



GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUAHAN
P.O. BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

**CONSOLIDATED COMMISSION ON UTILITIES
REGULAR MEETING OF
GUAM POWER AUTHORITY
GPA Board Conference Room
5:00 p.m., Tuesday, November 8, 2005**

MINUTES

In the absence of Chairman Sanchez, Vice-Chairman Benigno Palomo called the Regular meeting of the Consolidated Commission on Utilities to order to discuss GPA related matters. He announced that there was a quorum. The meeting was held at the GPA Board Conference Room and began at 5:15 p.m.

Before the meeting, the Acting Chair asked if there would be any amendment to the Agenda. Comm. Nelson recommended that items A,B & C under New Business be combined since it involved a simple ratification of Resolutions that have been previously approved via poll votes. There being no amendment to the Resolutions, there was no objection to collapsing all three into one motion.

Comm. Ada also recommended to move straight into New Business to address matters needing approval first and skip the usual staff reports and then perhaps return to the informational type business afterwards or adjourn. He added that he reviewed the reports in advance and has no serious concerns at this time. Comm. Nelson echoed similar sentiments. Acting Chairman Palomo asked management if there was anything of significance or urgency in the reports. When the GM said there was none, it was decided to entertain approval items immediately beginning with the approval of Minutes.

I. **ROLL CALL**

Commissioners:

Simon Sanchez	Chairman – Excused (Off-island)
Benigno Palomo	Vice-Chairman - GPA
Tom Ada	Vice-Chairman - GWA & CCU Treasurer
Gloria Nelson	CCU Vice-Chair / Secretary

Executive:

John Benavente	General Manager, Consolidated Utility Services (GMCUS)
Joaquin Flores	GPA Gen. Manager, Acting (GM)
Andy Balajadia	Asst. GM, Operations, Acting (AGMO(A))
Danny Santos	GPA/GWA Asst. GM, Consolidated Admin. (AGMCA) - Excused
Randy Wiegand	Chief Financial Officer (CFO)

Legal Counsel:

Graham Botha	GPA Staff Attorney
--------------	--------------------

Management & Staff:

Pam Aguigui	Chief Budget Officer / Finance
Ron Okada	Manager / T&D
Julie Quinata	Personnel Services Administrator / Human Resources

CCU/GPA 11/8/05 Mtg.

Tamra Muna	Contracts Administrator / Finance
Tom Borja	Facilities Manager / Facilities
Jamie Pangelinan	Supply Mgmt. Administrator / Procurement
Art Perez	Public Information Officer / Communications
Diony Tamondong	Controller / Finance
John Crisostomo	Safety Administrator / Safety
Frank Blaz	Manager of Generation / Generation
Francis Iriarte	Engineering / Executive Office
Joven Acosta	Engineering / Engineering
Mercy Castro	Utility Services Administrator / Customer Service
Norbert Madrazo	Planning & Regulatory

II. APPROVAL OF MINUTES

A. October 11, 2005 – (DRAFT)

The Minutes of October 11th was presented for approval.

Comm. Nelson motioned to approve the Minutes subject to verification and written correction. Comm. Ada seconded. With no objection or further discussion, the motion carried.

Comm. Nelson commented that there are some pending items noted in the Minutes and recommended that if these are in fact still pending that they be addressed at the next GPA meeting.

III. GM (CUS) REPORT - None

IV. GM (GPA) REPORT

A. System Update – Tabled

B. FEMA Update – Tabled

C. GovGuam Receivables – Tabled

D. Administration Dept. Reports - Tabled

E. System Losses - Tabled

V. COMMUNICATIONS

A. Public Comment - None

B. Other - None

VI. LEGAL COUNSEL

A. Legislative Review - Tabled

VII. OLD BUSINESS - None

VIII. NEW BUSINESS

A. Ratification of Resolution 2005-031 – Main Office Lease Contract

B. Ratification of Resolution 2005-032 – Renewal of Taxable Commercial Paper (TCP) Program

C. Ratification of Resolution 2005-033 – Renewal of Insurance Coverage

Comm. Nelson motioned to combine the ratification of items A,B,C (above) for Resolutions 2005-031, 032 and 033 – all duly approved during a previous poll vote.

Chairman Palomo asked confirmation if there were any changes to the resolution or any objections to the motion.

There being none, he announced that all three (3) resolutions are therefore ratified.

D. Resolution 2005-034 – Inarajan Boat Ramp

Comm. Ada asked for clarification as to the rationale behind GPA's request to build a boat ramp in Inarajan. Comm. Nelson said she understood from reading the advance documents that GPA would do so to honor previous commitments but she also wanted further clarification. The GM explained that in 1976 during the construction of Cabras 1&2 and the subsequent reclamation of the sea water harbor, the deed stated that GPA was required to build a boat ramp. This was a negotiated conveyance requirement when the harbor was back filled. In order to build Cabras 1&2, it was necessary to back fill adjacent wetlands or navigable waters an agreement was established to provide recreational facilities such as the boat ramp. Subsequent to the document being agreed upon, GPA began the plans for the construction of Cabras 3&4. During the permitting stage, the Army Corp of Engineers reminded GPA that it still needed to comply with the original quick claim requirements for the Cabras 1&2 construction. They held the permit for Cabras 3&4 and released it only after GPA committed to the construction of the boat ramp using 1993 bond funds. The location of the boat ramp was moved to the south. With the assistance of Mayor Taitague a site was located on Agfayan Bay in Inarajan. The GM explained that the funds have been on reserve since 1993 but the process of finding a suitable / acceptable location took a very long time.

Comm. Nelson motioned to approve Resolution 2005-034 to enter into a contract for the construction of the Inarajan Boat Ramp. Comm. Ada seconded.

Chairman Palomo said that the resolution should read 2006-034 not 2005-034 as noted. It was clarified that resolutions are based on calendar year and not fiscal year. It was mentioned that the resolution needed correction to reflect Resolution No. 2005-034.

On the motion, there was no further discussion or objection. The motion carried.

E. Resolution 2005-035 – Construction of Tank Farm, Office/Maint. Cabras SPCC Office

The AGMO explained that the existing tank farm office is dilapidated, unsafe especially during storms and needs to be replaced with a permanent structure. The space is being used by GPA's contractor who operates the tank farm. The other building on the tank farm is used as storage space for SPCC equipment used to mitigate spills, leaks etc. It was noted that the funding for the construction is part of CIP funds.

Comm. Nelson motioned to approve Resolution 2005-035. Comm. Ada seconded. With no further discussion or objection, the motion carried.

- F. Resolution 2005-036 – Harmon to Tumon FEMA Underground Project
- G. Resolution 2005-037 – Tamuning to Tumon FEMA Underground Project

Resolutions 2005-036 and 037 are similar requests to place overhead transmission lines underground. Because of its similarity, the resolutions were introduced for approval together. The AGMO explained that FEMA funding was secured through Hazard Mitigation. FEMA would fund 90% of the cost and GPA would shoulder 10%. He mentioned that the project would be expanded to include some old under built 13.8 lines that also need to go under ground. He explained that the projects would encompass Harmon to Tumon and Tamuning to Tumon respectively. In addition, man holes would be put in place so that the road work would not be disturbed later during lower voltage construction.

Discussion followed regarding the sketch provided that detailed the exact routing of the underground projects. The GMCUS said that a boring technology would be used with these projects. This technology does not use the trenching method but rather bore underneath and across the ground to put in the conduits. This alternative technology minimizes damage to the surface and minimizes the impact on traffic congestion. It is a proven technology used widely nationwide. GPA's various underground project would encompass the following areas: Tanguisson to Harmon; Harmon to Tumon; Tumon to Tamuning; Tumon to GMH; Macheche to the Airport and Piti Substation to Commercial Port. In the end, FEMA's \$20 million mitigation projects would service underground systems to the hospital, commercial port and the airport.

Discussion followed regarding the similarities in the verbiage of the two (2) resolutions with exception of the total cost – \$3.6 million and \$2.8 million respectively. Comm. Nelson wanted clarification regarding the difference in price. It was explained that the difference in cost is related to the distance in miles between the projects – one was longer than the other. Comm. Nelson said this should have been mentioned in the Resolution so that the difference could be substantiated.

Comm. Ada motioned to approve Resolutions 2005-035 and Resolution 2005-037. Comm. Nelson seconded. There was no further discussion or objection. The motion carried.

IX. ANNOUNCEMENTS

A. Future Meeting Dates

It was announced that the next meeting of the CCU would be at GWA on November 17, 2005.

B. Other - None

X. EXECUTIVE SESSION

There was no Executive Session

XI. ADJOURNMENT

With no further discussions to bring before the Commission, the meeting was adjourned at 5:55 p.m.

Attested:


GLORIA B. NELSON, Secretary


SIMON SANCHEZ II, Chairman

//bls