



PORT OF GUAM
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Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

April 9, 2019

Dr. Jeffrey C. Johnson
Chairman, Guam Public Utilities Commission
Suite 207 GCIC Building
414 West Soledad Avenue
Hagatna, Guam 96910

Hafa Adai Chairman Johnson:

On behalf of the Port Authority of Guam (PAG), I am writing to file PAG's petition for the Public Utilities Commission of Guam to review and approve the Invitation for Bid award to Morrico Equipment, LLC, for the purchase of two (2) 80,000lbs Loaded Container Handlers (Top Loader).

This project is funded by the Maritime Administration (MARAD), and funds were made available from the PAG Modernization Project. Through this program opportunity, PAG is able to further enhance its cargo handling capabilities and provide for a safe and sustainable working environment. A main condition imposed by MARAD for this purchase is that all vendors must meet the requirements of the "Buy American Act", when submitting their bids.

Pursuant to P.L. 30-72, PAG has engaged Attorney Darleen Hiton as the designated Special Assistant Attorney General to act as Legal Advisor to the procurement process for this project, for the reason that the purchase of this equipment exceeds \$500,000 dollars.

As part of the procurement process, on Monday, August 20, 2018, the PAG and General Services Agency (GSA), initiated the competitive solicitation by advertising the Invitation for Bid announcement in the local newspaper. Four (4) prospective bidders expressed interest by acknowledging receipt of the bid package, and Two (2) bidders submitted bid packets prior to the submission deadline.

The bid was opened and read on October 5, 2018 at 10:00 am, in the presence of all bidders. Bidder No.1 Morrico Equipment, LLC, submitted two bids; a primary bid for Taylor Brand Top Loaders, and an alternate bid for Hyster Brand Top Loaders. Bidder No. 2 Far East Equipment, submitted a "No Bid" when their sealed bid was opened and read aloud.

After a thorough review and evaluation, Morrico Equipment LLC was deemed to be the lowest responsive, responsible bidder for this project. Due to the "Buy American Act" requirement, the bid pricing for this equipment exceeded the original budgeted amount to complete the purchase of Four (4) Top Loaders. Through discussion with PAG Management, MARAD, and the Chief Procurement Officer, a determination was made to reduce the number of Top Loaders purchased, from Four (4ea) to Two (2ea) in the amount of **One**

Million, Six Hundred Thirty-Nine Thousand, Nine Hundred Seventy-Six Dollars and Zero Cents (\$1,639,976.00), in order to comply with the MARAD funding provided. A copy of the Bid Analysis is attached for your reference.

On December 5, 2018, GSA issued Purchase Order No. 15213-OS to Morrigo Equipment, LLC to purchase two (2) US made Taylor Brand Top Loaders.

The PAG's Board of Directors met on March 29, 2019 for its regular board meeting, and issued Resolution 2019-04 allowing the PAG to petition the PUC for approval of this award.


This project is 100% federally funded by MARAD; from the Port Modernization Project and is not supplemented with local funding. Through this program, PAG took advantage of the funding opportunity as an effort to further enhance cargo handling capabilities and provide for a safe and sustainable working environment.

In view of the above, PAG hereby petitions the PUC, pursuant to the Contract Review Protocol for the Port Authority of Guam that was approved by the PUC, to review and approve the contract award to Morrigo Equipment, LLC for the purchase of **two (2) 80,000lbs. Loaded Container Handlers (Top Loaders) in the amount of One Million, Six Hundred Thirty-Nine Thousand, Nine Hundred Seventy-Six Dollars and Zero Cents (\$1,639,976.00)**.

The PUC's approval to this award is instrumental to PAG's objectives in providing the best equipment to its employees in order to expedite the delivery of all commodities to the people of Guam.

We look forward to working with you, and the PUC's consultants, on questions or information regarding this matter.

Respectfully,


RORY J. RESPICIO
General Manager

Encl: Copy of GSA Procurement file

cc: Attorney David Joephet Alcantara
Legal Counsel - Guam PUC