

BEFORE THE PUBLIC UTILITIES COMMISSION
FOR THE TERRITORY OF GUAM

APPLICATION OF GUAM MUNICIPAL GOLF,) DOCKET NO. 93-009
INC. FOR APPROVAL OF RATES AND)
ACCESS FOR GUAM RESIDENTS.)
_____)

DECISION AND ORDER

**I.
PROCEDURAL BACKGROUND**

GMG filed the above-entitled application with the Commission on September 10, 1993, pursuant to Public Law 19-34:23. On February 25, 1994, after due notice and a public hearing the Commission issued its Decision and Order establishing a set of interim resident rates and access provisions and approving GMG's Service Rules and Regulations. On July 25, 1995, a new stipulation was executed and filed by the parties for continued interim rates/access and amended service rules. This stipulation was later amended by a further stipulation dated September 15, 1995. Both the above stipulations are attached hereto and incorporated herein as Exhibits "A" and "B" and are hereafter collectively referred to as the "New Stipulation".

SALJ has provided his report on the results of the public hearing held on September 15, 1995, as well his recommendations for approval of the New Stipulation and amended service rules and regulations.

**II.
DETERMINATIONS**

1. The Commission has jurisdiction over GMG to establish a schedule of rates, fees and preferential course reservation periods for residents of Guam.
2. The Commission is authorized to establish a schedule of interim rates and preferential access for Guam residents pending completion of Stage II Proceedings in which an

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adequate basis for final action on GMG's application will be developed.

3. The Commission finds that the proposed schedule of interim resident rates and access arrangements set forth in the New Stipulation are reasonable and will allow GMG to continue accommodating resident demand at affordable rates while the parties generate further operational data and analysis with which to render a final determination.

4. No findings of fact or conclusions of law are reached at this time, except those set forth in the immediately preceding Paragraphs No. 1 and 2.

5. Neither the proposed interim rates and access arrangements set forth in the New Stipulation, nor the foregoing determinations and orders set forth below shall have any precedential, collateral estoppel or res judicata effect.

6. GMG's proposed new rules and regulations, a copy of which is attached hereto as Exhibit "C" and incorporated herein by this reference, are reasonable and appropriate as interim rules and regulations and shall not have any precedential, collateral estoppel or res judicata effect in any further proceedings.

7. GMG, GCG or the SALJ may request further proceedings consistent with the New Stipulation at any time. However, the Commission will not take any final action on GMG's application until sufficient financial and other relevant information have been obtained and provided to the Commission.

8. GMG should be ordered to pay for the Commission's expenses, including, without limitation, consulting and counsel fees and expenses and the costs of conducting and transcribing the record of its proceedings. In addition, GMG should contribute towards payment of the Commission's administrative costs by paying into the PUC's administrative fund the sum which is equal to ten percent (10%) of the annual assessment of utilities subject to PUC

regulation.

III. ORDERS

In furtherance of the above determinations, and in the exercise of our judgment, after considering the statements of the parties and the New Stipulation, and for good cause shown, the Public Utilities Commission of Guam **HEREBY ORDERS THAT:**

1. All rulings and orders of the SALJ during the course of this proceeding are confirmed and ratified. All motions not heretofore granted or denied are denied. All notices required by law and PUC regulations have been given.

2. The new interim resident rates, fees and charges as well as access provisions set forth in the New Stipulation (Exhibits "A" and "B" attached hereto) are hereby approved and adopted, and shall take effect immediately.

3. GMG shall comply with all other terms, conditions and provisions of the New Stipulation.

4. The amended Service Rules and Regulations for resident play (Exhibit "C" attached hereto) are hereby approved on an interim basis only, and are subject to further revision and approval by SALJ and GCG to conform with these Orders.


5. SALJ is hereby authorized and directed to hear and decide all appeals from GMG's denial of a request for waiver of the no-show penalty provided in Paragraph 3(d) of the amended Service Rules and Regulations. The PUC's cost of appeal, including SALJ's fees and expenses, shall be borne by GMG.


6. GMG shall pay all the Commission's expenses, including, without limitation, consulting and counsel fees and expenses and the costs of conducting and transcribing its

proceedings, in connection with GMG's application.

7. Regulated utilities are mandated by 12 GCA §12024(b) with covering the Commission's administrative and regulatory expenses. After review, the Commission determines that GMG should pay ten percent (10%) of the Commission's administrative expenses (currently budgeted at \$120,000.00 for FY95). Accordingly, GMG is ordered to pay the Commission, no later than October 31st of each year, 1995, the sum equal to ten percent (10%) of the Commission's annual administrative budget to satisfy its responsibility under 12 G.C.A. §12024(b).

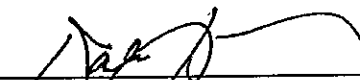
Entered this 19th day of September, 1995.



TERRENCE M. BROOKS, Chairman



RAYMOND K.S. LUM, Vice Chairman


VICENTE D. GUMATAOTAO

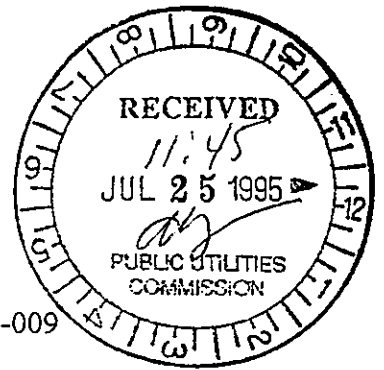

KATHLEEN M. PEREZ


KALEO S. MOYLAN


JOSE S. SERVINO


ELOY P. HARA (Acting)

BEFORE THE UTILITIES COMMISSION
OF THE TERRITORY OF GUAM



GUAM MUNICIPAL GOLF, INC.)
RATES AND ACCESS POLICY)
_____)

PUC DOCKET NO. 93-009

STIPULATION

Guam Municipal Golf, Inc. ("GMG") and Georgetown Consulting Group, Inc. ("GCG"), pursuant to Commission directive, have negotiated the proposed terms of a Stage II phase of this docket, which is presented for Commission approval. GMG and GCG hereby stipulate as follows:

1. The purpose of Stage II will be: (i) to establish Guam resident interim reasonable rates and access consistent with statutory and lease requirements; and (ii) to enable the Commission to formulate a permanent protocol for regulating GMG resident rates and access.

2. This Stage II proposal is founded upon the following principles:

a. GMG is required by its lease and statute to charge affordable rates and provide adequate access to its golf facility for residents of Guam.

b. To ensure affordable rates and adequate access to Guam residents, GMG is required under the lease and statute to establish a schedule of fees and preferential course reservation periods to reasonably accommodate the demand of Guam residents for municipal golf facilities. Guam resident rates shall be affordable and comparable to rates charged in comparable municipal facilities in the mainland United States, as provided by Public Law 19-34.

c. GMG is designated by Public Law 19-34 Section 23 (A) (b) and (C) as a public utility subject to regulation by the Commission to review and establish reasonable access, affordable rates and fees for resident users of its golf facilities, and the Commission is the

EXHIBIT A

investigative and regulatory agent of the government to ensure affordable rates and adequate access to such golf facilities by residents of Guam.

d. Counterbalancing the principle of substantially increased resident guaranteed Tee Times during Stage II should be interim visitor access arrangements which enable GMG during periods of peak visitor play to maximize possible visitor contribution to revenue.

3. Stage II will have a term which ends upon the fifth anniversary of the order establishing Stage II. In the interim, should total play reach 60,000 rounds annually, there will be a formal Commission review of rates and access for Guam resident users of GMG's golf facilities.

4. The current resident rates are established by the Commission's order dated February 25, 1994 are deemed appropriate and reasonable until amended by the procedure described in 5 (a).

5. The Commission should initiate the following Stage II proceedings:

a. Establishment of a panel of comparable mainland municipal courses, which will be utilized to develop an annual resident rate adjustment factor. The adjustment factor will be applied annually to the current rates established by the Commission's order dated February 25, 1994. However, GMG could elect to defer the implementation of any annual rate increase during Stage II for up to three years. The first adjustment may be in October, 1996. The establishment of the panel of comparable municipal golf courses will be made by the Commission based on a municipal golf course survey initiated by GMG in April, 1995.

b. Development of a permanent protocol for establishing resident rates and access arrangements for implementation when Stage II is complete.

6. For purposes of this Stipulation the winter season is October through March and the summer season is April through September.

7. Residents are currently guaranteed 20 Tee Times Daily. Upon approval of the stipulation, the following new resident access policy will apply:

- SSH	Winter 32	Tee Times Daily	(16am + 16pm)
	Summer 46	Tee Times Daily	(20am + 26pm)
- Weekday	Winter 23	Tee Times Daily	(10am + 13pm)
	Summer 38	Tee Times Daily	(19am + 19pm)

8. GMG shall have the right to reallocate up to 700 winter resident tee times and up to 400 summer resident tee times during each season keeping the minimum resident tee times of 12 and 7 for SSH and weekday, respectively. However, any such reallocation shall not reduce the total resident tee times during each season and shall be taken and put back in accordance with the Sections set forth below.

a. GMG must take a reallocated tee time ten (10) days before the targeted play date.

b. GMG must put back into the resident guaranteed tee times the same number of reallocated tee times ten (10) days prior to the play date. GMG will replace reallocated tee times with similar tee times (i.e., weekday/SSh for weekday/SSH; AM for AM; PM for PM).

9. The reallocation procedure set forth in Section 8 shall be reviewed after an 18 month period. The 18 month period shall begin with the signing of this Stipulation.

10. Junior play is an integral part of GMG's municipal program and should be operated under the approved GMG's rules and regulations. In addition to the Tuesday and Thursday guaranteed Junior Tee Times, an additional five Wednesday afternoon guaranteed Tee Times should be assigned for junior play from within the guaranteed resident Tee Times.

11. Existing Commission orders remain in effect except to the extent modified, by the order approving this stipulation.

12. GMG may file proposed revisions to the Service Rules and Regulations for Commission approval which are not inconsistent with this Stipulation.

13. Either party may petition the Commission for relief from this Stipulation should it be deemed inoperable.

DATED this 24th day of July, 1995.

GUAM MUNICIPAL GOLF, INC.

By: _____

Its duly authorized representative

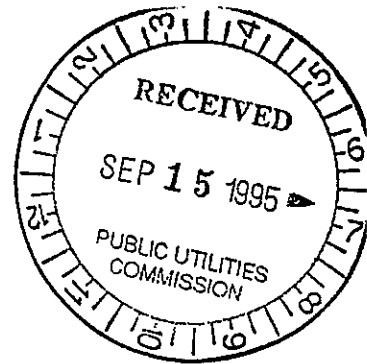
DATED this 24th day of July, 1995

GEORGETOWN CONSULTING GROUP

By: _____

WILLIAM J. BLAIR

Its duly authorized representative



**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE TERRITORY OF GUAM**

GUAM MUNICIPAL GOLF, INC.)
RATES AND ACCESS POLICY)
_____)

PUC DOCKET NO. 93-009

AMENDMENT TO STIPULATION

Guam Municipal Golf, Inc. ("GMG") and Georgetown Consulting Group, Inc. ("GCG"), hereby stipulate and agree as follows:

That certain Stipulation entered into between GMG and GCG dated July 24, 1995 is amended to include revised paragraph 7 to read as follows:

"7. a. Under normal circumstances, GMG will schedule approximately 58 Tee Times daily during the winter season and 66 Tee Times daily during the summer season. These daily Tee Times may be adjusted due to weather, maintenance, play delays, scheduled tournaments or other events reasonably beyond GMG's control.

b. Residents are currently guaranteed 20 Tee Times daily. Upon approval of the stipulation, the following new resident access policy will apply:

- SSH Winter 32 Tee Times Daily (16am+16pm)
- Summer 46 Tee Times Daily (20am+26pm)
- Weekday Winter 23 Tee Times Daily (10am+13pm)
- Summer 38 Tee Times Daily (19am+19pm)"

DATED this 15th day of September, 1995.

GUAM MUNICIPAL GOLF, INC.

GEORGETOWN CONSULTING GROUP, INC.

By: *[Signature]*

By: *[Signature]*

Its duly authorized representative

Its duly authorized representative

GUAM MUNICIPAL GOLF, INC.

Service Rules And Regulations Governing Guam Resident Access To And Rules For The Guam Municipal Golf, Inc. (dba: GUAM INTERNATIONAL COUNTRY CLUB [GICC], effective , 19 .

PREFACE

The Rules reproduced herein have been regularly filed with the Public Utilities Commission of the territory of Guam ("PUC") and are the effective rules of Guam Municipal Golf, Inc. ("GMG") governing Guam resident access to and rates for the GMG Golf Course.

PUC may amend or cancel these rules by formal procedure and GMG may amend or withdraw them after application to PUC and receipt of authority for such action.

No officer, agent or employee of GMG has any authority to waive, alter or amend these rules, or any part thereof in any respect, except in the manner provided above.

Guam residents seeking access to, and utilizing, the Guam Municipal Golf Course must conform to and comply with these rules.

For information requesting interpretation or application of these rules, please call at the office of GMG or write to Guam Municipal Golf, Inc., 495 Battulo Street, Dededo, Guam 96912.

Complaints regarding any violation of these rules shall be made in writing and addressed to GMG at the above address or to the Public Utilities Commission c/o Moore, Ching, Boertzel, Civile, Dooley & Roberts, GCIC Building, Suite 400, 414 West Soledad Avenue, Agana, Guam 96910.

EXHIBIT C

**GUAM MUNICIPAL GOLF, INC.
SERVICE RULES AND REGULATIONS
GOVERNING GUAM RESIDENT ACCESS AND RATES**

1. Definitions.

Juniors: Juniors are defined as Guam residents under the age of eighteen (18).

Residents: Guam residents or residents are defined as persons holding a valid Guam driver's license or a Guam resident identification card issued by the Guam Police Department or other duly authorized Government of Guam agency.

Walk-ons: Walkons are defined as golfers without advance reservation who use a Tee Time for which no reservation was made by anyone.

2. Preferential Tee Times.

a. Guam Municipal Golf, Inc. shall reserve for resident play each day the number of Tee times in accordance with the approved stipulation and the PUC order approving such tee times.

b. On Tuesdays, Wednesdays, and Thursdays when Guam Public Schools are in session, GMG shall reserve five (5) Tee times in the afternoon for Junior play within the Tee times for resident play. When Guam Public Schools are not in session, junior play on Tuesdays, Wednesdays and Thursdays, shall be available at anytime within the guaranteed tee times on a first come first serve basis.

c. Reservations shall be for 18 hole play but GMG shall permit walkon 9 hole play at any time if tee times are available.

3. Reservations.

- a. The preferential tee times for residents (including tee times for Juniors on Tuesdays, Wednesdays, and Thursdays) shall be protected beginning the 10th day before the play date until 6:00 p.m. on the second (2nd) day before the play date except that preferential tee times for residents for Sunday play shall be protected until 6:00 p.m. the preceding Thursday.
- b. Resident reservation bookings will be accepted daily, on a first come first served basis, by telephone or at the course in person, between the hours of 8:00 a.m. and 6:00 p.m. No resident may reserve more than one tee time (for a single, twosome, threesome, or foursome) for any day and only one reservation may be made by any one telephone call.
- c. Tee times not reserved by 6:00 p.m. as above provided, will be released and made available for reservation by the general public, including non-residents, beginning at 8:00 a.m. the next day on a first come first served basis. Similarly, Tee times made available for reservation by non-residents and not reserved by 6:00 p.m. on the second (2nd) day before play, or by 6:00 p.m. on the preceding Thursday for Sunday play, will be released and made available for reservation by the general public, including non-residents, beginning at 8:00 a.m. the next day on a first come first served basis. If tee times or partial tee times (less than four players) are still available on the play day, walk-ons and standbys will be permitted to fill available slots on a first come, first served basis.
- d. A reservation cancellation may be made without penalty up to 6:00 P.M. two days prior to play. Persons who without justification fail to cancel a reservation,

resulting in a no-show, will have their playing privileges suspended for three months unless they pay the no-show fee of 50% green fees rates for the number of reservations made. Suspension will become effective upon delivery of notice of suspension. Such notice shall state the grounds for suspension and the payment required. The notice shall also inform the player that he or she may appeal the suspension should he or she dispute the grounds for it by filing with the Commission, and delivering to GMG, within ten days of the date of delivery or mailing of the notice of suspension, notice of appeal from the suspension stating the basis for such appeal. The Commission's Special Administrative Law Judge shall determine such appeal within sixty (60) days of filing of the Notice of Appeal, otherwise the suspension by GMG shall be deemed final. In the event of an appeal, the suspension of player privileges shall be stayed pending the sixty (60) day period, or determination by the Commission, whichever occurs sooner.

4. Resident Rates

<u>Green Fees:</u>	<u>18 Holes</u>	<u>9 Holes</u>
Saturdays, Sundays and Holidays	\$25.00	\$15.00
Weekday	\$20.00	\$12.00

Rentals:

1.) Riding Cart (per rider)	\$ 7.00	\$5.00
2.) Clubs Rental (per set)	\$ 7.50	
3.) Shoes Rental (per set)	\$ 2.50	
4.) Locker	\$ 3.00	

Driving Range:

Balls (std. bucket)	\$3.00
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Green Fees for Juniors on Tuesdays, Wednesdays, and Thursdays without cart, shall be \$10.00 for 18 holes and \$6.00 for 9 holes.

Residents, including juniors, are required to present their I. D. at check-in.

Players will be charged for damage to or loss of carts, clubs, shoes or keys.

5. Conduct and Etiquette.

Common sense and courtesy are the best assurance for a safe, enjoyable round.

a. Safety.

1. Cart Operations. Carts are restricted to areas designated by GMG.

Only two riders are allowed to a cart. Traffic and safety signs must be obeyed.

2. Junior Play.

a. All Juniors under the age of 16 must be accompanied by a supervising adult, unless otherwise authorized by management.

b. A Junior under the age of twelve (12) may play only if certified by a qualified instructor, association or course that the Junior has been instructed in the basics of the game including the swing, golf rules and course etiquette.

c. In no event shall any person below the age of eight (8) years be allowed on the course as a player or spectator.

d. Persons under the age of sixteen (16) are not permitted to drive carts.

b. Course Etiquette

Players shall comply with course management instructions including replacing divots, repairing ball marks on greens, raking sand traps, etc. Slow play is not

allowed. Slow players will be directed to pick up their pace of play, advance to the next hole, or allow the following groups to play through. Chronic slow players may be requested to leave the course.

A group must have at least two (2) players, but no more than four (4), unless otherwise authorized by management.

- c. Dress Code. Proper golf attire will be required. Sleeveless shirts, T-shirts, tank tops and swim wear are not permitted. Collared shirts must be worn at all times. Golf shoes or other suitable shoes will be required during play.

Players disregarding any of the above or instructions from the course marshal or management may be required to leave the course.

- d. Course Closure. There may be times when players safety or course unplayability will force management to close the golf course. Major construction or repair work may also be a reason to close the course if players' or workers' safety is at risk.

RAINCHECKS, OR REFUNDS, WILL NOT BE GIVEN ONCE A PLAYER COMMENCES PLAY.

6. Tournament Play.

- a. Island Wide Tournaments. GMG shall allow no more than four island wide tournaments a year. The organizing group must be a non profit, charitable organization registered as such with the Guam Department of Revenue and Taxation. Any such tournament to be considered must be open to all residents of Guam. GMG may set limits regarding number of participants, tournament format, time of day or any other item which GMG deems reasonable given course

limitations and requirements. Such island-wide tournaments will be considered as part of GMG's resident access requirements.

b. Mini-Tournaments. Notwithstanding Rule 3 and 6.a. above, GMG may consider smaller, or mini- tournaments, including golf association membership tournaments, provided that GMG remains in compliance with PUC orders regarding rates.