

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

FOCUSED MANAGEMENT AUDIT
OF DEPARTMENT OF PUBLIC
WORKS' SOLID WASTE MANAGEMENT
DIVISION

DOCKET 06-02



ORDER

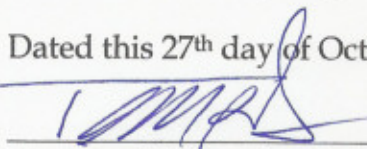
Public Law 28-56 authorizes and directs the Guam Public Utilities Commission [PUC] to undertake a focus management audit of the existing operations of the Department of Public Works' [DPW] Division of Solid Waste Management [DSWM]. The law provides that the audit will be funded by the *Solid Waste Operations Fund*.

In furtherance of this statutory duty, after review of the protocol used by PUC to conduct management audits of Guam Power Authority, Guam Telephone Authority and Guam Memorial Hospital Authority, 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:**

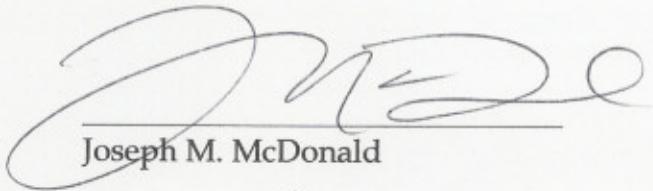
1. PUC's administrative law judge [ALJ] is authorized and directed to:
 - a. Conduct a competitive selection process for the procurement of a firm to perform the audit, using a request for proposal [RFP], which is crafted in consultation with the Committee created under subsection [b] below;
 - b. Organize and oversee the activities of a management audit committee [Committee], which shall be comprised of a DPW representative, ALJ as chair, and a representative from Georgetown Consulting Group; provided, however, that: I] DPW's failure to either appoint a Committee member or to attend Committee meetings, as scheduled by ALJ, shall not delay the Committee's business; and ii] the DPW representative shall be expected to have full authority to make recommendations on its behalf; and
 - c. After consulting with the Committee, make all decisions on behalf of the Committee as required herein and under the RFP, when a consensus among the Committee members is not reached.
2. The Committee is authorized and directed to:

- a. Review the proposals submitted in response to the RFP and establish an unranked list of the three best qualified offerors;
 - b. Interview the best qualified offers;
 - c. Rank the three offerors in order of their respective qualifications; and
 - d. Negotiate a contract with the best qualified offeror, in form as attached hereto, subject to such amendments as it may deem appropriate and necessary during the course of the negotiation, including the determination of the compensation which is deemed to be fair and reasonable, and thereafter to submit the negotiated contract to the PUC chairman for signature.
3. PUC authorizes and directs ALJ to under take the following:
- a. In his capacity as Committee chairman, to oversee the audit as the duly authorized PUC representative with delegated authority to take such action as may be reasonably necessary or appropriate in furtherance thereof.
 - b. To keep PUC fully advised on the audit's progress and to submit the final audit report to PUC for review and approval.
4. DPW is ordered and directed to:
- a. Pay for the auditor's fees and expenses from the Solid Waste Operations Fund in accordance with the contract terms and all other fees and expenses, which are incurred by PUC in this docket;
 - b. Provide the logistical and office support which the auditor may require during the course of the audit; and
 - c. Fully cooperate with the audit process under ALJ oversight.

Dated this 27th day of October 2005.


Terrence M. Brooks


Edward C. Crisostomo


Joseph M. McDonald


Rowena E. Perez