

GUAM PUBLIC SCHOOL SYSTEM
OFFICE OF THE SUPERINTENDENT

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Nerissa Bretania-Shafer, Ph.D
Superintendent of Education

MAR - 2 AM 10:34 MC

February 26, 2009

The Honorable Michael Cruz, M.D.
Acting Governor of Guam
P.O. Box 884
Hagatna, Guam 96932

Subject: Public Law 29-113, Section 20
Authorization for Payment of Prior Years' Obligations

Dear Acting Governor Mike Cruz,

Hafa Adai! Pursuant to Section 20 at Chapter VII of P.L. 29-113, I am delivering notice that the Guam Public School System (GPSS) is continuing to make payments to Guam Power Authority (GPA) pursuant to the Installment Payment Agreement signed in July 2004 by Superintendent Juan Flores and GPA General Manager John Benavente.

Your attention to this matter is appreciated. If you have any further questions, please feel free to contact me at 475-0457 or Deputy Superintendent of Finance and Administrative Services Dr. Doreen Crisostomo at 300-1575.

30-09-0288
Office of the Speaker
Judith T. Won Pat/Ed. D.
Date 3/02/09
Time 8:00
Received by [Signature]

Respectfully,

NERISSA BRETANIA-SHAFER, PH.D.

Attachment

Cc: Speaker, 30th Guam Legislature
Chairman, GEPB

0295

OFFICE OF THE GOVERNOR
27 FEB 2009
DATE
LEGAL OFFICE

INSTALLMENT PAYMENT AGREEMENT
FOR THE PAYMENT OF PAST DUE BILLS FOR ELECTRICAL SERVICE

POSTED
JUL 27 2004
DOE
BY: [Signature]
DOE

RECITALS

This AGREEMENT is made on 7/20/04 between the Department of Education (Hereafter referred to as the "Customer"), and the Guam Power Authority (Hereafter referred to as "the Authority");

§1. Installment Payments of Past Due Bill: The Customer shall pay the Authority the sum of \$500,000 per month in the months of July, August, and September, 2004. Thereafter, the Customer shall make payments in accordance with the attached schedule of payments. All such payments shall be due on the first day of each month beginning on October 1, 2004.

§2. Customer's Pre-Payment: It is anticipated this debt will be paid via the issuance of a government borrowing. The Customer shall have the right to pre-pay any outstanding balance due under this agreement at any time during the term of this agreement without a pre-payment penalty.

§3. Customer's Obligation to pay current bills for electrical service: The Customer shall pay the current bills for electrical service, and any other Installment Payment Agreement for Past Due Bills for Line Extensions concurrently with the payment described in §3 above, during the term of this agreement.

§4. Breach: If the Customer breaches any term or condition of this agreement, such breach shall include but is not limited to the Customer's failure to make any of the payments required by this agreement on the dates that such payments are due, the Customer's electrical service shall be subject to immediate disconnection. The Authority shall disconnect Customer's electrical service no later than 15 days after the date of such breach. The Authority shall not have to provide the Customer any notice of disconnection of electrical service for the Customer's breach of any term or condition of this agreement. The Customer shall pay to the Authority all the Authority's costs, to include a reasonable attorney's fee, the Authority incurs as a result of the Customer's breach of any term or condition of this agreement.

§5. Customer's Right to Cure Breach: The Customer shall have the right to cure any breach of this agreement within 14 days after the date of such breach without penalty, except, if the Customer's electrical service has been disconnected, the Customer must pay the Authority a \$25 re-connection fee per point of delivery, to re-connect the Customer's electrical service to each point of delivery that was disconnected for the Customer's breach of this agreement. Should the Customer fail to cure any breach of this agreement within 14 days after the date of such breach, any amounts the Customer owes the Authority, including amounts subject to this agreement, shall be immediately due and payable to the Authority 15 days after the date of the Customer's breach of this agreement unless the Customer cures such breach.

§6. *Non-Waiver*: No delay or failure of the Authority to exercise any right under this agreement, and no partial or single exercise by the Authority of that right, shall constitute the Authority's waiver of that or any other right, unless otherwise expressly provided by the Authority.

§7. *Headings*: Heading used in this agreement are for convenience only and shall not be used to interpret or construe its provisions.

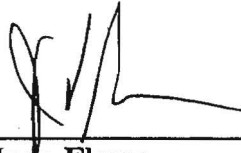
§8. *Definitions*: All terms in this agreement shall have the same meanings as the terms defined in Rule 1 of the Guam Power Authority's Service Rules and Regulations.

§9. *Governing Law*: This agreement shall be construed in accordance with and governed by the laws of Guam.

§10. *Effective Date of agreement*: This agreement shall become effective on the date it is signed by both the Authority and the Customer or their authorized representatives.

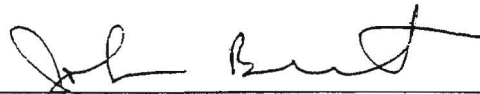
§11. *Entire Agreement*: This agreement supersedes all agreements previously made between the Authority and the Customer relating to the Customer's past due bill. There are no other understandings or agreements between the Authority and the Customer relating to the Customer's past due bill.

SO AGREED BY:



Juan Flores
Director
DEPARTMENT OF EDUCATION
DATE:

ACCEPTED BY:



John M. Benavente, P.E.
General Manager
GUAM POWER AUTHORITY
DATE:

DOE
Amortization Schedule for PN 7/20/2004

REVISED

| | |
|-----------------------------|--------------------|
| Remaining Balance 06/30/04 | \$ 13,057,818.67 |
| Balance of Bonds | \$ 2,797,264.28 |
| Total Current Balance | \$ 15,855,082.95 |
| Less Down Payment | \$ - |
| Total Remaining Balance | \$ 15,855,082.95 |
| Term (5 years) | 60 |
| Monthly Interest (4.47%/yr) | 0.37% |
| Monthly Payment | (\$295,370.38) |
| Total P&I | \$ (17,722,222.82) |
| Total Interest | \$ (1,867,139.87) |

| Payment No. | Date | Payment to GPA | | Total P&I | Principal Balance | PAID INTEREST |
|-------------|-----------|----------------|--------------|---------------|-------------------|---------------|
| | | Principal | Interest | | | |
| 1 | 7/1/2004 | \$ 440,939.82 | \$ 59,060.18 | \$ 500,000.00 | \$ 15,414,143.13 | • \$58,899.00 |
| 2 | 8/1/2004 | \$ 442,582.32 | \$ 57,417.68 | \$ 500,000.00 | \$ 14,971,560.82 | • \$57,256.00 |
| 3 | 9/1/2004 | \$ 444,230.94 | \$ 55,769.06 | \$ 500,000.00 | \$ 14,527,329.88 | • \$55,609.00 |
| 4 | 10/1/2004 | \$ 45,885.70 | \$ 54,114.30 | \$ 100,000.00 | \$ 14,481,444.19 | • \$53,951.00 |
| 5 | 11/1/2004 | \$ 46,056.62 | \$ 53,943.38 | \$ 100,000.00 | \$ 14,435,387.56 | • \$53,780.00 |
| 6 | 12/1/2004 | \$ 46,228.18 | \$ 53,771.82 | \$ 100,000.00 | \$ 14,389,159.38 | • \$53,608.00 |
| 7 | 1/1/2005 | \$ 46,400.38 | \$ 53,599.62 | \$ 100,000.00 | \$ 14,342,759.00 | • \$53,435.00 |
| 8 | 2/1/2005 | \$ 46,573.22 | \$ 53,426.78 | \$ 100,000.00 | \$ 14,296,185.78 | |
| 9 | 3/1/2005 | \$ 46,746.71 | \$ 53,253.29 | \$ 100,000.00 | \$ 14,249,439.07 | |
| 10 | 4/1/2005 | \$ 46,920.84 | \$ 53,079.16 | \$ 100,000.00 | \$ 14,202,518.23 | |
| 11 | 5/1/2005 | \$ 47,095.62 | \$ 52,904.38 | \$ 100,000.00 | \$ 14,155,422.61 | |
| 12 | 6/1/2005 | \$ 47,271.05 | \$ 52,728.95 | \$ 100,000.00 | \$ 14,108,151.56 | |
| 13 | 7/1/2005 | \$ 47,447.14 | \$ 52,552.86 | \$ 100,000.00 | \$ 14,060,704.43 | |
| 14 | 8/1/2005 | \$ 47,623.88 | \$ 52,376.12 | \$ 100,000.00 | \$ 14,013,080.55 | |
| 15 | 9/1/2005 | \$ 47,801.27 | \$ 52,198.73 | \$ 100,000.00 | \$ 13,965,279.28 | |
| 16 | 10/1/2005 | \$ 47,979.33 | \$ 52,020.67 | \$ 100,000.00 | \$ 13,917,299.94 | |
| 17 | 11/1/2005 | \$ 73,158.06 | \$ 51,841.94 | \$ 125,000.00 | \$ 13,844,141.28 | |
| 18 | 12/1/2005 | \$ 73,430.57 | \$ 51,569.43 | \$ 125,000.00 | \$ 13,770,711.31 | |
| 19 | 1/1/2006 | \$ 73,704.10 | \$ 51,295.90 | \$ 125,000.00 | \$ 13,697,007.21 | |
| 20 | 2/1/2006 | \$ 73,978.65 | \$ 51,021.35 | \$ 125,000.00 | \$ 13,623,028.56 | |
| 21 | 3/1/2006 | \$ 74,254.22 | \$ 50,745.78 | \$ 125,000.00 | \$ 13,548,774.34 | |
| 22 | 4/1/2006 | \$ 74,530.82 | \$ 50,469.18 | \$ 125,000.00 | \$ 13,474,243.53 | |
| 23 | 5/1/2006 | \$ 74,808.44 | \$ 50,191.56 | \$ 125,000.00 | \$ 13,399,435.09 | |
| 24 | 6/1/2006 | \$ 75,087.10 | \$ 49,912.90 | \$ 125,000.00 | \$ 13,324,347.98 | |
| 25 | 7/1/2006 | \$ 75,366.80 | \$ 49,633.20 | \$ 125,000.00 | \$ 13,248,981.18 | |
| 26 | 8/1/2006 | \$ 75,647.55 | \$ 49,352.45 | \$ 125,000.00 | \$ 13,173,333.63 | |
| 27 | 9/1/2006 | \$ 75,929.33 | \$ 49,070.67 | \$ 125,000.00 | \$ 13,097,404.30 | |
| 28 | 10/1/2006 | \$ 76,212.17 | \$ 48,787.83 | \$ 125,000.00 | \$ 13,021,192.13 | |
| 29 | 11/1/2006 | \$ 101,496.06 | \$ 48,503.94 | \$ 150,000.00 | \$ 12,919,696.07 | |
| 30 | 12/1/2006 | \$ 101,874.13 | \$ 48,125.87 | \$ 150,000.00 | \$ 12,817,821.94 | |
| 31 | 1/1/2007 | \$ 102,253.61 | \$ 47,746.39 | \$ 150,000.00 | \$ 12,715,568.33 | |
| 32 | 2/1/2007 | \$ 102,634.51 | \$ 47,365.49 | \$ 150,000.00 | \$ 12,612,933.82 | |
| 33 | 3/1/2007 | \$ 103,016.82 | \$ 46,983.18 | \$ 150,000.00 | \$ 12,509,917.00 | |
| 34 | 4/1/2007 | \$ 103,400.56 | \$ 46,599.44 | \$ 150,000.00 | \$ 12,406,516.44 | |

* INTEREST - JUL'04 TO JAN'05: \$387,626.04

DIFF. = \$1,140.04

<(\$386,526.00)>

lmcg
12.28.04

| Payment No. | Date | Payment to GPA | | | Total P&I | Principal Balance |
|-------------|-----------|----------------|--------------|---------------|------------------|-------------------|
| | | Principal | Interest | | | |
| 35 | 5/1/2007 | \$ 103,785.73 | \$ 46,214.27 | \$ 150,000.00 | \$ 12,302,730.71 | |
| 36 | 6/1/2007 | \$ 104,172.33 | \$ 45,827.67 | \$ 150,000.00 | \$ 12,198,558.38 | |
| 37 | 7/1/2007 | \$ 104,560.37 | \$ 45,439.63 | \$ 150,000.00 | \$ 12,093,998.01 | |
| 38 | 8/1/2007 | \$ 104,949.86 | \$ 45,050.14 | \$ 150,000.00 | \$ 11,989,048.16 | |
| 39 | 9/1/2007 | \$ 105,340.80 | \$ 44,659.20 | \$ 150,000.00 | \$ 11,883,707.36 | |
| *40 | 10/1/2007 | \$ 105,733.19 | \$ 44,266.81 | \$ 150,000.00 | \$ 11,777,974.17 | |
| 41 | 11/1/2007 | \$ 131,127.05 | \$ 43,872.95 | \$ 175,000.00 | \$ 11,646,847.12 | |
| 42 | 12/1/2007 | \$ 131,615.49 | \$ 43,384.51 | \$ 175,000.00 | \$ 11,515,231.63 | |
| 43 | 1/1/2008 | \$ 132,105.76 | \$ 42,894.24 | \$ 175,000.00 | \$ 11,383,125.87 | |
| 44 | 2/1/2008 | \$ 132,597.86 | \$ 42,402.14 | \$ 175,000.00 | \$ 11,250,528.01 | |
| 45 | 3/1/2008 | \$ 133,091.78 | \$ 41,908.22 | \$ 175,000.00 | \$ 11,117,436.23 | |
| 46 | 4/1/2008 | \$ 133,587.55 | \$ 41,412.45 | \$ 175,000.00 | \$ 10,983,848.68 | |
| 47 | 5/1/2008 | \$ 134,085.16 | \$ 40,914.84 | \$ 175,000.00 | \$ 10,849,763.51 | |
| 48 | 6/1/2008 | \$ 134,584.63 | \$ 40,415.37 | \$ 175,000.00 | \$ 10,715,178.88 | |
| 49 | 7/1/2008 | \$ 135,085.96 | \$ 39,914.04 | \$ 175,000.00 | \$ 10,580,092.92 | |
| 50 | 8/1/2008 | \$ 135,589.15 | \$ 39,410.85 | \$ 175,000.00 | \$ 10,444,503.77 | |
| 51 | 9/1/2008 | \$ 136,094.22 | \$ 38,905.78 | \$ 175,000.00 | \$ 10,308,409.55 | |
| 52 | 10/1/2008 | \$ 136,601.17 | \$ 38,398.83 | \$ 175,000.00 | \$ 10,171,808.37 | |
| 53 | 11/1/2008 | \$ 162,110.01 | \$ 37,889.99 | \$ 200,000.00 | \$ 10,009,698.36 | |
| 54 | 12/1/2008 | \$ 162,713.87 | \$ 37,286.13 | \$ 200,000.00 | \$ 9,846,984.49 | |
| 55 | 1/1/2009 | \$ 163,319.98 | \$ 36,680.02 | \$ 200,000.00 | \$ 9,683,664.50 | |
| 56 | 2/1/2009 | \$ 163,928.35 | \$ 36,071.65 | \$ 200,000.00 | \$ 9,519,736.15 | |
| 57 | 3/1/2009 | \$ 164,538.98 | \$ 35,461.02 | \$ 200,000.00 | \$ 9,355,197.17 | |
| 58 | 4/1/2009 | \$ 165,151.89 | \$ 34,848.11 | \$ 200,000.00 | \$ 9,190,045.28 | |
| 59 | 5/1/2009 | \$ 165,767.08 | \$ 34,232.92 | \$ 200,000.00 | \$ 9,024,278.20 | |
| 60 | 6/1/2009 | \$ 166,384.56 | \$ 33,615.44 | \$ 200,000.00 | \$ 8,857,893.63 | |
| 61 | 7/1/2009 | \$ 167,004.35 | \$ 32,995.65 | \$ 200,000.00 | \$ 8,690,889.29 | |
| 62 | 8/1/2009 | \$ 167,626.44 | \$ 32,373.56 | \$ 200,000.00 | \$ 8,523,262.85 | |
| *63 | 9/1/2009 | \$ 168,250.85 | \$ 31,749.15 | \$ 200,000.00 | \$ 8,355,012.01 | |
| 64 | 10/1/2009 | \$ 168,877.58 | \$ 31,122.42 | \$ 200,000.00 | \$ 8,186,134.43 | |
| 65 | 11/1/2009 | \$ 169,506.65 | \$ 30,493.35 | \$ 200,000.00 | \$ 8,016,627.78 | |
| 66 | 12/1/2009 | \$ 170,138.06 | \$ 29,861.94 | \$ 200,000.00 | \$ 7,846,489.71 | |
| 67 | 1/1/2010 | \$ 170,771.83 | \$ 29,228.17 | \$ 200,000.00 | \$ 7,675,717.89 | |
| 68 | 2/1/2010 | \$ 171,407.95 | \$ 28,592.05 | \$ 200,000.00 | \$ 7,504,309.94 | |
| 69 | 3/1/2010 | \$ 172,046.45 | \$ 27,953.55 | \$ 200,000.00 | \$ 7,332,263.49 | |
| 70 | 4/1/2010 | \$ 172,687.32 | \$ 27,312.68 | \$ 200,000.00 | \$ 7,159,576.17 | |
| 71 | 5/1/2010 | \$ 173,330.58 | \$ 26,669.42 | \$ 200,000.00 | \$ 6,986,245.59 | |
| 72 | 6/1/2010 | \$ 173,976.24 | \$ 26,023.76 | \$ 200,000.00 | \$ 6,812,269.36 | |
| 73 | 7/1/2010 | \$ 174,624.30 | \$ 25,375.70 | \$ 200,000.00 | \$ 6,637,645.06 | |
| 74 | 8/1/2010 | \$ 175,274.77 | \$ 24,725.23 | \$ 200,000.00 | \$ 6,462,370.29 | |
| 75 | 9/1/2010 | \$ 175,927.67 | \$ 24,072.33 | \$ 200,000.00 | \$ 6,286,442.62 | |
| 76 | 10/1/2010 | \$ 176,583.00 | \$ 23,417.00 | \$ 200,000.00 | \$ 6,109,859.62 | |
| 77 | 11/1/2010 | \$ 177,240.77 | \$ 22,759.23 | \$ 200,000.00 | \$ 5,932,618.85 | |
| 78 | 12/1/2010 | \$ 177,900.99 | \$ 22,099.01 | \$ 200,000.00 | \$ 5,754,717.85 | |
| 79 | 1/1/2011 | \$ 178,563.68 | \$ 21,436.32 | \$ 200,000.00 | \$ 5,576,154.18 | |
| 80 | 2/1/2011 | \$ 179,228.83 | \$ 20,771.17 | \$ 200,000.00 | \$ 5,396,925.35 | |
| 81 | 3/1/2011 | \$ 179,896.45 | \$ 20,103.55 | \$ 200,000.00 | \$ 5,217,028.90 | |
| 82 | 4/1/2011 | \$ 180,566.57 | \$ 19,433.43 | \$ 200,000.00 | \$ 5,036,462.33 | |
| 83 | 5/1/2011 | \$ 181,239.18 | \$ 18,760.82 | \$ 200,000.00 | \$ 4,855,223.15 | |

| Payment No. | Date | Payment to GPA | | | Total P&I | Principal Balance |
|----------------|-----------|--------------------------|-----------------|------------------|-----------------|----------------------|
| | | Principal | Interest | | | |
| 84 | 6/1/2011 | \$ 181,914.29 | \$ 18,085.71 | \$ 200,000.00 | \$ 4,673,308.86 | |
| 85 | 7/1/2011 | \$ 182,591.92 | \$ 17,408.08 | \$ 200,000.00 | \$ 4,490,716.93 | |
| 86 | 8/1/2011 | \$ 183,272.98 | \$ 16,727.92 | \$ 200,000.00 | \$ 4,307,444.85 | |
| 87 | 9/1/2011 | \$ 183,954.77 | \$ 16,045.23 | \$ 200,000.00 | \$ 4,123,490.09 | |
| 88 | 10/1/2011 | \$ 184,640.00 | \$ 15,360.00 | \$ 200,000.00 | \$ 3,938,850.09 | |
| 89 | 11/1/2011 | \$ 185,327.78 | \$ 14,672.22 | \$ 200,000.00 | \$ 3,753,522.30 | |
| 90 | 12/1/2011 | \$ 186,018.13 | \$ 13,981.87 | \$ 200,000.00 | \$ 3,567,504.17 | |
| 91 | 1/1/2012 | \$ 186,711.05 | \$ 13,288.95 | \$ 200,000.00 | \$ 3,380,793.13 | |
| 92 | 2/1/2012 | \$ 187,406.55 | \$ 12,593.45 | \$ 200,000.00 | \$ 3,193,386.58 | |
| 93 | 3/1/2012 | \$ 188,104.63 | \$ 11,895.37 | \$ 200,000.00 | \$ 3,005,281.95 | |
| 94 | 4/1/2012 | \$ 188,805.32 | \$ 11,194.68 | \$ 200,000.00 | \$ 2,816,476.62 | |
| 95 | 5/1/2012 | \$ 189,508.62 | \$ 10,491.38 | \$ 200,000.00 | \$ 2,626,968.00 | |
| 96 | 6/1/2012 | \$ 190,214.54 | \$ 9,785.46 | \$ 200,000.00 | \$ 2,436,753.45 | |
| 97 | 7/1/2012 | \$ 190,923.09 | \$ 9,076.91 | \$ 200,000.00 | \$ 2,245,830.36 | |
| 98 | 8/1/2012 | \$ 191,634.28 | \$ 8,365.72 | \$ 200,000.00 | \$ 2,054,196.08 | |
| 99 | 9/1/2012 | \$ 192,348.12 | \$ 7,651.88 | \$ 200,000.00 | \$ 1,861,847.96 | |
| 100 | 10/1/2012 | \$ 193,064.62 | \$ 6,935.38 | \$ 200,000.00 | \$ 1,668,783.34 | |
| 101 | 11/1/2012 | \$ 193,783.78 | \$ 6,216.22 | \$ 200,000.00 | \$ 1,474,999.56 | |
| 102 | 12/1/2012 | \$ 194,505.63 | \$ 5,494.37 | \$ 200,000.00 | \$ 1,280,493.93 | |
| 103 | 1/1/2013 | \$ 195,230.16 | \$ 4,769.84 | \$ 200,000.00 | \$ 1,085,263.77 | |
| 104 | 2/1/2013 | \$ 195,957.39 | \$ 4,042.61 | \$ 200,000.00 | \$ 889,306.38 | |
| 105 | 3/1/2013 | \$ 196,687.33 | \$ 3,312.67 | \$ 200,000.00 | \$ 692,619.05 | |
| 106 | 4/1/2013 | \$ 197,419.99 | \$ 2,580.01 | \$ 200,000.00 | \$ 495,199.05 | |
| 107 | 5/1/2013 | \$ 198,155.38 | \$ 1,844.62 | \$ 200,000.00 | \$ 297,043.67 | |
| 108 | 6/1/2013 | \$ 198,893.51 | \$ 1,106.49 | \$ 200,000.00 | \$ 98,150.16 | |
| 109 | 7/1/2013 | \$ 98,150.16 | \$ 365.61 | \$ 98,515.77 | \$ (0.00) | |
| | | \$ 15,855,082.95 | \$ 3,643,432.82 | \$ 19,498,515.77 | | |