

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION



DEPARTMENT OF PUBLIC WORKS -
PROCUREMENT ADVISOR
CONTRACT

DOCKET 05-9

ORDER

On December 14, 2005, the Department of Public Works [DPW] petitioned the Guam Public Utilities Commission [PUC] for expedited review of its procurement of a consultant to assist it in broad scope of work required under the February 11, 2004 Federal Consent Decree in Docket 02-22 and under Guam law. The contract scope would include: a) the development of plans and bid documents for the privatization of the operation and closure of the Ordot landfill; the operation of the transfer stations; and the construction and operation of the Layon landfill; b) planning and study necessary to create residential collection districts pursuant to P.L. 26-99; c) consultation regarding other solid waste management activities; and d) optional post-completion activities. As the fees paid under the proposed contract will exceed \$50,000, it requires prior PUC review and approval pursuant to PUC's October 27, 2005 Order in this docket [Contract Review Order].

DPW has requested expedited regulatory review of the proposed contract because it faces near term deadlines, under threat of substantial Consent Decree penalties, to commence procurement activities on the work product, which will be produced by the consultant. On December 19, 2005 PUC's consultant Georgetown Consulting Group [GCG] submitted its report on the proposed procurement, which recommends its approval subject to conditions.

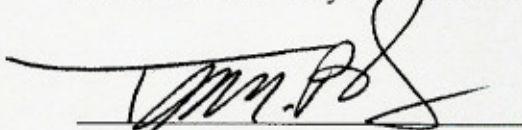
After review of the GCG report, in consultation with its administrative law judge, for good cause shown and on motion duly made, seconded and carried by the affirmative vote of the undersigned commissioners, the Guam Public Utilities Commission **HEREBY ORDERS THAT** the procurement is approved subject to the following conditions:

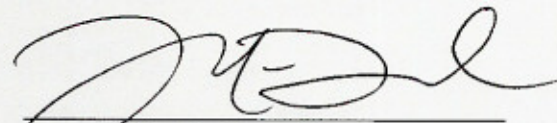
1. DPW shall file with PUC an executed copy of the contract, with all attachments and enclosures.
2. The consultant shall provide PUC with progress reports, in form and frequency established by PUC's administrative law judge, which will enable PUC: a) to monitor the potential impact of its work on DPW rates,

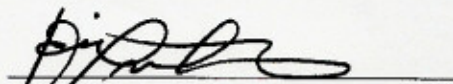
which are subject to PUC jurisdiction; and b] to enable PUC to conduct a timely review, under the Contract Review Order, of proposed procurements which result from its work and which require regulatory review.

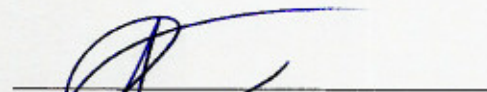
3. The proposed contract shall be amended: a] to require consultant to participate, upon request, in regulatory and legislative proceedings related to its work scope; and b] to include a conflict of interest clause, which will prohibit consultant from participating or having an economic interest in any DPW procurement which results from its contractual services.
4. DPW is in serious default of its statutory duty under P.L. 26-99 to establish three residential collection districts and to privatize collection services in 2 of the 3 districts by October 2002. As a consequence, residential customers have suffered with poor collection service. The proposed contract shall be amended to accelerate the consulting work necessary to create these districts and to privatize collection service as required by P.L. 26-99.
5. ALJ is authorized and directed to oversee the administration and interpretation of this Order.

Dated this 20th day of December 2005.


Terrence M. Brooks


Joseph M. McDonald


Edward C. Crisostomo


Rowena E. Perez