whether or not GWA has made progress in satisfying the requirements of this OP. Lummus Consultants recommends that GWA be required to file the project bidding plans to satisfy the stated requirements in a reasonable timeframe. Therefore, the same recommendation made with respect to OP 4 also applies here.

Ordering Provision 8

This OP requires GWA to indicate in its quarterly reports any plan to increase the PMO's use of local firms. It is not clear as to whether or not GWA has made progress in satisfying the requirements of this OP. However, in response to IR number 3, GWA responded that it would satisfy all requirements of this OP. Therefore, the PUC and Lummus Consultants expect that GWA will indicate in its quarterly reports any plans to increase the PMO's use of local firms(s) over the next few years and any associated payments for those increases.

Ordering Provision 9

Lummus Consultants has received monthly reports as specified in this OP. Going forward we request that GWA continue to ensure that copies of all such monthly reports are provided to Lummus Consultants in a timely manner.

Ordering Provision 10

This OP should be made an OP for the Decision and Order issued for the pending PMO increase petition.

2.3 Summary of Analysis (Justification for Recommendations)

Lummus Consultants herein provides justification for the recommendations resulting from our review of the requested PMO increase. We recognize the difficult position of GWA with all the Court Ordered and regulatory requirements imposed, but in order to get ahead of the curve, GWA must continue to focus on positive actions to improve its in-house capabilities for the longer term.

WA No: 2014-09

This type of detailed plan for accelerating staff training and internalizing the training function and capabilities was specifically recommended by Lummus Consultants as part of our evaluation and report for the prior PMO increase request. The following is an excerpt from that prior report:

"In order to ensure that its current staff skills and competencies are being improved to levels needed the GWA should require the PMO to significantly increase the level of formal training being provided and establish measures to assess the progress of the whole training program. GWA needs a detailed plan to improve with quarterly progress reports otherwise the day to day fires reduce their attention to training and adding staff (discussed in the next section) becomes unimportant."

We commend GWA for issuing WA No.: 2014-09, and agree with the plan as outlined therein. Therefore, we recommend that the GPUC approve funding for this WA. However, because this WA is spread over several months and its success will be difficult to evaluate until it is near completion, Lummus Consultants recommends that the PUC/ALJ monitor the progress and effectiveness of GWA's implementation of key subtasks throughout the duration of this WA. Also, as a prudent management policy, we recommend that GWA edit this WA by specifying who has primary responsibility for certain subtasks within this WA. These are specified within recommendation 2 earlier in this report. Lastly, as specified in section 2.2 of this report, we recommend that the GPUC continue to require that GWA comply fully with all of the Ordering Provisions listed in GPUC's Order dated July 31, 2014 in GWA Docket 13-01. In particular with respect to OP 5 in that Order, it appears that GWA needs to increase the number of training days per year. Through the first three quarters of calendar year 2014 the PMO has provided only about half of the training days specified in that OP. We recognize that calendar year 2014 will fall short of that goal, but the fourth quarter should come closer to or exceed one-fourth (7.5 training days) of the annual goal, and calendar year 2015 should be close to or exceed that annual goal (30 training days).

WA No: 2014-10

This WA is needed to ensure that GWA complies with legal and regulatory requirements; it is properly assigned to the PMO, and both the scope of work and the proposed fees are reasonable. Therefore, Lummus Consultants recommends that the PUC approve funding for this WA. However, as prudent management policy we recommend that GWA edit this WA by specifying who has primary responsibility for certain subtasks as defined in the submitted WA. These are specified within recommendation 1 for this WA.

WA No: 2014-11

This is a relatively expensive WA, which likely will lead to continuing additional costs for the same services by the PMO beyond the 2 year duration of this WA unless GWA Staff is sufficiently manned with requisite skills and competencies. This WA costs the Authority about \$550,000 each year, and without a major effort to increase the number of and competency of internal staff with specific skills and capabilities, it is likely that these same services will be needed from the PMO after this WA is completed. In response to an IR GWA stated that they will be able to handle all the tasks included in this WA after it is completed without additional staff and additional training; we are not convinced that this is a likely outcome. To ensure that GWA will be able to take complete control of this function going forward we recommended hiring additional staff and additional training as part of this WA in our earlier recommendations; these recommendations are in line with our prior recommendations on hiring additional staff and providing additional training. In the Lummus Consultants report for the prior proposed PMO funding increase our position relative to these issues was as follows:

GWA needs a plan to add Staff (in addition to enhancing current staff's capabilities) with requisite skills to be able to phase out the PMO. Perhaps GWA could start with the modest goal of hiring 2 professional engineers this year and 2 to 4 more next year. This would lay the ground work for starting to cut back on PMO contracts in the short term and perhaps eliminating the need for a PMO in 3 to 4 years. If necessary, the Commission should authorize additional funds (about \$250,000 to \$500,000) to attract qualified people and to pay their salaries.

We are concerned that GWA is operating in reactive mode and not beginning to move towards a proactive mode – which requires better Program Management tools and additional staff resources that can be dedicated to providing the same services that the PMO is providing. GWA is half way through the current 5 year contract with the PMO and it does not appear that the current Management and Staff of the GWA is any closer to being able to operate without the PMO than when the PMO assistance was first agreed to over two years ago.

GWA currently has a Grants Manager and an Assistant Grants Manager, but they need additional technical staff with the ability to accomplish all of the tasks in this WA. Hiring two engineers or technicians and providing them with hands on training (from the PMO experts) and experience for a full year, should go a long way toward accomplishing the goal of having in-house capabilities for this function beyond the two year duration of this WA.

Furthermore, we believe that through lower fees for this WA during the second year, and future savings (avoided PMO fees for the same services beyond this WA), these recommendations will result in lower total costs to GWA related to this function.

Additionally, as a prudent management policy we recommend that GWA edit this WA by specifying who has primary responsibility for certain subtasks within this WA. These are specified within recommendation 3 for this WA. Lastly, clarification should be provided if fewer than ten projects are completed by the PMO, or if one or more projects extend beyond the duration of this WA.

WA No: 2014-12

This WA is needed to ensure that GWA complies with legal and regulatory requirements; it is properly assigned to the PMO; and both the scope of work and the proposed fees are reasonable. Therefore, Lummus Consultants recommends that the PUC approve funding for this WA. However, as a prudent management policy we recommend that GWA edit this WA by specifying who has primary responsibility for certain subtasks within this WA. These are specified within recommendation 1 for this WA.

WA No: 2014-13

This WA is needed to ensure that GWA complies with legal and regulatory requirements; it is properly assigned to the PMO; and both the scope of work and the proposed fees are reasonable. Therefore, Lummus Consultants recommends that the PUC approve funding for this WA.