

1 **D GRAHAM BOTHA, ESQ.**
2 **General Counsel**
3 **Guam Power Authority**
4 **688 Route 16, Suite 302**
5 **Mangilao, Guam 96913**
6 **Ph: (671) 648-3203/3002**
7 **Fax: (671) 648-3290**

8 **BEFORE THE GUAM PUBLIC UTILITIES COMMISSION**

9 **IN THE MATTER OF:**

10 The Application of the Guam Power Authority)
11 Requesting Approval of the Contract for a)
12 New ULSD Pipeline.)

DOCKET NO. 19-02

PETITION FOR CONTRACT REVIEW

13 **COMES NOW**, the GUAM POWER AUTHORITY (GPA), by and through its counsel
14 of record, D. GRAHAM BOTHA, ESQ., and hereby files GPA's Petition for the Public Utilities
15 Commission of Guam to review and approve GPA's request for approval of the contract for a
16 New ULSD Pipeline, as follows:

17 **BACKGROUND**

18 The Guam Power Authority will build a new ULSD pipeline to supply ULSD to the Piti
19 Tank Farm, Piti Power Plants 7, 8 and 9. The USEPA requires GPA to use Ultra Low Sulfur
20 Diesel (ULSD) to fuel its power plants by 2021. The funding for this project will come from the
21 Cabras 3 & 4 insurance proceeds. The CCU in Resolution 2018-21 approved GPA's request for
22 approval of the procurement for a New ULSD Pipeline. The CCU in Resolution 2019-06
23 approved the selection of AYM International, Inc. as the lowest responsive bidder at a cost of
24 \$3,495,944.00.

25 **DISCUSSION**

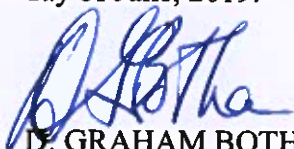
26 GPA hereby petitions the PUC, pursuant to the Contract Review Protocol for the Guam
27 Power Authority, approved by the PUC, to review and approve the contract for a New ULSD
28 Pipeline. In support of this Petition, GPA hereby provides the PUC with Consolidated

1 Commission on Utilities (CCU) Resolution No. 2019-06, which authorizes the General Manager
2 to proceed with the contract for a New ULSD Pipeline with AYM International, Inc. in the
3 amount of \$3,495,944.00. Said resolution and its exhibits are attached herein as Exhibit A, and
4 incorporated by reference herein as if fully set forth.

5 **CONCLUSION**

6 The PUC should approve GPA's request to proceed with the contract for a New ULSD
7 Pipeline with AYM International, Inc. in the amount of \$3,495,944.00. The pipeline is necessary
8 to comply with USEPA requirements, and is reasonable, prudent, and necessary.

9 **RESPECTFULLY SUBMITTED** this 13th day of June, 2019.

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12 D. GRAHAM BOTHA, ESQ.
13 GPA General Counsel
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GPA RESOLUTION NO. 2019 - 06

**RELATIVE TO AUTHORIZING EXPENDITURE FOR THE TANK FARM NEW ULSD PIPELINE SYSTEM
(DESIGN – BUILD)**

WHEREAS, the Guam Power Authority (GPA) is mandated by United States Environmental Protection Agency (USEPA) to significantly reduce power plant emissions; and

WHEREAS, GPA seeks to comply with the USEPA requirement through the use of Ultra Low Sulfur Diesel (ULSD) oil to fuel power plants; and

WHEREAS, GPA intends to build and use a pipeline system to supply ULSD oil to the Piti Tank Farm and Power Plants TEMES 7, MEC 8 and MEC 9; and

WHEREAS, the ULSD pipeline system consists of 8-inch, 12-inch, and 24-inch diameter pipes with supports/pedestals, pipe manifolds, valves, and pumping station to include motor, pumps, concrete roof, berms and pads; and

WHEREAS, the 24-inch ULSD pipeline will be interconnected from the US Navy tie-in to tanks 1934 and 1935, the 12-inch pipeline will be interconnected from tanks 1934 and 1935 to pumping station and the 6-inch pipeline will be interconnected from pumping station to the Power Plants TEMES 7, MEC 8 and MEC 9; and

WHEREAS, the ULSD pipeline system will be operated and maintained under USEPA, GEPA and American Petroleum Institute (API) guidelines and regulations; and

WHEREAS, the Procurement Officer has provided adequate public announcement for the Design-Build of GPA Tank Farm New ULSD Pipeline System through Bid Invitation No. GPA-027-19; and,

WHEREAS, three (3) qualified bidders submitted bids for GPA's consideration (Attached Exhibit "A"); and

WHEREAS, GPA's Evaluation Committee has determined AYM International, Inc. to be the lowest responsive bidder at a cost of \$3,495,944.00.

WHEREAS, the award of the Purchase Order to AYM International, Inc. has been made pursuant to a written finding by the Procurement Officer that the AYM International, Inc.'s offer meets the requirements of GPA and has been determined to be fair and reasonable.

1 **WHEREAS, GPA has allocated \$5.9M from GPA's proceeds from the Cabras 3&4**
2 **Insurance Settlement to fund this expenditure; and**

3 **WHEREAS, the total cost exceeds the \$ 1.5M threshold requiring GPA to seek contract**
4 **approval and authorization from PUC; and**

5 **WHEREAS, GPA is requesting the approval of the CCU to petition the PUC for approval**
6 **to issue a Purchase Order for the Tank Farm New ULSD Pipeline System**
7

8 **NOW, THEREFORE, BE IT RESOLVED, by the Consolidated Commission on Utilities,**
9 **subject to the review and approval of the Public Utilities Commission, as follows:**

- 10 1. **GPA's request to award the Contract for the Tank Farm New ULSD Pipeline System is**
11 **reasonable and prudent.**
- 12 2. **GPA is authorized to petition the Public Utilities Commission for approval to issue a**
13 **Purchase Order in the amount of \$ 3,495,944.00 for the design and construction of**
14 **the Tank Farm New ULSD Pipeline System utilizing Cabras 3&4 Insurance Proceeds.**
- 15 3. **Upon PUC approval, the General Manager is hereby authorized obligating authority**
16 **of \$3,495,944 for the purpose of securing design-build services for the GPA Tank**
17 **Farm New ULSD Pipeline System.**

18
19 **RESOLVED, that the Chairman certifies and the Board Secretary attests the adoption of**
20 **this Resolution.**

21 **DULY AND REGULARLY ADOPTED AND APPROVED THIS 28th DAY OF MAY, 2019.**

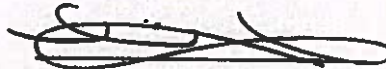
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23 **Certified by:**

24 **Attested by:**

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27 **JOSEPH T. DUENAS**
28 **Chairperson**

29 **Consolidated Commission on Utilities**

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31 **MICHAEL T. LIMTIACO**
32 **Secretary**

33 **Consolidated Commission on Utilities**
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SECRETARY'S CERTIFICATE



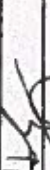


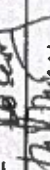

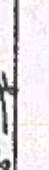
I, Michael T. Limtiaco, Secretary for the Consolidated Commission on Utilities (CCU), as evidenced by my signature above do certify as follows:

The foregoing is a full, true, and accurate copy of the resolution duly adopted at a regular meeting of the members of Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

Ayes:	<u>5</u>
Nays:	<u>0</u>
Absent:	<u>0</u>
Abstain:	<u>0</u>



NAMES OF PERSONS PRESENT AT THE BID OPENING AND WHOM THEY REPRESENT

PRINT NAME:	COMPANY NAME:	SIGNATURE:	DATE:
1 VIVEK KANWAR	TRISTAR TERMINALS huam de		04/02/19
2 Brian Park			
3 Harold W	AVM Int'l Inc		4/2/19
4 ROBERT W TIPAY JR	RMB & Sons Inc.		04/02/19
5 NOEL LOPEZ	JBS modern tech		4.2.19
6 HONORIO JUN ESTERA	CPA ENG'G / PM		4/2/19
7 manuel minas	CPA ENG'G / PM		04/02/19
8 Sharlene Taimetongo	GM		4/2/19
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NUMBER OF INVITATIONS ISSUED:

6

NUMBER OF BIDS RECEIVED:

3

DESCRIPTION OF SUPPLIES OR SERVICES: CAF Tank Farm New ULSO

Pipeline System Design-Build



PROCUREMENT DIVISION

GUAM POWER AUTHORITY

ABSTRACT OF BIDS

INVITATION NUMBER:

ITB SAN 02719

OPENING TIME:

04/02/19 2:00PM

DESCRIPTION	QTY.	UNIT	UNIT COST	EST. PRICE
<i>Contract for Design-Build</i>				
UNDER COST				
PART NUMBER				
CATALOG NUMBER				
MANUFACTURER				
DELIVERY				
TOTAL LUMP SUM				<u>3,195,996.00</u>
UNIT COST				
PART NUMBER				
CATALOG NUMBER				
MANUFACTURER				
DELIVERY				
TOTAL LUMP SUM				

1) 02 Vendor name: NYM Fabricator of Inc

HYD GUARANTEE

1) 60 days to 2018-5553-B Amount: 5.15% of bid amount

1) Certificate of Authority 1) Member of Agency

1) Standby Letter of Credit # _____ Amount \$ _____

1) Letter of Credit # _____ Amount \$ _____

1) Cashier's or Certified Check # _____ Amount \$ _____

1) Wire Transfer

1) Statements of Qualifications

1) Affidavits (Original Form)

1) Affidavits (Copy Form): Original submitted with _____

1) Major Shareholders 1) Non-Collusion 1) No Gratuities or Kickbacks

1) Ethical Standards 1) Wage Determination 1) Non-Procurement Against 1st Contractors

1) Business License 1) Contractors License

1) Local Procurement Signed and Submitted

1) License

I hereby certify that all bids received in response to this invitation were opened under the personal supervision, and that the names of all bidders have been recorded.

[Signature]
SIGNATURE

DATE: 4/2/19

TABULATED BY: [Signature]

DATE: 4/2/19

Lowest Responsive Bidder
 Tie Bid
 Only Bid
 Other Than Lowest Responsive Bidder

