

- H. The PMO shall appoint a project coordinator or manager to serve as the single point of contact and liaison between the PMO and the AGMO or Chief Engineer for all work under the contract. The Project Coordinator or Manager will be responsible for the complete coordination of all work developed under the contract. All work will be accomplished with adequate internal controls and review procedures which will eliminate conflicts, errors, and omissions, and ensure deliverables meet quality standards.
- I. The PMO must comply with and follow all provisions of local and federal laws as required (i.e. Professional Engineering License, Certificate of Authority must be registered in Guam under 5GCA Title 22, *"The Professional Engineers, Architects and Land Surveyors Law"*.)
- J. The PMO must be able to mobilize immediately and no later than 60 days from the NTP.
- K. All records and documents produced by the PMO in relation to this contract shall become the property of the Guam Power Authority.
- L. On an annual basis, GPA or GWA reserve the right to instruct the PMO to replace personnel or subcontractors at any time during the contract who, in the opinion of GPA or GWA, are not effectively executing tasks, managing assignments, or maintaining productive working relationships with GPA or GWA.

### 7.3 TASK ORDERS

- A. The Program Management Office shall provide engineering and program management services for GPA and GWA projects. Multiple Task Orders may be assigned within a short time span. GPA and GWA will issue Project Assignments by individual Task Orders. Such Task Orders will be issued only after the parties hereto mutually agree on:
  - (1) The maximum total compensation to be paid to the CONSULTANT for the completion of all work required under the Task Order based on the established compensation rates.
  - (2) The lump sum compensation to be paid to the CONSULTANT for the completion of all work required under the Task Order based on established compensation rates.
  - (3) The schedule of required submittal dates.
- B. If the parties hereto are unable to agree on the maximum total compensation for the Task Order or cannot agree on the schedule of the required submittal dates, GPA or GWA shall have the right to accomplish the Project by other means, including without limitation, the right to retain another firm to complete the Task Order as required. Modifications to the scope and cost can be made within each Task Order if GPA or GWA determine there is a duplication of scope, or a surplus or shortfall of resources. Such modifications shall be approved by GPA or GWA.

### 7.4 SCOPE OF WORK

The PMO may be required to perform all services necessary to successfully implement GPA's or GWA's program. The services and responsibilities delineated below are intended to substantively define the Task Orders and the role of the Program Management consultant, but may not include all of the services required. GPA or GWA is not obligated to issue any of the services listed below.

The Project Management Office's overall responsibilities and task orders may include but are not limited to the following:

- (1) Project Financing
- (2) Procurement
- (3) Program Management Team Organization and Communications
- (4) Department of Defense and Government of Japan
- (5) Review, Update and Development of Administrative Procedures
- (6) Program Planning
- (7) Financial Planning
- (8) GPA or GWA Consultants
- (9) Environmental Services
- (10) Survey & Rights-of-Way
- (11) Design
- (12) Construction
- (13) Program Schedules and Reporting
- (14) Asset Management
- (15) Public Outreach Programs and Communications
- (16) Start-Up Testing and Commissioning
- (17) Staff Development and Process Improvements
- (18) Miscellaneous Tasks

A. Project Financing

The PMO may be requested to obtain short-term project financing. The Effective Annual Percentage Rate for repayment for PMO financing will be based on London Interbank Offered Rate (LIBOR) plus 1%. The total rate shall not exceed 5%. The PMO may propose alternatives to the financing terms indicated. In such case, the PMO must specify the maximum premium amount and terms offered. The ability to obtain short term financing shall be optional.

Funding of military build-up projects may require certification of project funding by the PMO against commitments established through agreements between GPA, GWA, and the Government of Japan (GOJ).

B. Procurement

- (1) As directed by GPA or GWA, the PMO may be assigned responsibility for executing the procurement of goods and services for projects assigned to the PMO. The PMO will prepare the documents necessary to procure all goods and services necessary to execute its assigned projects. This includes but is not limited to preparing commercial terms and conditions, procurement schedules, technical and engineering drawings, functional specifications, and detailed

design specifications as required. Note compliance with the Guam Peals Board requirements wherever applicable.

- (2) The PMO shall develop and submit a plan to manage procurement activities. The plan shall address development of requisitions, purchase of materials and equipment, quality control and timely delivery, material receipt, and inventory management.
- (3) Military buildup projects will require the development of an acquisition strategy to support timely execution of buildup activities and ensure on-time delivery of reliable utilities. The acquisition strategy must also incorporate adequate contract clauses to protect the issues of GPA, GWA, DOD, and GOJ.

C. Program Management Team Organization and Communications

- (1) Propose for approval an organizational structure and provide a process for integrating Program Management staff with GPA or GWA staff creating a PMO/GPA team or a PMO/GWA team.
- (2) The program management structure shall provide oversight, engage appropriate stakeholders, and develop teamwork and trust.
- (3) Establish and document all necessary administrative procedures internal to the new team in order to formalize the structure and ensure a consistent program management methodology. These procedures will be in accordance with all existing GPA or GWA policies.
- (4) Provide program and project management training through qualified team members or outside consultants, to all members of the team in order to continually upgrade skills and develop each member of the team.
- (5) Establish a coordinated plan to effectively manage outside communications with affected parties. The PMO staff will be primarily responsible for maintaining these communications and will be required to provide information on an ongoing basis, prepare necessary briefing materials and attend meetings when appropriate.
- (6) Develop and implement procedures for web based project coordination. This may include an ability to share project files internally/externally and dissemination of relevant information to PMO staff as well as GPA and GWA staff.
- (7) Indicate number of qualified personnel who are residents of Guam for 3 or more years in support of the development of local resources.

D. Department of Defense and Government of Japan

- (1) Projects related to the military build-up may require the PMO to address unique program management requirements with the U.S. military and the Government of Japan. The U.S. military and the GOJ will have a daily presence during project execution to ensure efficient and successful implementation.
- (2) The U.S. military and the GOJ may impose specific audit requirements, reporting requirements, and data maintenance requirements for their review. The PMO shall adhere to these requirements in addition to those others specified in this Scope of Services.
- (3) The GPA PMO or the GWA PMO will be designated as the primary point of

- contact for reporting build up related issues to the GOJ and DOD.
- (4) The PMO's shall collaborate to outline the baseline scope for each utility solution and combine efforts where appropriate.

E. Review, Update and Development of Administrative Procedures

- (1) Review current contractual terms and conditions and make recommendations to improve GPA's and GWA's contractual procedures as well as improve the bidding environment so GPA and GWA can benefit from more competitive bids.
- (2) Evaluate current procedures in the area of procurement, change orders, dispute resolution, project close-out, invoice processing and any other administrative practices that could be improved to create more efficient and cost effective management of resources.
- (3) The PMO must develop and maintain the process roadmap, an integrated project plan and the execution against them for each assigned project.

F. Program Planning

- (1) Develop programs to meet all stakeholder requirements and successfully address planned Capital Improvement projects, significant Military Build-up requirements, and ongoing operational requirements.
- (2) Analyze the current GPA or GWA infrastructure improvement plans and key activities and determine if efficiencies can be gained by organizing projects in a more cost effective time frame and raise issues that require consideration by GPA or GWA.
- (3) Update overall schedules monthly in coordination with GPA or GWA.
- (4) Develop a methodology to prepare a Project Scoping Report for each project. Project Scoping Reports will include the scope of the project, a preliminary cost estimate, cashflows, operating budget impacts, projected schedule to completion, and the impacts of other projects on the proposed or impacts of the proposed project on other potential projects. Recommended project delivery methods and procurement options shall also be included in each Project Scoping Report.
- (5) Perform cash flow analysis for all projects as required to comply with CCU, PUC, and other reporting requirements.

G. Financial Planning

Prepare business plans and financial plans for efficient execution of GPA or GWA activities and for the review and approval of the Public Utilities Commission.

H. GPA or GWA Consultants

- (1) GPA and GWA have existing consultant contracts to support programs and projects. The PMO shall incorporate these consultant contracts under its overall program management oversight. Existing consultant contracts include but are not limited to services for engineering support, technical support, management improvement activities, strategic planning, forecasting, smart grid implementation, IT services, and environmental services.
- (2) As directed by GPA or GWA, assist or manage the RFP process for qualification



of architectural/engineering (A/E) and construction management (CM) services and participate in the negotiation of design contracts.

- (3) Review GPA or GWA consultant selections, contracting procedures, and standard consultant contracts and provide recommendations.
- (4) Assemble and prepare items required for individual GPA or GWA Consultant Contract packages, including a detailed scope of work.
- (5) Assist and advise GPA or GWA during A/E contract negotiations with potential consultants.
- (6) Assist in developing a performance evaluation plan for consultants and contractors. Perform reviews for all consultants reporting to the PMO and ensure compliance.
- (7) Prepare for review by appropriate agencies, documents related to GPA or GWA projects in accordance with the coordination plan established by the PMO.

I. Environmental Services

- (1) Provide management services to report on compliance or come into compliance with environmental notices issued by U.S. EPA and/or Guam EPA.
- (2) The planned military buildup will include projects to repair and refurbish the GPA combustion turbine plants at up to five locations in northern Guam. Services will be required, in collaboration with existing consultants, to obtain construction and operational permits from EPA. Effective management of the EPA permitting process is critical to ensure the units can operate as required.
- (3) Prepare and coordinate, or review and comment, on environmental documents to comply with EPA requirements. Environmental documents may include Categorical Exclusions, Environmental Assessments, and Environmental Impact Statements.
- (4) Provide technical services on environmental subjects such as archaeological, endangered species, and wetlands.
- (5) Develop Programmatic Agreements with Resource Agencies for environmental subjects such as Section 106 of the National Historic Preservation Act and Section 7 of the Endangered Species Act.

J. Survey & Rights-of-Way

- (1) As requested by GPA or GWA, provide surveying services by a registered professional land surveyor in Guam. Services may include research of property maps; survey and location of property and rights-of-way boundaries; development of survey maps to show existing property boundaries, rights-of-way, and utility placement.
- (2) Review surveys performed by GPA survey teams.
- (3) Provide and/or review construction staking.
- (4) Provide all services required to acquire property, including but not limited to title searches, appraisals, negotiations, and deed preparation in accordance with local and federal laws and regulations.

K. Design

- (1) Develop a Design Manual reflecting GPA construction standards, equipment specifications, NESC, NEC, and GPA design requirements, and other relevant

industry standards for power transmission, distribution, and generation systems.

- (2) Develop a Design Manual for GWA construction standards, equipment specifications, and other relevant industry standards for water transmission and distribution systems.
- (3) Military build up projects may require compliance with federal design and construction standards. Develop a policy to integrate these requirements with GPA, GWA, and industry standards. Recommend resolutions to conflicts between the standards.
- (4) Develop project estimates.
- (5) Develop CADD Standards for Standard Drawings.
- (6) Prepare a database of bid item prices to be used to develop engineer's estimates.
- (7) Develop project review procedures and checklist.
- (8) Prepare Design/Build packages for advertisement.
- (9) Manage, review, comment, and approve design submittals for compliance with GPA and GWA requirements and industry standards.
- (10) Prepare plans, specifications and engineer's estimates ready for advertisement.

L. Construction

- (1) Develop a Construction Procedures Manual.
- (2) Coordinate with GPA or GWA contractors and consultants and review Request for Information submittals.
- (3) Provide Construction Management services, including but not limited to performing inspections to ensure construction of the contract documents; reviewing pay estimates, modifications, and contract change orders; and assisting GPA or GWA in negotiating contract claims.
- (4) Manage timely delivery of necessary materials and equipment.
- (5) Document and implement necessary cost controls to effectively manage changes during construction.
- (6) Prepare claims avoidance procedures and implement these procedures on a project specific basis.
- (7) Manage GPA or GWA Consultants hired for Construction Management.
- (8) Perform final project closeout and approval for final payment.

M. Program Schedules and Reporting

- (1) Develop a Program Management System necessary to track, monitor and manage all planning, design, and construction activities of the program. Develop key performance indicators to monitor the performance of individual projects.
- (2) Develop a master critical path method (CPM) project schedule with a proposed methodology and software platform that meets the cost expectations of GPA.
- (3) Provide licenses and training for all PMO staff members along with training for all GPA or GWA employees, Architectural and Engineering design firms, Construction Management firms and contractors.
- (4) Develop cost estimates and financial budgets and forecasts.
- (5) Prepare and provide required program and project-level progress reports, addressing schedule, budget, general progress and problems encountered. Clearly identify any deviations from the baseline and recommend action to

correct such deviations.

- (6) Quarterly program status reports shall be required from the PMO. The report shall include information on local personnel on staff and the status of PMO subcontractors both local and off-island, critical activities, updated schedules, GPA or GWA staff development milestones, and accomplishments.

N. Asset Management

Provide and execute an asset management plan to update GPA's and GWA's asset management database and GIS to reflect system improvements and modifications.

O. Work Order and Maintenance IT Systems

Development and update work order management systems and computerized maintenance management systems for efficient utility operations.

P. Public Outreach Programs & Communications

Develop and execute outreach programs to inform and educate stakeholders on GPA or GWA goals, accomplishments, and their benefits. The outreach program shall effectively market GPA or GWA improvement activities using various communication methods.

Q. Start up, Testing, and Commissioning

Develop and execute startup and testing plans for the commissioning of equipment, facilities, and systems installed under the contract. The plan should prescribe specific procedures for commissioning of each system.

R. Staff Development and Process Improvements

The PMO shall execute a staff development and process improvement plan for GPA or GWA to ensure efficient program and project management. The PMO shall assess current competencies in program administration, project design and construction, and operations and maintenance. The plan shall determine systems, tools, and resources necessary to ensure a successful transition and turnover to GPA or GWA. At the end of the PMO contract, GPA or GWA shall have had adequate development to be able to assume responsibility of the new processes and procedures as well as the new infrastructure. Key indicators shall be defined to determine this goal has been achieved.

S. Miscellaneous Tasks

- (1) Provide legal services in areas including but not limited to contract administration, legal document reviews, protests and legal interpretations.
- (2) Provide services in contract administration.
- (3) Manage and conduct Research, Development, and Technology Transfer (RD&TT) activities that will benefit GPA or GWA.
- (4) Provide assistance in obtaining grants from various federal and local agencies.
- (5) Provide Information Technology Services to assist in tracking GPA or GWA activities and to assist in the deployment of web-based activities, such as

- bidding.
- (6) Perform other engineering and maintenance service activities as requested by GPA or GWA.
- (7) Assist GPA or GWA as required in project/program financial or programmatic audits.
- (8) Monitor, review, and manage projects related to the Department of Defense Expansion Plans.
- (9) Provide Disaster Recovery assessment and contract monitoring services related to FEMA events.
- (10) Provide technical support or other professional services as requested by GPA or GWA.

## **7.5 TRANSITION AND TURNOVER**

For an effective and seamless turnover and transition of responsibilities from the PMO to GPA and GWA, the PMO shall maintain a transition and turnover plan. The plan shall be executed at all stages of the program to ensure GPA or GWA personnel are adequately trained and have extensive exposure to all PMO activities. The plan shall address the schedule and management of the transition and turnover to GPA or GWA and the mitigation of potential risks. The plan shall also address and report on the evidence necessary to assure a successful transition and turnover.

## **7.6 CERTIFICATION OF DRAWINGS AND OTHER DOCUMENTS**

For those engineered designs performed by the PMO's consultant as the Engineer of Record, the consultant's registered Professional Engineer shall sign all drawings, special contract requirements, engineer's estimates, and other technical documents produced under that person's printed name and over the affixed replica of his or her professional seal or registration certificate number. The official name, address, and logo of the consultant shall also be shown.

## **7.7 QUALITY ASSURANCE/QUALITY CONTROL**

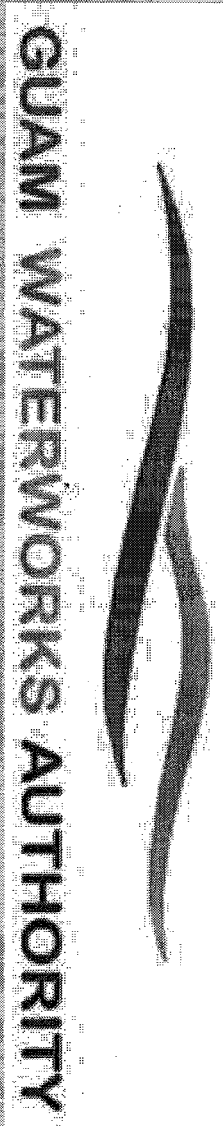
The PMO shall implement its quality assurance/quality control program addressing maintenance of quality in all aspects of the program to ensure a high level of performance is maintained.

## **7.8 RISK MANAGEMENT**

The PMO shall implement its risk management plan to mitigate anticipated risks that may impede successful program execution.

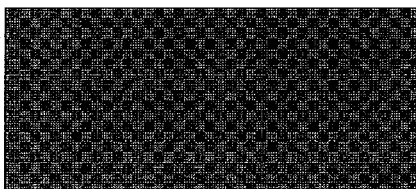
## **7.9 PROGRAM MANAGEMENT OFFICE MONITORING AND PERFORMANCE**

- A. The PMO and the utility shall establish key performance indicators and measurements to ensure optimum performance of the PMO.
- B. Evaluations shall be conducted monthly to ensure PMO performance is at a level acceptable to the utility.
- C. Should deficiencies be identified, the PMO shall be responsible for remedying the deficiency in a manner acceptable to the utility and within the time frame agreed upon.



# PROGRAM MANAGEMENT OFFICE

GUAM POWER AUTHORITY &  
GUAM WATERWORKS AUTHORITY



# PURPOSE OF A PMO

- GPA and GWA will establish an integrated Program Management Office (PMO) to address planned Capital Improvement projects, significant Military Build-up requirements, and ongoing operational requirements.
- The PMO will provide professional/technical staff in support of existing GPA and GWA staff to manage the overall development of the infrastructure program
- GPA and GWA will promote employee development and improve operational efficiencies through a Program Management Office



# SOLICITATION APPROACH

- The Guam Power Authority Procurement division will manage the RFP and represent GPA and GWA during the procurement process up to award of the contracts
- The RFP evaluation committee will be comprised of 3 individuals each from GPA and GWA and a representative from another GovGuam agency
- The RFP will award separate contracts to GPA and GWA from DIFFERENT qualified OFFERORS.

# EVALUATION OF PROPOSALS

- Proposals must meet mandatory requirements and minimum qualifications
- Committee members will first score written proposals based on established scoring criteria
- Top 4-6 Offerors will be qualified to provide oral presentations which will be scored based on established scoring criteria
- Oral presentation scores will establish the 2 most qualified Offerors to begin negotiations



# SCORE SHEET - STEP 1

EVALUATION CRITERIA – STEP 1		WEIGHT
1	Experience of the firm in providing comparable program management services on programs of similar size, scope, budget, and complexity.	0.20
2	Experience and qualifications of key personnel in providing comparable program management services on programs of similar size, scope, budget, and complexity.	0.25
3	Project understanding and approach	0.35
4	Overall Presentation	0.20

# SCORE SHEET - STEP 2

EVALUATION CRITERIA – PART II		WEIGHT
1	Strategy and experience in coordinating efforts of multiple consultants, suppliers, contractors, and multiple stakeholders to provide professional, cost effective services	0.10
2	Strategy in managing a limited resource pool to ensure program goals are met	0.15
3	Understanding of GPA and GWA needs	0.20
4	High level operational plan and risk management approach	0.25
5	Overall Presentation	0.30



# MANDATORY SUBMITTAL REQUIREMENTS

- **EXECUTIVE SUMMARY AND ACTION PLAN**
  - Brief statement of understanding and approach to work. Describe approach and qualifications to completing the scope of services.
- **FIRM OVERVIEW**
- **LOCAL DEVELOPMENT**
  - At least 15% of the PMO staff will be local hires and at least 15% of the sub-contracted services will be to local businesses who meet program requirements.
- **PERSONNEL** – Organizational Chart and qualifications
- **STATEMENT OF EXPERIENCE**
- **OPERATIONAL PLAN**
- **QUALITY ASSURANCE/QUALITY CONTROL**
- **RISK MANAGEMENT**
  - Describe approach to risk identification and mitigation

# PMO GENERAL REQUIREMENTS

- Contract will be for a five-year period (60 months) from the date of award of the contract with an option to extend the contract for two two-year periods
- Payment options are "lump sum" or "not to exceed."
- GPA or GWA reserves the right to assign individual task orders or projects on a firm fixed-price or time and materials basis.
- Time and materials
  - Time and materials will be based on pre-established rates and terms for payment
  - Maximum contract amount "not to exceed" for time and materials will be agreed to before execution of the task order.



# POTENTIAL TASK ORDERS

- Project Financing
- Procurement
- Program Management Team Organization and Communications
- Department of Defense and Government of Japan
- Review, Update and Development of Administrative Procedures
- Program Planning
- Financial Planning
- GPA or GWA Consultants
- Environmental Services
- Survey & Rights-of-Way
- Design
- Construction
- Program Schedules and Reporting
- Asset Management
- Public Outreach Programs and Communications
- Start-Up Testing and Commissioning
- Staff Development and Process Improvements
- Miscellaneous Tasks

# PMO MONITORING & PERFORMANCE

- Key performance indicators and measurements will be established to ensure optimum performance
- Evaluations shall be conducted monthly
- PMO shall be responsible for remedying deficiencies
- Annually, the utility may require replacement of PMO staff who, in the opinion of the utility is detrimental to successful program execution.
- Failure to meet key performance requirements or comply with utility directives shall be cause for termination of the PMO contract.

## **GPA PROGRAM MANAGEMENT OFFICE**

GPA's request for a Program Management Office (PMO) will provide the Authority with the necessary resources to effectively execute build up projects, 2010 bond funded projects, and other tasks as required within the restricted time frame of the funding sources. GPA has not executed this level of work within such a short time frame.

Consequently, outside resources are necessary to supplement existing GPA planning, engineering, and operations staff. GPA envisions these resources to come from the PMO. Similar to GPA's Performance Management Contracts, the PMO may also be tasked with procurement and financing. While this option is available, GPA will review these needs on a case by case basis.

The PMO will be overseen by the Assistant General Manager, Operations (AGMO). The AGMO may delegate oversight of certain tasks to individual managers. However, overall reporting, progress, and performance will be managed by the AGMO. The PMO may work side by side with existing GPA staff. However, they will not have supervisory authority. The PMO's integration with GPA staff also includes workforce development; providing training opportunities on relevant topics and revising operational processes to improve efficiencies. The PMO may also supplement staff during design review, inspections, and engineering during construction. A complete scope of work is provided in Section 7 of the RFP documents.

Funding for PMO services is included as part of the project costs and is estimated at approximately 6% of total project costs.

### **PMO ESTIMATE (X \$1,000)**

GPA Internal Projects	3,364
Military Build Up	7,800
Other Navy Funded Projects	3,546
Other Services	1,000
PMO Total	<u>15,710</u>

PMO services will be requested on a task order basis with specific scopes of work and deliverables agreed upon for each task order.