



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

OFFICE OF THE LEGISLATIVE SECRETARY

Date: June 4, 1996

Time: 2:32 pm

Received By: Arlene B. Jones

Print Name: Arlene B. Jones

JUN 04 1996

REFER TO
LEGISLATIVE SECRETARY

The Honorable Don Parkinson
Speaker
Twenty-Third Guam Legislature
Guam Legislature Temporary Building
155 Hesler Street
Agana, Guam 96910

OFFICE OF THE LEGISLATIVE SECRETARY

ACKNOWLEDGMENT RECEIPT

Received By:

Time: 2:37 pm

Date: 6/04/96

Dear Mr. Speaker:

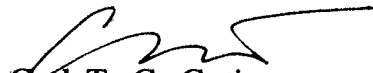
Enclosed please find a copy of Substitute Bill No. 642 (LS), "AN ACT RELATIVE TO ADDING PROJECTS TO THE WATER SYSTEM PROJECT LISTING CONTAINED IN THE 1989 WATER SYSTEM REVENUE BOND AND THE CAPITAL IMPROVEMENT PROJECT LISTING IN THE 1989 LIMITED OBLIGATION INFRASTRUCTURE IMPROVEMENT BOND; TO PROVIDE FOR UTILIZING FOURTEEN MILLION THREE HUNDRED THOUSAND DOLLARS (\$14,300,000) LINE OF CREDIT TO FUND NECESSARY WATER AND SEWER PROJECTS; TO AMEND 5 GCA §5215 OF THE GUAM PROCUREMENT LAW TO PROVIDE FOR THE EMERGENCY PROCUREMENT BY PUAG; AND TO RESTRICT THE TRANSFER OF PUAG ASSETS", which I have signed into law today as **Public Law No. 23-97**.

This legislation provides for a \$14.3 Million line of credit authorization for water and sewer crises needs now facing our people. Simultaneously, the legislation mixes in a spoiled apple with the oranges: in Section 5, it mixes in an unnecessary restriction on the management prerogative of the Executive Branch to find adequate housing for the Public Utility Agency of Guam (PUAG) headquarters. The restriction is unnecessary because there are already fail-safe provisions in law for any government transaction. Should it be decided that PUAG will sell its headquarters to the Guam Telephone Authority, which is at present one proposal, the funds, according to our current law, will be placed in the General Fund for appropriation by the Legislature. The Legislature will be aware of the transaction, if any, and is in a position to approve it.

The Executive Branch has various resources to physically house its agencies. It is an Executive Branch function to assess agency needs and make these determinations. Moving an agency headquarters from one site to another to provide adequate work space is an Executive Branch responsibility. Just like determining that a power barge is necessary and traveling to other countries to try to arrange for power barges, housing an agency by managing existing resources is not a legislative function. The Legislature, which has admitted this through the publicized statements of its members, does not have the staff or resources to perform these management tasks. The Legislature's role is to make policy, not place unnecessary restrictions on the available management options of the Executive Branch.

A copy of Substitute Bill No. 642 and this message is also being delivered to the Office of the Legislative Secretary.

Very truly yours,



Carl T. C. Gutierrez
Governor of Guam

Attachment

231162

(same as 231161)



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

JUN 04 1996

The Honorable Judith Won-Pat Borja
Legislative Secretary
Twenty-Third Guam Legislature
Guam Legislature Temporary Building
155 Hesler Street
Agana, Guam 96910

OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGMENT RECEIPT	
Received By:	
Time:	2:30 pm.
Date:	6/04/96

Dear Madame Legislative Secretary:

Enclosed please find a copy of Substitute Bill No. 642 (LS), "AN ACT RELATIVE TO ADDING PROJECTS TO THE WATER SYSTEM PROJECT LISTING CONTAINED IN THE 1989 WATER SYSTEM REVENUE BOND AND THE CAPITAL IMPROVEMENT PROJECT LISTING IN THE 1989 LIMITED OBLIGATION INFRASTRUCTURE IMPROVEMENT BOND; TO PROVIDE FOR UTILIZING FOURTEEN MILLION THREE HUNDRED THOUSAND DOLLARS (\$14,300,000) LINE OF CREDIT TO FUND NECESSARY WATER AND SEWER PROJECTS; TO AMEND 5 GCA §5215 OF THE GUAM PROCUREMENT LAW TO PROVIDE FOR THE EMERGENCY PROCUREMENT BY PUAG; AND TO RESTRICT THE TRANSFER OF PUAG ASSETS", which I have signed into law today as **Public Law No. 23-97**.

Enclosed also please find a copy of message regarding this legislation. Original message and copy of the legislation has been delivered to the Office of the Speaker.

Very truly yours,

Carl T. C. Gutierrez
Governor of Guam

Attachment

231161

(Same as 231162
For file purpose only)

TWENTY-THIRD GUAM LEGISLATURE
1996 (SECOND) Regular Session

I, **Don Parkinson**, Speaker of the Twenty-Third Guam Legislature, hereby certify that an emergency situation exists, involving danger to the public health and safety, resulting from the raw sewage leaking into Tumon, and therefore waive the public hearing on this Bill No. 642.

Dated: May 29, 1996

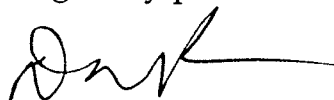


DON PARKINSON
Speaker

TWENTY-THIRD GUAM LEGISLATURE
1996 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 642 (LS), "AN ACT RELATIVE TO ADDING PROJECTS TO THE WATER SYSTEM PROJECT LISTING CONTAINED IN THE 1989 WATER SYSTEM REVENUE BOND AND THE CAPITAL IMPROVEMENT PROJECT LISTING IN THE 1989 LIMITED OBLIGATION INFRASTRUCTURE IMPROVEMENT BOND; TO PROVIDE FOR UTILIZING FOURTEEN MILLION THREE HUNDRED THOUSAND DOLLARS (\$14,300,000) LINE OF CREDIT TO FUND NECESSARY WATER AND SEWER PROJECTS; TO AMEND 5 GCA §5215 OF THE GUAM PROCUREMENT LAW TO PROVIDE FOR THE EMERGENCY PROCUREMENT BY PUAG; AND TO RESTRICT THE TRANSFER OF PUAG ASSETS," was on the 3rd day of June, 1996, duly and regularly passed.



DON PARKINSON
Speaker

Attested:



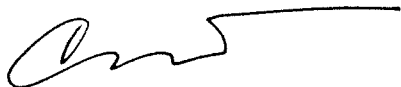
JUDITH WON PAT-BORJA
Senator and Legislative Secretary

This Act was received by the Governor this 3rd day of June,
1996, at 4:40 o'clock P.M.



Assistant Staff Officer
Governor's Office

APPROVED:



CARL T. C. GUTIERREZ
Governor of Guam

Date: 6-4-96

Public Law No. 23-97

TWENTY-THIRD GUAM LEGISLATURE
1996 (SECOND) Regular Session

Bill No. 642 (LS)

As substituted on the floor

Introduced by:

J. P. Aguon

A. C. Blaz

T. C. Ada

E. Barrett-Anderson

J. S. Brown

H. A. Cristobal

M. Forbes

A. C. Lamorena V

C. Leon Guerrero

L. Leon Guerrero

T. S. Nelson

S. L. Orsini

J. T. San Agustin

A. L. G. Santos

A. R. Unpingco

AN ACT RELATIVE TO ADDING PROJECTS TO THE WATER SYSTEM PROJECT LISTING CONTAINED IN THE 1989 WATER SYSTEM REVENUE BOND AND THE CAPITAL IMPROVEMENT PROJECT LISTING IN THE 1989 LIMITED OBLIGATION INFRASTRUCTURE IMPROVEMENT BOND; TO PROVIDE FOR UTILIZING FOURTEEN MILLION THREE HUNDRED THOUSAND DOLLARS (\$14,300,000) LINE OF CREDIT TO FUND NECESSARY WATER AND SEWER PROJECTS; TO AMEND 5 GCA §5215 OF THE GUAM PROCUREMENT LAW TO PROVIDE FOR THE EMERGENCY PROCUREMENT BY PUAG; AND TO RESTRICT THE TRANSFER OF PUAG ASSETS.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

1 **Section 1. a). Reprogramming of funding for PUAG water system**
2 **projects.** Notwithstanding any amounts transferred as authorized by Public
3 Law No. 22-141 pursuant to subsection (m) of Section 6132 of the
4 Government Code, enacted in Public Law No. 20-16, or already utilized for
5 authorized projects, Subsection (k) of Section 6132 of the Government Code is
6 repealed and reenacted to read:

7 “(k) **Water System Projects.** The following projects shall be
8 funded as follows:

- | | | |
|----|--|------------|
| 9 | 1. Yigo/Dededo Source and Storage | |
| 10 | System Improvement | 10,592,312 |
| 11 | 2. Replacement of Water Distri- | |
| 12 | bution Lines in Agat/Santa Rita | 5,311,288 |
| 13 | 3. Agat/Santa Rita Sewer System, Part | |
| 14 | of Phase I and Total of Phase II | 4,640,634 |
| 15 | 4. Finegayan/Tumon Waterline-Water | |
| 16 | Transmission Line from Y-Sengsong | |
| 17 | Intersection South along Route 3, West | |
| 18 | along Route 1 past Harmon Loop Reservoir | |
| 19 | to Intersection with 14” Water Main | 4,277,190 |
| 20 | 5. Barrigada/Toto Waterline-Water | |
| 21 | Transmission Line along Route 8 from | |
| 22 | Route 10 Intersection to Canada-Toto | |
| 23 | Road | 1,885,646 |
| 24 | 6. Tumon/Tamuning Waterline-Water | |
| 25 | Transmission Line from Intersection | |
| 26 | of Route 1 and 14” Water Main (near | |
| 27 | Haruna Restaurant) South Westerly along | |

1	Route 1 to Camp Watkins	
2	Road Intersection	2,431,184
3	7. Agana/Asan/Piti Water System	
4	Improvement	7,140,000
5	8. Agat/Umatac Water System	
6	Improvement	4,005,826
7	9. Dededo Reservoir	3,484,540
8	10. Macheche/Adacao Water Distribution Lines,	
9	Phase I	2,715,376
10	11. Northern Treatment Plant Improvements,	
11	including Digestors and	
12	Effluent Line (land segment)	2,800,000
13	12. Chaot Wastewater Improvements	979,073
14	13. BPM, Mangilao	642,649
15	14. Lalo, Mangilao	340,000
16	15. Carlos Heights	-0-
17	16. Fujita Pump Station	1,000,000."

18 b) Repeal of double appropriation for Mangilao and Carlos Heights
19 projects which are now listed in Subsection a) of this Section. Section 4
20 of Public Law No. 22-131 is repealed.

21 **Section 2. Reprogramming of projects funded from the Infrastructure**
22 **Bonds.** Items (6), (12), and (13) of Subsection (i) of Section 6130 of the
23 Government Code, enacted in Public Law No. 20-14, are amended, and a new
24 Item (21) of that same Subsection is added, to read:

25 "(6) PUBLIC MARKET PROJECT 1,845,972
26 (Design and construction of a new facility to accommodate a variety of
27 public market functions. The facility shall be permanent -- no temporary

1 structures and no tin roofs; and provided, however, that no funds for
2 this improvement project shall be expended until the repair on the
3 Sagan Dinana structure has commenced. Preference and priority for
4 space in the Public Market shall be given to those who sell local marine,
5 aquacultural and agricultural products and those who primarily sell
6 products bearing the Guam Product Seal. The Governor and the Port
7 Authority of Guam Board of Directors must concur that the final plans
8 of the Public Market are aesthetically consistent with the development
9 of the Agana Marina; Port Authority Board approval should be
10 expressed through the adoption of a resolution.)”

11 “(12) UMATAC-MERIZO HIGHWAY DESIGN 2,056

12 (Highway design along Route 4, Umatac to Merizo, for an upgraded
13 two lane highway with a center lane. The project will include paved
14 shoulders and adequate drainage.)”

15 “(13) MERIZO-INARAJAN HIGHWAY DESIGN 1,680

16 (Highway design along Route 4, Merizo to Inarajan for an upgraded
17 two lane highway with a center lane. The project will include paved
18 shoulders and adequate drainage.)”

19 “(21) CHAOT SEWER SYSTEM UPGRADE 817,618”

20 **Section 3. Authorization to expend funds from line of credit for Tumon**
21 **sewer reversal project and water and sewer capacity for Tumon**
22 **area.** Subject to the provisions of §22413 of Title 5, Guam Code Annotated,
23 the Governor, on behalf of the government of Guam, is authorized to
24 arrange a line of credit for up to Fourteen Million Three Hundred Thousand
25 Dollars (\$14,300,000) with any bank or commercial lending institution licensed
26 on Guam. Such line of credit shall be utilized exclusively and funds derived
27 from the line of credit are appropriated to provide immediate relief in Tumon

1 to allow capacity for projected expansion for the upgrade of the Fujita,
2 Mamajanao, and Chaot Pump Stations, and construction of the Ypao-
3 Mamajanao-Southern Link Reversion to direct Tumon flows northward to
4 Northern District Treatment Plant (Harmon) treatment plant. Except as
5 authorized in Section 4 of this Act, nothing in this Act shall be construed as in
6 itself authorizing deviation from or waiver of established procurement and
7 bidding procedures.

8 **Section 4.** Notwithstanding the Thirty (30) day limitation contained in
9 §5215 of Title 5, Guam Code Annotated, PUAG is authorized to procure the
10 necessary emergency goods and services to repair and upgrade the Fujita
11 Pump Station based upon a declaration by the Governor of an emergency,
12 and written determination by PUAG, in accordance with §5215 of Title 5,
13 Guam Code Annotated. *This section expires midnight on September 30, 1996.*

14 **Section 5. Restriction on transfer of Public Utility Agency of Guam**
15 **assets.** *It is the consensus of the Legislature that any money received from*
16 *sale, transfer or lease of land currently occupied by Public Utility Agency*
17 *should be used exclusively to fund system repairs, maintenance and upgrades,*
18 *as provided or later required.* Statutory approval of any sale, lease or
19 transfer of Government of Guam land and buildings thereon used or
20 occupied on January 1, 1996 or thereafter by Public Utility Agency of Guam
21 must be had prior to any sale, transfer or lease of such lands or assets and
22 must be prior to the transfer of funds or assets in payment thereof from
23 Guam Telephone Authority or any other potential purchasers, including
24 government agencies. Any sale, lease or transfer in violation of this Section is
25 void.

Date: 6/3/96

VOTING SHEET

No. 642
 Resolution No. _____
 Question: _____

NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	ABSENT/ OUT DURING ROLL CALL
ADA, Thomas C.	✓			
AGUON, John P.	✓			
BARRETT-ANDERSON, Elizabeth	✓			
BLAZ, Anthony C.	✓			
BROWN, Joanne S.	✓			
CAMACHO, Felix P. †		✓		
CHARFAUROS, Mark C †		✓		
CRISTOBAL, Hope A.	✓			
FORBES, -MARK	✓			
MORENA, Alberto C., V	✓			
LEON GUERRERO, Carlotta	✓			
LEON GUERRERO, Lou				✓
NELSON, Ted S.	✓			
ORSINI, Sonny L.				✓
PANGELINAN, Vicente C		✓		
PARKINSON, Don ††		✓		
SAN AGUSTIN, Joe T.	✓			
SANTOS, Angel L. G.				✓
SANTOS, Francis E. †		✓		
UNPINGCO, Antonio R.				✓
WONPAT-BORJA, Judith		✓		

TOTAL 11 6 4

CERTIFIED TRUE AND CORRECT:

** 3 faces listed "No"*

Recording Secretary

*signed 6/4/96
P.L. 23-97*

WWS
6-3-96
10:45 am

TWENTY-THIRD GUAM LEGISLATURE
1996 (SECOND) Regular Session

Bill No. 642

As substituted on the floor

Introduced by:

F. E. Santos
D. Parkinson

AN ACT RELATIVE TO ADDING PROJECTS TO THE WATER SYSTEM PROJECT LISTING CONTAINED IN THE 1989 WATER SYSTEM REVENUE BOND AND THE CAPITAL IMPROVEMENT PROJECT LISTING IN THE 1989 LIMITED OBLIGATION INFRASTRUCTURE IMPROVEMENT BOND; TO PROVIDE FOR UTILIZING FOURTEEN MILLION THREE HUNDRED THOUSAND DOLLARS (\$14,300,000) LINE OF CREDIT TO FUND NECESSARY WATER AND SEWER PROJECTS; TO AMEND 5 GCA §5215 OF THE GUAM PROCUREMENT LAW TO PROVIDE FOR THE EMERGENCY PROCUREMENT BY PUAG; TO RESTRICT THE TRANSFER OF PUAG ASSETS; AND TO TRANSFER FROM THE TERRITORIAL HIGHWAY BOND TO PUAG FOR THE PAYMENT OF GPA.

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| 8 | of Phase I and Total of Phase II | 4,640,634 |
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| 25 | Improvement | 7,140,000 |
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1	9.	Dededo Reservoir	3,484,540
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5		including Digestors and	
6		Effluent Line (land segment)	2,800,000
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8	13.	BPM, Mangilao	642,649
9	14.	Lalo, Mangilao	340,000
10	15.	Carlos Heights	-0-
11	16.	Fujita Pump Station	1,000,000."

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27 products bearing the Guam Product Seal. The Governor and the Port

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2 of the Public Market are aesthetically consistent with the development
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4 expressed through the adoption of a resolution.)”

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22 to allow capacity for projected expansion for the upgrade of the Fujita,
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25 Northern District Treatment Plant (Harmon) treatment plant. Except as
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15 occupied on January 1, 1996 or thereafter by Public Utility Agency of Guam
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17 must be prior to the transfer of funds or assets in payment thereof from
18 Guam Telephone Authority or any other potential purchasers, including
19 government agencies. Any sale, lease or transfer in violation of this Section is
20 void.



SENATOR THOMAS C. ADA
Committee on Water, Utilities, and Electronic Communications

May 30, 1996

TRANSMITTED BY FACSIMILE
FAX NO. 649-0158

Mr. Richard Quintanilla
Chief Officer
Public Utility Agency of Guam
P.O. Box 3010
Agana, Guam

RE: PUAG WASTEWATER FACILITIES

Dear Mr. Quintanilla:

Transmitted herewith are questions which will be helpful to me, and the members of the Legislature, in better understanding the urgency of providing funding for the Mamajanao sewer reversal project. Despite the short notice, I hope you will try your best in providing answers to these questions for the session this afternoon.

A handwritten signature in black ink, appearing to be "T. C. ADA", written in a cursive style.

THOMAS C. ADA
Chairman

Attachment
cc: All Senators

215-A East Saylor St., Ada's Commercial & Professional Center, Suite 108 F, Agana, Guam 96910
Tel: (671) 472-3436 • Fax: (671) 477-7281

A. Wastewater Treatment Plants:

1. Northern District Treatment Plant (NDTP) -

- (a) What is the capacity of the NDTP?
- (b) What has been the average waste water (WW) load volume (MGD) for the past five (5) years? (Please provide any documentation which can substantiate this data)
- (c) Currently, what is the load volume passing through the Mamajanao pump station, which if reversed will be displaced from the Agana Treatment Plant (ATP)? (Please provide any documentation which can substantiate this data)
- (d) Are there any development projects currently on hold in the Tumon/Harmon area pending the completion of the Mamajanao reversal?

2. Agana Treatment Plant (ATP)

- (a) What is the capacity of the ATP?
- (b) What has been the average waste water (WW) load volume (MGD) for the past five (5) years? (Please provide any documentation which can substantiate this data)
- (c) Are there plans to expand the capacity of the ATP?

B. Chaot (Sinajana) Pump Station

- (a) Is the Chaot pump station a "choke point" for the flow of sewage from the Central area, i.e. Yona, Mangilao, Sinajana, Agana, etc.?
- (b) Are there any development projects currently on hold in the Central area, i.e. Yona, Mangilao, Sinajana, Agana, etc. area pending the completion of the Chaot pump station upgrade? Please list the projects which are on hold because PUAG has given its concurrence for a construction (or occupancy) permit.
- (c) Is the acquiring of private land the major obstacle in completing the upgrade of the Chaot station? If yes, what actions have been taken to acquire this land?
- (d) What are the estimated costs (1996 dollars) for the land and pump station?

- (e) If the choke point at the Chaot pump station is rectified, and the flow through Mamajanao is not reversed, will the ATP become overloaded within the next 2-3 years?
- (f) Are there other related improvements needed in the Central area to facilitate the flow of waste water from this area to the ATP, e.g. upgrade of pump station in Mangilao and Barrigada to accommodate the growth in the district? What is the estimated cost of these upgrades?

C. Mamajanao Sewer Reversal Project.

- (a) At the May 29th legislative session, the PUAG Chief Officer stated that the total cost of the sewer reversal project is estimated to be \$25 million. List the phases and associated cost of each phase. (A diagram will be helpful in visualizing this project).
- (b) If only \$6 million is available for the Mamajanao project what impact will this have, i.e. can enough be accomplished to begin displacing significant sewage flows to the NDTP, or will it only be enough to lay sewer lines which cannot be utilized until other components of the project are in place, etc.?
- (c) If \$13.7 million is available for the Mamajanao project what impact will this have?
- (d) Is this project a part of the PUAG 1992 Waste water Master Plan (developed by Duenas & Associates)? Where does the Mamajanao Reversal project fit in the order of project priorities which is recommended in the PUAG 1992 Waste water Master Plan? If not at the top of the priority list, what projects have been recommended to have a higher priority?

D. Water Related Projects.

1. Does PUAG need funding for the completion of required construction to enable the transmission of water in support of the Southern High School?

2. Earlier this year, PUAG agreed that current water production falls short by about 20%, or 9 MGD, of the maximum daily demand for water. Is this still a concern? How is PUAG addressing this shortfall? What is the priority of this project relative to the Mamajanao Sewer Reversal project?

May 30, 1996

Need in B672 discussion

PUAG NEEDS

How much do we need in total for 2010? **\$400.0 M**

- Based on the 1992 Masterplan for water and waste water
- Growth rate of 3.5%

How much do we need for Vision 2001 **\$100.0 M**

A. DISASTER NEEDS TODAY

1. Fujita Pump Station Upgrade Phase II	\$ 1.0 M
2. Chaot Pump Station	\$ 2.3 M
3. Northern District Sewage Treatment Plant	
a) 2 Digesters	\$ 1.0 M
b) Effluent Line (land)	\$ 1.8 M
TOTAL	\$ 6.1 M

B. EMERGENCY NEEDS TODAY

1. Ypao - Mamahano Southern Link Reversion	\$13.8 M
2. Fujita Fafai Reversion	\$12.0 M
3. Land acquisition & 10 new wells	\$ 4.0 M
4. Talofofu Reservoir / Booster Pump	\$ 3.1 M
5. Talofofu / Windward Hills Booster Pump	\$ 0.5 M
6. Agat / Umatac 12 inch. water line Phase III*	\$ 3.0 M
(* Phase I completed & Phase II is under construction; financed by the water bond)	

TOTAL **\$ 36.4 M**

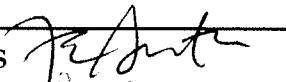

Introduced

MAY 29 1996

TWENTY-THIRD GUAM LEGISLATURE
1996 (SECOND) Regular Session

Bill No. 642(LS)

Introduced by:

F. E. Santos 
D. Parkinson. 

AN ACT RELATIVE TO ADDING CRITICAL PROJECTS TO THE WATER SYSTEM PROJECT LISTING CONTAINED IN THE 1989 WATER SYSTEM REVENUE BOND AND THE CAPITAL IMPROVEMENT PROJECT LISTING IN THE 1989 LIMITED OBLIGATION INFRASTRUCTURE IMPROVEMENT BOND; TO PROVIDE FOR UTILIZING SIX MILLION DOLLAR (\$6,000,000) LINE OF CREDIT TO FUND NECESSARY WATER AND SEWER PROJECTS IN TUMON; TO ~~AMEND CERTAIN SECTIONS RELATIVE TO PUBLIC LAWS 23-45 AND 23-46, THE GENERAL APPROPRIATION ACT OF 1996, BY MAKING CORRECTIONS TO PUBLIC LAW 23-94; AND TO AMEND THE GUAM PROCUREMENT LAW IN TITLE 5, GUAM CODE ANNOTATED, TO PROVIDE FOR THE EMERGENCY PROCUREMENT OF THE PUBLIC UTILITY SERVICES BY THE GOVERNMENT OF GUAM.~~

- 1 **BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:**
2 **Section 1. a). Reprogramming of funding for PUAG water system**
3 **projects.** Notwithstanding any amounts transferred as authorized by Public
4 Law No. 22-141 pursuant to subsection (m) of Section 6132 of the
5 Government Code, enacted in Public Law No. 20-16, or already utilized for
6 authorized projects, Subsection (k) of Section 6132 of the Government Code is
7 repealed and reenacted to read:

1 “(k) **Water System Projects.** The following projects shall be
2 funded as follows:

- | | | |
|----|--|------------|
| 3 | 1. Yigo/Dededo Source and Storage | |
| 4 | System Improvement | 10,592,312 |
| 5 | 2. Replacement of Water Distri- | |
| 6 | bution Lines in Agat/Santa Rita | 5,311,288 |
| 7 | 3. Agat/Santa Rita Sewer System, Part | |
| 8 | of Phase I and Total of Phase II | 4,640,634 |
| 9 | 4. Finegayan/Tumon Waterline-Water | |
| 10 | Transmission Line from Y-Sengsong | |
| 11 | Intersection South along Route 3, West | |
| 12 | along Route 1 past Harmon Loop Reservoir | |
| 13 | to Intersection with 14” Water Main | 4,277,190 |
| 14 | 5. Barrigada/Toto Waterline-Water | |
| 15 | Transmission Line along Route 8 from | |
| 16 | Route 10 Intersection to Canada-Toto | |
| 17 | Road | 1,885,646 |
| 18 | 6. Tumon/Tamuning Waterline-Water | |
| 19 | Transmission Line from Intersection | |
| 20 | of Route 1 and 14” Water Main (near | |
| 21 | Haruna Restaurant) South Westerly along | |
| 22 | Route 1 to Camp Watkins | |
| 23 | Road Intersection | 2,431,184 |
| 24 | 7. Agana/Asan/Piti Water System | |
| 25 | Improvement | 7,140,000 |
| 26 | 8. Agat/Umatac Water System | |
| 27 | Improvement | 4,005,826 |

1	9.	Dededo Reservoir	3,484,540
2	10.	Macheche/Adacao Water Distribution Lines,	
3		Phase I	2,715,376
4	11.	Northern Treatment Plant Improvements,	
5		including Digestors and Landfill portion	2,800,000
6	12.	Chaot Wastewater Improvements	979,073
7	13.	BPM, Mangilao	642,649
8	14.	Lalo, Mangilao	340,000
9	15.	Carlos Heights	-0-
10	16.	Fujita Pump Station	1,000,000."

11 b) Repeal of double appropriation for Mangilao and Carlos Heights
12 projects which are now listed in Subsection a) of this Section. Public
13 Law No. 22-131 is repealed.

14 **Section 2. Reprogramming of projects funded from the**
15 **Infrastructure Bonds.** Items (6), (12), and (13) of Subsection (i) of Section 6130
16 of the Government Code, enacted in Public Law No. 20-14, are amended, and
17 a new Item (21) of that same Subsection is added, to read:

18	"(6) PUBLIC MARKET PROJECT	2,000,000	<u>1,845,972</u>
----	----------------------------	-----------	------------------

19 (Design and construction of a new facility to
20 accommodate a variety of public market functions. The
21 facility shall be permanent -- no temporary structures
22 and no tin roofs; and provided, however, that no funds
23 for this improvement project shall be expended until the
24 repair on the Sagan Dinana structure has commenced.
25 Preference and priority for space in the Public Market
26 shall be given to those who sell local marine,
27 aquacultural and agricultural products and those who

1 primarily sell products bearing the Guam Product Seal.
2 The Governor and the Port Authority of Guam Board of
3 Directors must concur that the final plans of the Public
4 Market are aesthetically consistent with the development
5 of the Agana Marina; Port Authority Board approval
6 should be expressed through the adoption of a
7 resolution.)”

8 “(12) UMATAC-MERIZO HIGHWAY DESIGN 300,000 2,056
9 (Highway design along Route 4, Umatac to Merizo, for
10 an upgraded two lane highway with a center lane. The
11 project will include paved shoulders and adequate
12 drainage.)”

13 “(13) MERIZO-INARAJAN HIGHWAY DESIGN 300,000 1,680
14 (Highway design along Route 4, Merizo to Inarajan for
15 an upgraded two lane highway with a center lane. The
16 project will include paved shoulders and adequate
17 drainage.)”

18 “(21) CHAOT SEWER SYSTEM UPGRADE 817,618”

19 **Section 3. Authorization to expend funds from line of credit for Tumon**
20 **sewer reversal project and water and sewer capacity for Tumon**
21 **area.** Pursuant to the provisions of §22413 of Title 5, Guam Code Annotated,
22 the Governor, on behalf of the government of Guam, is authorized to
23 arrange a line of credit for up to Six Million Dollars (\$6,000,000) with any
24 bank or commercial lending institution licensed on Guam. Such line of credit
25 shall be utilized exclusively and funds derived from the line of credit are
26 appropriated to ~~provide immediate relief in Tumon to allow comfortable~~
27 ~~capacity for hotels now under construction (950 rooms), Fujita & Mamahon~~

1 ~~Pump Station upgrades, and construction reversals system to direct Tumon~~
2 ~~flows northward to Harmon treatment plant.~~to fund the projects listed in this
3 Act for PUAG.

4 **Section 4.** Notwithstanding the Thirty (30) day limitation contained in
5 §5215 of Title 5, Guam Code Annotated, PUAG is authorized to procure the
6 necessary emergency goods and services to repair and upgrade the Fujita
7 Pump Station based upon a declaration by the Governor of an emergency,
8 and written determination by PUAG, in accordance with §5215 of Title 5,
9 Guam Code Annotated. This section expires midnight on September 30, 1996.

10
11 **Section 5. Transfers from Territorial Highway Bond to the General**
12 **Fund.** Notwithstanding any other provision of law, Seven Million Seven
13 Hundred Thousand Dollars (\$7,700,000) arising from the surplus from the
14 Bond Year ended May 4, 1996 is transferred from the Limited Obligation
15 Highway Bonds, Series 1992 A Debt Service Fund to the General Fund, for
16 the exclusive use of PUAG only for the purpose of funding system
17 maintenance, repairs and upgrades as provided for in this Act.

18 **Section 6. Amendment to Public Law 23-45 to show fund transfer in**
19 **Section 4.** Section 2 of Chapter 1 of Public Law 23-45 is amended by adding a
20 Subsection F and amending the Total General Fund Revenue to read:

21 “F Transfers in

- 22 1. Transfers in From Limited Obligation Highway Bonds,
23 Series 1992 A Debt Service Fund \$7,700,000
24 TOTAL GENERAL FUND REVENUE \$547,897,549”

1 ~~[Section 7. To repeal and reenact Section 14 of Public Law 23-94.]~~

2 (OMITTED - NOT GERMANE)

3 ~~Section 8. To repeal and reenact Section 15 of Public Law 23-94~~

4 (OMITTED - NOT GERMANE)

5
6 ~~Section 9. To repeal and reenact Section 16 of Public Law 23-94~~

7
8 (OMITTED - NOT GERMANE)

9
10 ~~Section 10. To repeal and reenact Section 17 of Public Law 23-94~~

11
12 (OMITTED - NOT GERMANE)

13
14 ~~Section 11. To repeal and reenact Section 18 of Public Law 23-94~~

15 (OMITTED- NOT GERMANE)

16
17 ~~Section 12. To repeal and reenact Section 19 of Public Law 23-94~~

18 (OMITTED -NOT GERMANE)

19
20 ~~Section 13. To repeal and reenact Section 20 of Public Law 23-94~~

21 (OMITTED- NOT GERMANE)

22 ~~Section 14. To repeal and reenact Section 21 of Public Law 23-94~~

23 (OMITTED- NOT GERMANE)

24 ~~Section 15. To repeal and reenact Section 22 of Public Law 23-94~~

25 (OMITTED- NOT GERMANE)

26 ~~Section 16. To repeal and reenact Section 23 of Public Law 23-94~~

27 (OMITTED - NOT GERMANE)

1
2 ~~Section 17. To repeal and reenact Section 24 of Public Law 23-94~~

3 (OMITTED - NOT GERMANE)

4 ~~Section 18. To repeal and reenact Section 25 of Public Law 23-94~~

5 (OMITTED - NOT GERMANE)"

6 ~~Section 19. To repeal and reenact Section 26 of Public Law 23-94~~

7 (OMITTED - NOT GERMANE)

8 ~~Section 20. Relative to PUAG AND GPA PROCUREMENT~~

9 (*Omitted - not germane - deals with issues besides PUAG*)

10 ~~Section 21. §5215 of Title 5, Guam Code Annotated,~~

11 (OMITTED - NOT GERMANE)

12 Section 7. Restriction on transfer of Public Utility Agency of Guam

13 assets. It is the concensus of the Legislature that any money received from
14 sale of land currently occupied by Public Utility Agency should be used
15 exclusively to fund system repairs, maintenance and upgrades, as provided or
16 later required. Statutory approval of any sale, lease or transfer of
17 Government of Guam land and buildings thereon used or occupied on
18 January 1, 1996 or thereafter by Public Utility Agency of Guam must be had
19 prior to any sale, transfer or lease of such lands or assets and must be prior to
20 the transfer of funds or assets in payment thereof from Guam Telephone
21 Authority or any other potential purchasers, including government agencies.
22 Any sale, lease or transfer in violation of this Section is void.

23

TWENTY-THIRD GUAM LEGISLATURE
Office of the Legislative Counsel and Recording Secretary
155 Hesler St. Agaña, Guam 96910
(671) 472-3482

May 30, 1996

MEMORANDUM

TO: Speaker Don Parkinson

FROM: Therese M. Terlaje,
Legislative Counsel

SUBJECT: Draft Bill.

Transmitted herewith is a draft bill incorporating the Governor's requested appropriations.

If there are any questions regarding this memorandum or if I may be of further assistance, please do not hesitate to contact my office.


THERESE M. TERLAJE

TWENTY-THIRD GUAM LEGISLATURE
1995 (FIRST) Regular Session

Bill No.

Introduced by:

D. Parkinson

F. E. Santos

T. S. Nelson

AN ACT TO TRANSFER FROM THE TERRITORIAL HIGHWAY BOND TO THE GENERAL FUND AND TO AMEND CERTAIN SECTIONS RELATIVE TO PUBLIC LAWS 23-45 AND 23-46, THE GENERAL APPROPRIATION ACT OF 1996, BY MAKING CORRECTIONS TO PUBLIC LAW 23-94.

1 **BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:**

2 **Section 1. Transfers from Territorial Highway Bond to the General**
3 **Fund.** Notwithstanding any other provision of law, Seven Million Seven
4 Hundred Thousand Dollars (\$7,700,000) arising from the surplus from the
5 Bond Year ended May 4, 1996 is transferred from the Limited Obligation
6 Highway Bonds, Series 1992 A Debt Service Fund to the General Fund.

7 **Section 2. Amendment to Public Law 23-45 to show fund transfer in**

8 **Section 4.** Section 2 of Chapter 1 of Public Law 23-45 is amended by adding a
9 Subsection F and amending the Total General Fund Revenue to read:

10 "F Transfers in

11 1. Transfers in From Limited Obligation Highway Bonds,

12 Series 1992 A Debt Service Fund \$7,700,000

13 TOTAL GENERAL FUND REVENUE \$547,897,549"

1 **Section 3. Section 14 of Public Law 23-94 is repealed and reenacted to**
2 **read:**

3 **“Section 14. Two Million Eight Hundred Thousand (\$2,800,000)**
4 **to Guam Police Department. Two Million Eight Hundred Thousand**
5 **(\$2,800,000) are appropriated from the General Fund to the Guam**
6 **Police Department for its operations in Fiscal Year 1996, specifically for**
7 **the following:**

DIVISION	OBJECT/CATEGORY	AMOUNT
Office of the Chief	Personnel	695,000
Neighborhood Patrol I	Personnel	1,275,000
Criminal Investigation	Personnel	450,000
Support Division	Personnel	180,000
Operation Division	Personnel	200,000
TOTAL		2,800,000”

15 **Section 4. Section 15 of Public Law 23-94 is repealed and reenacted to**
16 **read:**

17 **“Section 15. One Million Two Hundred Thousand Dollars**
18 **(\$1,200,000) to the Guam Fire Department. One Million Two Hundred**
19 **Thousand Dollars (\$1,200,000) are appropriated from the General Fund**
20 **to the Guam Fire Department for its operations in Fiscal Year 1996,**
21 **specifically for the following:**

DIVISION	OBJECT/CATEGORY	AMOUNT
Suppression	Personnel	600,000
Fire Prevention	Personnel	130,000
Training Bureau	Personnel	120,000
EMS	Personnel	350,000
TOTAL		1,200,000”

1 **Section 5. Section 16 of Public Law 23-94 is repealed and reenacted to**
2 **read:**

3 **“Section 16. One Million Five Hundred Thousand Dollars**
4 **(\$1,500,000) to the Department of Public Health & Social Services. One**
5 **Million Five Hundred Thousand Dollars (\$1,500,000) are appropriated**
6 **from the General Fund to the Department of Public Health & Social**
7 **Services for public assistance program payments in Fiscal Year 1996,**
8 **specifically for the following:**

DIVISION	OBJECT/CATEGORY	AMOUNT
Public Assistance		
Program Payments	Miscellaneous	1,500,000”

9 **Section 6. Section 17 of Public Law 23-94 is repealed and reenacted to**
10 **read:**

11 **“Section 17. Three Hundred Thousand Dollars (\$300,000) to the**
12 **Department of Law. Three Hundred Thousand Dollars (\$300,000) are**
13 **appropriated from the General Fund to the Department of Law for its**
14 **operations in Fiscal Year 1996, specifically for the following:**

DIVISION	OBJECT/CATEGORY	AMOUNT
Family Division	Personnel	300,000”

15 **Section 7. Section 18 of Public Law 23-94 is repealed and reenacted to**
16 **read:**

17 **“Section 18. Eight Hundred Three Thousand Seven Hundred**
18 **Thirty Dollars (\$803,730) to the Guam Supreme Court. Eight Hundred**
19 **Three Thousand Seven Hundred Thirty Dollars (\$803,730) are**
20 **appropriated from the General Fund to the Guam Supreme Court for**
21 **its operations in Fiscal Year 1996. The appropriation shall become**

1 available upon enactment into law and remain available until
2 expended.”

3 **Section 8. Section 19 of Public Law 23-94 is repealed and reenacted to**
4 **read:**

5 **“Section 19. One Hundred Thousand Dollars (\$100,000) to the**
6 **Guam South Pacific Games Council. One Hundred Thousand Dollars**
7 **(\$100,000) are appropriated from the General Fund to the 1999 Guam**
8 **South Pacific Games Council for its operations in Fiscal Year 1996.”**

9 **Section 9. Section 20 of Public Law 23-94 is repealed and reenacted to**
10 **read:**

11 **“Section 20. Eighty-Two Thousand Dollars (\$82,000) to the**
12 **Department of Military Affairs. Eighty-Two Thousand Dollars**
13 **(\$82,000) are appropriated from the General Fund to the Department of**
14 **Military Affairs for its operations in Fiscal Year 1996.”**

15 **Section 10. Section 21 of Public Law 23-94 is repealed and reenacted to**
16 **read:**

17 **“Section 21. Three Hundred Thousand Dollars (\$300,000) to the**
18 **Department of Corrections. Three Hundred Thousand Dollars**
19 **(\$300,000) are appropriated from the General Fund to the Department**
20 **of Corrections for its operations in Fiscal Year 1996, specifically for the**
21 **following:**

DIVISION	OBJECT/CATEGORY	AMOUNT
Agana Lock-Up Renovation	CIP	300,000”

22 **Section 11. Section 22 of Public Law 23-94 is repealed and reenacted to**
23 **read:**

24 **“Section 22. Eighteen Thousand Dollars (\$18,000) to the**
25 **Mantieni Cultural Dance Group. Eighteen Thousand Dollars (\$18,000)**
26
27

1 are appropriated from the General Fund to the Guam Council on the
2 Arts and Humanities Agency for the Mantieni Cultural Dance Group
3 for the sole purpose of assisting the group to participate in the Special
4 Cultural Exchange of Cultural Arts, Traditions, Songs and Dances to be
5 held in Gifu, Japan, on June 10 through 17, 1996."

6 **Section 12. Section 23 of Public Law 23-94 is repealed and reenacted to**
7 **read:**

8 "Section 23. One Hundred Fifty Thousand Dollars (\$150,000) to
9 the Department of Parks and Recreation. One Hundred Fifty Thousand
10 Dollars (\$150,000) are appropriated from the General Fund to the
11 Department of Parks and Recreation's Sports Fund for Off-Island
12 Travel. This appropriation is not subject to the Governor's transfer
13 authority and shall continue until it is exhausted."

14 **Section 13. Section 24 of Public Law 23-94 is repealed and reenacted to**
15 **read:**

16 "Section 24. Fifty Thousand Dollars (\$50,000) to the UOG RFK
17 Library. Fifty Thousand Dollars (\$50,000) are appropriated from the
18 General Fund to the UOG RFK Library for journals and library
19 resources. This appropriation shall not be subject to the Governor's
20 transfer authority."

21 **Section 14. Section 25 of Public Law 23-94 is repealed and reenacted to**
22 **read:**

23 "Section 25. Twenty Thousand Dollars (\$20,000) to the DOE high
24 schools for purchase of band equipment and music sheets. Twenty
25 Thousand Dollars (\$20,000) are appropriated from the General Fund to
26 each of the five DOE high schools for purchase of band equipment and

1 music sheets. This appropriation shall not be subject to the Governor's
2 transfer authority."

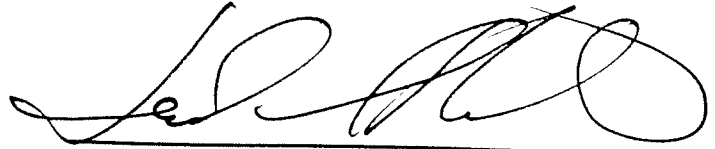
3 **Section 15. Section 26 of Public Law 23-94 is repealed and reenacted to**
4 **read:**

5 **"Section 26. Ten Thousand Dollars (\$10,000) to the DOE high**
6 **school libraries.** Ten Thousand Dollars (\$10,000) are appropriated
7 from the General Fund to each of the five DOE high school libraries for
8 library books and resources. This appropriation shall not be subject to
9 the Governor's transfer authority."

TWENTY-THIRD GUAM LEGISLATURE
1996 (SECOND) Regular Session

Bill No. 640

Introduced by:



by request of the Governor in
accordance with the Organic Act
of Guam.

AN ACT RELATIVE TO ADDING CRITICAL PROJECTS TO THE WATER SYSTEM PROJECT LISTING CONTAINED IN THE 1989 WATER SYSTEM REVENUE BOND AND THE CAPITAL IMPROVEMENT PROJECT LISTING IN THE 1989 LIMITED OBLIGATION INFRASTRUCTURE IMPROVEMENT BOND; TO PROVIDE FOR UTILIZING SIX MILLION DOLLAR (\$6,000,000) LINE OF CREDIT TO FUND NECESSARY WATER AND SEWER PROJECTS IN TUMON; TO AMEND CERTAIN SECTIONS RELATIVE TO PUBLIC LAWS 23-45 AND 23-46, THE GENERAL APPROPRIATION ACT OF 1996, BY MAKING CORRECTIONS TO PUBLIC LAW 23-94; AND TO AMEND THE GUAM PROCUREMENT LAW IN TITLE 5, GUAM CODE ANNOTATED, TO PROVIDE FOR THE EMERGENCY PROCUREMENT OF THE PUBLIC UTILITY SERVICES BY THE GOVERNMENT OF GUAM.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

2 Section 1. a) Reprogramming of funding for PUAG water system
3 projects. Notwithstanding any amounts transferred as authorized by Public
4 Law No. 22-141 pursuant to subsection (m) of Section 6132 of the
5 Government Code, enacted in Public Law No. 20-16, or already utilized for
6 authorized projects, Subsection (k) of Section 6132 of the Government Code is
7 repealed and reenacted to read:

1 "(k) **Water System Projects.** The following projects shall be
2 funded as follows:

3	1. Yigo/Dededo Source and Storage	
4	System Improvement	10,592,312
5	2. Replacement of Water Distribution Lines	
6	in Agat/Santa Rita	5,311,288
7	3. Agat/Santa Rita Sewer System, Part of	
8	Phase I and Total of Phase II	4,640,634
9	4. Finegayan/Tumon Waterline-Water	
0	Transmission Line from Y-Sengsong	
1	Intersection South along Route 3, West	
2	along Route 1 past Harmon Loop Reservoir	
3	to Intersection with 14" Water Main	4,277,190
4	5. Barrigada/Toto Waterline-Water	
5	Transmission Line along Route 8 from	
6	Route 10 Intersection to Canada-Toto Road	1,885,646
7	6. Tumon/Tamuning Waterline-Water	
8	Transmission Line from Intersection of	
9	Route 1 and 14" Water Main (near Haruna	
0	Restaurant) South Westerly along Route 1	
1	to Camp Watkins Road Intersection	2,431,184
2	7. Agana/Asan/Piti Water System Improvement	7,140,000
3	8. Agat/Umatac Water System Improvement	4,005,826
4	9. Dededo Reservoir	3,484,540
5	10. Macheche/Adacao Water Distribution Lines,	
6	Phase I	2,715,376

1	11.	Northern Treatment Plant Improvements,	
2		including Digestors and Landfill portion	2,800,000
3	12.	Chaot Wastewater Improvements	979,073
4	13.	BPM, Mangilao	642,649
5	14.	Lalo, Mangilao	340,000
5	15.	Carlos Heights	-0-
7	16.	Fujita Pump Station	1,000,000."

3 **b) Repeal of double appropriation for Mangilao and Carlos Heights**
 9 projects which are now listed in Subsection a) of this Section. Public Law
 0 22-131 is repealed.

1 **Section 2. Reprogramming of projects funded from the Infrastructure**
 2 **Bonds.** Items (6), (12), and (13) of Subsection (i) of Section 6130 of the
 3 Government Code, enacted in Public Law 20-14, are amended, and a new
 4 Item (21) of that same Subsection is added, to read:

5 "(6) PUBLIC MARKET PROJECT ~~{2,000,000}~~ 1,845,972

6 (Design and construction of a new facility to
 7 accommodate a variety of public market
 8 functions. The facility shall be permanent—
 9 no temporary structures and no tin roofs; and
 0 provided, however, that no funds for this
 1 improvement project shall be expended until
 2 the repair on the Sagan Dinana structure has
 3 commenced. Preference and priority for
 4 space in the Public Market shall be given to
 5 those who sell local marine, aquacultural and
 6 agricultural products and those who

1 primarily sell products bearing the Guam
2 Product Seal. The Governor and the Port
3 Authority of Guam Board of Directors must
4 concur that the final plans of the Public
5 Market are aesthetically consistent with the
6 development of the Agana Marina; Port
7 Authority Board approval should be
8 expressed through the adoption of a
9 resolution.)"

0 "(12) UMATAC-MERIZO HIGHWAY DESIGN [300,000] 2,056

1 (Highway design along Route 4, Umatac to
2 Merizo, for an upgraded two lane highway
3 with a center lane. The project will include
4 paved shoulders and adequate drainage.)"

5 "(13) MERIZO-INARAJAN HIGHWAY DESIGN [300,000] 1,680

6 (Highway design along Route 4, Merizo to
7 Inarajan for an upgraded two lane highway
8 with a center lane. The project will include
9 paved shoulders and adequate drainage.)"

0 "(21) CHAOT SEWER SYSTEM UPGRADE 817,618"

1 **Section 3.**

2 **Authorization to expend funds from line of credit for Tumon**
3 **sewer reversal project and water and sewer capacity for Tumon area.**
4 Pursuant to the provisions of §22413 of Title 5, Guam Code Annotated, the
5 Governor, on behalf of the government of Guam, is authorized to arrange a
6 line of credit for up to Six Million Dollars (\$6,000,000) with any bank or

1 commercial lending institution licensed on Guam. Such line of credit shall be
2 utilized exclusively and funds derived from the line of credit are appropriated
3 to provide immediate relief in Tumon to allow comfortable capacity for hotels
4 now under construction (950 rooms), Fujita & Mamahon Pump Station
5 upgrades, and construction reversals system to direct Tumon flows
6 northward to Harmon treatment plant.

7 **Section 4.** Notwithstanding the Thirty (30) day limitation contained in
8 §5215 of Title 5, Guam Code Annotated, PUAG is authorized to procure the
9 necessary emergency goods and services to repair and upgrade the Fujita
0 Pump Station based upon a declaration by the Governor of an emergency,
1 and written determination by PUAG, in accordance with §5215 of Title 5,
2 Guam Code Annotated.

3 **Section 5. Transfers from Territorial Highway Bond to the General**
4 **Fund.** Notwithstanding any other provision of law, Seven Million
5 Seven Hundred Thousand Dollars (\$7,700,000) arising from the surplus from
6 the Bond Year ended May 4, 1996 is transferred from the Limited Obligation
7 Highway Bonds, Series 1992 A Debt Service Fund to the General Fund.

8 **Section 6. Amendment to Public Law 23-45 to show fund transfer in**
9 **Section 4.** Section 2 of Chapter 1 of Public Law 23-45 is amended by adding a
0 Subsection F and amending the Total General Fund Revenue to read:

1 "F. Transfers in

2	1. Transfers in From Limited Obligation Highway Bonds,	
3	Series 1992 A Debt Service Fund	\$7,700,000
4	TOTAL GENERAL FUND REVENUE	\$547,897,549"

1 Section 7. Section 14 of Public Law 23-94 is repealed and reenacted to
2 read:

3 "Section 14. Two Million Eight Hundred Thousand (\$2,800,000) to
4 Guam Police Department. Two Million Eight Hundred Thousand
5 (\$2,800,000) are appropriated from the General Fund to the Guam
6 Police Department for its operations in Fiscal Year 1996, specifically for
7 the following:

DIVISION	OBJECT/CATEGORY	AMOUNT
Office of the Chief	Personnel	695,000
Neighborhood Patrol I	Personnel	1,275,000
Criminal Investigation	Personnel	450,000
Support Division	Personnel	180,000
Operation Division	Personnel	200,000
TOTAL		2,800,000"

5 Section 8. Section 15 of Public Law 23-94 is repealed and reenacted to
6 read:

7 "Section 15. One Million Two Hundred Thousand Dollars
8 (\$1,200,000) to the Guam Fire Department. One Million Two Hundred
9 Thousand Dollars (\$1,200,000) are appropriated from the General Fund
0 to the Guam Fire Department for its operations in Fiscal Year 1996,
1 specifically for the following:

DIVISION	OBJECT/CATEGORY	AMOUNT
Suppression	Personnel	600,000
Fire Prevention	Personnel	130,000
Training Bureau	Personnel	120,000
EMS	Personnel	350,000

1 TOTAL 1,200,000"

2 Section 9. Section 16 of Public Law 23-94 is repealed and reenacted to
3 read:

4 "Section 16. One Million Five Hundred Thousand Dollars
5 (\$1,500,000) to the Department of Public Health & Social
6 Services. One Million Five Hundred Thousand Dollars (\$1,500,000) are
7 appropriated from the General Fund to the Department of Public
8 Health & Social Services for public assistance program payments in
9 Fiscal Year 1996, specifically for the following:

DIVISION	OBJECT/CATEGORY	AMOUNT
Public Assistance		
Program Payments	Miscellaneous	1,500,000"

3 Section 10. Section 17 of Public Law 23-94 is repealed and reenacted to
4 read:

5 "Section 17. Three Hundred Thousand Dollars (\$300,000) to the
6 Department of Law. Three Hundred Thousand Dollars (\$300,000) are
7 appropriated from the General Fund to the Department of Law for its
8 operations in Fiscal Year 1996, specifically for the following:

DIVISION	OBJECT/CATEGORY	AMOUNT
Family Division	Personnel	300,000"

1 Section 11. Section 18 of Public Law 23-94 is repealed and reenacted to
2 read:

3 "Section 18. Eight Hundred Three Thousand Seven Hundred
4 Thirty Dollars (\$803,730) to the Guam Supreme Court. Eight Hundred
5 Three Thousand Seven Hundred Thirty Dollars (\$803,730) are
6 appropriated from the General Fund to the Guam Supreme Court for

1 its operations in Fiscal Year 1996. The appropriation shall become
2 available upon enactment into law and remain available until
3 expended."

4 Section 12. Section 19 of Public Law 23-94 is repealed and reenacted to
5 read:

6 "Section 19. One Hundred Thousand Dollars (\$100,000) to the
7 Guam South Pacific Games Council. One Hundred Thousand Dollars
8 (\$100,000) are appropriated from the General Fund to the 1999 Guam
9 South Pacific Games Council for its operations in Fiscal Year 1996."

0 Section 13. Section 20 of Public Law 23-94 is repealed and reenacted to
1 read:

2 "Section 20. Eighty-Two Thousand Dollars (\$82,000) to the
3 Department of Military Affairs. Eighty-Two Thousand Dollars
4 (\$82,000) are appropriated from the General Fund to the Department of
5 Military Affairs for its operations in Fiscal Year 1996."

6 Section 14. Section 21 of Public Law 23-94 is repealed and reenacted to
7 read:

8 "Section 21. Three Hundred Thousand Dollars (\$300,000) to the
9 Department of Corrections. Three Hundred Thousand Dollars
0 (\$300,000) are appropriated from the General Fund to the Department
1 of Corrections for its operations in Fiscal Year 1996, specifically for the
2 following:

3

DIVISION	OBJECT/CATEGORY	AMOUNT
4 Nelson Add new Agana Lock-Up Renovation	CIP	300,000"

5 Section 23. Section 22 of Public Law 23-94 is repealed and reenacted to
6 read:

1 **"Section 22. Eighteen Thousand Dollars (\$18,000) to the Mantieni**
2 **Cultural Dance Group. Eighteen Thousand Dollars (\$18,000) are**
3 **appropriated from the General Fund to the Guam Council on the Arts**
4 **and Humanities Agency for the Mantieni Cultural Dance Group for the**
5 **sole purpose of assisting the group to participate in the Special Cultural**
6 **Exchange of Cultural Arts, Traditions, Songs and Dances to be held in**
7 **Gifu, Japan, on June 10 through 17, 1996."**

8 *add a new* **Section ~~23~~²³. Section 23 of Public Law 23-94 is repealed and reenacted to**
9 **read:**

10 **"Section 23. One Hundred Fifty Thousand Dollars (\$150,000) to**
11 **the Department of Parks and Recreation. One Hundred Fifty**
12 **Thousand Dollars (\$150,000) are appropriated from the General Fund**
13 **to the Department of Parks and Recreation's Sports Fund for Off-**
14 **Island Travel. This appropriation is not subject to the Governor's**
15 **transfer authority and shall continue until it is exhausted."**

16 **Section 17. Section 24 of Public Law 23-94 is repealed and reenacted to**
17 **read:**

18 **"Section 24. Fifty Thousand Dollars (\$50,000) to the UOG RFK**
19 **Library. Fifty Thousand Dollars (\$50,000) are appropriated from the**
20 **General Fund to the UOG RFK Library for journals and library**
21 **resources. This appropriation shall not be subject to the Governor's**
22 **transfer authority."**

23 **Section 18. Section 25 of Public Law 23-94 is repealed and reenacted to**
24 **read:**

25 **"Section 25. Twenty Thousand Dollars (\$20,000) to the DOE high**
26 **schools for purchase of band equipment and music sheets. Twenty**

1 Thousand Dollars (\$20,000) are appropriated from the General Fund to
2 each of the five DOE high schools for purchase of band equipment and
3 music sheets. This appropriation shall not be subject to the Governor's
4 transfer authority."

5 **Section 19. Section 26 of Public Law 23-94 is repealed and reenacted to**
6 **read:**

7 "Section 26. Ten Thousand Dollars (\$10,000) to the DOE high
8 school libraries. Ten Thousand Dollars (\$10,000) are appropriated
9 from the General Fund to each of the five DOE high school libraries for
0 library books and resources. This appropriation shall not be subject to
1 the Governor's transfer authority."

2 **Section 20. a) Legislative intent and findings.** The Legislature finds
3 that the territory's ability to respond to major emergencies involving our
4 public utilities has been hampered by the restrictive and cumbersome
5 procedures established under present procurement provisions regarding
6 emergency purchases. Guam Power Authority's (GPA) recent inability to
7 respond swiftly is due in part to limitations under §5215, Title 5, Guam Code
8 Annotated, prohibiting emergency procurements throughout the government
9 of Guam unless such goods or services are procured within a Thirty (30) day
0 return time. The Legislature finds it essential for the health, safety and
1 welfare of the public, that the public utilities function properly at all times,
2 and to this end the Guam Power Authority (GPA) and the Public Utility
3 Agency of Guam (PUAG), in dealing with Guam's infrastructure demands for
4 power, water, and sewer, require that a more expedient process be adopted
5 to address emergency response to crisis by these agencies. Therefore, it is the

1 intent of the Guam Legislature to provide these agencies a more flexible
2 procurement procedure in times of emergency.

3 **b) Addition of definitions of "public utilities" and "procurement of**
4 **public utilities" in Procurement Law of Guam.** New definitions are inserted
5 in §5030 of Title 5, Guam Code Annotated, and all definitions are to be
6 properly re-enumerated by the Compiler of Laws, to read:

7 "() 'Public utilities' means services provided by the Guam
8 Power Authority and the Public Utility Agency of Guam.

9 () 'Procurement of public utilities' means the buying,
0 purchasing, construction, leasing, renting of material or services, or
1 both, related to the production and distribution of power, water, and
2 sewer. It also includes all functions pertaining to the selection,
3 solicitation, award for material or services, or both, related to the
4 production and distribution of public utilities, and all phases of
5 contract administration.

6 **c) Subsection (c) of §5030 of Title 5, Guam Code Annotated, is**
7 amended to read:

8 "(c) Except as provided herein, Chief Procurement Officer
9 means the person holding the position created in §5110 of this
0 Chapter, as the head of the central procurement office of Guam.
1 With regard to the Guam Power Authority and the Public Utility
2 Agency of Guam, the Chief Procurement Officer shall be the agency
3 head or designee."

4 **Section 21.** §5215 of Title 5, Guam Code Annotated, is amended to
5 read:

1 "§5215. Emergency Procurements. (a) Notwithstanding any
2 other provisions of this Chapter, the Chief Procurement Officer, the
3 Director of Public Works, the head of a purchasing agency, or a
4 designee of either officer may make or authorize others to make
5 emergency procurements when there exists a threat to public health,
6 welfare, or safety under emergency conditions as defined in
7 regulations promulgated by the Policy Office; provided that such
8 emergency procurements shall be made with such competition as is
9 practicable under the circumstances, and further provided that the
0 procurement agent must solicit at least three (3) informal price
1 quotations if time allows must give notice to all contractors from the
2 qualified bid list who have provided the needed goods, supplies and
3 services to the government within the preceding twelve (12) months,
4 and must award the procurement to the firm with the best offer, as
5 determined by evaluating cost and delivery time. [No emergency
6 procurement or combination of emergency procurements may be
7 made for an amount of goods or supplies greater than the amount of
8 such goods and supplies which is necessary to meet an emergency for
9 the Thirty (30) day period immediately following the procurement.]

0 (b) Notwithstanding Subsection (a) of this Section, the head of
1 a public utilities purchasing agency, or a designee, may make
2 emergency purchases for procurement of public utilities upon
3 issuance of an Executive Order by the Governor, declaring that there
4 exists a threat to the health, safety and welfare of the public,
5 provided that such procurements shall be made with such
6 competition as is practicable under the circumstances, and further

1 provided that the agency must keep on file for public inspection
2 written documentation that at least three (3) informal written
3 quotations were solicited. Procurements made pursuant to this
4 subsection shall be exempt from jurisdiction of the Public Utilities
5 Commission."

6 (c) A written determination of the basis for the [emergency]
7 procurement and for the selection of the particular contractor
8 pursuant to Subsections (a) and (b) of this Section shall be included in
9 the contract file. The requirements for a written determination shall
0 be met if the procurements are being made on the basis of the
1 Governor's [~~declaration of an emergency situation by~~] Executive
2 Order if such Order states that the procurement may be resorted to
3 for the purposes of the Order.

4 (d) Unless authorized by [~~an~~] Executive Order [~~declaring an~~
5 ~~emergency~~], no [emergency] procurement under this Section may be
6 made except on a certificate made under penalty of perjury by the
7 Chief Procurement Officer, the Director of Public Works, or the head
8 of a purchasing agency, as the case may be. [~~Certified copies of the~~
9 ~~certificate shall be sent, prior to award and as a condition thereof, to~~
0 ~~the Governor and the Speaker of the Legislature.~~] The certificate
1 shall contain the following: (1) a statement of the facts giving rise to
2 the emergency; (2) the factual basis for the determination that an
3 emergency procurement is necessary; and (3) a statement that
4 emergency procurement is not being used solely for the purpose of
5 avoidance of the provisions of this Chapter.

1 In addition to any other requirement, the Governor must
2 approve in writing all authorizations for emergency procurement,
3 copies of which shall be transmitted to the Legislature prior to the
4 making of any emergency award."



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

OFFICE OF THE LEGISLATIVE SECRETARY
ACKNOWLEDGMENT RECEIPT

Received By Jleefin
Time 4:54
Date 4/30/96

'APR 30 1996

The Honorable Speaker
Twenty-Third Guam Legislature
Guam Legislature Temporary Building
155 Hesler Street
Agana, Guam 96910

Office of
VICE-SPEAKER TED C. NELSON

Received by

boldin bae
Print Name Initial

Date: 4-30-96 Time: 3:04pm

Dear Mr. Speaker:

There is no more serious challenge before this community than in the area of infrastructure. Our people need and deserve a working infrastructure that is sufficient to support our present needs and our future growth. If these needs are to be met, the necessary planning and capital investment must be provided. Failures in the island's power, water and other utilities are not acceptable and can not be permitted to cloud the future prospects for our community. The power outages that we experience today are the product of past inaction and lack of investment in power generation systems. We can not permit this same pattern to re-occur in our water and wastewater system with the inevitable result of water outages in the future.

With respect to our island's water and sewer systems, there is a critical need to take decisive action on a number of pressing issues. PUAG is presently operating under several administrative notices by the U. S. EPA. Recently, PUAG was advised that they have 45 days to bring the Northern District Wastewater Treatment Plant into compliance. If corrective measures are not taken, then the agency will be subject to monetary penalties.

Aside from this concern, the entire water and wastewater system is in dire need of major capital improvements. This is vital for not only the maintenance of present services but also to address future demands such as the Southern High School. Over the past few months, legislation to address the need for capital investment has been discussed with the Legislature's Water Utilities Committee and Ways & Means Committee.


However, the Legislature has not proven to be responsive and yet the need for these projects is that much more pressing.

In this regard, I am transmitting to you a measure prepared by this Administration to address a broad range of capital improvement needs for PUAG. Included are projects designed to correct the deficiencies of the Northern District Water Treatment Plant as well as assure an adequate water supply for the Southern High School.

This legislation further provides the cash resources necessary for this investment. To relieve the pressure on the General Fund, the appropriation for the supplemental funding of retirees' payments will be redirected for priority capital improvement projects for PUAG. No loss in benefits to existing retirees will be incurred as a result. The \$4238 supplemental payments for retirees, which are presently paid directly out of the General Fund, will continue. The only change is that these supplemental payments will be paid by part of the Government of Guam General Fund contribution which is already in effect. As provided for in the legislation, 3% of the 19% employer share incorporated in the defined contribution plan would be designated for the \$4238 payments. This proposal would not in any way pose an undue threat to the security of the Retirement Fund and our progress in reducing its unfunded liability will continue. Indeed, you will please note in the accompanying correspondence that this proposal has met with the approval of the Chairman of the Board of Trustees of the Retirement Fund.

Mr. Speaker, the time for action is now. Our people are relying on us to make the necessary decisions today to ensure that our community will not be confronted tomorrow with unnecessary breakdowns in vital public services. I appreciate that the demands of an election year may make such decisions difficult. However, I appeal to you and your colleagues to not allow personal political concerns to detract from the public interest. I am counting on the Legislature to immediately act on this legislation so that our people will not have to face the collapse in water and wastewater services that will inevitably result from inaction.

Very truly yours,


Carl T. C. Gutierrez
Governor of Guam

Attachments: 3

232103

- 1 (ii) the One Thousand Five Hundred Dollar (\$1,500) supplemental annuity
2 benefits (to continue existing programs currently contained in the semi-
3 monthly payments);
- 4 (iii) the Seven Hundred Dollar (\$700) supplemental annuity benefits (to continue
5 existing programs currently contained in the semi-monthly payments);
- 6 (iv) the Eight Hundred Thirty Eight Dollar (\$838) annuity benefits (to continue
7 existing programs currently contained in the semi-monthly payments);
- 8 (v) the Governor and Lieutenant Governor Pensions (to continue existing
9 programs currently contained in the semi-monthly payments));
- 10 (vi) the Retiree group health, dental, and life insurance premiums (to continue
11 existing programs currently contained in the semi-monthly payments);
- 12 (vii) the Retiree life insurance subsidy (to continue existing programs currently
13 contained in the semi-monthly payments);
- 14 (viii) to defray the cost of Medicare premiums for government of Guam retirees and
15 their survivors who are eligible to receive social security income benefits and
16 are required under the government of Guam group health insurance
17 programs to pay such premiums to continue to participate in such health
18 insurance programs, failing which they are excluded therefrom.

19 **Section 2. (a) Reappropriation of funds previously appropriated from**
20 **the General Fund in Section 5 of Chapter III of the General Appropriation Act of 1996**
21 **for payment of retirement benefits, to instead fund Public Utility Agency of Guam**
22 **projects; (retirement benefits to be funded instead by the Government of Guam**
23 **Retirement Fund). Staying within the Ninety-Five Percent (95%) cap requirement**
24 **on appropriations as provided for in Public Law 23-14, except for Two Million Three**
25 **Hundred Thousand Dollars (\$2,300,000) which is to be utilized to continue funding**
26 **only items (v), (vi), (vii), and (viii) and not funding items (i), (ii), (iii), and (iv) of**
27 **Section 5 of Chapter III of Public Law 23-45, any funds previously appropriated from**

1 the General Fund in Section 5 of Chapter III of Public Law 23-45 for Government of
2 Guam Retirement Fund, and which are remaining on the effective date of this
3 amendment, are reappropriated to the Public Utility Agency of Guam (PUAG), to
4 fund the following water works and sewer projects up to the following amounts:

- | | | |
|----|--|------------------|
| 5 | 1. Land acquisition & construction of 10 wells | \$4 million |
| 6 | 2. Agat/Umatac 12 inch water line Phase II | \$3 million |
| 7 | to complete southern loop | |
| 8 | 3. Talofofo reservoir/booster pump | \$3.1 million |
| 9 | 4. \$10 million Provide immediate relief in | \$7.5 million |
| 10 | Tumon to allow comfortable capacity for | |
| 11 | hotels now under construction (950 rooms) | |
| 12 | Fujita & Mamahon Pump Station upgrades | |
| 13 | 5. Construct reversals system to direct Tumon | \$2.5 million |
| 14 | flows northward to Harmon treatment plant | |
| 15 | 6. Acquire pump station and sewer line easements, | to be negotiated |
| 16 | Ypao Road | |
| 17 | 7. Secure easement to tie Mamahon Pump Station | to be negotiated |
| 18 | to route 16 | |
| 19 | 8. Chaot Pump Station upgrade | \$1.5 million |
| 20 | 9. Replace northern district effluent outfall line | |
| 21 | and repair digester | \$6 million |
| 22 | 10. Tumon Bay Enhancement and Revitalization | \$1.4 million |
| 23 | 11. East Agana Bay Enhancement and Revitalization | \$ 600,000 |
| 24 | 12. To upgrade and renovate Two (2) pump stations | |
| 25 | at Talofofo Windward Hills to increase | |
| 26 | water flow to Southern High School | \$ 500,000. |



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

75 Hawthorne Street
San Francisco, CA 94105-3901

April 16, 1996

Richard Quintanilla
Chief Officer
Public Utility Agency of Guam
P.O.Box 3010
Agana, Guam 96910

CERTIFIED MAIL
NO. Z 695 243 924
RETURN RECEIPT REQUESTED

Dear Mr. Quintanilla:

As you recall, we had a discussion regarding the continued non-compliance status of the Northern District Wastewater Treatment Plant during my recent visit to Guam. During the discussion I explained that the facility has been in non-compliance with the NPDES permit as well as the administrative order we issued in July 1988. I also indicated that we are prepared to initiate further enforcement action if we do not receive a meaningful and specific schedule to correct the non-compliance situation. You indicated that PUAG is seeking the necessary funding to bring the facility into compliance, but you are unable to give us a specific schedule to accomplish this at this time.

In view of this longstanding problem, I am advising you that if we do not receive a schedule of specific projects and activities to bring the facility into compliance within 45 days of the date of this letter, we will initiate an administrative order with associated monetary penalties. The schedule you submit must specifically address the violations cited in the administrative order and result in compliance in a timely fashion. We will not accept a schedule that is not supported by any necessary funding commitments and does not achieve compliance within a reasonable time.

I look forward to receiving your response to this letter and to finally achieving compliance at this facility.

Sincerely,

Norman L. Lovelace
Chief, Office of Pacific Island Programs

cc: Joseph Cruz, GEPA
Robert Kelly, Governor's Office



GOVERNMENT OF GUAM RETIREMENT FUND
P.O. BOX 3-C
AGANA, GUAM 96910

Telephone Nos. (671) 647-8700 or (671) 647-8724
Facsimile No. 649-8115



Tuesday, April 30, 1996

The Honorable Carl T.C. Gutierrez
Governor of Guam
P.O. Box 2950
Agana, Guam 96910
Fax# 475-9329

Dear Governor Gutierrez,

We have reviewed your request and legislative proposal to have COLA benefits paid out of the Government of Guam Retirement Fund.

From the outset, our concern has always been that the expense for such a non-vested benefit is one that the Fund can not afford to assume without a pre-funding source. The proposed legislation addresses this funding source which is to specifically come from GovGuam's 3% of payroll contribution to the Retirement Fund. Savings derived from forfeited accrued benefits by those employees transferring to the new plan also provides the additional cushion that will positively impact the Fund's unfunded liability.

Since the funding issue has been addressed, we find your legislative proposal acceptable. The compelling need to address critical issues associated with water and wastewater improvements is overwhelming and of obvious importance to the health and economic well-being of the Fund's members.

Sincerely,

GERALD S.A. PEREZ
Chairman
Board of Trustees

cc: Michelle Santos, Retirement Fund



GOVERNMENT
AGANA GUA

To: <i>Sheridan Barnett</i>	From: <i>L. Aylague</i>
Co: <i>William L. S.</i>	Co: <i>CPD/GSA</i>
Phone #	Phone # <i>477-1725</i>
Fax # <i>472-3488</i>	Fax # <i>472-7538</i>

August 30, 1994

Memorandum (Opinion)

Ref: GSA 94-1128

To: Chief Procurement Officer, General Services Agency

From: Attorney General *WAP*

Subject: Use of emergency procurement authority for procuring of services beyond thirty days

We are in receipt of your memorandum dated August 22, 1994, in which you requested information on the following:

REQUEST: Does 5 GCA § 5215 allow for the emergency procurement of services to be done beyond the thirty (30) day period as stated in this section?

ANSWER: Yes. See Discussion.

STATEMENT OF FACTS:

5 GCA § 5215 provides for the use of emergency procurement by the Chief Procurement Officer, the Director of the Department of Public Works, or the head of a purchasing agency if there exists a threat to public health, welfare or safety. Under this emergency procurement, no procurement may be undertaken if the amount of goods or supplies exceeds that amount that is necessary to meet an emergency for the thirty (30)-day period immediately following the procurement. The Chief Procurement Officer (CPO) of the General Services Agency (GSA) is inquiring whether this section is applicable to the emergency procurement of services.

DISCUSSION:

5 GCA §5215 provides in pertinent part:

Notwithstanding any other provision of this Chapter, the Chief Procurement Officer, the Director of Public Works, the head of a purchasing agency, or a designee of either officer may make or authorize others to make emergency procurements when there exists a threat to public health, welfare, or safety under emergency conditions as defined in regulations promulgated by the Policy Office, provided that such emergency procurement shall be made with such

(REPRODUCED AT GOVERNMENT OF GUAM EXPENSE)



Memo to Chief Procurement Officer, GSA
August 30, 1994
Page 2

competition as is practicable under the circumstances, and further provided that the procurement agency must solicit at least three (3) informal price quotations, if time allows must give notice to all contractors from the qualified bid list who have provided the needed supplies and services to the government within the preceding twelve (12) months, and must award the procurement to the firm with the best offer, as determined by evaluating cost, and delivery time. No emergency procurement or combination of procurements may be made for an amount of goods or supplies greater than the amount of such goods and supplies which is necessary to meet an emergency for the thirty (30)-day period immediately following the procurement. (Emphasis added).

Section 3-206.03 of the GSA Rules and Regulations provides:

Emergency procurements shall be limited to those supplies, services, or construction items necessary to meet the emergency. (Emphasis added).

As shown above, the statute on emergency procurement provides that the thirty (30)-day limitation applies only to emergency procurement of goods or supplies only, items which can easily be quantified. The statute also provides that the award of a contract will consider the possibility that the delivery time may be beyond the thirty (30)-day period. As such, although the rule allows emergency procurement of services, it does not prohibit procuring such services even if they cannot be completed within a thirty (30)-day period.

This memorandum is issued as an opinion of the Attorney General. For a faster response to any inquiry about this memorandum, please use the reference number shown.

OFFICE OF THE ATTORNEY GENERAL

By: *Robert H. Kono*
ROBERT H. KONO
Assistant Attorney General

cc: Director, DPW.

g:94112801.gsa
rhk/lzl

(REPRODUCED AT GOVERNMENT OF GUAM EXPENSE)

Section 1. Legislative findings. The Legislature finds that over the past five years, millions of dollars have been allocated toward the development of water transmission lines and reservoirs, and for the construction of water wells. However, the upgrading of existing distribution water lines is necessary to obtain the full utility of the infrastructure upgrade, and undersized distribution lines in certain areas must be upgraded.

Section 2. Emergency water problem. The Public Utility Agency of Guam ("PUAG") is directed to institute emergency measures to upgrade and replace undersized water lines in those areas of Guam needing the same. Although the planning and institution of such a project will take time, PUAG shall give this project the highest priority, in light of the safety and health consequences involved. The following projects, as generally described in this Section, are authorized:

(i) **BPM area, Mangilao:** Replace approximately 6,800 linear feet of existing undersized distribution lines with 6" or larger diameter waterline, complete with fire hydrants and appropriately sized laterals (for meter connections). Projected completion date: November 30, 1994.

(ii) **Lalo, Mangilao:** Replace approximately 3,200 linear feet of existing undersized pipe and distribution lines with 8" or larger distribution lines, complete with fire hydrants and appropriately sized laterals (for meter connections). Projected completion date: October 30, 1994

(iii) **Carlos Heights, Tumon:** Installation of approximately 2,000 linear feet of appropriately sized waterlines. Projected completion date: November 30, 1994.

Section 3. Transfer of revenue bond interest funds to General Fund. The Governor shall request the Trustee of the Water System Revenue Bonds Series 1989 to release the unreserved interest balance of such bonds' Capital Projects Fund to the government of Guam for transfer to the General Fund; **provided**, however, that such interest balances while in the General Fund shall only be expended to carry out the water projects authorized in this Act; and, **provided**, further, that upon the completion of the projects authorized in this Act, if any of the interest balances transferred to the General Fund have not been expended on such projects, such unexpended interest balances shall be returned to the Trustee of the Water System Revenue Bond.