MARIANNE WOLOSCHUK
Legal Counsel
Guam Power Authority
Gloria B. Nelson Public Building
688 Route 15, Mangilao, Guam 96913
Telephone: (671) 648-3203
Fax No. (671) 648-3290
Email: mwoloschuk@gpagwa.com

Counsel for Guam Power Authority

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:	**GPA DOCKET NO. 25-21**
GPA BULK STORAGE FUEL TANK 1934	**PETITION OF THE GUAM POWER AUTHORITY TO APPROVE CONSTRUCTION CHANGE ORDER TO PERFORM LEAD ABATEMENT AND ADDITIONAL REPAIRS ON TANK 1934**

The Guam Power Authority (GPA) petitions the Guam Public Utilities Commission (PUC) to approve a construction change order for GPA Bulk Storage Fuel Tank 1934 in order to perform lead abatement and additional repairs. In support of the petition, GPA attaches the resolution of the Consolidated Commission on Utilities (CCU) on this matter. *See* Ex. 1 (CCU GPA Resolution No. FY2025-26, Aug. 26, 2025).

I. Background

On December 2, 2019, GPA entered into a contract under IFB GPA-028-19 with Tristar Terminals Guam, Inc., to inspect and refurbish GPA's bulk storage fuel tanks 1934 and 1935, as required by USEPA regulations. *See* 40 CFR § 112.8(c)(6) (governing spill prevention, control, and countermeasure plan requirements for onshore facilities, specifically, bulk storage containers). At that time, the tanks were about two years overdue for inspection and

refurbishment according to API 653, the American Petroleum Institute standard for the inspection, repair, alteration, and reconstruction of aboveground storage tanks.

Initially, the total cost of the contract was $8,969,510.00. *See* Order, Dkt No. 19-01, at 2 (Aug. 29, 2019). Over time, GPA executed several small change orders that fell below the PUC threshold, Change Order Nos. 1 ($29,387.56), 2 ($543,813.00), 3 ($1,200,010.00), and 5 ($1,263,448.00), which amounted to $3,036,658.56. The PUC later approved Change Order No. 4 to the contract in the added amount of $3,140,489.35 to deal with additional repairs needed by Tank 1935. *See* Order, Dkt No. 22-11, at 3 (May 26, 2022). This brought the total contract cost for Tanks 1934 and 1935 to $15,146,657.91.

The refurbishment and servicing of Tank 1935 has been completed. It now holds ULSD (ultra low sulfur diesel) and supplies the Ukudu Power Plant with fuel. GPA plans for Tank 1934, which formerly held ULSFO (heavier fuel), to hold ULSD as well. But for now, the work on Tank 1934 continues.

A recent API 653 report dated January 16, 2025, on Tank 1934 recommended the repair of various tank defects at a cost of $2,422,572.54. *See* Ex. 1 at (Ex. A, Tristar Letter (Aug. 14, 2025)). Moreover, contrary to earlier representations that "the tank coating/lining is lead free," *see* Ex. 1 at 13 (Ex. C, Tristar Letter (Aug. 13, 2025)), recent testing by Industrial Hygiene Professionals, Inc. (IHP), detected lead-based paint on the exterior tank shell of Tank 1934. *See* Ex. 1 at 17 (Ex. D, IHP Letter (Mar. 25, 2025)). As a result of these findings, the contractor must undertake lead abatement activities, in addition to the work identified above, at a cost of $1,725,119.31. The total cost of the change order for tank defect repairs and lead abatement amounts to $4,147,691.85. The total contract cost will now be $19,294,349.76.

Once Tank 1934 with its 268,000-barrel capacity is placed back in service, GPA will have a total of 6 to 9 months of fuel capacity in storage. This will permit GPA to buy and store

oil when the prices are favorable, and use it when they are not. GPA will have the resources to manage its fuel needs better. GPA will also be positioned to terminate existing lease for the bulk storage fuel tank that makes up for the current absence of Tank 1934's capacity. In addition, GPA's fuel tanks may prove a boon to the greater community, as the ULSD used for the power plants is the same fuel used in government school buses and heavy equipment and the like. Partnering with GPA will give GovGuam some flexibility in urgent circumstances and give GPA a source of benefit.

II. Request for Approval

The PUC's contract review protocol for GPA requires PUC authorization for all contracts in excess of $1.5 million. The total cost of the Cabras 1 and 2 PMC exceeds $19 million, triggering contract review.

The change order is necessary because GPA needs the fuel storage capacity of Tank 1934 to operate efficiently. GPA storage tanks also must comply with USEPA regulations and industry standards.

The change order is reasonable because the price of the work being performed is comparable to past payments for Tank 1935.

The contract extension is prudent because the added storage capacity will allow GPA to take better account of fuel pricing and GPA will have the potential to assist other government agencies in return for benefits to GPA.

III. Conclusion

Based on the foregoing, GPA requests that the PUC approve the change order in the amount of $4,147,691.85 to its contract with Tristar for inspection and refurbishment of bulk storage fuel tanks to allow for the work necessary to bring Tank 1934 back into service. The

requested change order is reasonable, necessary, and prudent.

Respectfully submitted this 5th day of September, 2025.

Attorney for Guam Power Authority

By: 

MARIANNE WOLOSCHUK
GPA Legal Counsel

CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagåtña, Guam 96932 | (671) 648-3002 | guamccu.org

GPA RESOLUTION NO. FY2025-26

RELATIVE TO AUTHORIZING A CONSTRUCTION CHANGE ORDER FOR GPA BULK STORAGE FUEL TANK 1934 LEAD ABATEMENT AND ADDITIONAL TANK REPAIRS

WHEREAS, the Guam Power Authority (GPA) operates and maintains the bulk storage fuel tanks located at Piti, Guam, which are managed by the current Contractor, Supreme Group Guam, LLC and are used to supply fuel to GPA's base load units; and

WHEREAS, the bulk storage fuel tanks last underwent internal inspection and refurbishment in 2007; and

WHEREAS, the tanks appurtenances including auxiliary equipment are required to be assessed, recalibrated and refurbished to comply with regulatory requirements; and

WHEREAS, upon completion of the out of service inspection and refurbishment of the bulk storage tank, it will be utilized to store ULSD fuel to supply Piti Power Plant 7, 8, 9 and the new Ukudu 180 MW Power Plant; and

WHEREAS, the Contract was awarded to Tristar Terminals Guam, Inc. on December 02, 2019; and

WHEREAS, the project is currently on-going for Tank 1934 remaining works and Tristar Terminals Guam, Inc. submitted a request for a Construction Change Order; and

WHEREAS, the Construction Change Order is for Tank 1934 repair with a final cost of $2,422,572.54 (Attached Exhibit A) as per API 653 OOSI report and recommendations dated January 16, 2025 (Attached Exhibit B); and

WHEREAS, the Construction Change Order also includes the lead abatement for Tank 1934 exterior coating with a final cost of $1,725,119.31 (Attached Exhibit C) as per Industrial Hygiene Professionals, Inc. testing results dated March 25, 2025 (Attached Exhibit D); and

WHEREAS, the proposed Construction Change Order total cost for both proposed work activities is $4,147,691.85; and

WHEREAS, completing these additional works is viable in order to recommission Tank 1934, conform with API standards and meet USEPA compliance schedule.

WHEREAS, GPA is requesting the approval of the CCU for the proposed Construction Change Order of Tristar Terminals Guam, Inc. for the Out of Service Inspection and Refurbishment of GPA Bulk Storage Fuel Tanks Project.

NOW, THEREFORE, BE IT RESOLVED, by the Consolidated Commission on Utilities as follows:

1. After careful review of the attached documents, the Consolidated Commission on Utilities finds the expenditure for the Out of Service Inspection and Refurbishment of GPA Bulk Storage Fuel Tank Construction Change Order to be reasonable, prudent and necessary for the use of Revenue Funds.
2. GPA is authorized to petition the Public Utilities Commission for approval of the additional change order work and associated costs for the Bulk Storage Fuel Tanks Out of Service Inspection and Refurbishment.
3. Subsequent to PUC approval, the General Manager is hereby authorized obligating authority from $15,146,657.91 to $19,294,349.76 for the Out of Service Inspection and Refurbishment Services for the GPA Bulk Storage Fuel Tanks Construction Change Order;

RESOLVED, that the Chairman certifies and the Secretary attests the adoption of this Resolution.

DULY AND REGULARLY ADOPTED, at Mangilao, Guam, this 26th day of August 2025.

Certified by:

Francis E. Santos
Chairperson
Consolidated Commission on Utilities

Attested by:

Melvin F. Duenas
Secretary
Consolidated Commission on Utilities

SECRETARY'S CERTIFICATE

I, **Melvin Duenas**, Secretary for the Consolidated Commission on Utilities, 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:

4 AYES
0 NAYS
0 ABSTENTIONS
1 ABSENT

EXHIBIT A

TTGI/PRJT/OUT/AUG/2025/020/R1 AUG 14, 2025

Mr. Vince J. Sablan, P.E.
GPA Project Manager
Guam Power Authority (GPA)
P.O. Box 2977
Agana, Guam 9693-2977

CC: Mr. Manuel Minas – GPA Engineering Supervisor, Nino Joseph D. Bacsafra – GPA Project Manager

SUBJECT: TTGI-VC-016 – Tank 1934 Mechanical Works – Change Order (CO) / Variation Claim (VC) Contract#C-028-19 Invitation#GPA-028-19 PO# 27002 OP

Project Name: Out of Service Inspection and Refurbishment of GPA Bulk Storage Fuel Tanks

Dear Mr. Sablan,

As discussed during the Progress Meetings No. 93-98 held between Tristar Terminals Guam Inc. ("TTGI") and the GPA Project Engineering team overseeing our project, TTGI engaged a certified API inspection company to conduct a comprehensive Out-of-Service Inspection of GPA Tank 1934. This inspection was carried out by a qualified API 653 inspector and included a range of assessments such as non-destructive examination, dimensional surveys, and full bottom plate scan. These evaluations were performed in accordance with the API 653 standard to determine the current condition and integrity of the tank.

The final report of the API 653 inspection, along with the corresponding engineering analysis, was submitted to the GPA Project Engineering team on February 20, 2025, via email with the subject line: *Tank 1934 – OOSI Final Report*. Receipt of the report was acknowledged by GPA Project Engineer Mr. Nino Joseph Bacsafra on the following day. Subsequently, on March 14, 2025, the GPA Project Engineer provided comments on the submitted Out-of-Service Inspection (OOSI) report. TTGI responded to these comments on March 19, 2025, and thereafter submitted a revised version of the OOSI report on April 25, 2025.

As referenced in the final revised report under *Inspection Overall Assessment* (page 5 of 259), Tank 1934, in its current condition, was assessed as **not suitable for service**. The certified API 653 inspector detailed the required repair recommendations on page 29 of the report to ensure compliance with applicable industry standards, as well as federal and local regulations.

In response, TTGI has developed a corresponding scope of work aligned with the inspector's recommendations. This scope is summarized in *Appendix A* of this letter.

Accordingly, we respectfully submit our **Change Order/Variation Claim Form Notice No. TTGI-VC-016** to carry out all the scopes outlined in Appendix A to resume the original project schedule.

For your reference and consideration, the following points are presented to justify TTGI's position that the advised activity falls outside the original Scope of Work.

Change Order/Variation Clam Justification:

1. With reference to the RFP scope of work and RFI amendments of our contract GPA 028-019; under the Section 0101 item 1.c7, "*Tank Defects Repair – The over-all repair of the tank defects depends on the technical written report of the certified API 653 Inspector. Based on the technical recommendations of the API Inspector, tanks defects repair shall be performed by the Contractor accordingly. For the purpose of bid uniformity, the tank defect repair will be based on the following assumptions;*

a. *Interior bottom plate and shell defects – 100 SF*
b. *Exterior shell wall defects – 100 SF*
c. *Roof Exterior Surface – 100 SF*
d. *Bottom projection plate defects – 100 SF*
e. *Tank Stairway and handrail – 100 SF*
f. *Tank external piping – 50 LF*
g. *Install new tank railing – 1 LS*

Actual work may vary and payment of items shall be based on the actual work performed. The figures shall be adjusted proportionately.

In reference to the API Inspector's technical recommendations, the extent and severity of the required work to achieve compliance with API standards significantly exceed the planning assumptions as stated in our contract.

2. The API 653 inspection report clearly highlights that major refurbishment is required for Tank 1934 to be deemed suitable for service, particularly based on the inspection findings for the roof, shell, and bottom plates. **The total area covered under this scope of work is approximately 1,450 sq. ft**. The key findings are summarized as follows:
   a. **Bottom Plates**: Out of 13 row bottom plates scanned and inspected, major refurbishment is required. This includes full plate replacement, installation of patch plates, and remediation of various anomalies.
   b. **Roof Plates**: Out of 25 row roof plates scanned and inspected, major refurbishment is also necessary. This includes replacement of roof plates and appurtenances, installation of patch plates, and numerous other anomalies.
   c. **Shell Plates and Appurtenances**: Scans performed across the shell plates and associated appurtenances revealed the need for major refurbishment, including shell plate replacements, appurtenance repairs, and resolution of numerous other anomalies.
   d. **Additional Weld Repairs**: In addition to the replacement and patching activities, the report also identifies the need for additional weld pass repairs across the tank's roof, shell, and bottom plates. These areas are marked with clouded or 'x' annotations in the report and are critical to restoring the tank to a serviceable condition for the next 10 years.

3. The API 653 inspection also identified significant deterioration across the tank's roof, shell, and foundation, necessitating major refurbishment works. **The total area covered under this scope of work is approximately 3,045 sq. ft.** The key items requiring attention include, but are not limited to, the following.
   a. Replacement of all roof manholes.
   b. Replacement of severely corroded painter's coupler, which is essential for safe scaffold erection.
   c. Sectional replacement of corroded roof plates, along with the replacement of missing four (4) and three (3) detached angle bar lateral braces used for rafter connection.
   d. Repairs to the shell plates on various locations, including patch repairs for six (6) identified through-and-through holes.
   e. Replacement of severely corroded stairway and handrail.
   f. Replacement of overflow pipes and decommissioning of internal funnels.
   g. Refurbishment of the plinth seal to protect the tank base and prevent water ingress.

4. TTGI is requesting a change order solely to cover the incremental costs associated with executing the critical repair recommendations identified in the API 653 inspection. These costs exceed the original planning assumptions and were not anticipated within the initial project scope.

Considering the points above, TTGI respectfully requests GPA to approve a project CO/VC. We estimate the net value of this change order to be **$2,422,572.54**. This change order takes into consideration the cost of materials, tools & equipment, and labor to carry out the API Inspector's recommended repairs for Tank 1934 to comply with industry, federal, and local regulations, and to be suitable for service for the next 10 years.

Terms, Conditions and Assumptions for this change order i.e. TTGI-VC-016

1. Commencement of the additional works is with the assumption that the surface of the tank is free from hazardous materials.
2. Commencement of the additional works is with the assumption that the site condition including the tank bottom is gas free and does not contain any contaminated soil.
3. Prior to commencement, GPA shall provide TTGI with documentation confirming that the site conditions are safe to perform hot works specifically on the tank bottom.
4. TTGI's change order does not include any costs towards disposal of fuel products or contaminants. This shall be conducted by GPA at its own cost.
5. The proposal is considered as lump sum and all API 653 recommendations addressed in the Appendix I will be followed.
6. Handling of products contained within the tank and associated pipelines is not included in the scope of this change order.
7. A standby fee of $5,000 per day shall be applied in the event of any work stoppage resulting from:
    a. Delays due to changes in site condition;
    b. Delays due to coordination with other contractors or third parties performing the same or similar scope of work as TTGI;
    c. Delays due to coordination with other contractors or third parties performing work outside TTGI's scope;
    d. Delays in the approval of this change order beyond 15 calendar days from the date of receipt.
8. If any portion of the addressed scope of work is delegated to another party, it will void all warranties or guarantees related to the Tank. Additionally, it will nullify TTGI's certification or conformance regarding the structural integrity of the Tank.
9. The expected project duration to complete this change order is estimated to be between 8 to 10 Months (excluding material delivery). Upon issuance of Notice to Proceed (NTP), TTGI will provide a revised project schedule to reflect the additional man-days required to carry out the additional scope of work.

Once TTGI is in receipt of GPA's approval for this CO/VC, TTGI shall commence with the procurement of materials and services to carry out this additional work.

Should you require clarification regarding this letter, please feel free to contact me at (671) 565-2333 or via email at jaflleje@tristar-guam.com

Sincerely,

John Aflleje
Terminal Manager

Enclosed:

- Change Order Variation Claim Form
- Detailed Cost Build Up
- Appendix A – Summarized scope of work in compliance to API 653 repair recommendations.

Detailed Cost Build – up:

	Prime Contractor Direct Costs		
A	Additive Costs (B + C + D)		$ 2,350,662.03
B	Labor	$ 924,041.41	
C	Material	$ 897,142.72	
D	Equipment	$ 529,477.90	
E	Deductive Costs		$ (142,940.00)
F	Total Direct Cost (A + E)		$ 2,207,722.03
G	Contractor Margin @ 9.14% - (A x 9.14%)		$ 214,850.51
H	Day/s required to complete		300
I	Total Cost(C+D)		$ 2,422,572.54

To the best of my knowledge and belief, I certify that all costs listed abve are correct.
Contractor Signature _____ Date 08/14/2025

												A	B	C=A-B
Schedule Item No	**Description**	**Actual**		**Per RFP**		**Variance**	**Gross Change Order Costs**						**Deductive Costs (Original Price)**	**Net Change Order Cost**
		Qty	*Unit*	*Qty*	*Unit*	*Qty*	*Labor*	*Matl*	*Eqpt*	*Total*				
1c7	**Tank Defects Repairs**													
a	Interior Bottom Plate & Shell	851	SF	100	SF	751	$ 339,182	$ 380,217	$ 177,518	$ 896,917.15		$ (24,630.00)	$ 872,287.15	
		41	LF	0	LF	41								
b	Exterior Shell Wall	2658	SF	100	SF	2558	$ 375,612	$ 135,700	$ 164,474	$ 675,785.85		$ (20,520.00)	$ 655,265.85	
		1	LF	0	LF	1								
c	Roof Exterior Surface	398	SF	100	SF	298	$ 154,060	$ 337,425	$ 160,541	$ 652,026.00		$ (24,630.00)	$ 627,396.00	
		130	LF	0	LF	130								
d	Bottom Projection Plate	316	SF	100	SF	216	$ 29,897	$ 26,101	$ 19,355	$ 75,353.03		$ (22,580.00)	$ 52,773.03	
e	Tank Stairway & Handrail	100	SF	100	SF	0	$ 25,290	$ 17,700	$ 7,590	$ 50,580.00		$ (50,580.00)	$ -	
Total Direct Costs							**$ 924,041**	**$ 897,143**	**$ 529,478**	**$ 2,350,662.03**				
Contractor Margin @ 9.14%										$ 214,850.51				
Total Change Order Cost										**$ 2,565,512.54**		**$ (142,940.00)**	**$ 2,422,572.54**	

Change Order/Variation Claim Form

Project RFP No.:	GPA-028-19	**Date:**	08-14-2025
P.O. No:	27002 OP	**CO/VC No.:**	TTGI-VC-016
Contractor:	Tristar Terminals Guam, Inc.		
Project Title:	GPA Bulk Tank Refurbishment Project		

Tank 1934 Tank Defect Repairs

This work was not included in the tender documents because:

☐ 1. Cash Allowance	☐ 5. Cost Saving	☐ 9. CM Error
☐ 2. Design Discrepancy	☐ 6. Design Improvement	☐ 10. Contract Reconciliation
☐ 3. Regulatory Change	☐ 7. Owner Change/Advice	☒ 11. Not Originally Identified in RFP
☒ 4. Site Condition	☐ 8. Furniture/EquipmentChange	

Drawings/Sketches attached: (refer to enclosed)

1. Not Applicable

Contract/Invoice Documents attached: (refer to enclosed)

1. Out of Service Inspection & Refurbishment of GPA Bulk Storage Fuel Tanks Contract (No. C-028-19)
2. Change Order Letter Dated 14-Aug-2025

All terms and conditions of the original contract apply however the contract amount is hereby increased by the sum of this Change Order. Value for this change order: **$2,422,572.54.**

Terms, Conditions and Assumptions for this change order i.e. TTGI-VC-016

1. Commencement of the additional works is with the assumption that the surface of the tank is free from hazardous materials.
2. Commencement of the additional works is with the assumption that the site condition including the tank bottom is gas free and does not contain any contaminated soil.
3. Prior to commencement, GPA shall provide TTGI with documentation confirming that the site conditions are safe to perform hot works specifically on the tank bottom.
4. TTGI's change order does not include any costs towards disposal of fuel products or contaminants. This shall be conducted by GPA at its own cost.
5. The proposal is considered as lump sum and all API 653 recommendations addressed in the Appendix I will be followed.
6. Handling of products contained within the tank and associated pipelines is not included in the scope of this change order.
7. A standby fee of $5,000 per day shall be applied in the event of any work stoppage resulting from:
    a. Delays due to changes in site condition;
    b. Delays due to coordination with other contractors or third parties performing the same or similar scope of work as TTGI;
    c. Delays due to coordination with other contractors or third parties performing work outside TTGI's scope;
    d. Delays in the approval of this change order beyond 15 calendar days from the date of receipt.
8. If any portion of the addressed scope of work is delegated to another party, it will void all warranties or guarantees related to the Tank. Additionally, it will nullify TTGI's certification or conformance regarding the structural integrity of the Tank.
9. The expected project duration to complete this change order is estimated to be between 8 to 10 Months (excluding material delivery). Upon issuance of NTP, TTGI will provide a revised project schedule to reflect the additional man-days required to carry out the additional scope of work.

Requested by:

Mahesh Mohanan	August 14, 2025
Tristar Terminals Guam, Inc. Representative & Project Manager	Date (mm-dd-yyyy)

Approvals:

Authorized Guam Power Authority Representative	Date (mm-dd-yyyy)

APPENDIX A – T1934'S WORK SCOPE AS PER API INSPECTOR'S REPAIR RECOMMENDATION

Scope of Work 1 – Tank Roof Refurbishment

This section includes, but is not necessarily limited to, standards to conduct tank roof refurbishment as recommended in the recent API 653 OOSI Report.

1) Repair by weld pass repair on lap weld at plates (Row-Plate) (1-1, 1-2, 1-6,1-7, 1-10, 26,3-4,3-5,3-7,4-2,4-4,4-7,5-1,5-2,5-3,5-4,5-5,5-7,6-1,6-4,6-6,6-8,6-9,7-1,8-1,8-2,8-5,8-6,8-10,9-2,9-3,9-5, 9-6,9-8,9-9,9-10,9-11,10-3,10-5,10-10,10-11,11-1,11-2,11-4,11-7,12-9,13-2,13-4,13-6,13-8,19-1, 20-10,21-9&25-5)with moderate to severe weld corrosion.
2) Repair by patch plate on hole through at (Row-Plate) (1-11/11-2,1-10/2-5,5-9/6-10,7-1/7-2,7-2/8-2,7-3/7-4/8-3,7-9/7-10/8-10,6-10/7-10,7-10/8-11,8-7/9-7,9-7/9-8,9-3/10-3,9-5/10-4/10-5,9-6/10-7,10-2/11-1,10-3/11-2/11-3,10-5/11-3,10-5/11-4,10-5/11-4,10-10/10-11/11-10,11-2/12-3/12-4,12-4/13-4,12-6/12-7,13-3/14-2/14-2,15-9/15-11,16-3/16-4,17-10/17-11.

Patch No.	Location (row-plate)	Dimension (in)	Patch No.	Location	Dimension (in) (LxW)
1	1-11/11-2	17"x10"	15	10-2/11-1,	10"X10"
2	1-10/2-5	12"x10"	16	10-3/11-2/11-3,	12"x10"
3	5-9/6-10,	10"x10"	17	10-5/11-3,	12"X12"
4	7-1/7-2,	11"x11"	18	10-5/11-4,	14"X10"
5	7-2/8-2,	13"x10"	19	10-5/11-4,	8"X10"
6	7-3/7-4/8-3,	20"x12"	20	10-10/10-11/11-10,	15"X10
7	7-9/7-10/8-10,	29"x10"	21	11-2/12-3/12-4,	12"X12"
8	6-10/7-10,	10	14	12-4/13-4,	32"X10
9	7-10/8-11,	30"x11"	23	12-6/12-7	19"X12"
10	8-7/9-7,	10"x10"	24	13-3/14-2/14-2	13"x10"
11	9-7/9-8,	14"x10"	25	15-9/15-10	10"x8"
12	9-3/10-3,	11"x10"	26	16-3/16-4	17"X15"
13	9-5/10-4/10-5,	12"x10"	27	17-10/17-11	10"x14"
14	9-6/10-7,	12"X12"			

3) Replace new plate on severely corroded roof plate (row8-plate8 and row12-plate1) see roof plate repair layout page 55.
4) Owner may consider installing a wear pad on all columns and two additional restraining clips.
5) Replace/repair all missing four (4) and three (3) detached angle bar lateral braces. Provide a minimum of two sides weld on the new lateral brace to rafter connection and an additional 1 side weld on existing.
6) Replace all four (4) pieces 36" Ø Manholes.
7) All free vents shall be provided with corrosion-resistant coarse-mesh bird screens of a maximum opening size of (19 mm [3/4 in.] nominal opening. Replace all bolts and nuts. Repair or replace severely corroded free vents.
8) Replace the severely corroded 4" Ø Scaffold cable support.
9) Repair severely corroded level gauge top horizontal pipe. Calibrate all gauges and verify operation for proper functioning.

Scope of Work 2 – Tank Shell Refurbishment

This section includes, but is not necessarily limited to, standards to conduct tank shell refurbishment as recommended in the recent API 653 OOSI Report.

1) Repair by weld deposit on the severely pitting corrosion noted on 5th course topmost of manway 4. After repair, the weld shall be ground flush to the surrounding surface and perform appropriate NDT by API Std 653 Section 12 & Annex F to ensure quality/ integrity of welds.
2) For the next opportunity overflow pipe to be condemned or removed for the safety purposes, internal funnel already damage and vapor may escape through the pipe. Consider repair by circular insert plate with a minimum dimension of 12in dia.
3) For the next opportunity bolted access way to be taking in consideration of installing an insert plate welded to the shell plate.
4) Repair by weld overlay/puddle weld pitting corrosion noted on both sides of 1st-course vertical welds near the shell-to-bottom weld (C1-P8, C1-P10, C1-P11 & C1-P12) (C1P6V~C1P7V, C1P7V~C1P8V, C1P9V~C1P10V, C1P11V~C1P12V). Weld repairs shall be ground flush with the surrounding plate material and be examined by a visual and magnetic particle (MT)
5) Repair by welded-on-patch plates holes noted on the 5th and 6th course along wind girders. Repair shall be performed in accordance with API 653 Section 9.3 and perform appropriate NDT after repair per API Std 653 Section 12 & Annex F to ensure quality/integrity of welds.

Patch ID	Size (Done Internal)	Course	Plate
P1	12"x12"	5th	2
P2	12"x12"	5th	8
P3	12"x12"	5th	10
P4	12"x12"	5th	12
P5	12"x12"	5th	20
P6	12"x12"	6th	10

6) Replace/refurbish corroded bolts and nuts, replaced gasket and refurbish valves.
7) Un-necessary nozzle connected to tank to be condemned or blind to avoid passing of products.
8) Remove and blind 8 numbers of overflow pipes included connected funnels internal to avoid vapor escape to ground level or access and to avoid tank tilt and/or settlement.
9) Considering repair the wind girder due to the high corrosion activity, any profound defect shall be report to tank engineer for further evaluation and repair procedure.
10) Repair/replace severely corroded top landing structure and three stair treads noted.

Scope of Work 3 – Tank Bottom Plate Refurbishment

1) Fourteen (14) locations (Row-Plate) for repair on the bottom plate using a welded-on patch plate per API Std 653 are recommended. The welded-on patch plates shall be at least ¼-inch or as thick as the existing bottom and shall have rounded corners with a minimum radius of 2 inches. (See bottom patch plate list).

Patch No.	Location (row-plate)	Dimension (in) (LxW)
1	5-1B	18"X17"
2	5-1B	32"X30"
3	7-6	23"X15"
4	7-6/8-4/8-5	26"X48"
5	7-7	40"X38"
6	7-10	17"X17"
7	7-11	35"X40"
8	7-12/7-13	37"X13"
9	8-12	12"X12"
10	8-13	46"X28"
11	8-13/8-14	25"X25"
12	9-9	12"X12"
13	9-18C	12"X12"
14	10-5	42"X28"

2) Four (4) sumps to be replaced as specified in API 650 section 5.8.7 in Fig. 5.21 and table 5.16a and 5.16b unless otherwise specified by the purchaser due to high corrosion activity.
3) Repair by puddle/pass weld on bottom plate (R1-4,R5-1B,R5-2,R5-4,R5-8,R6-1B,R6-1C,R6-2, R6-5, R6-8, R6-11, R6-13, R6-14, R6-23, R7-6, R7-7, R7-9, R7-10, R711,R7-12,R7-14,R8-3,R8-4,R8-7,R8-8,R8-10,R8-11,R8-12,R8-13,R8-14,R8-15,R8-16,R8-23,R9-1B,R9-8,R9-9,R9-18C,R10-5,R11-3)
4) Repair by ground flush (R5-1B, R5-4, R6-8, R6-9, R6-11, R6-13, R6-25, R8-10, R8-11,R9-8, R9-9, R9-13, R9-14, R10-3, R10-4).

Scope of Work 4 – Tank Foundation Construction

This section includes, but is not necessarily limited to, standards to conduct tank foundation refurbishment as recommended in the recent API 653 OOSI Report.

1) Apply new plinth seal and remove vegetation on the projection plate edge. Proper surface preparation prior to applying the plinth shall be performed to protect the tank base and prevent water ingress that could initiate underside corrosion. This is referenced under Item #1c7d

EXHIBIT C

TTGI/PRJT/OUT/JUNE/2025/010/R2 August 13, 2025

Mr. Vince J. Sablan, P.E.
Manager of Engineering
Guam Power Authority (GPA)
P.O. Box 2977
Agana, Guam 9693-2977

CC: Mr. Manuel Minas – GPA Engineering Supervisor, Nino Joseph D. Bacsafra-GPA Project Manager

SUBJECT: TTGIVC017 -Tank 1934 Lead Abatement Change Order Confirmation Contract# C-028-19 Invitation#GPA-028-19 PO# 27002 OP
Project Name: Out of Service Inspection and Refurbishment of GPA Bulk Storage Fuel Tanks

Dear Mr. Sablan,

We refer to the email sent by our Project Manager, Mr. Mahesh Mohanan, to GPA on March 26, 2025, regarding the subject "Tank 1934 – Lead Test," and the subsequent advice received from the GPA Engineer on March 27, 2025, instructing Tristar Terminals Guam Inc. ("TTGI") to proceed with the necessary compliance requirements.

TTGI hereby submits this letter to formally notify GPA of a change in working conditions at Tank 1934, specifically concerning the presence of lead on the tank surfaces.

In accordance with Section 10, "Changes in Work," and Clause VIII of the General Provisions of the subject contract, we respectfully request GPA's understanding and agreement that a change order is warranted. This change order is necessary to address the newly identified conditions and to allow TTGI to proceed with the project in compliance with applicable safety and environmental regulations.

In line with this, we humbly submit to GPA our Change Order/Variation Claim Form Notice No. TTGI-VC-017 to carry out the following activities necessary to resume the original project schedule:

1. Removal of the lead-based paint at the identified repair locations.
2. Environmental handling, transport, and disposal of loose lead contaminants.
3. Implementation of control measures, including medical examinations, trainings, provision of personal protective equipment (PPE), and the deployment of appropriate tools and equipment.

For your reference and consideration, the following points are presented to justify TTGI's position that the advised activity falls outside the original Scope of Work.

Change Order/Variation Clam Justification:

1. With reference to the Scope of Work outlined in the RFP and the RFI amendments under Contract GPA 028-019, specifically Amendment No. IV, GPA provided clarification in response to Tristar's RFI regarding the expected presence of lead in each tank. As stated in Item 1c3 on page 82 of the amendment: "Tank coating/lining is lead free." This statement formed the basis of TTGI's understanding that lead abatement would not be required under the original contract scope.

2. On March 20, 2025, prior to initiating the tank repair and refurbishment activities, TTGI conducted a lead test on Tank 1934 in preparation for the installation of the handrail on the tank roof. The results of this test confirmed the presence of lead concentrations in the paint applied to the tank surface. This unforeseen condition necessitates additional work and safety measures not accounted for in the original contract.

3. As of reports received on March 25, 2025, which indicates the presence of Lead Containing Paint on the Exterior Tank Shell (Upper, Mid and Lower), Tank Roof and Tank Stairs. Table 1 mentions the summary on the Lead Test performed.

Item #	Sample Area/Description	Pb-C (Mg/Cm²)	Result
--	PCS Calibration	1.1	Pass
--	PCS Calibration	1.1	Pass
--	PCS Calibration	1.1	Pass
--	PCS Calibration	1.1	Pass
1	Exterior Tank Shell – Metal – Dark Green	0.2 through 0.8	LCP
2	Exterior Tank Shell – Metal – Black	0.1 through 0.6	LCP
3	Exterior Tank Shell – Metal – Light Green	0 through 0.6	LCP
4	Stairs – Metal – Light Green	0.1 through 0.2	LCP
5	Tank Roof – Metal – Dark Green	0.1 through 0.2	LCP
6	Interior Tank Shell – Metal – Pink	0 through 0	Negative

4. Subsequent discussions with GPA Engineers confirmed the need to address the affected repair locations on the tank. This remediation is essential to facilitate the continuation of the tank repair and refurbishment scope of work.
5. TTGI initiated consultations with qualified third-party specialists to assess the requirements for the lead abatement scope of work. This assessment includes, but is not limited to, compliance with OSHA's Lead Standards for Construction (29 CFR 1926.62) and the U.S. EPA's hazardous waste regulations (40 CFR Parts 240–282).
6. The applicable regulations mandate several critical measures, including worker training, medical surveillance, air monitoring, provision of PPE, and hygiene facilities to ensure safe execution of the lead abatement activities.
7. TTGI respectfully requests a change order specifically for the lead abatement work required to proceed with the exterior tank refurbishment activities for GPA Tank 1934. This work is essential to safely return the tank to operational service in compliance with all regulatory and contractual obligations.

Considering the points outlined above, TTGI respectfully requests GPA's confirmation that the activities described constitute a revised scope of work for the completion of the lead abatement on Tank 1934. Should GPA wish to pursue an alternative methodology or propose any modifications to the scope of work required to achieve this milestone, TTGI kindly requests that GPA provide an amended scope of work, clearly outlining the contractor's responsibilities. At this point, TTGI estimates the cost of completing the lead abatement activities at **$1,725,119.31**. A detailed breakdown of this estimate is provided below for your review. Please note that this estimate excludes any cost impacts associated with other change order conditions previously submitted to GPA.

Terms, Conditions and Assumptions for this change order i.e. TTGI-VC-017

1. The proposal does not include the removal of any loose lead-contained paint (LCP) from the tank surface.
2. Lead abatement is limited to the repair/refurbishment locations on the exterior surface of Tank 1934.
3. Lead abatement activities do not cover surface preparation for the painting across the tank.
4. Lead abatement for associated pipelines is excluded from this proposal.
5. The disposal of metal scraps containing LCP is not included in the proposal.
6. The handling and disposal of the lead abated material is considered as fixed lump sum.
7. The proposal is lump sum and fixed price proposal.
8. A standby fee of $5,000 per day shall be applied in the event of any work stoppage resulting from:
    a. Delays due to changes in site condition;
    b. Delays due to coordination with other contractors or third parties performing the same or similar scope of work as TTGI;
    c. Delays due to coordination with other contractors or third parties performing work outside TTGI's scope;
    d. Delays in the approval of this change order beyond 15 calendar days from the date of receipt.

    If any portion of the addressed scope of work is delegated to another party, it will void all warranties or guarantees related to the Tank. Additionally, it will nullify TTGI's certification or conformance regarding the structural integrity of the Tank.
9. The estimated duration for completion of the proposed scope of work is 240 calendar days (8 months).

TTGI shall prepare and submit a detailed project schedule for the proposed change order upon receipt of GPA's formal confirmation of Change Order TTGI-VC-017.

We fully respect GPA's internal review and approval processes and remain committed to completing the project in a timely and compliant manner. Upon acceptance of this change order proposal, TTGI is ready to mobilize and proceed with the lead abatement activities. Our project manager will coordinate closely with GPA's engineering team to ensure a prompt and efficient commencement of the work.

Should you require clarification regarding this letter, please feel free to contact me at (671) 565-2333 or via email at jaflleje@tristar-guam.com

Sincerely,

John Aflleje
Terminal Manager

Enclosed

1. Detailed Cost Build-Up
2. Change Order Variation Claim Form – TTGIVC017

Detailed Cost Build – up:

	Prime Contractor Direct Costs		
A	Labor	$ 543,355.70	
B	Material	$ 562,482.07	
C	Equipment	$ 402,793.02	
D	Total Direct Cost (A + B + C)		$ 1,508,630.79
E	Contractor Margin @ 14.35% (Dx14.35%)		$ 216,488.52
F	Other Recoverable Costs		$ -
G	Day/s required to complete		240
H	Total Cost - (D + E + F)		$ 1,725,119.31

To the best of my knowledge and belief, I certify that all costs listed above are correct.
Contractor Signature _____ Date 08/13/2025

Description of Recovery Options	Material	Labor	Equipment & Other	Total Cost
Mitigation / Control as per OSHA and EPA *(Inclusive of subcontractor costs, training, PPEs, decontamination provisions, and miscellaneous consumables)*	$201,074.11	$2,306.16	$32,506.41	$295,886.67
Lead Abatement by Power Tool with Protective Shroud and HEPA Vac System *(Inclusive of subcontractor costs, air monitoring sampling, visual, inspection, and site clearance by CIH, scaffoldings, abatement tank exterior repair locations, including stiffener ring)*	$265,704.96	$481,049.54	$370,286.61	$1,117,041.12
Contaminated Waste Disposal (Disposal of contaminated material from Lead Abatement)	$95,703.00			$95,703.00
Total Cost to GPA	**$562,482.07**	**$543,355.70**	**$402,793.02**	**$1,508,630.79**
Contractor Margin @ 14.35%				**$216,488.52**
Total Change Order Cost				**$1,725,119.31**

Change Order/Variation Claim Form

Project RFP No.:	GPA-028-19	**Date:**	08-13-2025
P.O. No:	27002 OP	**CO/VC No.:**	TTGI-VC-017
Contractor:	Tristar Terminals Guam, Inc.		
Project Title:	GPA Bulk Tank Refurbishment Project		

Tank 1934 Tank Lead Abatement

This work was not included in the tender documents because:

☐ 1. Cash Allowance	☐ 5. Cost Saving	☐ 9. CM Error
☐ 2. Design Discrepancy	☐ 6. Design Improvement	☐ 10. Contract Reconciliation
☐ 3. Regulatory Change	☐ 7. Owner Change/Advice	☒ 11. Not Originally Identified in RFP
☒ 4. Site Condition	☐ 8. Furniture/EquipmentChange	

Drawings/Sketches attached: (refer to enclosed)

1. Not Applicable

Contract/Invoice Documents attached: (refer to enclosed)

1. Out of Service Inspection & Refurbishment of GPA Bulk Storage Fuel Tanks Contract (No. C-028-19)
2. Change Order Letter Dated 12-Aug-2025

All terms and conditions of the original contract apply however the contract amount is hereby increased by the sum of this Change Order. Value for this change order: **$1,725,119.31.**

Terms, Conditions and Assumptions for this change order i.e. TTGI-VC-017

1. The proposal does not include the removal of any loose lead-contained paint (LCP) from the tank surface.
2. Lead abatement is limited to the repair/refurbishment locations on the exterior surface of Tank 1934.
3. Lead abatement activities do not cover surface preparation for the painting across the tank.
4. Lead abatement for associated pipelines is excluded from this proposal.
5. The disposal of metal scraps containing LCP is not included in the proposal.
6. The handling and disposal of the lead abated material is considered as fixed lump sum.
7. The proposal is lumpsum and fixed price proposal.
8. A standby fee of $5,000 per day shall be applied in the event of any work stoppage resulting from:
    a. Delays due to changes in site condition;
    b. Delays due to coordination with other contractors or third parties performing the same or similar scope of work as TTGI;
    c. Delays due to coordination with other contractors or third parties performing work outside TTGI's scope;
    d. Delays in the approval of this change order beyond 15 calendar days from the date of receipt.

   If any portion of the addressed scope of work is delegated to another party, it will void all warranties or guarantees related to the Tank. Additionally, it will nullify TTGI's certification or conformance regarding the structural integrity of the Tank.
9. The estimated duration for completion of the proposed scope of work is 240 calendar days (8 months).

Requested by:

Mahesh Mohanan	Aug 13, 2025
Tristar Terminals Guam, Inc. Representative & Project Manager	Date (mm-dd-yyyy)

Approvals:

Authorized Guam Power Authority Representative	Date (mm-dd-yyyy)

EXHIBIT D

INDUSTRIAL HYGIENE PROFESSIONALS, INC.
508 W. O'Brien Drive • Hagåtña, Guam 96910 • E-Mail: info@ihpguam.com • Tel: (671) 734-0749 • Fax: (671) 989-0749

March 25, 2025

Sinuja Shinto
Operations Clerk
Tristar Terminals Guam, Inc.
Physical Address: Agat Terminal Route 2A Santa Rita Industrial Drive, Agat Guam 96915
Mailing/Billing Address: P.O. Box 8210, Agat Guam 96928
Telephone: (671) 565-3302 Ext 302
Mobile: (671) 488-9319
Fax. No.: (671) 565-3909
email: maintenance@tristar-guam.com

Re: Lead-based Paint (LBP) Testing Results – Exterior Tank Shell – Tank 1934

Dear Ms. Shinto:

The following is a summary of the Lead-based Paint (LBP) testing conducted on March 20, 2025. The purpose of the testing was to determine if LBP is present on the exterior tank shell of Tank 1934. The inspection only included areas/components that may be disturbed as per Tristar personnel direction.

Measurements were taken using a SciAps X-550 X-Ray Fluorescence (XRF) spectrum analyzer (serial number: 03548) set in the "PCS Quick" mode of precision with a minimum of 95% confidence. Calibration checks were performed prior to testing in accordance with manufacturer instructions. A total of 18 measurements were collected on representative areas of the tank shell. The ranges of test results are summarized in Table 1.

Table 1. LBP Testing Results – Tank 1934 – March 20, 2025

Item #	Sample Area/Description	Pb-C (Mg/Cm^2)	Result
--	PCS Calibration	1.1	Pass
--	PCS Calibration	1.1	Pass
--	PCS Calibration	1.1	Pass
--	PCS Calibration	1.1	Pass
1	Exterior Tank Shell – Metal – Dark Green	0.2 through 0.8	LCP
2	Exterior Tank Shell – Metal – Black	0.1 through 0.6	LCP
3	Exterior Tank Shell – Metal – Light Green	0 through 0.6	LCP
4	Stairs – Metal – Light Green	0.1 through 0.2	LCP
5	Tank Roof – Metal – Dark Green	0.1 through 0.2	LCP
6	Interior Tank Shell – Metal – Pink	0 through 0	Negative

Federal standards (U.S. EPA and Department of Housing and Urban Development) regulate paint containing greater than or equal to one milligram per square centimeter (> 1.0 mg/cm^2) or 0.5 percent (> 0.5%) lead as lead-based paint (LBP). Additionally, the Occupation Safety and Health Administration (OSHA) does not provide a minimum content/concentration threshold which triggers the applicability of the lead standard. As such, any detectable concentration of lead (>0.0 mg/cm^2) on a material may pose an exposure risk if disturbed. Results reported as "lead-based paint" (LBP) indicate a lead concentration greater than or equal to 1.0 mg/cm^2. Results reported as "lead-containing paint" (LCP) indicate that a lead concentration between 0.01 mg/cm^2 and 0.99 mg/cm^2. Results reported as "Negative" indicate a lead concentration of 0.0 mg/cm^2.

Results indicate that lead-containing paint (LCP) is present on the Exterior Tank Shell (Upper, Mid, and Lower), Tank Roof, and Tank Stairs of Tank 1934. Please refer to Table 1 above for details.

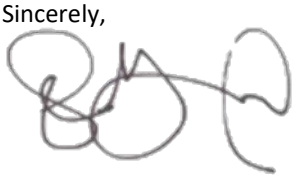
The disturbance of lead must be performed in accordance with OSHA lead standards for construction (29 CFR 1926.62) and US EPA hazardous waste regulations (40 CFR Parts 240-282). The OSHA lead standard includes requirements for worker training, medical surveillance, air monitoring, personal protective equipment, and hygiene facilities. As mentioned above, OSHA does not provide a minimum content/concentration threshold which triggers the applicability of the lead standard.

As such, any detectable concentration of lead (>0.0 mg/cm^2) on a material may pose an exposure risk if disturbed. In addition, any waste generated from the disturbance of these surfaces may be regulated by the EPA as hazardous waste. It is recommended that a representative sample of the waste be analyzed for proper hazardous (or non-hazardous) characterization.

An independent qualified professional (e.g., Certified Industrial Hygienist or Certified Safety Professional) should be contracted to ensure that engineering controls used by the contractor are adequate to prevent lead exposure to unprotected site personnel and the public; personal protective equipment used by site personnel is appropriate; and work is performed in strict accordance with the OSHA lead standard for construction.

Should you have any questions or concerns please feel free to contact me at the above numbers.

Sincerely,



Leanade C. Cabrera, CIE
Inspector Certification# LBP-I-I185593-3