

GUAM PUBLIC UTILITIES COMMISSION
REGULAR MEETING

March 27, 2025

SUITE 205, 241 FARENHOLT AVENUE, OKA BUILDING, TAMUNING, GUAM



MINUTES

The Guam Public Utilities Commission [PUC] conducted a regular meeting commencing at 6:33 p.m. on March 27, 2025, pursuant to due and lawful notice. The meeting was called to order at 6:35 p.m. **Commissioners Jeffrey C. Johnson, Peter B. Montinola, Joseph M. McDonald, Michael A. Pangelinan, Doris Flores-Brooks, and Rowena Perez-Camacho were in attendance.** The following matters were considered at the meeting under the agenda included as Attachment "A" hereto.

1. APPROVAL OF MINUTES

The Chairman announced that the first item of business on the agenda was the approval of the minutes from the regular meeting held on February 27, 2025. Commissioner Montinola moved to approve the minutes, subject to corrections, which motion was seconded by Commissioner McDonald, and the motion was carried and passed unanimously.

The Chairperson announced that the next item of business on the agenda was a Guam Waterworks Authority matter:

2. GUAM WATERWORKS AUTHORITY ("GWA")

- **GWA Docket No. 25-06 - Petition to Approve Purchase of Leased Heavy Equipment and Lease Extension.**

The Chairman introduced GWA Docket No. 25-06, a Petition to Approve Purchase of Leased Heavy Equipment and Lease Extension. Commissioner Pangelinan recused himself from this docket as GWA is a client of his firm in pending litigation. PUC Legal Counsel Anthony Camacho then presented a detailed report on the petition, explaining that the original five-year lease, approved in December 2018, provided GWA with essential heavy equipment—including three dump trucks, three backhoes, and three trailers—at a cost of approximately \$1.1M. This equipment enabled GWA to establish three mobile response teams to address island-wide repairs. With the lease set to expire, GWA negotiated a three-month extension under the same terms for \$58K and requested PUC approval for both the extension and the \$519,510 purchase of the equipment. Legal counsel Camacho endorsed the petition, citing a cost-benefit analysis that showed significant savings of nearly \$1M compared to renewing the lease. He noted the equipment was well-maintained by Morrico and still in excellent condition. GWA GM Miguel Bordallo further supported the petition, emphasizing how the leased equipment helped reduce the backlog

of unrepaired leaks from over 200 to fewer than 20 per day by ensuring reliable 24/7 operations. He also noted the equipment's critical role in both leak repairs and detection operations. Chairman Johnson inquired about continued maintenance, to which GWA GM Bordallo confirmed ongoing service with Morrico. With no further questions or objections, Commissioner Montinola moved to approve the petition, seconded by Commissioner McDonald. The motion carried unanimously.

3. GUAM SOLID WASTE MANGEMENT ("GSWA")

- **GSWA Docket. No. 25-01 - Petition for Contract Review and Approval**

Chairman Johnson introduced the next item on the agenda, GSWA Docket 25-01, concerning a petition for contract review and approval. Chairman Johnson noted that there was an ALJ Report and a proposed Order, and invited CALJ Frederick Horecky to present. CALJ Horecky explained that the Guam Solid Waste Authority (GSWA) sought approval to award a contract to EA Engineering, Science, and Technology Inc. (EA) for landfill compliance and engineering services. CALJ Horecky noted that EA had a longstanding relationship with GSWA and had previously performed similar work under an earlier contract, which expired in April 2023. CALJ Horecky pointed out two corrections in the proposed Order: the first being, that EA would assist with services related to the upcoming Cell 4 at the Layon Landfill—clarifying there are currently three cells in operation—and second, that the plan submitted to the District Court by GSWA and the federal receiver, which includes EA's services, had not yet been approved, contrary to what his initial report stated.

CALJ Horecky elaborated that a procurement was conducted in April 2024. Despite four parties picking up bid packets, EA was the only one to submit a proposal. After review, GSWA deemed EA's proposal sufficient in qualifications and capabilities. The total cost of the three-year contract was detailed as \$841,361.50, broken down into \$350K for the first year, \$242,050 for the second, and \$249,311.50 for the third. The contract also includes an option for two additional years. The GSWA Board of Directors approved the contract on October 17, 2024. As the contract exceeds \$750K, it requires PUC approval under the Contract Review Protocol. CALJ Horecky affirmed that the services provided by EA are highly technical and essential for GSWA to meet its environmental compliance obligations, particularly regarding Layon and Ordod sites. CALJ Horecky also emphasized that the contract contains standard protective clauses for GSWA and its ratepayers, including warranties, withholding of payments for defective services, termination rights, and indemnification clauses.

In further discussion, Commissioner Perez-Camacho clarified the current number of cells at Layon—three existing, with a fourth projected for development around 2030-2031. GSWA GM Irvin Slike noted that EA's services would be used primarily for sampling and analysis at Layon, as well as additional engineering support for Ordod if the federal receiver transitions the responsibilities back to GSWA. When Chairman Johnson inquired about recycling efforts, GSWA GM Slike explained that cardboard and bi-metal cans are shipped off-island, but plastic is currently disposed of locally due to lack of market options. GSWA

GM Slike mentioned ongoing discussions with Australia as a potential recycling destination, citing the large plastic recycling plant in Brisbane. Regarding glass, GWSA GM Slike shared that Rubbishman has a glass pulverizer in use. Pulverized glass is combined with coral during the rainy season to help stabilize roadways at Layon. The amount of glass generated is insufficient to build significant infrastructure, such as roads made entirely of glass aggregate.

Commissioner Flores-Brooks then shifted the discussion to the status of the federal receivership. She inquired about when GSWA might regain full control. GWSA GM Slike responded that a court hearing was scheduled for May 7, and that GSWA had submitted reports outlining completed items under the consent order, with only two items pending: completion of a special environmental project, for which GSWA is working closely with the EPA, and the receiver's certification that discharges at Ordot have ceased. Brown and Caldwell, GSWA's other consultant, has prepared and submitted a report to the EPA to that effect. GWSA GM Slike noted that EPA is cautious about giving final sign-off but is expected to come around. Once approved, the transition plan—which has already been submitted—will allow GSWA to take full control approximately 60 days later. Brown and Caldwell will maintain a two-year contract during the transition period to ensure continuity.

Commissioner Flores-Brooks also asked about the delay in bringing the EA contract to the PUC, considering it was approved by GSWA's board in October 2024 but only submitted for approval in March 2025. GSWA GM Slike explained that the delay was due to the Office of the Attorney General needing to confirm that the scope of work, particularly for Ordot-related services, was consistent with procurement rules. The AG gave final approval only in early March. During this interim period, EA continued its work under task orders for Layon, ensuring compliance through quarterly samplings. CALJ Horecky confirmed that this petition was for approval, not ratification, and any prior work may have been covered under the earlier contract.

Commissioner McDonald then asked about the status of GSWA's electric vehicles. GSWA GM Slike shared that they had encountered technical issues with ABB regarding communications between Guam and the mainland. GSWA had installed a new fiber cable and attempted various fixes, including multiple SIM cards and hardwiring, but the system never worked correctly. A meeting was scheduled the following week with ABB and a federal GSA legal team to resolve the matter and send a technician to Guam.

CALJ Horecky then introduced Shannon Taitano, GSWA's attorney, and Peggy Denney, a board member, who were present at the meeting. Commissioner Pangelinan raised a final question about the contract pricing, expressing surprise that the fees were relatively modest for engineering services. Commissioner Pangelinan sought clarification on a portion of the petition that stated the federal receiver had originally requested that Ordot-related tasks be removed from the scope of work. GSWA GM Slike explained that during initial negotiations in early 2024, the receiver raised conflict of interest concerns about EA's involvement and requested the Ordot tasks be removed. However, by September 2024, when transition discussions resumed, the receiver acknowledged the need for additional

engineering support, and the scope was reinstated. GSWA renegotiated with EA to ensure compliance with the original procurement terms, and the pricing remained consistent because the services largely relate to Layon compliance and Ordot's ongoing monitoring needs, which are limited due to the facility's long-closed status.

The Commissioners then moved to a vote. Commissioner Pangelinan motioned to approve the proposed contract as described in the order, seconded by Commissioner McDonald. The motion passed unanimously.

4. GUAM POWER AUTHORITY ("GPA")

- **GPA Docket No. 25-07 - Petition of GPA for Authorization to Procure Strategic Program Management Office for GPA's Future Projects.**

The Chairperson announced that the next item of business on the agenda was GPA Docket 25-07 - Petition for Authorization to Procure Strategic Program Management Office for GPA's Future Projects. Chairman Johnson noted that there was a legal counsel report and a proposed Order and invited legal counsel Anthony Camacho to present. Legal counsel Camacho informed the Commission that GPA filed an opposition to his recommendation that afternoon and has not had an opportunity to review GPA's opposition in detail. Legal counsel Camacho posited that this matter could be tabled to the next scheduled meeting. Chairman Johnson suggested that this matter could be discussed at this time and then tabled and completed at the next meeting. The Commissioners were all in agreement to proceed and legal counsel Camacho presented this matter stating that GPA is requesting approval for a Strategic Program Management Office (SPMO) for its future projects. GPA seeks approval to issue indefinite quantity, indefinite delivery type of contracts to one or more contractors to the tune of approximately \$10M or so over the course of 6 years for this particular contract. GPA submits that an SPMO can provide them engineering design and technical analysis, cyber security planning, efficient technology, operational technology support, as well as construction management service. In evaluating GPA's petition, legal counsel Camacho finds that the cost for the SPMO contracts, which he calculates to be actually \$10.5M, is unreasonable. In essence, GPA just estimated that figure by calculating the costs of their current projects of about \$70M plus and taking 15% of that amount for this contract.

Legal counsel Camacho further stated that GPA's cost estimate was unfounded and that the revenue resources in particular, in taking away the construction input and simply transferring it to private contractors, were not reasonable in terms of costs. Legal counsel Camacho also found that the procurement of the estimated contract was not prudent. In arguing precedent, legal counsel Camacho found that in a similar contract, GPA Docket No. 14-02, the PUC approved the PMO contract, and GPA petitioned for additional funding for this contract. The PUC found, however, that GPA failed to budget the PMO cost for the fiscal year 2014 rate plan. PUC also found in GPA Docket No. 14-02 that the PMO was performing the same services that GPA should and had been performing internally. Likewise, there is a lack of detail of the service to be performed and the scope of work, the absence of a breakdown in costs and lack of cost analysis for retention of the PMO services.

By looking at the history, it would leave a reasonable person to ask why we are not allowing this to be approved. It is because this is for just one PMO contractor. In the Petition currently before the PUC, GPA is asking for several contractors. GPA has had a poor history of basically supervising and managing just one contractor for these types of services. The question is whether it was necessary, and legal counsel Camacho believes it was not. GPA should and must have its internal employees perform these same tasks or have the capability of retaining LTAs to perform these same tasks.

GPA in its main argument states that in 2026, GPA employees in its Engineering Technical Services Division will be eligible to retire in the next 5 years. GPA is merely stating these employees will be eligible to retire, there is no real survey stating these employees are actually going to retire. Legal counsel Camacho stated that this may be a valid argument a decade ago, however, it is not today. The University of Guam has a fully accredited School of Engineering that has graduated individuals with engineering degrees. GPA has other alternatives and if it starts now, it could have 10 new engineers in the next 5 years. As a result, legal counsel Camacho does not recommend that the PUC approve GPA's petition. Legal counsel Camacho reiterated that GPA did file an opposition to his findings and GPA should have an opportunity to be heard.

The Chairman then invited GPA GM John Benavente to comment. GPA GM Benavente addressed the Commission and stated that he was somewhat dismayed that they did not have an opportunity to fully discuss the concerns regarding this matter and hopes that some kind of agreement can be reached. GPA GM Benavente provided a brief background and further details regarding the PMO contract and stated that since then GPA has been very good in ensuring that it addresses any concerns that the PUC has and that GPA complies with protocols. GPA GM Benavente requested that this matter be tabled in order that it may be properly addressed.

Additional discussions ensued between the Commissioners and GM Benavente with regard to GPA's Engineering department and anticipated retirees; GPA's hiring of civil engineers from the University of Guam; its mentorship program; workload and lack of workforce; government fundings and future GPA projects.

After further discussion, Commissioner Montinola moved to table GPA Docket 25-07 until further notice. Commissioner Perez-Camacho seconded the motion and the motion was duly carried and unanimously approved.

- **GPA Docket 25-09 - Petition of the Guam Power Authority to Approve Procurement of the Comprehensive Unarmed Uniformed Security Guard Services.**

The Chairperson announced that the next item of business on the agenda is GPA Docket No. 25-09, Petition of GPA to Approve Procurement of the Comprehensive Unarmed Uniformed Security Guard Services. Chairman Johnson noted that there was an ALJ Report and a proposed Order and invited ALJ Joephet Alcantara to present. ALJ Alcantara provided a brief overview of GPA's submission stating that GPA issued IFB GPA 33-22 in 2022, which sought the current unarmed uniformed security guard services for the

protection of GPA's key assets and locations. GPA entered into a contract for an initial term of 1 year with 2 year-long renewal options, which contract is set to expire in June of this year. GPA requests that the PUC approve another procurement related to the security guard services, for a 3-year base period and two 1-year option renewal periods. According to GPA, the services will cover 5 to 6 sites, which include the Gloria Nelson Building in Fadian, the supply warehouse and storage yards to include the Transmission Distribution Building compound in Dededo, the Dededo Combustion Turbine Powerplant, the Yigo Diesel and Yigo Combustion Turbine Powerplant, as well as the Cabras Powerplant Compound in Piti. GPA submits these are critical infrastructure, whose assets, systems and networks are considered vital to the island community and military installation and that the incapacitation or destruction of these assets would have a huge debilitating effect on the island's readiness, economic security, public health and safety. An essential part of GPA's security efforts is utilizing these manned security services along with other components such as surveillance systems and access control systems, which altogether minimizes security risks to GPA's customers, personnel and property.

In response to an IFB, GPA provided its draft IFB documents detailing the scope of work the contractor will be performing similar to the work being performed by the current security guard, which is a standard unarmed security guard services that would involve properly vetted personnel who are trained and qualified as security guards. They also include energy-efficient transportation such as electric golf carts and buggies to assist with the perimeter surveillance of GPA's buildings. These guards will have to respond to security threats and breaches, suspicious and unpermitted activities, fire safety hazards and provide assistance during emergencies. The estimated annual cost of this type of contract is roughly \$1M to \$1.15M for a total of \$5.27M to \$5.7M over the 5 year contract period.

GPA has provided CCU Resolution GPA 2025-12 where the CCU found the procurement was reasonable, prudent and necessary as GPA's infrastructure are considered vital to the island and military communities and the nation, and that this unarmed security is necessary for its operations. The CCU has also found that GPA has to no less defend against these risks and threats to the agency by utilizing these services and has therefore authorized the procurement. Based on the foregoing, ALJ Alcantara recommends that the subject procurement be approved as it is prudent, reasonable and necessary. Additionally, this Commission has recognized in prior dockets that the physical security of GPA's assets and facilities, as well as GPA's personnel and customers, are critical to its daily operations.

GPA GM John Benavente commented that it is currently GPA's standard to use unarmed security. GPA is also looking at the Army right now – they are already on the physical security. Discussions ensued between the Commissioners and GPA GM Benavente with regard to unarmed versus armed security, additional security measures and equipment, particularly after typhoons, and outsourcing versus in-house for these security guards.

There being no further comments by the Commissioners, GPA or any other party, Commissioner Pangelinan moved to approve GPA's Petition and request for procurement,

which motion was duly seconded by Commissioner McDonald, and the motion was carried and unanimously approved.

5. ADMINISTRATIVE MATTERS

- **Resolution No. 25-04: Relative to Extension of Administrative Law Judge Services Agreement with the Guam Public Utilities Commission.**

The Chairperson announced that the next item of business on the agenda was an Administrative matter – PUC’s Resolution No. 25-04: Relative to the Extension of Administrative Law Judge Services Agreement with the Guam Public Utilities Commission. Chairman Johnson invited CALJ Frederick J. Horecky to speak on this matter. CALJ Horecky stated that the resolution basically was to extend his services through March 30, 2026. The Chairman solicited comments from the Commissioners and Commissioner Pangelinan inquired if CALJ Horecky was happy with his service agreement. Chairman Johnson further inquired if CALJ Horecky was happy with how he was being treated. CALJ Horecky stated that he was but that this extension might possibly be his last; however, he is still uncertain at this point.

Commissioner Pangelinan moved to approve Resolution 25-04 extending CALJ Horecky’s contract with PUC, which motion was seconded by Commissioner Montinola and unanimously approved and passed by all Commissioners. CALJ Horecky thanked the Commissioners.

- **Approval of Minutes of Executive Session held on May 16, 2024 regarding Pending Litigation.**

The Chairman announced that the next item of business on the agenda was the approval of the Minutes of the PUC’s Executive Session held on May 16, 2024. Commissioner Pangelinan recused himself from this matter. The Chairman then invited the Commissioners to provide any comments. Commissioner Montinola moved to approve the Minutes of the Executive Session held on May 16, 2024, subject to corrections, which motion was seconded by Commissioner McDonald, and the motion was duly carried and unanimously passed.

- **Update on Solicitation of Lease for Office Space.**

The Chairman announced that the next item of business on the agenda was the Update on Solicitation for Office Space. Legal counsel Anthony Camacho provided his update and stated that there are 2 major issues. The first issue being, if PUC submits a solicitation and it was not awarded to the current landlord, there might be a protest. Second, PUC’s existing lease does not expire until around the same time next year. Legal counsel Camacho stated that our current landlord contacted PUC Administrator Lou Palomo and informed her that since PUC has been a long-time tenant, the landlord will like allow PUC to exit out. And, in terms of solicitation, that depends on whether or not the PUC approves the procurement guidelines and procedures that has been drafted by legal counsel Camacho.

- **Resolution No. 25-05: Relative to Approving the Guam Public Utilities Commission's Procurement Guidelines and Procedures.**

The next item of business, Resolution No. 25-05: Relative to Approving the Guam Public Utilities Commission's Procurement Guidelines and Procedures. Prior to any solicitation of Lease for Office Space, the Commission must first address and approve procurement guidelines and procedures. Legal counsel Camacho explained the procurement guidelines and procedures that he drafted and stated that the PUC under 12 GCA §12102, is a public corporation and autonomous instrumentality of the Government of Guam. Further, 5 GCA §5004 of the Guam Procurement Law, applies to expenditure of public funds by Guam acting through a governmental wand. And that term is defined by Guam Procurement Law as a department, commission, counsel or bureau, committees, agency, government corporation, authority or other establishments of the Executive Branch of the Government of Guam. The actual laws that established the PUC go on to further state, specifically, 48 USA §1420(a), that's part of the Organic Act of Guam, that the Legislature is authorized to pay an independent rate making authority. That is what the Legislature did in the section of Public Law 26-18 that was issued in June 2001, that under those sets of law, the PUC is an independent rate making authority for the Government of Guam, which is independent of the Executive and Legislative Branches of Government. There are only 2 entities that are similarly situated and one of them is the OPA. Thus, in legal counsel's opinion, the Guam Procurement Law does not apply to the PUC.

Commissioner Flores-Brooks commented that there are so many different variations of the procurement law. It has been tweaked and tweaked by various Government agencies. PUC is a very small entity. It has an annual budget of a little over \$500K and the amount of money we have is so miniscule in comparison to other Government agencies. Commissioner Flores-Brooks posed a question as to whether or not the PUC can adopt another agency's version of the Guam Procurement Law in lieu of creating its own procurement guidelines and procedures. One of the main issues is for small purchases adopting the federal guidelines. The threshold for small purchases is \$100K, which is 1/5 of PUC's budget. Legal counsel Camacho stated that the procurement guidelines and procedures he prepared are the most flexible and is modeled after the procurement procedures and guidelines of the Research Corporation of UOG that derived from 2 CFR Part 200 – part of the federal regulations. It is a streamlined procurement system and is the most flexible system currently used by any entity on Guam. Commissioner Flores-Brooks inquired if the draft guidelines are subject to the AAA and its various requirements, i.e., announcement and timelines. Legal counsel Camacho stated he would have to research that particular issue but believed the UOG Research Corporation was not subject to the AAA Act. ALJ Alcantara commented on the definition of public funds, as he believes the PUC is funded by taxpayers. Legal counsel Camacho stated that the PUC is actually funded by ratepayers. Public funds – those are all funds not just tax regulated funds but also federal funds. It is spent through a governmental body as defined by the Guam Procurement Law; and it does not include agencies that are not executive branch such as the PUC or the OPA.

Commissioner Perez-Camacho questioned that since PUC is a small entity, does it need to follow a guideline and, if so, does PUC need to have its own guidelines? Commissioner Flores-Brooks stated that she does recognize the independence and does want the flexibility, but her concern is adopting a new set of regulations because PUC is such a small entity. Again, her issue is with the small purchase amount -- \$100K is too much for PUC. Legal counsel Camacho stated that there are 3 levels, there is micro purchase which is \$10K. Actually anything between \$10,001 and \$250K. With anything above \$250K, you are required to issue solicitations. Commissioner Montinola added that is the flexibility PUC has - it allows PUC to be able to move quicker. Chairman Johnson inquired whether the figures in the proposed guidelines were consistent with the Government of Guam Procurement Law. Legal counsel Camacho stated that it is not, as small purchases is currently up to \$25K for supplies and services and \$100K for construction. In PUC's proposed guidelines, it is \$10K and below and then \$10,001 to \$250K.

Legal counsel Camacho informed the Commission that it still needed to address the update on the solicitation. In the event of a protest, there will be an appeal process and the aggrieved bidder would submit its appeal in writing to the procurement officer, i.e., PUC's Administrator, within 10 days after receiving notice of the successful bidder or offeror. The PUC Administrator has to respond to the appeal, in writing, 10 days after it is final. If the aggrieved bidder does not accept the decision of the procurement officer, the aggrieved bidder may appeal with the procurement officer to the PUC Commission within 10 days of receiving the decision. Thereafter, the PUC Chairman shall appoint an *Ad Hoc* Committee, composed of 3 Commissioners, to hear the appeal. The *Ad Hoc* Committee will only consider the original issues - no new issues will be included. The *Ad Hoc* Committee will make recommendation to the PUC Chairman to sustain or deny the appeal, and take other necessary action within 10 working days. The PUC Chairman may sustain or remand the matter back to the *Ad Hoc* Committee for further action. This would be the process to be followed.

Chairman Johnson stated that if we were to move forward and approve Resolution 25-05, this would be PUC's Procurement Guidelines and Regulations. Chairman Johnson solicited further comments from the Commissioners. Commissioner McDonald commented on the small purchases and inquired of legal counsel if there is only 1 bidder and 2 other bidders were unable to bid, would that suffice the 3-bid requirement? The concern is purchasing items over \$11K, and whether PUC will be prohibited from purchasing because only 1 bidder provided an actual bid although 3 solicitations were actually made. Legal counsel Camacho explained that the requirement is to solicit for quotations to at least 3 bidders - it does not require 3 responses to proceed. Commissioner Montinola stated that this is the norm, it's the procedure followed by other agencies. Good record keeping and proper documentation are essential. CALJ Horecky commented that in 1986 to sometime in 2008, PUC took the position that the Guam Procurement Law was not applicable. In 2000, the Attorney General's Office questioned one of PUC's procurement and demanded documents. The PUC passed a resolution that denied the Attorney General's request on the basis that it was not subject to the procurement law and that was the end of it. PUC did not hear back from the Attorney General's Office.

Approximately 2008, the PUC attempted to adhere to the procurement law, however, it was extremely difficult for PUC to get through Guam's procurement process. PUC is too small but highly technical. There is too much work involved and it is just not that productive. The draft guidelines before us are pretty good and it gives PUC the flexibility it needs, although CALJ Horecky has concerns about bids being awarded to the lowest bidders because of the technicality involved, such as with ALJs and consultants. The lowest bidder is not necessarily the best for PUC's purposes. The limitations posed by the proposed guidelines, i.e., the \$10,0001 to \$250K - CALJ Horecky knows of only two consultant contracts that would go beyond that figure.

Commissioner Montinola stated that awards to bid contracts should be to lowest responsible and responsive bidders not just lowest bidders as quality matters. CALJ Horecky added that procurement of professional services needs to be considered. Legal counsel Camacho stated that PUC could address this issue by inserting a provision that professional services be qualification-based not price-based, a statement of qualification is submitted and the award is based on who is the most qualified.

Commissioner Pangelinan stated that the proposed guidelines provide the framework for the process should there be a challenge. Chairman Johnson added that the proposed guidelines are simpler and better suited for PUC's purposes, subject to the two revisions to be made regarding professional services and small purchases. Chairman Johnson further added that the guidelines can be later modified on an as-needed-basis. Commissioner Pangelinan suggested that any motion with regard to approving the proposed procurement guidelines be considered after all the necessary revisions have been made and are before the Commission.

Following the discussions, the Chairman asked for a motion to table this matter. Commissioner Perez-Camacho moved to table the procurement guidelines until the next scheduled meeting, which motion was seconded by Commissioner Pangelinan and the motion was duly carried and unanimously approved.

6. ADJOURNMENT

There being no further business before the Commission, Commissioner Montinola moved to adjourn the meeting, which motion was duly seconded by Commissioner Pangelinan. The motion passed unanimously and the meeting was adjourned at 8:50 p.m.



Jeffrey C. Johnson
Chairperson

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION
241 Farenholt Avenue, Oka Bldg.
2nd Floor, Suite 205
Tamuning, GU 96913

REGULAR MEETING
March 27, 2025 at 6:30 p.m.

AGENDA

1. **Call to Order**
2. **Approval of Minutes of February 27, 2025 Regular Meeting**

GUAM WATERWORKS AUTHORITY

3. **GWA Docket No. 25-06:** Petition to Approve Purchase of Lease Heavy Equipment and Lease Extension; Legal Counsel Report and Proposed Order.

GUAM SOLID WASTE AUTHORITY

4. **GSWA Docket No. 25-01:** Petition for Contract Review and Approval; ALJ Report and Proposed Order.

GUAM POWER AUTHORITY

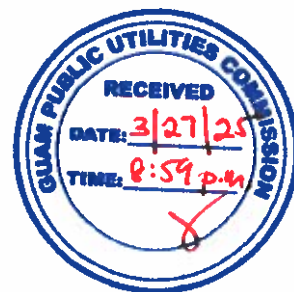
5. **GPA Docket No. 25-07:** Petition of the Guam Power Authority for Authorization to Procure Strategic Program Management Office for GPA's Future Projects; Legal Counsel Report and proposed Order.
6. **GPA Docket No. 25-09:** Petition of the Guam Power Authority to Approve Procurement of the Comprehensive Unarmed Uniformed Security Guard Services; ALJ Report and Proposed Order.

ADMINISTRATIVE MATTERS

7. **Resolution No. 25-04: Relative to Extension of Administrative Law Judge Services Agreement with the Guam Public Utilities Commission.**
8. **Approval of Minutes of Executive Session held on May 16, 2024 regarding Pending Litigation.**
9. **Update on Solicitation of Lease for Office Space.**
10. **Resolution No. 25-05: Relative to Approving the Guam Public Utilities Commission's Procurement Guidelines and Procedures**

ADJOURNMENT

"ATTACHMENT "A"



BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:

GWA DOCKET 25-06

GUAM WATERWORKS AUTHORITY'S)
PETITION TO APPROVE PURCHASE OF)
LEASED HEAVY EQUIPMENT AND)
LEASE EXTENSION)
_____))
_____)

PUC ORDER

INTRODUCTION

1. This matter comes before the Guam Public Utilities Commission [PUC] pursuant to the Guam Waterworks Authority's [GWA] Petition to Approve Purchase of Leased Heavy Equipment and Lease Extension [Petition].¹
2. GWA requests that the PUC approve the purchase of heavy equipment in the amount of \$519,510 and for the three-month lease extension with Morrico Equipment LLC [Morrico] in the amount of \$58,041.45.²

BACKGROUND

3. On December 27, 2018, the PUC approved GWA's heavy equipment lease with Morrico. The lease's five-year term was estimated to cost GWA \$1,160,829.³
4. GWA leased three 4-wheel drive backhoes, three heavy duty trailers, and three tandem dump trucks, and the lease term was set to expire in January, 2025 for the backhoes, one trailer, and one of the dump trucks, and the lease term was set to expire for the two dump trucks and two trailers in February, 2025, which triggered a lease termination or the option to purchase.⁴
5. GWA determined that it is in GWA's best interest to exercise the option to purchase the three dump trucks for the amount of \$329,388, the three backhoes for the

¹ GWA Petition to Approve Purchase of Leased Heavy Equipment and Lease Extension, GWA Docket 25-06, filed on March 11, 2025 at 1.

² Id., at 5. NOTE: Page number cited herein are the PDF page numbers.

³ PUC Order dated December 27, 2018, GWA Docket No. 19-07, at 2 and 4.

⁴ Petition at 2 and 6.

amount of \$149,451, and the three trailers for the amount of \$40,671 for the total amount of \$519,510.⁵

6. GWA also negotiated an extension of the lease for a three-month period at the original lease rate of \$19,347.15 per month for a total of \$58,041.45 to ensure that the lease did not terminate prior to obtaining the regulatory authorizations GWA would be required to obtain prior to exercising the option to purchase the equipment.⁶
7. On February 25, 2025, the Guam Consolidated Commission on Utilities [CCU] issued GWA Resolution No. 19-FY2025 authorizing GWA to exercise the option to purchase the three backhoes, the three trailers, and the three dump trucks for the total amount of \$519,510, to extend the lease for an additional three months for a total of \$58,041.45, and to use GWA's revenue funds and Internally Funded Capital Improvement Project funds to fund the purchase the heavy equipment and for the lease extension.⁷
8. On March 23, 2025, PUC Legal Counsel filed his report in this matter recommending that the PUC approve GWA's Petition.

DETERMINATIONS

9. The PUC's Contract Review Protocol for GWA mandates that multi-year procurements with fixed terms and variable annual costs that exceed \$1,000,000, GWA shall seek PUC approval in the event a procurement should exceed 120% of the aggregate cost initially approved by the PUC.⁸ Here, the PUC approved the lease's original estimated cost of \$1,160,829. However, the additional \$519,510 cost of exercising the option to purchase the heavy equipment and the additional \$58,041.45 for the three-month extension will increase the total cost of the lease to \$1,738,380.45 which exceeds the amount of \$1,392,994.80 which is 120% of the original \$1,160,829 estimated cost of the lease approved by the PUC. Therefore, GWA must obtain the PUC's approval to exercise the option to purchase the heavy equipment and extend the lease.

⁵ Petition at 7.

⁶ Petition at 8.

⁷ Petition at 9.

⁸ PUC Order re Contract Review Protocol for GWA, PUC Administrative Docket, filed on October 27, 2005 at paragraph 4(d) at 3.

10. GWA's \$519,510 cost to exercise the option of purchasing the heavy equipment and the \$58,041.45 cost for the three-month lease extension are reasonable. GWA has determined that Morrico's offer to sell the used dump trucks for \$109,796 each, the used backhoes for \$49,817 each, and the three used trailers at \$13,557 each, is within current fair market value because the equipment is in good to excellent condition and has been well maintained under the lease terms.⁹ Additionally, the three-month extension of the lease was made without increasing the existing monthly lease rate of \$19,347.15 per month.¹⁰ Therefore, the \$519,510 cost to exercise the option of purchasing the heavy equipment and the \$58,041.45 cost for the three-month lease extension are reasonable.
11. GWA's exercise of the option to purchase the heavy equipment and its decision to extend the lease for an additional three-months are prudent. GWA conducted a thorough cost-benefit analysis that found exercising the option to purchase the backhoes and dump trucks instead of leasing them for another three years would save GWA the amount of \$982,094.¹¹ Additionally, although the lease extension is for a three-month period, it will terminate when GWA's exercise of the option to purchase is approved by the PUC and the lease billing will be prorated based on the number of days the lease was active.¹² Thus, GWA's exercise of the option to purchase the heavy equipment and extended the lease for an additional three months is prudent.
12. GWA's exercise of the option to purchase the heavy equipment and its decision to extend the lease for an additional three-months are necessary. GWA must use heavy equipment operated by its employees to perform many of the smaller capital improvement projects and smaller repairs to GWA's water and waste-water systems. Here, the backhoes, trailer, and dump trucks at issue here, were organized by GWA into three teams each consisting of one backhoe, one dump truck, and one trailer, with the necessary crews to man and operate them, and GWA deployed these teams quickly throughout Guam to conduct small CIPS, and line repair and installation projects.¹³ The extension of the lease was necessary to prevent it from terminating prior to GWA obtaining the necessary approvals from the CCU and the PUC. Therefore, GWA's exercise of the option to purchase the

⁹ Petition at 4.

¹⁰ Petition at 8.

¹¹ Petition at 11.

¹² Petition at 5.

¹³ PUC Order dated December 27, 2018, GWA Docket No. 19-07, at 1 and 3.

heavy equipment and its decision to extend the lease for an additional three-months are necessary.

13. Based on the foregoing, GWA's \$519,510 cost to exercise the option of purchasing the heavy equipment and the \$58,041.45 cost for the three-month lease extension are reasonable, prudent, and necessary.

ORDERING PROVISIONS

After reviewing the record herein, GWA's Petition to Approve Purchase of Leased Heavy Equipment and Lease Extension, and the PUC Counsel Report, and for good cause shown, on motion duly made, seconded and carried by the undersigned Commissioners, the Guam Public Utilities Commission **HEREBY ORDERS** that:

1. GWA Petition to Approve Purchase of Leased Heavy Equipment and Lease Extension is hereby approved.
2. GWA is ordered to pay the Commission's regulatory fees and expenses, including, without limitation, consulting and counsel fees and the fees and expenses of conducting the hearing proceedings. Assessment of the PUC's regulatory fees and expenses is authorized pursuant to 12 GCA §12002(b) and 12024(b), and Rule 40 of the Rules of Practice and Procedure before the Public Utilities Commission.

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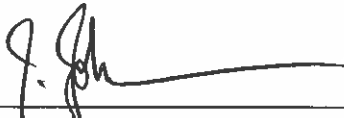
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Dated this 27th day of March, 2025.



Jeffrey C. Johnson
Chairman



Joseph M. McDonald
Commissioner



Rowena E. Perez-Camacho
Commissioner



Doris Flores Brooks
Commissioner

Michael A. Pangelinan
Commissioner



Peter Montinola
Commissioner



BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:

)
) GSWA Docket 25-01
)

The Application of the Guam Solid Waste)
Authority for Review and Approval of the)
Award and Contract to EA Engineering,)
Science, and Technology, Inc., for Landfill)
Compliance and Engineering Services)
_____)

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.¹

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.² 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

¹ GSWA Petition, GSWA Docket 25-01, dated March 14, 2025.

² 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).

possessed the necessary qualifications, experience and capabilities to fulfill the contract requirements.³

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 One: \$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.⁵

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, 2025.⁷ 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

³ Id. at Exhibit 1, p. 2.

⁴ Id.

⁵ 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).

⁶ GSWA Petition at p. 2.

⁷ ALJ Report, GSWA Docket 25-01, dated March 21, 2025.

⁸ 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).⁹ 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.¹⁰

2. GSWA has demonstrated a Need for the Services that EA will perform under the agreement.

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 Ordodot.”¹¹

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.¹²

Under the proposed contract EA would also perform work regarding the Ordodot 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 Ordodot include the sampling and monitoring of leachate and ground water to be performed by EA.¹³

⁹ Id. at Section 1(b).

¹⁰ Id.

¹¹ GSWA Petition at p. 3.

¹² Id.

¹³ 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.”¹⁴

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.¹⁵

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”).¹⁶ The contractor is

¹⁴ Id.

¹⁵ See Exhibits “A” and “B” attached to the ALJ Report.

¹⁶ 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.¹⁷

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

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

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.²² The contract cannot be assigned or subcontracted without the express prior written consent of GSWA.²³

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,

¹⁷ Id. at pgs. 10-11.

¹⁸ Id. at pgs. 13.

¹⁹ Id. at p. 18.

²⁰ Id. at p. 29.

²¹ Id. at p. 30.

²² Id. at p. 33-34.

²³ 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.

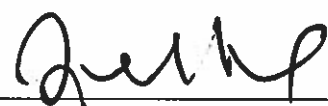


Jeffrey C. Johnson
Chairman

Joseph M. McDonald
Commissioner

Rowena E. Perez-Camacho
Commissioner

Doris Flores Brooks
Commissioner

Michael A. Pangelinan
Commissioner

Peter Montinola
Commissioner



BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

| | | |
|---------------------------------|---|-------------------------|
| PETITION FOR APPROVAL OF |) | GPA DOCKET 25-09 |
| PROCUREMENT OF |) | |
| COMPREHENSIVE UNARMED |) | |
| UNIFORMED SECURITY GUARD |) | ORDER |
| SERVICES BY THE GUAM |) | |
| POWER AUTHORITY |) | |
| <hr/> | | |

INTRODUCTION

This matter comes before the Guam Public Utilities Commission (the “PUC”) pursuant to the March 7, 2025 Petition for Approval of Procurement of Comprehensive Unarmed Uniformed Security Guard Services (hereinafter referred to as the “Petition”) filed by the Guam Power Authority (“GPA”).

On March 24, 2025, 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 2022, GPA issued IFB GPA-033-22, which sought unarmed, uniformed security guard services for key assets and locations.¹ GPA thereafter entered into a contract for an initial term of one year (with two year-long renewal options). Based on purchase orders submitted by GPA pursuant to a Request for Information issued by the

¹ GPA Resolution No. 2020-22, issued by the Consolidated Commission on Utilities, p. 1 (Oct. 20, 2020), filed in GPA Docket 21-02.

undersigned ALJ on March 14, 2025, the subject contract for services is set to expire in June of this year.

A. Contract Review Protocol

Pursuant to 12 G.C.A. §12105, GPA may not enter into any contractual agreements or obligations which could increase rates and charges without the PUC's express approval. Furthermore, GPA's Contract Review Protocol requires that "[a]ll professional service procurements in excess of \$1,500,000" require "prior PUC approval . . . **which shall be obtained before the procurement process is begun.**"²

B. GPA's Petition to Procure Comprehensive Unarmed Uniformed Security Guard Services, Scope of Services, and Estimated Cost

In its Petition, GPA requested that the PUC approve a procurement related to unarmed uniformed security guard services to protect GPA key assets and locations.³ Since GPA's current contract for security guard services ends in June this year, GPA seeks PUC approval to procure comprehensive unarmed uniformed security guard services for a three-year base period and two one-year option periods.⁴

GPA submitted that its "critical infrastructure whose assets, systems, and networks, whether physical or virtual, are considered so vital to the island community, military and nation that the incapacitation or destruction thereof would have a debilitating effect on

² GPA's Contract Review Protocol, Administrative Docket 00-04, p. 1 (Feb. 15, 2008) (emphasis in original).

³ Petition, p. 1.

⁴ Petition, p. 1.

readiness, economic security, public health or safety, or any combination thereof”⁵

Indeed, an essential component to GPA’s security efforts is “utilizing manned security services along with various technological solutions such as surveillance systems, intrusion detection systems, access control systems”, which all together “minimizes security risks to [GPA] customers, personnel and property.”⁶

Based on draft IFB documents submitted by GPA, the contractor will be required to provide standard unarmed security guard services, which involves properly vetted personnel who are trained and qualified as security guards. The services also include the provision of energy efficient transportation means, such as electric golf carts and buggies, to be used for any perimeter surveillance.

These guards must also conduct and log routine surveillance of the facility, to include perimeter fencing, windows, gates, locks, and any barriers; respond to security threats and breaches; respond to any suspicious and unpermitted activities; respond to fire and safety hazards; prepare incident reports and contact proper authorities when necessary; and also provide immediate assistance during an emergency. Other responsibilities may further include assisting with access control measures; and monitoring activities through the use of security cameras.

GPA estimated the annual cost of such a contract at \$1,055,000 to \$1,155,500, for a total of \$5,275,000 to \$5,727,500 over five years.⁷

⁵ Resolution, p. 1.

⁶ Resolution, p. 1.

⁷ Petition, p. 2.

C. CCU Resolution No. FY2025-12

The instant Petition is supported by Resolution No. GPA FY2025-12 issued by the CCU (“Resolution”). Pursuant to the Resolution, the CCU found that the subject procurement was “reasonable, prudent and necessary”⁸ inasmuch as GPA’s “infrastructure whose assets, systems, and networks, whether physical or virtual, are considered so vital to the island community, military and nation that the incapacitation or destruction thereof would have a debilitating effect on readiness, economic security, [and] public health or safety.”⁹

The CCU found that GPA must defend against risks and threats to the agency by “utilizing manned security services[,] along with various technological solutions[,] such as surveillance systems, intrusion detection systems, access control systems” in an effort to reduce security risks to GPA customers, personnel and property.¹⁰ The CCU therefore authorized the issuance of the subject procurement.¹¹

CONCLUSION

Based on this record, the ALJ found that the subject procurement is prudent, reasonable, and necessary. This Commission has recognized in prior dockets that the physical security of GPA’s assets, facilities, and certainly personnel are critical to its daily operations. Without a doubt, GPA should exercise its best efforts in obtaining security for GPA’s assets and personnel in order to protect its power-generation facilities from threats

⁸ Resolution, p. 2.

⁹ Resolution, p. 1.

¹⁰ Resolution, p. 2.

¹¹ Resolution, pp. 3-4.

of damage, tampering, vandalism, theft, and even terrorist activities, most especially during these times where generation capacity is crucial and potentially limited. Overlooking this need may risk threatening the public health, welfare and safety of the island.

RECOMMENDATION

Based on the foregoing, the ALJ recommended that the PUC approve GPA's Petition. Accordingly, GPA should be authorized to issue a procurement related to comprehensive unarmed uniformed security guard services to protect GPA key assets and locations.

The Commission hereby adopts the findings in the March 24, 2025 ALJ Report and therefore issues 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. That GPA is authorized to issue a procurement related to comprehensive unarmed uniformed security guard services.
3. GPA 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. §§ 12002(b) and 12024(b), and Rule 40 of the Rules of Practice and Procedure before the PUC.

[SIGNATURES TO FOLLOW ON NEXT PAGE]

SO ORDERED this 27th day of March, 2025.



JEFFREY C. JOHNSON
Chairman

ROWENA E. PEREZ-CAMACHO
Commissioner

JOSEPH M. MCDONALD
Commissioner

MICHAEL A. PANGELINAN
Commissioner

PETER MONTINOLA
Commissioner

DORIS FLORES BROOKS
Commissioner

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GUAM PUBLIC UTILITIES COMMISSION

Jeffrey C. Johnson
Chairman

Peter B. Montinola
Vice Chairman

Commissioners

Joseph M. McDonald
Michael A. Pangelinan
Rowena E. Perez-Camacho
Doris Flores-Brooks

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Lourdes R. Palomo
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Marie M. Leon Guerrero
Administrator-in Training

Sheila M. Salas
Administrative Assistant

Frederick J. Horecky
Chief Administrative Law Judge

Joephet R. Alcantara
Administrative Law Judge

Anthony R. Camacho
Legal Counsel



RESOLUTION NO. 25-04

RELATIVE TO EXTENSION OF ADMINISTRATIVE LAW JUDGE SERVICES AGREEMENT WITH THE GUAM PUBLIC UTILITIES COMMISSION

WHEREAS, the Guam Public Utilities Commission ("PUC") is an autonomous instrumentality independent of the Executive and Legislative Branches of the Government of Guam;

WHEREAS, the PUC has the authority to retain consultants pursuant to 12 GCA Section 12103 (a), which provides that "[T]he Commission shall retain **on an as needed basis** those professional services required by the Commission in the performance of its duties".

WHEREAS, Frederick J. Horecky ("Horecky") has served as PUC Counsel, Administrative Law Judge, and Chief Administrative Law Judge for the Commission during the last seventeen-year period; and


WHEREAS, the Administrative Law Judge Service Agreement with Horecky will terminate on March 30, 2025; and

WHEREAS, the PUC wishes to continue to retain Horecky's services as ALJ during a "transition period", to complete certain matters that he has already undertaken, including the GSWA Rate case, the GWA Rate case, LNG matter involving GPA, LEAC and other matters, and to assure the PUC has adequate ALJ services to handle its workload;

NOW THEREFORE, in due consideration of the above recitals and for good cause shown, the PUC hereby resolves that:

1. The services of current Administrative Law Judge Frederick J. Horecky are extended for a one-year period, commencing on March 31, 2025, and ending on March 30, 2026. Such services may be further extended, subject to mutual agreement of the parties.
2. Horecky' s services after March 30, 2025, shall be governed by the same terms and conditions set forth in his previous Administrative Law Judge Services Agreement.
3. The Commission, though its Commissioners and Staff, may consult Horecky on any matter and may assign him substantive work on rate cases, regulatory dockets, or other regulatory matters to the extent that he is able to handle such matters.


SO ORDERED this 27th day of March, 2025.




Jeffrey C. Johnson
Chairman



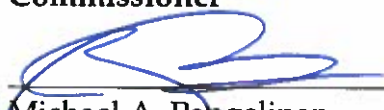
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