

PORT OF GUAM

ATURIDAT I PUETTON GUAHAN

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March 29, 2021

Dr. Jeffrey C. Johnson Chairman, Guam Public Utilities Commission Suite 207 GCIC Building 414 West Soledad Avenue Hagatna, Guam 96910

Hafa Adai Chairman Johnson:

Buenas! On behalf of the Port Authority of Guam (Port), I am writing to file PAG's petition humbly requesting the Public Utilities Commission of Guam to review and approve the contract award for the Multi Step Invitation for Bid for the Design Demolition Bid for Demolition and Proper Disposal of 5 Port Inoperable Cranes and Optional Removal and Proper Disposal of One Barge YFN 816 and Wharf F-6 MS-IFB-PAG-CIP-021-002 to Guam Industrial Services DBA: Guam Shipyard.

This project is financed with Local Port Funds. The removal of these 5 Port inoperable cranes and the partially sunken barge at Wharf F-6 would present the Port with financial opportunities to generate revenue by creating additional berthing space for ships along our wharfs. Additionally, the removal of these Port inoperable assets eliminate the potential for falling objects (crane parts) to damage our wharfs, further eliminating the unsafe conditions our employees subject themselves to on a daily basis.

BACKGROUND

On Thursday, December 31, 2020, a Multi-Step Invitation for Bid (MS-IFB) was issued and published in the Guam Pacific Daily News. The IFB was to solicit qualified companies/firms to design a demolition and safety plan to properly remove and dispose of 5 Port Inoperable Cranes and Optional One barge YFN 816. Twenty-Four (24) prospective bidders expressed their interest by registering online and downloading the IFB packet from the Port's website. A pre-bid conference was held on January 25, 2021 at 10:00am in the Port's Board of Director's conference room and a site-inspection was held the same day immediately thereafter. The deadline for all bid submittals was scheduled for Thursday, February 11, 2021 at 10:00am.

On the day of bid submittal, only one company, the Guam Industrial Services DBA: Guam Shipyard submitted a bid packet which included the Unpriced Technical Offer-(Part A) and the Priced Offer-(Part B). The Unpriced Technical Offer was opened and reviewed by procurement officials on February 15, 2021. On February 18, 2021, the evaluation and scoring of the Unpriced Technical Offer was conducted by the Port's evaluation committee. On February 22, 2021 the Guam Shipyard presented a power point presentation of their demolition plan to the evaluation committee. The committee ranked and scored the Unpriced Technical Offer and the Presentation with a total committee score of 83 points, placing the bidder in the category of "Acceptable". The Guam Shipyard was then informed of their score and ranking and invited to be present at the bid opening for the Priced Offer-(Part B) on February 26, 2021 at 10:00am.

Letter to Chairman Jeffrey Johnson, PUC RE: PAG Petition MS-IFB-PAG-CIP-021-002 Dismantling of Port Assets March 29, 2021 Page 2

Present at the bid opening, was the only bidder Guam Industrial Services DBA: Guam Shipyard. The bid amount submitted was Two Million Five Hundred Seventy-Three Thousand One Hundred Fifty-Five and Zero Cents (\$2,573,155,00). The bid amount submitted is inclusive of the Demolition, Removal and Disposal of 5 Port Inoperable Cranes (Gantry No.2, Gantry No.3, Mobile Harbor Crane, 2 each Rubber Tire Gantry's) and one Barge YFN 816 at Wharf F-6.

In view of the above and pursuant to 12 G.C.A. § 12004, and the PUC Contract Review Protocol (PAG Docket 09-01) and the reporting requirements for Port Revenue Bond funded projects, the Port Authority of Guam humbly request a review and approval of the contract award to Guam Industrial Services DBA: Guam Shipyard for the Multi-Step Invitation for Bid IFB-PAG-CIP 021-002 Design/Demolition Bid for Demolition, Removal and Proper Disposal of 5 Port Inoperable Cranes and Optional Removal/Proper Disposal of One Barge YFN 816 along Wharf F-6.

We hope you find our request favorable. We look forward to working with you, and the PUC's commissioners on any questions or information regarding this matter.

Respectfully,

General Manager

Copy of PAG Procurement file Encl:

cc: Attorney Fred Horecky Legal Counsel - Guam PUC

Lou Palomo – PUC Secretary

BOARD OF DIRECTORS

Francisco G. Santos, Chairman Nathan T. Taimanglo, Vice Chairman Isa Marie C. Koki, Board Secretary Dorothy P. Harris, Member



Resolution No. 2021-04

RELATIVE TO PETITIONING THE PUBLIC UTILITIES COMMISSION (PUC)
FOR THE APPROVAL OF THE AWARD TO GUAM INDUSTRIAL SERVICES DBA: GUAM
SHIPYARD FOR THE DESIGN/DEMOLITION BID FOR DEMOLITION, REMOVAL AND
PROPER DISPOSAL OF 5 PORT INOPERABLE CRANES AND OPTIONAL
REMOVAL/PROPER DISPOSAL OF ONE BARGE YFN 816 ALONG WHARF F-6

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PORT AUTHORITY OF GUAM:

WHEREAS, on December 31, 2020, the Port Authority of Guam (PAG) issued a Multi-Step Invitation for Bid (MS-IFB) No. 021-002 for the design/demolition bid for demolition, removal and proper disposal of 5 port inoperable cranes and optional removal/proper disposal of one barge YFN 816 along wharf F-6; and

WHEREAS, a total of twenty-four (24) prospective bidders expressed their interest by registering online and downloading the IFB packet from the Port's website; and

WHEREAS, only one (1) company, the Guam Industrial Services dba: Guam Shipyard submitted a bid packet which included the Unpriced Technical Offer-Part A, and the Priced Offer-Part B, both of which were evaluated and ranked by the Port's Evaluation Committee; and

WHEREAS, at the conclusion of the evaluation process, it was determined that Guam Industrial Services dba: Guam Shipyard has been deemed to have met all the requirements of responsibility and responsiveness set forth in the Multi-Step Invitation for Bid, and is consistent with the Guam Procurement Regulations; and

WHEREAS, the bid amount submitted was \$2,573,155.00 which is inclusive of the demolition, removal and disposal of 5 port inoperable cranes, identified as Gantry No. 2, Gantry No. 3, Mobile Harbor Crane, two Rubber Tire Gantry's, and to include one Barge YFN 816 at wharf F-6; and

WHEREAS, this project is made possible through local funds of the Port Authority of Guam; and

WHEREAS, the Port Authority Board of Directors at its regular meeting of March 25, 2021 approved the contract award to Guam Industrial Services dba: Guam Shipyard for Multi-Step Invitation for Bid No. 021-002 for the design/demolition bid for demolition, removal and proper disposal of 5 port inoperable cranes and optional removal/proper disposal of one barge YFN 816 along wharf F-6; now therefore be it

RESOLVED, the Port Authority Board of Directors authorizes management to petition the Public Utilities Commission (PUC) to review and approve the contract award to Guam Industrial Services dba: Guam Shipyard in accordance with the Contract Review Protocol for the Port Authority of Guam; and be it further

RESOLVED, the Chairman certify to, and the Secretary attest to, the adoption hereof and that a copy of this resolution be sent to the Public Utilities Commission.

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 25th DAY OF MARCH, 2021.

FRANCISCO G. SANTOS

CHAIRMAN, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM

ISA MARIE C. KOKI

SECRETARY, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM