

BEFORE THE PUBLIC UTILITIES COMMISSION

IN RE: PETITION FOR APPROVAL)
OF AWARD TO CALIFORNIA)
PACIFIC TECHNICAL)
SERVICES FOR CCTV)
SURVEILLANCE SYSTEM)
AND ACCESS CONTROL)
SYSTEMS REPLACEMENT)
PROJECT AND BY)
PREVENTATIVE)
MAINTENANCE SERVICES)
BY PORT AUTHORITY OF)
GUAM)

PAG DOCKET 21-04

ORDER



INTRODUCTION

This matter comes before the Guam Public Utilities Commission (the “PUC”) pursuant to the September 1, 2021 Petition for review and approval of the contract related to the closed-circuit television (“CCTV”) surveillance and access control system (“ACS”) upgrade (the “Petition”), filed by the Jose D. Leon Guerrero Commercial Port, Port Authority of Guam (“PAG” or the “Port”).

On September 27, 2021, the Administrative Law Judge of the PUC (the “ALJ”) assigned to this matter filed an ALJ Report that included his findings and recommendations based on the administrative record before the PUC. The ALJ found the following.

DETERMINATIONS

Back in 2018, PAG received \$160,867.00 from the U.S. Federal Emergency Management Agency (“FEMA”) to replace the Port’s CCTV systems.¹ And in 2019, PAG

¹ PAG’s Inter-Office Memo for Solicitation of IFB or RFP, IFB-PAG-003-21, p. 1.

was awarded a \$654,700.00 grant from the U.S. Maritime Administration to be used for PAG's CCTV Surveillance System Replacement project.²

On May 10, 2021, PAG issued Multi-Step Invitation for Bid IFB-PAG-003-21 (hereinafter referred to as the "IFB") for the purchase of twenty-four (24) fixed and forty (40) pan/tilt/zoom high resolution digital cameras to be installed at various Port locations, along with the necessary connectivity to the Port Command Center; and optional bid items, such as the installation of a CCTV surveillance system for the Agat Marina.³ While nineteen prospective bidders expressed interest in the IFB, only one contractor submitted a bid, namely California Pacific Technical Services LLC *doing business as* CalPac ("CalPac").⁴

Thereafter, PAG evaluated CalPac's bid; and at the conclusion of PAG's evaluation process, it determined that CalPac was the most responsive and responsible bidder.⁵ On August 26, 2021, PAG's Board of Directors issued Resolution No. 2021-09, which approved the awarding of the contract to CalPac, and thereby authorizing the bid amount of \$1,221,418.00 for the purchase of twenty-four (24) fixed and forty (40) pan/tilt/zoom high resolution digital cameras to be installed at various Port locations, along with the necessary connectivity to the Port Command Center; including the installation of a CCTV surveillance system for the Agat Marina.

² PAG's Inter-Office Memo for Solicitation of IFB or RFP, IFB-PAG-003-21, p. 1.

³ Petition, p. 1 (Sept. 1, 2021).

⁴ Petition, p. 1.

⁵ Petition, p. 1; Resolution, p. 1 (Aug. 26, 2021).

DISCUSSION

1. PAG's Contract Review Protocol

Pursuant to 12 G.C.A. §12105, PAG may not enter into any contractual agreements or obligations which could increase rates and charges without the PUC's express approval. Accordingly, pursuant to PAG's current Contract Review Protocol, "[a]ll professional services contracts in excess of \$1,000,000" and "[a]ll externally funded loan obligations and other financial obligations, such as lines of credit, bonds, etc., in excess of \$1,000,000," "shall require prior PUC approval" Contract Review Protocol, PAG Docket 09-01, p. 1 (June 20, 2011).

2. Scope of Work and Funding

Based on the IFB, the scope of work involves the removal and disposal of existing analog cameras; the installation of digital internet protocol ("IP") cameras; the integration of the digital IP cameras with PAG's existing ACS and CCTV surveillance systems and software; training, and preventative maintenance services.⁶ The project sites include the Commercial Port, the Container Yard, the Port Command Center, and the Agat Marina.⁷ According to PAG, this project will be funded by a FEMA grant, a MARAD grant, and PAG funds.

3. CalPac

Based on its Technical Proposal, CalPac is a contractor that specializes in security system installation and maintenance.⁸ According to CalPac, it is currently

⁶ IFB, pp. 104-117.

⁷ IFB, p. 6.

⁸ CalPac's Technical Proposal, IFB-PAG-003-21, p. 1.

involved in improvement and maintenance projects for many large companies, such as GTA Teleguam, Docomo, Pacific Data Systems, Pacific Telecom Inc., IT&E, and Tata Communications.⁹ CalPac's projects further include the design and installation of an Access Control System at Guam's FBI/ICE Building, U.S. Coast Guard Sector Guam, FAA Guam Facility, and the Army Reserve.¹⁰ CalPac also provides system preventative maintenance to the Naval Base Guam, the U.S. Marshall Service and the U.S. District Court of Guam.¹¹

4. Board Resolution

Resolution No. 2021-09, issued on August 26, 2021, approved the award to CalPac.¹² The Resolution thereby authorized the amount of \$1,221,418.00 for the contract, which includes the Optional Bid related to the installation of a CCTV surveillance system for the Agat Marina and some preventative maintenance service.¹³

RECOMMENDATION AND CONCLUSION

According to PAG, it currently operates a Kantech CCTV surveillance system and ACS that provides automated maritime security and monitoring capabilities for the entire Port.¹⁴ However, according to the Port, the systems have not undergone any significant upgrades since 2015; and that the servers that support the CCTV and ACS

⁹ CalPac's Technical Proposal, IFB-PAG-003-21, p. 1.

¹⁰ CalPac's Technical Proposal, IFB-PAG-003-21, pp. 7-8.

¹¹ CalPac's Technical Proposal, IFB-PAG-003-21, pp. 8-9.

¹² Resolution, p. 1.

¹³ Resolution, p. 1.

¹⁴ PAG's Inter-Office Memo for Solicitation of IFB or RFP, IFB-PAG-003-21, p. 1.

systems “are not fully functional.”¹⁵ Specifically, the condition of both the CCTV and ACS systems “are not able to support the IT and Port Police Divisions’ ability to update important information and have complete oversight of the entire PAG facility.”¹⁶

Further, “[t]he CCTV Surveillance System and ACS Replacement Project and Preventative Maintenance Services will provide automated maritime security protection and monitoring capabilities for the entire [Port].”¹⁷ The upgraded system will provide: “(1) new digital cameras and supporting components; (2) ensure connectivity and operability between . . . all cameras and CCTV and ACS equipment at strategic Port property locations; (3) ensure that software support encapsulates all law enforcement requirements; (4) include removal of existing analog CCTV components and installation of new hardware and related components; (5) upgrade Port ACS and CCTV software; (6) repair existing support software; (7) provide for warranty maintenance, and service of the system upon completion; and (8) deliver training, user manuals, as-built drawings, and final close-out documentation.”¹⁸

Based on the foregoing, the ALJ found that the CCTV Surveillance System and Access Control System Replacement Project and Preventative Maintenance Services squarely align with the PAG’s efforts to modernize, streamline and expand its operations, and protect and secure its assets. Accordingly, based on this record, the ALJ

¹⁵ PAG’s Inter-Office Memo for Solicitation of IFB or RFP, IFB-PAG-003-21, p. 1.

¹⁶ PAG’s Inter-Office Memo for Solicitation of IFB or RFP, IFB-PAG-003-21, pp. 1-2.

¹⁷ PAG Memorandum, Determination Regarding the Use of Multi-Term Contract, p. 1 (May 5, 2021).

¹⁸ PAG Memorandum, Determination Regarding the Use of Multi-Term Contract, p. 1.

recommended that the PUC approve the proposed contract with CalPac, at a cost of \$1,221,418.00.

The Commission hereby adopts the findings in the September 27, 2021 ALJ Report and therefore issued the following.

ORDERING PROVISIONS

Upon careful consideration of the record herein, and for good cause shown, on motion duly made, seconded and carried by the affirmative vote of the undersigned Commissioners, the Commission hereby ORDERS the following:

1. That the instant Petition is hereby APPROVED.
2. PAG is authorized to enter into the proposed contract with California Pacific Technical Services LLC *doing business as* CalPac for the purchase of twenty-four (24) fixed and forty (40) pan/tilt/zoom high resolution digital cameras to be installed at various Port locations, along with the necessary connectivity to the Port Command Center, at a total cost of \$1,221,418.00; which includes the Optional Bid related to the installation of a CCTV surveillance system for the Agat Marina and preventative maintenance service.
3. PAG is ordered to pay the PUC's regulatory fees and expenses, including and without limitation, consulting and counsel fees, and the fees and expenses associated with this matter. Assessment of the PUC's regulatory fees and expenses is authorized pursuant to 12 G.C.A. §§ 12103(b) and 12125(b), and Rule 40 of the Rules of Practice and Procedure before the PUC.

SO ORDERED this 30th day of September, 2021.

JEFFREY C. JOHNSON
Chairman

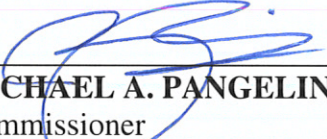
ROWENA E. PEREZ-CAMACHO
Commissioner




JOSEPH M. MCDONALD
Commissioner



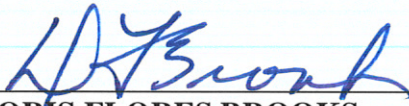
PEDRO GUERRERO
Commissioner



MICHAEL A. PANGELINAN
Commissioner



PETER MONTINOLA
Commissioner



DORIS FLORES BROOKS
Commissioner

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