## BEFORE THE GUAM PUBLIC UTILITIES COMMISSION



IN THE MATTER OF:	) ) GSWA Docket 25-01 )
The Application of the Guam Solid Was Authority for Review and Approval of t Award and Contract to EA Engineering, Science, and Technology, Inc., for Landf Compliance and Engineering Services	the) , ) ORDER

### INTRODUCTION

This matter came before the Guam Public Utilities Commission ["PUC"] pursuant to the Application of the Guam Solid Waste Authority ["GSWA"] for Review and Approval of the Award and Contract to EA Engineering, Science, and Technology, Inc., for Landfill Compliance and Engineering Services.<sup>1</sup>

## **BACKGROUND**

On April 24, 2024, GSWA issued a Request for Proposal (RFP), No. GSWA-RFP 004-24, to solicit qualified firms to provide Landfill Compliance and Engineering Consulting Services.<sup>2</sup> Although there were four (4) prospective proposers that acquired RFP packages, only one (1) bid was submitted by the submission deadline. EA Engineering, Science, and Technology Inc. ["EA"] submitted a proposal to GSWA. The EA proposal was evaluated and determined to be responsive; GSWA determined that the firm

<sup>&</sup>lt;sup>1</sup> GSWA Petition, GSWA Docket 25-01, dated March 14, 2025.

<sup>&</sup>lt;sup>2</sup> GSWA Petition, Exhibit 1 (GSWA Board Resolution No. 2024-015, "Relative to Petitioning the Public Utilities Commission (PUC) for Approval of the Contract to EA Engineering, Science and Technology, Inc. for Landfill, Compliance and Engineering Consulting Services, adopted and approved on October 17, 2024).

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possessed the necessary qualifications, experience and capabilities to fulfill the contract requirements.<sup>3</sup>

The total contract amount for the Landfill Compliance and Engineering Consulting Services for the initial term of three years is \$841,361.50. The estimated breakdown for the three years is as follows: Year 0ne: \$350,000.00; Year Two: \$242,050.00; Year Three: \$249,311.50.4 At the sole option of GSWA, the agreement may be renewed for a total of up to two (2) additional years.<sup>5</sup>

On October 17, 2024, the agreement was approved by GSWA Board of Directors in Resolution No. 2024-015.6

The Administrative Law Judge filed his Report herein dated March 21, 2025.<sup>7</sup> The PUC adopts the conclusions and recommendations therein.

#### **DETERMINATIONS**

#### 1. GSWA's Contract Review Protocol.

Under the Contract Review Protocol for the Guam Solid Waste Authority, Section 1(d), all professional service contracts in excess of \$750,000, must be approved by the PUC pursuant to 12 GCA § 12105.8 All internally financed contracts utilizing O & M funds in excess of \$750,000, whether or not the contract extends over a period of one year or

<sup>&</sup>lt;sup>3</sup> Id. at Exhibit 1, p. 2.

<sup>4</sup> Id.

<sup>&</sup>lt;sup>5</sup> GSWA Petition, Exhibit 2 (Agreement for Landfill Compliance and Engineering Consulting Services between EA Engineering, Science, and Technology Inc. and Guam Solid Waste Authority at p. 4). <sup>6</sup> GSWA Petition at p. 2.

<sup>&</sup>lt;sup>7</sup> ALJ Report, GSWA Docket 25-01, dated March 21, 2025.

<sup>&</sup>lt;sup>8</sup> Contract Review Protocol for the Guam Solid Waste Authority, GSWA Docket 19-02 & Administrative Docket, Order dated July 25, 2019, at Section 1 (d).

several years, must be approved by the PUC. Section 1(b).<sup>9</sup> Since the total cost of the three-year contract is over \$750,000.00 (i.e. \$841,361.50), the EA Award and Contract must have the prior approval of the PUC.<sup>10</sup>

# 2. <u>GSWA has demonstrated a Need for the Services that EA will perform under the agreement.</u>

In its Petition, GSWA states: "The EA contract will assist GSWA with its mandate to operate and maintain a solid waste management system and ensure the two solid waste disposal facilities under its jurisdiction are compliant with environmental and health regulations of Guam. See 10 GCA § 51A104(10). GSWA owns two disposal facilities on Guam, Layon and Ordot."<sup>11</sup>

At the Layon municipal solid waste disposal facility, there are currently three cells and GSWA plans to construct a fourth. GSWA intends to use EA services to assist with permitting for landfill improvements, development of construction plans for the future cell and construction activity, ground water monitoring, and environmental assessments.<sup>12</sup>

Under the proposed contract EA would also perform work regarding the Ordot Dump. GSWA indicates that under the transition plan submitted pursuant to the Order of the District Court of Guam on October 31, 2024, the services required for work at Ordot include the sampling and monitoring of leachate and ground water to be performed by EA.<sup>13</sup>

<sup>&</sup>lt;sup>9</sup> Id. at Section 1(b).

<sup>10</sup> Id.

<sup>11</sup> GSWA Petition at p. 3.

<sup>12</sup> Id.

<sup>13</sup> Id. at p. 4.

GSWA further believes that: "The professional work that EA is contracted to provide GSWA will help ensure environmental compliance at Layon and Ordot. These essential services are instrumental in maintaining the safety and welfare of the Island.... The contract with EA for engineering services is essential to the operations of GSWA, most specifically to Layon and Ordot. These services are critical to maintaining the health, safety and welfare of the public."<sup>14</sup>

## 3. Scope of services under the EA contract.

The full scope of services to be performed by EA under the contract, attached to the ALJ Report as Exhibits A and B respectively, are the Scope of Services set forth in the Request for Proposals No. GSWA-RFP 004-24, and in Section 7, Scope of Services, the Agreement for Landfill Compliance and Engineering Consulting Services between EA and GSWA.<sup>15</sup>

4. The Agreement contains provisions that appear to protect the interest of GSWA and its Ratepayers.

The contractor provides a warranty of deliverables, equipment, and systems against defects from the use of inferior materials, equipment, or workmanship during the term of the contract and any extensions, and for one (1) year after the exercise of any option to purchase the system by GSWA ("Equipment Warranty").<sup>16</sup> The contractor is

<sup>14</sup> Id.

<sup>&</sup>lt;sup>15</sup> See Exhibits "A" and "B" attached to the ALJ Report.

<sup>&</sup>lt;sup>16</sup> GSWA Petition, Exhibit 2 (Agreement for Landfill Compliance and Engineering Consulting Services between EA Engineering, Science, and Technology Inc. and Guam Solid Waste Authority at Guarantee/Warranty of Deliverables, Equipment and Systems, at p. 10.

required to repair any materials, equipment or workmanship which were inferior, defective or not in accordance with the terms of the Agreement.<sup>17</sup>

The GSWA project manager may withhold payments for defective services not remedied, and for other reasons.<sup>18</sup> The contractor must, without additional cost to GSWA, correct or revise all errors or deficiencies in its performance.<sup>19</sup>

The contract may be terminated for default, nonperformance or delay, damages for delay, and time extensions.<sup>20</sup> The contract may also be terminated for the convenience of GSWA.<sup>21</sup>

The contractor indemnifies and holds harmless GSWA and its employees from any claims, damages, losses, expenses, actions, recoveries, etc. to the extent caused by or resulting from contractor's performance of the services.<sup>22</sup> The contract cannot be assigned or subcontracted without the express prior written consent of GSWA.<sup>23</sup>

#### ORDERING PROVISIONS

After careful review and consideration of the above determinations, the Application of the Guam Solid Waste Authority ["GSWA"] for Review and Approval of the Award and Contract to EA Engineering, Science, and Technology, Inc., for Landfill Compliance and Engineering Services, the ALJ Report, and the record herein, for good cause shown,

<sup>&</sup>lt;sup>17</sup> Id. at pgs. 10-11.

<sup>&</sup>lt;sup>18</sup> Id. at pgs. 13.

<sup>19</sup> Id. at p. 18.

<sup>&</sup>lt;sup>20</sup> Id. at p. 29.

<sup>&</sup>lt;sup>21</sup> Id. at p. 30.

<sup>&</sup>lt;sup>22</sup> Id. at p. 33-34.

<sup>&</sup>lt;sup>23</sup> Id. at p. 36.

and on motion duly made, seconded, and carried by the undersigned Commissioners, the Guam Public Utilities Commission **HEREBY ORDERS** that:

- 1. The award and contract to EA Engineering, Science and Technology, Inc., for Landfill Compliance and Engineering Services, is approved.
- 2. GSWA is authorized to expend a 3-year total under the contract of an amount up to \$841,361.50.

[SIGNATURES TO FOLLOW ON NEXT PAGE]

Dated this 27th day of March, 2025.

Jeffrey 2. Johnson

Chairman

Rowena E Perez-Camacho

Commissioner

Michael A. Pangelinan

Commissioner

Joseph M. McDonald

Commissioner

Doris Flores Brooks

Commissioner

Peter Montinola

Commissioner