

**REQUEST FOR PROPOSAL NO. 730-5-1054-L-YIG
LEASE FINANCING FOR THE REHABILITATION, CONSTRUCTION, EXPANSION AND
RENOVATION OF PUBLIC SCHOOL FACILITIES**

RFP Issue Date: June 11, 2014

Number of Pages: Sixty-six (66) pages

**Proposal Due Date and Time:
July 7, 2014
2:00 p.m., Chamorro Standard Time**

ISSUING AGENCY INFORMATION

The Department of Public Works
Carl Dominguez, Director
542 North Marine Corps Drive
Upper Tumon, Guam 96913
www.dpw.guam.gov
Phone: (671)646-3131/3232

DPW CIP Engineer - Single Point of Contact:

Reynaldo Junio
The Department of Public Works
542 North Marine Corps Drive
Upper Tumon, Guam 96913
reynaldo.junio@dpw.guam.gov
Phone: (671) 646-3222 646-3189 646-3131

INSTRUCTIONS TO OFFERORS

Return Proposal to:

Reynaldo Junio
The Department of Public Works
542 North Marine Corps Drive
Upper Tumon, Guam 96913
reynaldo.junio@dpw.guam.gov
Phone: (671) 646-3222 646-3189 646-3131

Mark Face of Envelope/Package:

RFP Number: 730-5-1054-L-YIG
RFP Title: Lease Financing for Rehabilitation,
Construction, Expansion and Renovation of Public
School Facilities
Proposal Due Date: July 7, 2014, 2:00 p.m.
(Chamorro Standard Time)

OFFERORS MUST COMPLETE THE FOLLOWING

Offeror Name/Point of Contact/Address:	Authorized Offeror Signatory: (Please print name and sign in ink)
Offeror Phone Number:	Offeror FAX Number:
Offeror Federal I.D. Number:	Offeror E-mail Address:

OFFERORS MUST RETURN THIS COVER SHEET WITH THEIR PROPOSALS

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OFFEROR'S CHECKLIST

This checklist is provided for assistance only and should not be submitted with Offeror's proposal.

The 10 Most Critical Things to Keep in Mind When Responding to this RFP

1. _____ **Read the *entire* document.** Note critical items such as: mandatory requirements; supplies/services required; Schedule of Events; form of proposals; public laws cited; contract requirements (i.e., contract performance security, insurance requirements, performance and/or reporting requirements, etc.).
2. _____ **Note the procurement officer's name, address, phone numbers and e-mail address.** This is the only person you are allowed to communicate with regarding the RFP and is an excellent source of information for any questions you may have.
3. _____ **Attend the pre-proposal conference** if one is offered. These conferences provide an opportunity to ask clarifying questions, obtain a better understanding of the project, or to notify DPW of any ambiguities, inconsistencies, or errors in the RFP.
4. _____ **Take advantage of the "question and answer" period.** Submit your questions to the procurement officer by the due date listed in the Schedule of Events and review the answers given, which will be in the form of an addendum to the RFP.
5. _____ **Follow the format required in the RFP** when preparing your response. Provide point-by-point responses to all sections in a clear and concise manner.
6. _____ **Provide complete answers/descriptions.** Read and answer **all** questions and requirements. Don't assume DPW will know what your company capabilities are or what items/services you can provide, even if you have previously contracted with DPW. The proposals are evaluated based solely on the information and materials provided in your proposal.
7. _____ **Use the forms provided**, i.e., cover page, Non-collusion Affidavit form, etc.
8. _____ **Check DPW's website for RFP addenda.** Before submitting your proposal, check DPW's website at <http://www.dpw.guam.gov> to see whether any addenda were issued for the RFP. If so, you must submit a signed copy of the addendum for each addendum issued along with your proposal.
9. _____ **Review and read the RFP document again** to make sure that you have addressed all requirements. Your original response and the requested copies must be identical and be complete. The copies are provided to the evaluation committee members and will be used to score your response.
10. _____ **Submit your response on time.** Note all the dates and times listed in the Schedule of Events and within the document, and be sure to submit all required items on time. Late proposal responses are *never* accepted.

SECTION 1: SCHEDULE OF EVENTS

EVENT	DATE
RFP Issue Date	June 11, 2014
Pre-proposal Conference & Simon Sanchez High Site Inspection	June 18, 2014 10:00 a.m. (Chamorro Standard Time).
Deadline for Receipt of Written Questions	June 23, 2014 4:00 p.m. (Chamorro Standard Time)
Issuance of Answers to Written Questions	No later than June 30, 2014. DPW reserves the right to amend this date.
RFP Due Date and Time	July 7, 2014 2:00 p.m. (Chamorro Standard Time)
Anticipated Discussions with Offerors	July 14, 2014
Anticipated Award of Contract	July 2014
Anticipated Leaseback Execution	TBD

SECTION 2: PROJECT OVERVIEW AND INSTRUCTIONS

2.0 PROJECT OVERVIEW

The Governor of Guam through the Guam Department of Public Works (hereinafter referred to as "DPW") with the assistance of the Guam Department of Education (hereinafter referred to as "GDOE") is issuing this Request for Proposals ("RFP") to invite the submission of proposals for financing and lease-back through tax exempt obligations or other financial instruments, the rehabilitation, construction, expansion and renovation of up to thirty-six (36) public school facilities on Guam and to provide collateral equipment, buses, bus shelters, maintenance and insurance as mandated under Public Law 32-120 and Public Law 32-121. The schools shall be leased to the selected Offeror at nominal cost. The Offeror will sub-lease the schools back to the government. The lease-back period will be the amount of time reasonably necessary to amortize the costs associated with the financing.

Prospective Offerors are directed to read referenced Public Laws 32-120, and 32-121 available on the World Wide Web at <http://www.guamlegislature.com>

The Offeror shall work with the Government of Guam and the Guam Economic Development Authority (GEDA) to finance approximately One Hundred Million Dollars (\$100,000,000.00) for the rehabilitation, construction, expansion and renovation of up to thirty-six (36) public school facilities on Guam (specifically including Simon Sanchez High School), and to provide collateral equipment, buses, bus shelters, maintenance and insurance. Prospective Offerors are directed to read referenced Public Laws 32-120, and 32-121, and are to understand that in the event of conflict between representations made in this RFP and a public law, the public law controls.

A major component of this RFP is the completion of a Comprehensive Capital Improvement Plan for the Department of Education (DoE). With the findings and identification of available funding, it is the intention of the DPW to enter into an Indefinite Delivery/Indefinite Quantity (IDIQ) contract with the successful Offeror. Task Orders will be issued and released under the IDIQ Contract for the rehabilitation, construction, expansion and renovation of up to thirty-six (36) public school facilities on Guam, and such other items as are discussed in this RFP. The construction period is expected to be complete within five years after issuance of the first Task Order.

A more complete description of this project is provided in Section 4, Scope of Project.

2.1 REQUEST FOR PROPOSAL

2.1.1. Availability. This Request for Proposal ("RFP") is available for download from DPW's website at www.dpw.guam.gov and public inspection at DPW's office located at 542 North Marine Corps Drive, Upper Tumon, Guam 96913, Monday through Friday, excluding holidays, between 8:00 a.m. and 5:00 p.m. A copy of the RFP may be picked up at the DPW office or mailed or e-mailed to a prospective Offeror by DPW upon receipt of payment of a non-refundable fee of Fifty U.S. Dollars (\$50.00) payable in cash, or by cashier's or certified check payable to the Treasurer of Guam / DPW. Upon obtaining this RFP, prospective Offerors must complete the Acknowledgement of Receipt Form set forth as **Attachment D** to this RFP and return the completed form to DPW in order to receive any addenda or other notices related to this RFP. Failure by prospective Offerors to submit the Acknowledgement of Receipt Form to DPW may result in the prospective Offeror not receiving notices from DPW regarding this RFP, including

addenda, point deductions during the proposal evaluation process, or proposals may be deemed non-responsive.

2.1.2. Amendments. DPW reserves all rights to revise or amend this RFP prior to the date set for opening proposals. Such revisions and amendments, if any, will be announced by an amendment or addendum to this RFP and shall be identified as such. Any amendment shall refer to the portions of the RFP it amends. Amendments and addenda shall be sent to all prospective Offerors who have submitted the Acknowledgement of Receipt Form to DPW and shall also be made available on DPW's website. All prospective Offerors who have submitted the Acknowledgement of Receipt Form to DPW must acknowledge receipt of all amendments or addenda issued.

2.2 CERTAIN BID SECURITY REQUIREMENTS

Please note that a successful Offeror will be required to post bid, performance and payment bonds in accordance with law as well.

2.3 PRE-PROPOSAL QUESTIONS AND CONFERENCE

2.3.1 Pre-Proposal Questions. Offerors with questions or requiring clarification or interpretation of any section within this RFP must address their questions in writing or via e-mail to the procurement officer referenced below on or before the deadline set forth in the Schedule of Events. Each question must provide clear reference to the section, page, and item of this RFP in question. Questions received after the deadline may not be considered.

2.3.2 DPW's Answers. DPW will provide an official written answer by the date set forth in the Schedule of Events to all questions received by the stated due date. DPW's response will be by written addendum. Any other form of interpretation, correction, or change to this RFP will not be binding upon the DPW. Any written addendum will be forwarded to all entities or individuals who have picked-up an RFP and submitted an Acknowledgement of Receipt Form by the close of business on the date of issuance of DPW's answers. Offerors must sign and return all addenda with their proposals.

2.3.3 Pre-proposal Conferences. Pre-proposal conferences and site inspections may be permitted prior to the deadline for submission of proposals. The conferences will be conducted only to explain the procurement requirements for this Request for Proposal. Notice of any pre-proposal conference and site inspections will be provided to all entities or individuals who have picked-up an RFP and submitted an Acknowledgement of Receipt Form. DPW will notify all Offerors in writing via an addendum to this RFP of any substantive clarification provided in response to any inquiry raised during the pre-proposal conference.

2.4 PROPOSALS

2.4.1. General. Proposals must be in writing, signed in ink, and prepared as described in **Section 6**. Offerors must clearly mark one proposal as "ORIGINAL" and provide seven (7) copies and three (3) CDs. The original and copies must be placed in a sealed envelope clearly labeled with the RFP Number, RFP Title, and Proposal Due Date. The original should be unbound and each hard copy must be separately bound. Erasures or other changes in a proposal must be explained or noted over the signature of the Offeror. Proposals containing any conditions, omissions, unexplained erasures or alterations or items not called for in the RFP, or irregularities of any kind may be rejected by DPW as being non-compliant.

2.4.2. Modification or Withdrawal of Proposals. Proposals may be modified or withdrawn in accordance with Guam Procurement Law

2.4.3. No Late Proposals. Proposals must be received at the receptionist's desk of DPW by the Proposal Due Date set forth in the Schedule of Events. Email or facsimile proposals will not be accepted. Regardless of cause, late proposals will not be accepted and will automatically be disqualified from further consideration. It shall be the Offeror's sole risk to assure delivery at the receptionist's desk at the designated office by the designated time. Late proposals will not be opened and may be returned to the Offeror at the expense of the Offeror or destroyed if requested.

2.4.4. DPW Not Responsible for Preparation Costs. The costs for developing and delivering proposals in response to this RFP and any subsequent presentations of the proposal as requested by DPW shall be at the sole cost and expense of the Offeror. DPW is not liable for any expense incurred by the Offeror in the preparation, delivery, and/or presentation of its proposal or any other costs incurred by the Offeror.

2.4.5. All Timely Submitted Materials Become the Property of DPW. All materials submitted in response to this RFP become the property of DPW and shall be appended to any formal documentation, which would further define or expand any contractual/lease relationship between the government of Guam and/or the Department of Education and the Offeror resulting from this RFP process.

2.4.6. Rejection of Proposals. Any proposal submitted in response to this RFP may be rejected in whole or in part when it is in the best interests of DPW or the government of Guam in accordance with Guam Procurement Regulations § 3115(e).

2.5 DISCUSSIONS AND EVALUATION

2.5.1. Evaluation Committee. Upon opening the proposals received in response to this RFP, the Director of DPW will establish an evaluation committee which will include designees of the Guam Department of Education and other government of Guam members as required by law to hold any necessary discussions with Offerors and to review and evaluate all timely proposals received.

2.5.2. Discussions. In accordance with the Guam Procurement Regulations, the evaluation committee may conduct discussions with any Offeror. The purposes of such discussions shall be to (1) determine in greater detail the Offeror's qualifications; and (2) explore with the Offeror the scope and nature of the proposal, the Offeror's proposed method of performance, and the relative utility of alternative methods of approach. The discussions may be video or tape-recorded. At least one key Offeror representative must be present for such discussions. In conducting discussions there shall be no disclosure of any information derived from proposals submitted by competing Offerors.

2.5.3. Evaluation of Proposals. The evaluation committee will review and score written proposals based on the Evaluation Criteria identified in **Section 5**. The evaluation team may utilize other sources for technical assistance and guidance.

2.5.4. Selection of the Best Qualified Offerors and Award. After completion of Discussion and Evaluation of Proposals phases, the evaluation committee shall select, in the order of their respective qualification ranking, no fewer than three (3) Offerors (or such lesser number if less than three (3)

acceptable proposals were submitted) deemed to be the best qualified. The procurement officer will review the ranking to ensure its compliance with the RFP process and evaluation criteria before presenting the evaluation committee's ranking to the Director for approval. Once approved, the Government of Guam representatives shall negotiate a leaseback agreement with the best qualified Offeror.

2.6 LEASEBACK

2.6.1. Leaseback Agreement. It is anticipated that a Leaseback Agreement will be entered into between the Awardee selected and DPW, the Department of Education or the government of Guam. The Agreement will lease government-owned public school facilities to the Awardee to allow financing for the rehabilitation, construction, expansion and/or renovation and leaseback of the public school facilities to the government of Guam in a fashion that allows for the repayment of financing over time. The Agreement will also include a Firm Fixed Price, Indefinite Delivery Indefinite Quantity (IDIQ) contract for the construction work associated with the rehabilitation, construction, expansion and/or renovation of a maximum of 36 schools. Task orders will be issued for the design, rehabilitation, renovation, and minor/new construction including collateral equipment, bus and bus shelter based upon priorities established by the DOE.

2.6.2. Term of Leaseback. DPW intends that a leaseback agreement will be awarded for a mutually agreed upon term not to exceed a maximum of thirty (30) years.

2.7 REQUIRED AFFIDAVITS AND ASSURANCES

Each Offeror is required to submit the affidavits and assurances attached as **Attachments A-1 through A-5**. Failure to include said affidavits and assurances shall render a proposal non-responsive.

- Affidavit Disclosing Ownership and Commissions per 5 G.C.A. § 5233 (Attachment A-1). As a condition of this RFP, any partnership, sole proprietorship, joint venture, association or corporation doing business with the government of Guam shall submit an affidavit executed under oath that lists the name and address of any persons, companies, partners, or joint ventures who have held more than ten percent (10%) of the outstanding interest or shares in said partnership, sole proprietorship joint venture, association or corporation at any time during the 365 days immediately preceding the submission date of a proposal. The affidavit shall contain the number of shares or the percentage of all assets of such partnership, sole proprietorship joint venture, association or corporation which have been held by each such person during the twelve 365 day period. In addition, the affidavit shall contain the name and address of any person who has received or is entitled to receive a commission, gratuity or other compensation for procuring or assisting in obtaining business related to this RFP for the Offeror and shall also contain the amounts of any such commission, gratuity or other compensation. The affidavit shall be open and available to the public for inspection and copying.
- Affidavit re Non-Collusion per 2 GAR Division 4 § 3126(b) (Attachment A-2). By submitting an offer, the Offeror certifies that the price submitted was independently arrived at without collusion.
- Affidavit Re No Gratuities or Kickbacks per 2 GAR Division 4 § 11107(e) (Attachment A-3). The bidder, Offeror, or contractor represents that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities and kickbacks set forth in §11206 (Gratuities and Kickbacks) of the Guam Procurement Regulations. **Gratuities.** It shall be a breach of ethical standards for any person to offer, give or agree to give any employee or former employee, or for any employee or

former employee to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract; or to any solicitation or proposal therefor. **Kickbacks.** It shall be a breach of ethical standards for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.

- Affidavit re Contingent Fees per 2 GAR § 11108 (Attachment A-4). It shall be a breach of ethical standards for a person to be retained, or to retain a person, to solicit or secure a government contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.
- Affidavit RE Ethical Standards per 2 GAR § 11103 (Attachment A-5). The bidder, Offeror, or contractor represents that it has not knowingly influenced and promises that it will not knowingly influence a government employee to breach any of the ethical standards set forth in 5 GCA Chapter 5 Article 11 (Ethics in Public Contracting) of the Guam Procurement Act and in Chapter 11 of the Guam Procurement Regulations.
- AttachmentA-6: Local Procurement Preference Application

2.8 PROHIBITION AGAINST EMPLOYMENT OF SEX OFFENDERS

Pursuant to 5 G.C.A. § 5253,

(a) No person convicted of a sex offense under the provisions of Chapter 25 of Title 9 Guam Code Annotated, or an offense as defined in Article 2 of Chapter 28, Title 9 GCA in Guam, or an offense in any jurisdiction which includes, at a minimum, all of the elements of said offenses, or who is listed on the Sex Offender Registry, and who is employed by a business contracted to perform services for an agency or instrumentality of the government of Guam, shall work for his employer on the property of the government of Guam other than a public highway.

(b) All contracts for services to agencies listed herein shall include the following provisions: (1) warranties that no person providing services on behalf of the contractor has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 GCA or an offense as defined in Article 2 of Chapter 28, Title 9 GCA, or an offense in another jurisdiction with, at a minimum, the same elements as such offenses, or who is listed on the Sex Offender Registry; and (2) that if any person providing services on behalf of the contractor is convicted of a sex offense under the provisions of Chapter 25 of Title 9 GCA or an offense as defined in Article 2 of Chapter 28, Title 9 GCA or an offense in another jurisdiction with, at a minimum, the same elements as such offenses, or who is listed on the Sex Offender Registry, that such person will be immediately removed from working at said

agency and that the administrator of said agency be informed of such within twenty-four (24) hours of such conviction.

SECTION 3: GENERAL INFORMATION

3.0 AUTHORITY

This RFP is issued under the authority of Public Law 32-120 and Public Law 32-121, the Guam Procurement Act and the Guam Procurement Regulations. The request for proposal process is a procurement option allowing the award to be based on stated evaluation criteria. The RFP states the relative importance of all evaluation criteria. No other evaluation criteria, other than as outlined in the RFP, will be used.

3.1 OFFEROR COMPETITION

DPW encourages free and open competition among Offerors. Whenever possible, DPW will design specifications, proposal requests, and conditions to accomplish this objective, consistent with the necessity to satisfy DPW's need to procure technically sound proposals.

3.2 SINGLE POINT OF CONTACT

From the date this RFP is issued until final award, **Offerors shall not communicate with any DPW staff, or other government of Guam officials regarding this procurement**, except at the direction of the procurement officer in charge of this solicitation. Any unauthorized contact may disqualify the Offeror from further consideration. Contact information for the single point of contact is as follows:

Reynaldo Junio
The Department of Public Works
542 North Marine Corps Drive
Upper Tumon, Guam 96913
reynaldo.junio@dpw.guam.gov
Phone: (671) 646-3222 646-3189 646-3131

3.3 SUBCONTRACTORS

The Offeror awarded a contract under this RFP shall be the contractor and shall be responsible, in total, for all work of any subcontractors. All subcontractors, if known at the time of proposal submission, must be listed in the proposal. DPW reserves the right to approve all subcontractors. The contractor shall be responsible to DPW for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by the contractor. Further, nothing contained within this document or any contract created as a result of any award derived from this RFP shall create any contractual relationship(s) between any subcontractor and DPW.

3.4 TAXES

Offerors are cautioned that they are subject to Guam Business Privilege Taxes and Guam Income Taxes. Specific information regarding taxes may be obtained from the Director of Revenue and Taxation.

3.5 LICENSING

Offerors are cautioned that they are subject to Guam Licensing laws. Specific information on licenses may be obtained from the Director of Revenue and Taxation.

3.6 RECEIPT/OPENING OF PROPOSALS

Proposals shall not be opened publicly, and shall be opened in the presence of two or more procurement officials. Proposals and modifications shall be time-stamped upon receipt and held in a secure place until the established due date. After the date established for receipt of proposals, a Register of Proposals shall be prepared which shall include for all proposals the name of each Offeror, the number of modifications received, if any, and a description sufficient to identify the supply, service, or construction item offered. The Register of Proposals shall be opened to public inspection only after award. Proposals and modifications shall be shown only to government personnel having a legitimate interest in them.

3.7 CLASSIFICATION OF PROPOSALS AS RESPONSIVE OR NON-RESPONSIVE

All proposals will initially be classified as either “responsive” or “non-responsive”. Proposals may be found non-responsive any time during the evaluation process or contract negotiation if any of the required information is not provided or the proposal is not within the plans and specifications described and required in the RFP. If a proposal is found to be non-responsive, it will not be considered further.

3.8 DETERMINATION OF RESPONSIBILITY

The procurement officer will determine whether an Offeror has met the standards of responsibility. Such a determination may be made at any time during the evaluation process and through contract negotiation if information surfaces that would result in a determination of non-responsibility. If an Offeror is found non-responsible, the determination must be in writing, made a part of the procurement file and mailed to the affected Offeror.

3.9 COMPLETENESS OF PROPOSALS

Selection and award will be based on the information contained in the Offeror’s proposal. Proposals may not include references to information located elsewhere, such as Internet websites or libraries, unless specifically requested by DPW. Information or materials presented by Offerors outside the formal response or subsequent discussion/negotiation will not be considered, will have no bearing on any award, and may result in the Offeror being disqualified from further consideration.

3.10 FAILURE TO COMPLY WITH INSTRUCTIONS

Offerors failing to comply with the instructions set forth in this RFP may be subject to point deductions. DPW may also choose to not evaluate, may deem non-responsive, and/or may disqualify from further consideration any proposals that do not follow this RFP format, are difficult to understand, are difficult to read, or are missing any requested information.

3.11 DPW RIGHTS RESERVED

While DPW and the government of Guam have every intention to issue an award as a result of this RFP, issuance of the RFP in no way constitutes a commitment by DPW or the government of Guam to award and execute a contract. Upon a determination such actions would be in its best interest, DPW, in its sole discretion, reserves the right to:

- Cancel or terminate this RFP;
- Reject any or all proposals received in response to this RFP in the best interests of DPW or the government of Guam;
- Waive any undesirable, inconsequential, or inconsistent provisions of this RFP which would not have significant impact on any proposal;
- Waive any minor informalities in proposals received, or have them corrected by the Offeror in accordance with applicable regulations;
- Not award if it is in the best interest of DPW or the government of Guam not to proceed with contract execution; or
- If awarded, terminate any contract if DPW determines adequate funds are not available.

3.12 NONDISCLOSURE OF DATA

In accordance with Guam Procurement Regulations § 3114(h) (2), Offerors may identify trade secrets and other proprietary data contained in their proposals. If the Offeror selected for award has requested in writing the nondisclosure of trade secrets and other proprietary data so identified, DPW shall examine the request to determine its validity prior to entering into negotiations. If the parties do not agree as to the disclosure of data, DPW shall inform the Offeror in writing what portion of the proposal will be disclosed and that, unless the Offeror withdraws the proposal or protests under 5 G.C.A. Chapter 5 Article 9 the proposal will be so disclosed.

3.13 DEBARMENT

The Offeror certifies, by submitting its proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any governmental department or agency. If an Offeror cannot certify this statement, attach a written explanation for review by the DPW.

SECTION 4: SCOPE OF PROJECT

4.0 OVERVIEW

The Governor of Guam through the Guam Department of Public Works (hereinafter referred to as "DPW") with the assistance of the Guam Department of Education (hereinafter referred to as "DOE") and the Guam Economic Development Authority (GEDA) is issuing this Request for Proposals ("RFP") to invite the submission of proposals for the rehabilitation, construction, expansion and renovation of up to thirty-six (36) public school facilities on Guam (specifically including Simon Sanchez High School) and to provide collateral equipment, buses, bus shelters, maintenance and insurance as mandated under Public Law Public Law 32-120 and Public Law 32-121. Should a lease back arrangement be entered into, the schools shall be leased to the selected Offeror at nominal cost. The Offeror will sub-lease the schools back to the government. The lease-back period will be the amount of time reasonably necessary to amortize the costs associated with the financing, but in no case longer than thirty (30) years.

The Offeror shall work with the Guam Economic Development Authority to finance approximately One Hundred Million Dollars (\$100,000,000.00) for the rehabilitation, construction, expansion and renovation of up to thirty-six (36) public school facilities on Guam and to provide collateral equipment, buses, bus shelters, maintenance and insurance. Alternative financing shall be considered if such financing will better serve the government's desire to obtain the least expensive costs associated with this RFP.

A major component of this RFP is the completion of a Comprehensive Capital Improvement Plan for the Department of Education (DoE). With the findings and identification of available funding, it is the intention of the DPW to enter into an Indefinite Delivery/Indefinite Quantity (IDIQ) contract with the successful Offeror. Task Orders will be issued and released under the IDIQ Contract for the rehabilitation, construction, expansion and renovation of up to thirty-six (36) public school facilities on Guam, and such other items as discussed in this RFP. The construction period is expected to be complete within five years after issuance of the first Task Order.

The scope of work for the project includes financing and lease financing for rehabilitation, construction, expansion and renovation (inclusive of architectural and engineering design) of up to thirty-six (36) schools. Upon award, while waiting for the funding to be finalized which shall be done within 6 months from the award date, a committee consisting of the Office of the Governor, GDOE, DPW and GEDA will meet with the Awardee and discuss the general objective and scope of work for up to 36 schools. If necessary, the parties shall walk through to all the schools and plan the initial budget for proper allocation of approximately One Hundred Million (\$100,000,000.00) Dollars. GDOE shall determine the priority or order in which the schools must be completed in accordance with law.

In negotiation of task orders, Awardee pricing and costs shall be based on RS Means Facilities Construction Cost Data. The pricing and costs for each task order when submitted to the government by Awardee shall be based on the most recent information, city costs indexes, location factors, unit prices, coefficient percentage factor and other factors or data as contained in the RS Means Facilities Construction Cost Data. Each Offeror must identify their coefficient attributed to each ordering period for Task Order Coefficients.

Architect-Engineer limitation. The total cost of the architect or engineer services shall not be included in the coefficient, must be separately itemized and must not exceed 6% of the estimated cost of the construction project plus any fees for related services and activities such as set forth below:

The six percent (6%) fee limitation does not apply to the following architect or engineer services:

- Investigative services including but not limited to: determination of program requirements, including schematic or preliminary plans and estimates; determination of feasibility of proposed project; preparation of measured drawings of existing facility; subsurface investigation; structural, electrical, and mechanical investigation of existing facility; and surveys: topographic, boundary, utilities, etc.;
- Special consultant services that are not normally available in organizations of architects or engineers and that are not specifically applied to the actual preparation of working drawings or specifications of the project for which the services are required;
- Reproduction of approved designs through models, color renderings, photographs, or other presentation media; travel and per diem allowances other than those required for the development and review of working drawings and specifications; supervision or inspection of construction, review of shop drawings or samples and other services performed during the construction phase; and all other services that are not an integral part of the production and delivery of plans, designs and specifications;
- The cost of reproducing drawings and specifications for bidding and their distribution to prospective bidders and plan file rooms.
- Collateral equipment, bus and bus shelters are not specified in the RS Means Cost Data Book, therefore the coefficient shall not apply. The Awardee shall not charge more than 15% overhead and profit of the direct cost of collateral equipment, bus and bus shelters. GRT rate shall be added after the direct cost and 15% overhead and profit.

4.1 GOVERNMENT OF GUAM COMMITMENTS

- To secure confirmation for the Awardee of the government's obligation to make lease payments through a pledge or reservation of all or any portion of the revenues from taxes due under the Business Privilege Tax Law excluding alcoholic beverage taxes, liquid fuel taxes, tobacco taxes and real property taxes, otherwise in accordance with law.
- To support the Awardee in satisfying all regulatory, land use, environmental, business, building and other local and federal permitting requirements, to the extent allowable by law.

4.2 OFFEROR REQUIREMENTS

A primary consideration of DPW and the Government of Guam is the benefits to be derived through lease financing for improved public school facilities. DPW and the Government of Guam recognize that significant public benefits can be derived through public/private partnerships and other mechanisms that, considered as a whole, exceed the benefits derived from more traditional transactions. Offerors are required to address the following requirements in their proposals:

4.2.1 The following minimum criteria shall be met by the Offeror/Awardee:

- 4.2.1.1** An Offeror may be a team consisting of a Developer and/or a Contractor organized and operating under the laws of any state or territory of the United States and who may be

subject to Guam Licensing laws. Specific information on licenses may be obtained from the Director of the Revenue and Taxation. A special purpose corporation such as a non-profit organization may also submit a proposal.

- 4.2.1.2 In the area of construction; the Developer's and Contractor's experiences and qualifications must not be confused in the selection process. The experience and qualifications of the Contractor who is a team member of the Offeror must be actual and direct, and shall not be transferable, nor claimed by or from another party. For example: A Developer who has hired a contractor for a project shall not claim such construction work as experience of the Developer. A Developer may not be a Contractor, and vice versa; however a Developer may partner with a Contractor, and vice versa, to submit a proposal.
- 4.2.1.3 The Offeror must be able to assist the Government and GDOE with the update of the GDOE Comprehensive Capital Improvement Plan as mandated by law.
- 4.2.1.4 The Offeror will be evaluated on their assessment of Simon Sanchez High School and their proposal to either renovate or re-build the facility, either in whole or in part. **The Offeror will be required to provide a SEALED BID for the costs associated with their proposal to address the needs of Simon Sanchez High School. (NOTE) DPW will rank the Offerors according to the Evaluation Criteria contained in this RFP. Once a determination of the Highest Ranked Offeror is made, then and only then will the Highest Ranked Offeror's Sealed Bid be opened, evaluated and negotiated. No other SEALED BIDS will be opened unless the successful terms cannot be reached with the Highest Ranked Offeror. Should this occur, then the SECOND Highest Ranked Offeror will be contacted and their SEALED BID will be opened, evaluated and negotiated. ALL SEALED BIDS from Offerors NOT contracted with DPW, DoE, GEDA or the government of Guam will be RETURNED, UN-OPENED to the respective Offeror.**
- 4.2.1.5 Bid Bond. DPW will require that all Offerors include a Bid Bond as a requirement of this RFP. The Bid Bond shall be enclosed in the SEALED BID envelope and will be considered as a companion document to the SEALED BID.
- 4.2.1.6 The Offeror must be bondable as required by this RFP and by law. A performance and payment bond must be obtained by Offeror or its prime Contractor. The bond must be issued by a company authorized to do business on Guam, and listed in the U.S. Department of the Treasury's Listing of Approved Sureties (Circular 570).
- 4.2.1.7 The Awardee shall work with the Guam Economic Development Authority to finance approximately \$100,000,000.00 for the construction, renovation and collateral equipment associated with this RFP. The Awardee must be able to provide capital maintenance for any of the schools leased as a result of this RFP. Funding shall be by annual legislative appropriation.

4.2.1.8 The Awardee must be able to provide fire, earthquake and vandalism insurance for any of the schools leased as a result of this RFP. Any adjustment in insured value may be made between Awardee and Government of Guam. Funding shall be by annual legislative appropriation.

4.2.2 Construction Services To Be Provided By Offerors. The Offeror and/or the Offeror's team must be able to provide the following:

4.2.2.1 Codes, Standards, Regulations and Permits. The Offeror will abide by applicable building, electrical and safety codes and all applicable legislation with regard to the Work. All permits, visas, certifications and authorizations required for execution of the work shall be obtained by the Offeror at its own cost.

4.2.2.2 Safety Program. The Offeror shall provide a safety program appropriate for the Project prior to Work commencing. A description of the safety program is to be provided with the technical offer. The Offeror, its employees and subcontractors must be trained in the requirements of the safety program.

4.2.2.3 Quality Control Program. The Offeror shall provide a quality control program appropriate for the Project. A description of the quality control program is to be provided with the technical offer.

4.2.2.4 Coordination of the Work. The Offeror shall designate a single point of contact to act as a liaison with the committee representative. The Offeror shall review the Basis of Design for the project. Project tracking is to be accomplished utilizing scheduling software acceptable to DPW. Regular status meetings shall be conducted by the Offeror to update project status, work open issues and review change orders. Participation in these meetings by the Offeror and its liaison is mandatory.

4.2.2.5 Testing. Depending on the design requirements, the Offeror may be required to conduct a geotechnical analysis and other additional testing. Testing shall be conducted by an approved independent laboratory. Results of all testing shall be made directly available to DPW.

4.2.3 Jobsite Criteria and Requirements.

4.2.3.1 The Offeror shall provide licensed surveys, as necessary, for the purpose of precisely locating all work to be performed.

4.2.3.2 The construction site boundary will be defined by GDOE and DPW and agreed upon by the Offeror. The Offeror may, as necessary, erect and maintain a safety/security fence around the boundary of the construction site. Construction boundaries at individual structures shall be erected and maintained by the Offeror as needed during various phases of the work for safety and security. The construction boundary shall be established such that access into the construction zone is controlled by the Offeror.

4.2.3.3 All fencing shall meet GDOE and DPW requirements.

- 4.2.3.4 Any construction vehicles within the construction site boundary shall have a company placard clearly visible on the vehicle.
 - 4.2.3.5 The Offeror shall install and maintain proper erosion control measures to prevent run-off during construction.
 - 4.2.3.6 Parking for Offeror's personal vehicles shall be as directed by GDOE and DPW.
 - 4.2.3.7 Temporary Utilities. The Offeror shall be responsible for connecting and disconnecting all temporary utilities at the construction site.
 - 4.2.3.8 Record Documents. The Offeror shall be responsible for maintaining as-built drawings during the construction phase. At the substantial completion of the construction, the as-built drawings shall be converted into recorded documents by the Offeror. The record documents shall be in a CADD format acceptable to GDOE and DPW.
 - 4.2.3.9 Operation and Maintenance. The Offeror shall be responsible for collecting, organizing, verifying accuracy and submitting an Operations and Maintenance manual to GDOE and DPW for approval. This manual shall be Comprehensive in identifying all operational and maintenance requirements to maintain applicable warranties. It shall also be instructive for maintenance personnel to operate and maintain the completed work for the expected lifetime of the material and equipment utilized in the work.
- 4.2.4. **Construction Experience.** The Offeror's construction experience is critical to the successful execution of the program. To present the construction experience, the Offeror shall provide a description of the Offeror's experience in new construction and/or renovation of 5 school projects or similar facilities/structures with a minimum contract amount of Five Million (\$5,000,000) Dollars for the past ten (10) years on Guam and/or in a remote, resource-constrained environment with logistical challenges.
- 4.2.5. **Rs Means Co-Efficient.** Coefficients are the price multipliers that are converted from a percentage factor to decimal format. The Government will use these multipliers to determine the price of work for each task on individual Task Orders.

Bare Cost or unit bare cost prices shall be based on the RS Means Facilities Construction Cost Data (also referred to herein as RS Means) which means no cost markup for the overhead and profit column, but includes subcontractor cost markup, will be multiplied by the local City Cost Index identified by RS Means (weighted average total for Guam), and the Offerors coefficients for either standard or non-standard work hours to arrive at the actual price for a unit of work. (The term non-standard work hour is not to be interpreted as overtime). The coefficients shall be represented as net, a decrease from or an increase to the prices listed in RS Means.

Coefficients are defined as numerical factors that compensate the contractor/Offeror for any and all costs (generally indirect costs) not included in the RS Means Facilities Construction Cost Data. Coefficients must contain all allowable contract costs including contingencies and profit. It covers cost elements such as overhead, profit, project estimating, General and Administrative expenses, bond premiums, and gross receipt taxes. Examples of such costs are: superintendents salaries, builders risk insurance, bond premiums, mobilization/demobilization, site office

overhead, site office building, site office staff salaries, vehicle and construction equipment maintenance, office administration expenses, and consultant fees. Coefficients should also include all types of insurance, specified in this bid, special clothing/equipment for workers, flag persons, traffic barricades, construction area enclosures, personnel clothing, utility/water outages, permits and project final cleaning.

The offered coefficients must be identified in the Offeror's proposal for each year for a maximum of 5 years. If the offer is accepted by the Government then changes to the offered coefficients and prices will not be permitted. The RS Means Cost Data Guides and City Cost Index for Guam will be updated yearly or as required.

The amount of the coefficient is critical. Offerors must specify up to four (4) decimal points (example 0.0150 instead of 15%). The evaluation will be made based upon the average coefficient of 5 years.

- 4.2.6. Financing.** Offerors shall work with the Guam Economic Development Authority to provide approximately \$100,000,000.00 financing for design, rehabilitation, construction, renovation of up to 36 schools and provide collateral equipment, buses and bus shelters. Alternative financing shall be considered if such financing will better serve the government's desire to obtain the least expensive costs associated with this RFP.
- 4.2.7. Maintenance And Insurance.** The Offeror shall provide capital maintenance for up to 36 schools to keep the schools in a safe and orderly condition for the life of the leaseback and provide fire, earthquake and vandalism insurance for the insured value of \$100,000,000.00. Payments for maintenance and insurance by the government shall be monthly based on annual appropriations by the government. The cost of maintenance and insurance is not part of the \$100,000,000.00 financing. Offeror's price for maintenance and insurance shall be based on the prices, indexes and factors found in the most current edition of RS Means Facilities Construction Cost Data. Coefficients are the price multipliers that are converted from a percentage factor to decimal format. Offerors must provide their coefficients (up to four decimal points) in their proposals. Maintenance and insurance coefficients will be considered in the award of the contract and will be used to determine the price of maintenance and insurance in the issuance of task orders.
- 4.2.8. Capital Improvement Plan.** The Awardee shall prepare a Comprehensive Capital Improvement Plan and an implementation program and therefore, proposals must address the Offeror's ability to prepare this plan including a schedule for implementation, rough order of magnitude costs, and sources of financing.
- 4.2.9. Other Requirements.** Proposals must adhere to the following:
 - 4.2.9.1.** The arrangement between the government of Guam, DPW, DoE and GEDA with the selected Offeror cannot run afoul of the government of Guam's debt ceiling;
 - 4.2.9.2.** The arrangement does not raise taxes or fees, or create new taxes or fees;

4.2.9.3. The financial impact on the government of Guam is as stated in current public law.

4.2.9.4. To ensure acceptability of the intended lease agreement by the public and the government of Guam, additional requirements may be imposed and/or negotiated that are not specifically identified in this RFP, at the discretion of DPW, DoE, GEDA or the government of Guam. By submitting a proposal in response to this RFP, prospective Offerors understand and agree with this requirement.

4.3 **OFFEROR'S RESPONSIBILITIES**

Offerors are required to review Public Law 32-120 and Public Law 32-121. Should there be inconsistencies between the requirements of this RFP and the stated Public Laws, the requirements of law shall prevail.

A leaseback agreement may be prepared once negotiations with the successful Offeror have concluded. Since the leaseback agreement will require the Offeror to carry out various responsibilities, including, but not limited to those listed below, proposals must indicate concurrence with paying the costs for and carrying out the major responsibilities listed below:

4.3.1. Environmental Remediation. Accept responsibility for performance and costs of any environmental remediation required to rehabilitate, construct, expand and renovate public school facilities caused by the Awardee.

4.3.2. Insurance. Obtain all required property, liability and workmen's compensation insurance.

4.3.3. Indemnification. Indemnify the government of Guam, DoE, GEDA and DPW from any liability arising from the implementation of the Offeror's proposal.

SECTION 5: EVALUATION CRITERIA

5.0 EVALUATION

After receipt of all proposals, an evaluation committee will be convened to review and evaluate the proposals according to the following criteria based on a maximum possible value of 1,000 points. Offerors are required to address each evaluation criterion listed herein in their proposals.

5.1 CRITERIA

The Committee will first review each proposal for compliance with the minimum qualifications and mandatory requirements of the RFP. Failure to comply with any requirements shall disqualify a proposal. Proposals will be evaluated and rated based on the criteria stated in the RFP, including but not limited to the following:

- 5.1.1.** Responsiveness of the Proposal to perform the scope of work.
- 5.1.2.** Ability, capacity, and skill of the Offeror to perform the scope of work.
- 5.1.3.** Experience of the Offeror in accomplishing similar construction for the past 10 years on Guam, and/or in a remote, resource constrained environment with logistical challenges. The contractor must have at least 10 years of actual and direct experience in construction of minimum \$5,000,000 of schools and other similar facilities/structures.
- 5.1.4.** Such other information that may be required or useful in fateful performance of the contract.
- 5.1.5.** Financial Statements. The Government of Guam reserves the right to request the Offerors to submit their annual financial statements for the last three (3) fiscal years, including company financial statement summaries, cash flow, certified by a Certified Public Accountant. If the organization has been in business for a period of less than three (3) years, Offeror may be required to submit a detailed business plan, a list of its key team players (with their experience and education), and any other pertinent information that would allow the Government of Guam to evaluate the sufficiency of financial resources and the ability of the business to successfully perform the services enumerated in the contract. Unless otherwise stated, such request would be made after the submissions of the proposals and prior to award of a contract.

5.2 EVALUATION, RATING AND SELECTION

In the evaluation, rating and selection of proposals, the evaluation factors and their relative importance are as follows:

All proposals submitted will be evaluated by the Evaluation Committee and will be rated using the criteria and form provided in this RFP including the following:

Evaluation Criteria	Value
<p><u>Conformance with RFP requirements.</u> Proposals will be awarded a maximum of fifty (50) points for providing all of the information required by this RFP. Proposals that do not provide all of the information required by this RFP could have points deducted under this criterion or the proposals could be deemed non-responsive depending upon the importance of the information, at DPW’s discretion.</p>	50 points
<p><u>Construction Expertise and Experience.</u> The education and training of key personnel to be assigned to design, construct and manage the public school facilities project will be assessed. Specific experience will also be assessed in the design and construction of 5 school projects or similar facilities/structures with a minimum contract amount of Five Million (\$5,000,000) Dollars for the past ten (10) years on Guam and/or in a remote, resource-constrained environment with logistical challenges. The references provided by Offerors will be assessed. Emphasis will be focused on the Offeror’s recommendation to address the deficiencies at Simon Sanchez High School. A maximum of Six hundred (600) points will be awarded under this criterion.</p>	600 points
<p><u>RS Means Co-efficient.</u> Offerors must specify RS Means Co-efficient of up to four (4) decimal points (example 0.0150 instead of 15%) as specified in Section 4. A maximum of Two Hundred (200) points will be awarded under this criterion based upon the lowest average co-efficient over 5 years.</p>	200 points
<p><u>Maintenance and Insurance.</u> Offerors must specify RS Means Co-efficient for maintenance and insurance of up to four (4) decimal points (example 0.0150 instead of 15%) as specified in Section 4. Offeror suggestions on various arrangements for services, maintenance and insurance contracts in support of the upkeep and service of public school facilities will be assessed. Offeror suggested payment arrangements will also be assessed. A maximum of One Hundred Fifty (150) points will be awarded under this criterion.</p>	150 points
MAXIMUM POINTS	1000 points

Individual Evaluation Form:

	Evaluation Criteria	Evaluator's Points	Remarks
	<u>Conformance with RFP requirements</u>		
	<u>Construction Expertise and Experience</u>		
	<u>RS Means Co-efficient</u>		
	<u>Maintenance and Insurance</u>		
Total			

Summary Evaluation Form:

Criteria	Evaluator's Points					Total Points	Remarks
	A	B	C	D	E		
<u>Conformance with RFP requirements</u>							
<u>Construction Expertise and Experience</u>							
<u>RS Means Co-efficient</u>							
<u>Maintenance and Insurance</u>							
Total Points							

SECTION 6: PROPOSAL STRUCTURE

Offerors must organize their proposals into the sections delineated below, with tabs separating each section. The proposal should be prepared simply and economically, providing straightforward, concise description of the Offeror's ability to fulfill requirements of the proposal. In order to insure a uniform review process and to obtain the maximum degree of comparability, it is required that proposals be organized in the following manner:

The first page of the proposal must show the coversheet that is required to be returned with their offer.

1. Introduction.

- a. Cover letter (must be on Offeror's letterhead) with the name and address telephone and facsimile numbers of the Offeror (and electronic address if available). The Offeror shall use the exact legal name, as registered or to be registered with the Department of Revenue and Taxation.
 - i. Point of Contact. The individual executing the letter shall be identified by name and position and shall be authorized to bind the Offeror contractually. Name, title, and signature of person authorized to sign the proposal. Proposals signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office.
 - ii. Contact Information. Include the Offeror's name, address, telephone and facsimile numbers, and email address. Also include the Offeror's principal place of business. Names, titles, and telephone and facsimile numbers (and electronic addresses if available) of persons authorized to negotiate on the Offeror's behalf with the Government in connection with this RFP; and
- b. A statement specifying the extent of agreement with all terms, conditions, and provisions included in the RFP including amendments. A point-by-point response to all numbered sections, subsections, and attachments to the RFP is required. If no explanation or clarification is required in the Offeror's response to a specific subsection, the Offeror shall so indicate in the point-by-point response or utilize a blanket response for the entire section with the following statement:

"(Offeror's Name)" understands and will comply.

2. Company Overview.

- a. Type of firm. State whether Offeror is a corporation, partnership, sole proprietorship, joint venture, etc. Provide the organizational documents for Offeror and a certificate of good standing from the state or territory of formation. Provide a brief overview of your firm, including key team members, and a description of capital, bondability by US Treasury listed company and experience. Provide a list of your key team members with a brief background of their experience and education. Include any pertinent or applicable awards, commendations and publications by team members.

- b. Year firm established. Indicate the number of years the Offeror has been in business under its present business name and the number of full-time personnel employed by Offeror in the last twelve (12) months.
- c. Other firm names. Indicate all other names by which Offeror has been known and the length of time known by each name.
- d. Participating branch offices. If applicable, state the branch offices that participated in the development of the proposal, will participate in the evaluation phase, and will participate in the conduct of any services provided (office name and address).

3. Experience of Offeror.

- a. Primary point of contact. Identify the overall project coordinator or manager who will serve as the single point of contact and liaison between the DPW and the Offeror for all work under the contract. The manager candidate may be subject to the approval of DPW.
 - i. Provide his/her resume and describe his/her qualifications
 - ii. Explain why this person has been selected as the overall project coordinator/manager.
- b. Key personnel. Provide the name(s), education, qualifications, experience, and the role of each key personnel assigned to perform the services under this RFP. Present an organizational chart identifying the relationships and duties of both the corporate staff and all proposed management and staff to be assigned to assist with the services under this RFP. At a minimum, if the Offeror is an individual, the proposal should include a complete resume of the individual. If the Offeror is a firm, the proposal should include a resume of all the individuals who will be working on any aspect of the project.
- c. Client list and work. Include a listing of current and former clients and a description of the type of work performed or is being performed.
- d. References. DPW welcomes references of entities to which Offeror has provided services.

4. Financing, construction, maintenance and management plans.

- a. Capabilities. Demonstrate and show that as a business entity, Offeror has sufficient financing, construction, maintenance and management competency and that its personnel have appropriate experience and ability to finance, operate, and maintain the nature and scale of the project proposed in this RFP.
- b. Construction Experience. Provide a write up of not more than 15 pages in 8.5 inch x 11inch with font size not smaller than 10 points, to demonstrate Offeror's experience in new construction and/or renovation experience of 5 school projects or similar facilities/structures with a minimum contract amount of \$5 Million for the past 10 years on Guam and/or in a remote, resource constrained environment with logistical challenges.

- c. Work plan. Offeror should provide a description of the financing and construction plan and the methods to be used that will convincingly demonstrate to DPW what the Offeror intends to do, the timeframes necessary to accomplish the work, and how the work will be accomplished.
 - d. Finance Plan. Offerors shall work with the Guam Economic Development Authority to provide approximately \$100,000,000.00 financing for design, rehabilitation, construction, renovation of up to 36 schools and provide collateral equipment, buses and bus shelters. Alternative financing shall be considered if such financing will better serve the government's desire to obtain the least expensive costs associated with this RFP.
 - e. The most current RS Means Facilities Construction Cost Data. Provide the coefficient up to four (4) decimal points (example 0.0150 instead of 15%) for the maintenance and upkeep for 30 years or for the life of the debt for up to 36 schools.
 - f. Insurance. Demonstrate the Offerors ability to provide the amount of fire, earthquake and vandalism insurance for the insured value of up to \$100,000,000.00 on any lease-leaseback arrangements for up to 30 years.
5. **Conflicts of Interest.** The proposal shall also indicate any current or historical engagement or relationships with any public or private party that could potentially create a conflict of interest with GEDA, the Government of Guam, DPW, DoE or any of the government's agencies or instrumentalities.
 6. **Qualification to do Business.** The Offeror must be certified to do business in Guam concurrent with the execution of any leaseback agreement. Please certify that Offeror will comply with this requirement.
 7. **Affirmative Action.** Include a statement that the Offeror has established and implemented an Affirmative Action Plan for equal employment opportunities.
 8. **Required documentation:**
 - a. Affidavit Disclosing Ownership and Commissions (Attachment A-1)
 - b. Affidavit Re Non-Collusion (Attachment A-2)
 - c. Affidavit Re No Gratuities or Kickbacks (Attachment A-3)
 - d. Affidavit Re Contingent Fees (Attachment A-4)
 - e. Affidavit Re Ethical Standards (Attachment A-5)
 - f. Local Procurement Preference Application (Attachment __)

ATTACHMENT A-1: AFFIDAVIT DISCLOSING OWNERSHIP AND COMMISSIONS

CITY OF _____)
) ss.
 ISLAND OF GUAM)

A. I, the undersigned, being first duly sworn, depose and say that I am an authorized representative of the Offeror and that *[please check only one]*:

The Offeror is an individual or sole proprietor and owns the entire (100%) interest in the offering business.

The Offeror is a corporation, partnership, joint venture, or association known as _____ *[please state name of Offeror company]*, and the persons, companies, partners, or joint ventures who have held more than 10% of the shares or interest in the offering business during the 365 days immediately preceding the submission date of the proposal are as follows *[if none, please so state]*:

<u>Name</u>	<u>Address</u>	<u>% of Interest</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

B. Further, I say that the persons who have received or are entitled to receive a commission, gratuity or other compensation for procuring or assisting in obtaining business related to the bid or proposal for which this affidavit is submitted are as follows *[if none, please so state]*:

<u>Name</u>	<u>Address</u>	<u>Compensation</u>
_____	_____	_____

C. If the ownership of the offering business should change between the time this affidavit is made and the time an award is made or a contract is entered into, then I promise personally to update the disclosure required by 5 GCA §5233 by delivering another affidavit to the government.

 Signature of one of the following:
 Offeror, if the Offeror is an individual;
 Partner, if the Offeror is a partnership;
 Officer, if the Offeror is a corporation.

Subscribed and sworn to before me
 This ___ day of _____, 201__.

 NOTARY PUBLIC
 My commission expires: _____
 AG 12-0198
 April 10, 2012

AG Procurement Form 002 (Rev. Nov. 17, 2005)

ATTACHMENT A-3: AFFIDAVIT RE NO GRATUITIES OR KICKBACKS

CITY OF _____)
) ss.
ISLAND OF GUAM)

I, _____ [state name of affiant signing below], being first duly sworn, deposes and says that:

1. The name of the offering firm or individual is [state name of Offeror company] _____ . Affiant is _____ [state one of the following: the Offeror, a partner of the Offeror, and officer of the Offeror] making the foregoing identified bid or proposal.

2. To the best of affiant's knowledge, neither affiant, nor any of the Offeror's officers, representatives, agents, subcontractors, or employees have violated, are violating the prohibition against gratuities and kickbacks set forth in 2 GAR Division 4 § 11107(e). Further, affiant promises, on behalf of Offeror, not to violate the prohibition against gratuities and kickbacks as set forth in 2 GAR Division 4§ 11107(e).

3. To the best of affiant's knowledge, neither affiant, nor any of the Offeror's offices, representatives, agents, subcontractors, or employees have offered, given or agreed to give, any government of Guam employee or former government employee, any payment, gift, kickback, gratuity or offer of employment in connection with the Offeror's proposal.

4. I make these statements on behalf of myself as a representative of the Offeror, and on behalf of the Offeror's officers, representatives, agents, subcontractors, and employees.

Signature of one of the following:
Offeror, if the Offeror is an individual;
Partner, if the Offeror is a partnership;
Officer, if the Offeror is a corporation.

Subscribed and sworn to before me

This ____ day of _____, 201__.

NOTARY PUBLIC
My commission expires: _____, _____.

AG 12-0198
April 10, 2012

AG Procurement Form 004 (Jul. 12, 2010)

ATTACHMENT A-4: AFFIDAVIT RE CONTINGENT FEES

CITY OF _____)
) ss.
ISLAND OF GUAM)

I, _____ [state name of affiant signing below], being first duly sworn, deposes and says that:

1. The name of the offering company or individual is [state name of company] _____.

2. As a part of the offering company's bid or proposal, to the best of my knowledge, the offering company has not retained any person or agency on a percentage, commission, or other contingent arrangement to secure this contract. This statement is made in pursuant to 2 GAR Division 4 11108(f).

3. As a part of the offering company's bid or proposal, to the best of my knowledge, the offering company has not retained a person to solicit or secure a contract with the government of Guam upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business. This statement is made pursuant to 2 GAR Division 4 11108(h).

4. I make these statements on behalf of myself as a representative of the Offeror, and on behalf of the Offeror's officers, representatives, agents, subcontractors, and employees.

Signature of one of the following:
Offeror, if the Offeror is an individual;
Partner, if the Offeror is a partnership;
Officer, if the Offeror is a corporation.

Subscribed and sworn to before me

This ____ day of _____, 201__.

NOTARY PUBLIC
My commission expires: _____, _____.

ATTACHMENT A-6: LOCAL PROCUREMENT PREFERENCE APPLICATION

Please place a "x" on the block indicating the item that applies to your business:

Five G.C.A. § 5008, Policy in Favor of Local Procurement, states:

All procurement of supplies and services shall be made from among businesses licensed to do business on Guam and that maintain an office or other facility on Guam, whenever a business that is willing to be contractor is:

- (a) a licensed bonafide manufacturing business that adds at least twenty-five percent of the value of an item, not to include administrative overhead, using workers who are U.S. Citizens or lawfully admitted permanent residents or nationals of the United States, or persons who are lawfully admitted to the United States to work, based on their former citizenship in the Trust Territory for the Pacific Islands, or
- (b) a business that regularly carries an inventory for regular immediate sale of at least fifty percent (50%) of the items of supplies to be procured, or
- (c) a business that has a bona fide retail or wholesale business location that regularly carries an inventory on Guam of a value of at least one half of the value of the bid or One Hundred Fifty Thousand Dollars (US\$150,000) whichever is less, of supplies and items of a similar nature to those being sought, or
- (d) a service business actually in business, doing a substantial portion of its business on Guam, and hiring at least 95% U.S. Citizens, lawfully admitted permanent residents or nationals of the United States, or persons who are lawfully admitted to the United States to work, based on their citizenship in any of the nations previously comprising the Trust Territory of the Pacific Islands.

*Bidders indicating qualification under (d) may be considered QUALIFIED for the Local Procurement Preference only if the Government's requirement is for service. "Service" is defined in 5 G.C.A. § 5030.

I, _____, representative for _____ ("offeror"), have read the requirements of the law cited above and do hereby qualify and elect to be given the Local Procurement Preference for IFB No. 12-002. I understand that GEDA will review this application and provide me with a determination whether or not the 15% preference will be applied to this bid. I agree to provide such information or evidence as may be requested by GEDA to substantiate the offeror's qualification for the local procurement preference.

I, _____, representative for _____, have read the requirements of the law cited above, and do not wish to apply for the Local Procurement Preference for IFB No. 12-002.

Date

Note: Offerors that do not complete this form will not be considered for the local procurement preference. Non-completion of this form is not a basis for rejection of the Bid.

ATTACHMENT B: PUBLIC LAW 32-120 AND PUBLIC LAW 32-121



EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor of Guam

FEB 13 2014

Honorable Judith T. Won Pat, Ed.D.
Speaker
I Mina'trentai Dos Na Liheslaturan Guåhan
155 Hesler Street
Hagåtña, Guam 96910

32-14-1301
Office of the Speaker
Judith T. Won Pat, Ed.D.
Date: 2/14/14
Time: 4:02 PM
Received by:

Dear Madame Speaker:

Transmitted herewith is Bill No. 225-32 (COR) "AN ACT TO ADD A NEW CHAPTER 58D TO TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE RENOVATION OR CONSTRUCTION OF A NEW SIMON SANCHEZ HIGH SCHOOL; AND TO AMEND AND RENUMBER §22425(q) OF ARTICLE 4, CHAPTER 22, DIVISION 2, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE APPROPRIATION OF ADDITIONAL REAL PROPERTY TAX REVENUES FROM THE REVALUATION OF REAL PROPERTY TAXES; AND TO AMEND §53101 OF TITLE 17, GUAM CODE ANNOTATED, RELATIVE TO THE EARLY CHILDHOOD PROGRAM FUND" which I signed into law on February 10, 2014 as Public Law 32-120.

2014 FEB 14 PM 4:49 W

Senseramente,

EDDIE BAZA CALVO

1301

Ricardo J. Bordallo Governor's Complex • Adelup, Guam 96910
Tel: (671) 472-8931 • Fax: (671) 477-4826 • governor.guam.gov • calendar.guam.gov
 Eddie Baza Calvo @eddiebazacalvo @governorcalvo governorofguam

I MINA'TRENTAI DOS NA LIHESLATURAN GUÁHAN
2014 (SECOND) Regular Session

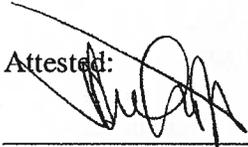
CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÁHAN

This is to certify that Bill No. 225-32 (COR), "AN ACT TO ADD A NEW CHAPTER 58D TO TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE RENOVATION OR CONSTRUCTION OF A NEW SIMON SANCHEZ HIGH SCHOOL; AND TO AMEND AND RENUMBER § 22425(q) OF ARTICLE 4, CHAPTER 22, DIVISION 2, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE APPROPRIATION OF ADDITIONAL REAL PROPERTY TAX REVENUES FROM THE REVALUATION OF REAL PROPERTY TAXES; AND TO AMEND § 53101 OF TITLE 17, GUAM CODE ANNOTATED, RELATIVE TO THE EARLY CHILDHOOD PROGRAM FUND," was on the 1st day of February, 2014, duly and regularly passed.



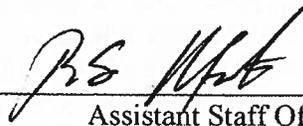
Judith T. Won Pat, Ed.D.
Speaker

Attested:



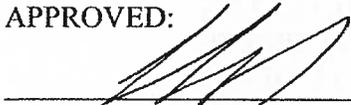
Tina Rose Muña Barnes
Legislative Secretary

This Act was received by *I Maga'lahaen Guáhan* this 1st day of FEB,
2014, at
10:50 o'clock P.M.



Assistant Staff Officer
Maga'lahaen's Office

APPROVED:



EDWARD J.B. CALVO
I Maga'lahaen Guáhan

Date: FEB 10 2014

Public Law No. 32-120

**I MINA'TRENTAI DOS NA LIHESLATURAN GUÅHAN
2013 (FIRST) Regular Session**

Bill No. 225-32 (COR)

As amended by the Author; and
further amended on the Floor.

Introduced by:

Judith T. Won Pat, Ed.D
T. R. Muña Barnes
Aline A. Yamashita, Ph.D.
T. C. Ada
V. Anthony Ada
FRANK B. AGUON, JR.
B. J.F. Cruz
Chris M. Dueñas
Michael T. Limtiaco
Brant T. McCreadie
Tommy Morrison
Vicente (ben) C. Pangelinan
R. J. Respicio
Dennis G. Rodriguez, Jr.
Michael F. Q. San Nicolas

**AN ACT TO ADD A NEW CHAPTER 58D TO TITLE 7,
GUAM CODE ANNOTATED, RELATIVE TO THE
RENOVATION OR CONSTRUCTION OF A NEW
SIMON SANCHEZ HIGH SCHOOL; AND TO AMEND
AND RENUMBER § 22425(q) OF ARTICLE 4, CHAPTER
22, DIVISION 2, TITLE 5, GUAM CODE ANNOTATED,
RELATIVE TO THE APPROPRIATION OF
ADDITIONAL REAL PROPERTY TAX REVENUES
FROM THE REVALUATION OF REAL PROPERTY
TAXES; AND TO AMEND § 53101 OF TITLE 17, GUAM
CODE ANNOTATED, RELATIVE TO THE EARLY
CHILDHOOD PROGRAM FUND.**

1 contribute to health and safety problems for staff and students. It should be
2 noted that it is critical for the Guam Department of Education to develop a
3 comprehensive capital improvement plan to provide a roadmap for
4 prioritizing facility improvements beyond Simon Sanchez.

5 *I Liheslatura* finds that after reviewing the summary of outstanding
6 General and Limited Obligation debts as of March 1, 2013, that the debt
7 ceiling assessed value is at One Billion One Hundred Thirty Nine Million
8 Four Hundred Sixty Four Thousand Eight Hundred Fifty Three Dollars
9 (\$1,139,464,853). It also states that the General Obligation Debt is Four
10 Hundred Forty Six Million Four Hundred Seventy Three Thousand Eight
11 Hundred Fifty Three Dollars (\$446,473,853); and the Limited Obligation
12 Debt is Six Hundred Sixty Three Million Eight Hundred Ninety Six
13 Thousand Eight Hundred Three Dollars (\$663,896,803), with an
14 accumulated total of One Billion One Hundred Ten Million Three Hundred
15 Seventy Thousand Six Hundred Fifty Six Dollars (\$1,110,370,656).
16 Subtracting the debt ceiling limit less the General and Limited Obligation
17 Debts leaves the amount for future debt obligation at Twenty Nine Million
18 Ninety Four Thousand One Hundred Ninety Seven Dollars (\$29,094,197).

19 *I Liheslatura* further finds that the cost for the renovation or
20 construction of a new Simon Sanchez High School would exceed Guam's
21 debt ceiling obligation cap if a General Obligation Bond is pursued. To
22 circumvent the debt ceiling cap, *I Liheslatura* finds that the construction of
23 *Okkodo* High School, *Astumbo* Middle School, *Liguan* Elementary School,
24 *Adacao* Elementary School, John F. Kennedy High School and the
25 expansion of *Okkodo* High School validates the fundamental soundness of
26 using a municipal lease as a vehicle to build new educational facilities. By
27 utilizing municipal leasing to renovate or construct a new Simon Sanchez

1 High School, the remaining future debt obligation may be used to fund other
2 priorities of the government.

3 *I Liheslatura* further intends to authorize *I Maga'lahen Guåhan* to
4 pledge or reserve the additional proceeds as a source of payment for a
5 municipal lease financing, secured for the purposes stated herein, either to
6 renovate or construct a new Simon Sanchez High School. To overcome the
7 financing hurdles, *I Liheslaturan Guåhan* supports the government of
8 Guam to enter into a contract for the financing, design, renovation or
9 construction and long-term capital maintenance of Simon Sanchez High
10 School with a private sector contractor who can provide long-term
11 financing obtained through tax-exempt obligations or other
12 competitive alternative financing based on long-term lease-backs to
13 the government of Guam. In order to facilitate system-wide
14 improvements, *I Liheslatura shall* authorize the Guam Department of
15 Education to develop a comprehensive capital improvement plan for
16 prioritizing capital improvements to all Guam Department of Education
17 schools. To facilitate the financing, design, renovation or construction
18 and maintenance of an education facility envisioned by this Act, the
19 government of Guam will be authorized to lease, for up to thirty (30)
20 years, government of Guam property on which the facilities will be
21 constructed to the contractor, who will design, renovate or construct a
22 new education facility in accordance with specifications approved by
23 Guam Department of Education. The education facility and land will be
24 leased back to the government of Guam for a period *not to exceed* thirty
25 (30) years or the initial ground lease to the contractor over which time
26 the government of Guam will amortize, as lease payments to the
27 contractor, the cost of the financing, design, renovation or construction

1 and related expenses of the education facility. The contractor will also
2 be responsible for the capital maintenance of the education facility
3 constructed under this Act, which costs *shall* be paid by the government of
4 Guam, as provided for under this Act. At the expiration of the lease-back
5 period, the government of Guam real property and the education facility
6 that is renovated or constructed on the government of Guam real property
7 will revert to the government of Guam with no further obligations to the
8 Contractor.

9 **§ 58D103. Definitions.** For purposes of this Chapter and *unless*
10 otherwise specified, the following words and phrases are defined to mean:

11 (a) *Act* means Chapter 58D of Title 5, Guam Code
12 Annotated, known as the “*Ma Kâhat Act of 2013.*”

13 (b) *Comprehensive capital improvement plan* means a plan
14 that takes into consideration the physical condition of each school,
15 along with attendance area population, enrollment patterns, and
16 bussing logistics. It *shall* also include how each school meets the
17 instructional needs of GDOE and prioritizes repairs of existing
18 schools, and renovation and construction of new school facilities in
19 order to deal with GDOE limited resources.

20 (c) *Contract shall* mean the various design, renovation or
21 construction and financing agreements entered into by and between
22 the education agency and the contractor following negotiations on the
23 response to the Request for Proposal.

24 (d) *Contractor shall* mean the authorized entity which *shall*
25 be the signatory on the Contract and *shall* be fully responsible for
26 carrying out the design, renovation or construction, financing and
27 maintenance of the education facility. The contractor may cooperate

1 with another entity or entities in any manner the contractor deems
2 appropriate to provide for the financing, design, renovation,
3 construction or maintenance of the public school facilities envisioned
4 by this Act.

5 (e) *Education agency shall* mean the Guam Department of
6 Education.

7 (f) *Education facility* as used in this Act, *shall* mean the
8 renovation or construction of a new high school, and to include its
9 athletic facilities to be located on the existing site of Simon Sanchez
10 High School.

11 (g) *Lease shall* mean a lease from an education agency to the
12 contractor entered into at the time of the contract for the property.

13 (h) *Lease-back shall* mean the lease from the contractor to
14 the education agency.

15 (i) *Lease-back period shall* mean the term of the lease from
16 the contractor to the education agency.

17 (j) *Property shall* mean any property on which an education
18 facility is located.

19 **§ 58D104. Authorization to Enter Into Long-Term Leases.** For
20 the purpose of facilitating the financing of the design, renovation
21 or construction and maintenance of an education facility encompassed
22 by this Act, the government of Guam or an education agency, as the case
23 may be, is authorized to lease, if required, to the contractor sufficient
24 government of Guam real property on which to renovate or construct a
25 new education facility; *provided*, such property is in the inventory of the
26 education agency or the government of Guam. The property may be the
27 site of an existing education facility under the control of an education

1 agency, which existing facility may be renovated or demolished and
2 rebuilt under the provisions of this Act. The education agency is also
3 authorized to lease back from the contractor the property for a
4 period mutually agreed upon between the education agency and the
5 contractor as may be reasonably necessary to amortize over the lease-
6 back period the costs associated with the financing, design, renovation or
7 construction of the education facility. In no event shall the end of such
8 lease-back period be later than the date thirty (30) years from the
9 scheduled date of completion of the education facility. The lease-back
10 may be structured as an annually renewable lease with provision for
11 automatic renewals to the extent that pledged or reserved revenue under
12 §22425(q)(4) and (6) of Title 5, Guam Code Annotated, is available. The
13 lease-back *shall not* be construed as a debt under any applicable debt
14 limitation under the Guam Organic Act or Guam law.

15 **§ 58D105. Procurement.** Subject to the approval of *I Liheslaturan*
16 *Gudhan*, the government of Guam or an education agency *shall* solicit
17 Requests for Proposals (RFP) through the Department of Public Works, in
18 compliance with the Guam procurement law, for the development of the
19 comprehensive capital improvement plan, the financing, design, renovation
20 or construction of the education facility, together with insurance and
21 maintenance of the education facility over the lease-back period, according
22 to the needs of the education agency and consistent with this Chapter. The
23 choice of the contractor *shall* be made by a selection committee comprised
24 of the Superintendent of the Department of Education, serving as Chairman,
25 and including the Director of the Department of Public Works or Deputy
26 Director, the Director of the Department of Land Management or Deputy
27 Director, the Administrator of the Guam Environmental Protection Agency

1 or Deputy Administrator, and the Administrator of the Guam Economic
2 Development Authority or Deputy Administrator. The committee *shall*
3 access the prior performance of the contractor on similar projects and may
4 disqualify any Contractor that does not have a successful record of project
5 completion on Guam.

6 The selection of a contractor *shall* be based upon the proposal that
7 delivers the best value for Guam in meeting the objectives of the education
8 agency.

9 The RFP *shall* be issued within thirty (30) days of enactment of this
10 Act for the renovation or construction of a new Simon Sanchez High School
11 on the existing site, which may include demolition of such portions of the
12 existing facility as necessary.

13 **§ 58D106. Responsibilities of Contractor.** The contract *shall*
14 require that the contractor will work with GDOE to develop the
15 comprehensive capital improvement plan in connection with the design of a
16 renovated or construction of a new Simon Sanchez High School. Further,
17 the contractor *shall* be responsible for all costs, expenses and fees of any
18 kind or nature, associated with the design, civil improvements, on-site
19 and off-site infrastructure, construction, permits, and financing
20 associated with the completion of an education facility, including the
21 financing of furniture and equipment for the education facility, as, and
22 to the extent, provided by the education agency in the Request for
23 Proposals. The contract will also require that all major subcontracts be
24 covered by a performance bond; and further, that there be a specific
25 delivery date with liquidated damages for failure to deliver the school by
26 the specified date. The contractor *shall* also be responsible for the capital
27 maintenance of the schools during the lease-back period, but *shall not* be

1 responsible for the capital maintenance of the furniture and equipment.
2 The lease-back may provide that if sufficient funds are *not* appropriated
3 or otherwise available for the payment of amounts due under the lease and
4 any maintenance agreement, the education agency will have the
5 obligation to vacate the education facility, and the contractor *shall* have
6 the right of use and occupancy of the education facility for the remainder
7 of the term of the lease, *unless* new mutually satisfactory terms are entered
8 into. For this purpose, the lease may provide that its term shall be extended
9 for a period *not to exceed* the shorter of ten (10) years beyond the
10 original term of the lease-back or such period of time as is necessary to
11 repay in full any financing arranged pursuant to § 58D108. The capital
12 maintenance costs *shall* be paid by the education agency on a periodic
13 basis as incurred by the contractor on terms to be agreed to in the contract
14 for the education facility.

15 **§ 58D107. Assignments.** To facilitate the purposes of this Act
16 and to provide security for the holders of any financing instruments issued
17 pursuant to this Act, the contractor may assign, without the need of the
18 consent of the education agency, the contract, the lease, and the
19 lease-back to any underwriter, trustee, or other party as appropriate, to
20 facilitate the issuance of the tax-exempt obligations, other financial
21 instruments or alternative financing for the education facility.

22 **§ 58D108. Use of Tax-Exempt Bonds for Financing.** To
23 minimize the financing cost to the education agency, financing utilized by
24 the contractor to fund the design, renovation or construction of an
25 education facility *shall* be through tax-exempt obligations or other
26 financial instruments, provided, such financing is available at interest rates

1 determined by the education agency to be reasonable and competitive.
2 Alternatively, the contractor may use an alternative method of financing,
3 including, but *not* limited to, a short term debt, mortgage, loan, federally
4 guaranteed loan or loan by an instrumentality of the United States of
5 America, if such financing will better serve the needs of the people of
6 Guam. Such alternative financing *shall* be approved by *I Liheslaturan*
7 *Guðhan*. The purpose for the requirements of this Section is to assure the
8 education agency pays the lowest possible interest rate so that the cost to
9 the education agency of financing the design, renovation or construction
10 of an education facility, amortized through the lease-back payments
11 from the education agency to the contractor, will be lower than regular
12 commercial rates.

13 **§ 58D109. Pledge of Additional Revenue from the Real Property**
14 **Valuation.** Rental payments under the lease and the lease-back may be
15 secured by a pledge or other reservation of revenues received by the
16 government of Guam pursuant to §22425(q)(4) and (6) Article 4, Chapter 22
17 Division 2, Title 5, Guam Code Annotated. Any amounts pledged as
18 provided in this Section are hereby continuously appropriated for the
19 purpose of making lease-back payments, but any amounts *only* reserved as
20 provided in this Section, and *not* pledged, *shall* be subject to an annual
21 appropriation for the purpose of making lease-back payments. Any such
22 pledge or reservation authorized hereunder *shall* be valid and binding from
23 the time the pledge or reservation is made, and *shall* be limited to the sum of
24 Five Million Fifty One Thousand Nine Hundred Seventy Seven Dollars and
25 Ninety Eight Cents (\$5,051,977.98) per year during the lease-back period, as
26 outlined in §22425(q)(4) and (6) of Title 5, Guam Code Annotated, hereof.
27 The revenues pledged or reserved and thereafter received by the government

1 of Guam or by any trustee, depository or custodian *shall* be deposited in a
2 separate account and *shall* be immediately subject to such reservation or the
3 lien of such pledge without any physical delivery thereof or further act, and
4 such reservation or the lien of such pledge *shall* be valid and binding against
5 all parties having claims of any kind in tort, contract or otherwise against the
6 government of Guam or such trustee, depository or custodian, irrespective of
7 whether the parties have notice thereof. The instrument by which such
8 pledge or reservation is created need not be recorded.

9 **§ 58D110. Utilities and Routine Maintenance and Repair.** The
10 education agency *shall* be responsible for the connection and payment of all
11 utilities, including without limitation, power, water, sewer, telephone and
12 cable, and all routine interior maintenance and repair and exterior
13 groundskeeping and landscaping, and upkeep of the education facility.

14 **§ 58D111. Maintenance Fund.** The contract or a separate
15 maintenance agreement with the contractor, and the lease-back, *shall*
16 provide that all capital maintenance of the education facility be performed
17 by the contractor as a separate cost, the terms of which, and the manner for
18 establishing the amount of payment, *shall* be determined as a part of the
19 contract; provided, however, that said documents may, at the discretion of
20 the education agency, provide that capital maintenance with respect to
21 equipment (including collateral equipment), onsite utilities, offsite utilities,
22 access roads and other similar improvements need not be performed by the
23 contractor.

24 **§ 58D112. Contractual Safeguards.** Prior to undertaking the work
25 of renovating or constructing a new Simon Sanchez High School, the Guam
26 Economic Development Authority, the Department of Public Works, the
27 Guam Department of Education, and the developer or contractor *shall*

1 negotiate and enter into a binding construction contract to renovate or
2 construct a new Simon Sanchez High School in accordance with the Guam
3 Building Code (21 G.C.A. Ch. 67), and any other applicable requirements.
4 The construction contract *shall* contain contractual obligations typically
5 found in government of Guam construction contracts, including, but *not*
6 limited to:

- 7 (a) warranties;
- 8 (b) liquidated damages;
- 9 (c) performance and payment bonds;
- 10 (d) indemnity;
- 11 (e) insurance;
- 12 (f) standard specifications;
- 13 (f) technical specifications;
- 14 (g) progress schedule;
- 15 (h) maintenance;
- 16 (i) compliance with Guam labor regulations;
- 17 (j) compliance with Guam prevailing wage rates for
18 employment of temporary alien workers (H2) on Guam;
- 19 (k) compliance with Public Law 29-98: restriction against
20 contractors employing convicted sex offenders to work at government
21 of Guam venues.

22 The contract *shall* be submitted for review and approval to all entities
23 charged by law with the duty to review and approve government contracts,
24 including the Office of the Attorney General.

25 **§ 58D113. Severability.** *If* any provision of this Act or its
26 application to any person or circumstance is found to be invalid or contrary
27 to law, such invalidity *shall not* affect other provisions or applications of this

1 Act which can be given effect without the invalid provisions or application,
2 and to this end the provisions of this Act are severable.”

3 **Section 3.** §22425(q) of Article 4, Chapter 22, Division 2, Title 5, Guam
4 Code Annotated, is hereby *amended* to read:

5 “(q) Notwithstanding any other provision of law, any additional real
6 property tax revenues received as a result of the most recent valuation of real
7 property due to commence during the calendar years 2013 and 2014 is
8 hereby continuously appropriated annually, *not to exceed* Eight Million Five
9 Hundred Thousand Dollars (\$8,500,000), from the Territorial Educational
10 Facilities Fund in the amounts and for purposes set forth in this Subsection:

11 (1) The sum of One Million One Hundred Fifty Eight
12 Thousand Two Hundred Eighty Three Dollars (\$1,158,283),
13 beginning in FY 2014, for the construction of the Student Services
14 Center and Engineering Annex at the University of Guam, as a source
15 of payment to the University of Guam Capital Improvements Fund for
16 the purpose of paying rental payments due under the lease-leaseback
17 agreements with the University of Guam Endowment Foundation for
18 a term of forty (40) years;

19 (2) The sum of Two Hundred Seventy-eight Thousand Nine
20 Hundred Twenty-one Dollars and Fifty-two Cents (\$278,921.52),
21 beginning in FY 2014 for forty (40) years, for the construction or
22 renovation of Building 100 and the DNA Laboratory at the Guam
23 Community College;

24 (3) The sum of One Hundred Thirty-two Thousand Fifteen
25 Dollars (\$132,015) to the Guam Public Library System to hire a
26 Territorial Librarian at Ninety-three Thousand Three Hundred

1 Seventy-seven Dollars (\$93,377), and a Computer Analyst II at
2 Thirty-eight Thousand Six Hundred Thirty-eight Dollars (\$38,638);

3 (4) The sum of One Million Seven Hundred Seven Thousand
4 Six Hundred Fifty-two Dollars (\$1,707,652) to the Guam Department
5 of Education for the renovation or construction of a new Simon
6 Sanchez High School.

7 (5) The sum of One Million Two Hundred Thousand Dollars
8 (\$1,200,000) for rental payments under the lease and the lease-back as
9 described in Chapter 58D of Title 5, Guam Code Annotated.

10 (6) other than the portions designated to be used for in Items
11 (1), (2), (3), (4) and (5) of this Subsection, eighty percent (80%) of the
12 remaining balance for rental payments due under the lease-leaseback
13 agreement with GDOE secured for the renovation or construction of a
14 new Simon Sanchez High School, to include its athletic facilities, and
15 other Guam Department of Education public school facilities
16 requiring new construction, rehabilitation or maintenance;

17 (7) other than the portions designated to be used for in Items
18 (1), (2), (3), (4) and (5) of this Subsection, 3.5% of the remaining
19 balance for the Early Childhood Program Fund, as described in
20 §53101 of Title 17, Guam Code Annotated;

21 (8) other than the portions designated to be used for in Items
22 (1), (2), (3), (4) and (5) of this Subsection, 3.5 % of the remaining
23 balance for *I Famagu'on-ta*, Child Adolescent Services Division of
24 the Guam Behavioral Health and Wellness Center, and Project
25 *Karinu*. These funds *shall not* be subject to *I Maga'lahaen Guåhan's*
26 transfer authority.

1 (9) other than the portions designated to be used for in Items
2 (1), (2), (3) (4) and (5) of this Subsection, five percent (5%) of the
3 remaining balance to the Department of Revenue and Taxation for the
4 following:

5 (A) for maintenance support and sustainability of real
6 property data and system;

7 (B) for the five (5) year (quinquennial) property tax
8 revaluation as mandated by law;

9 (C) for enhancements, and technological
10 advancements related to software/hardware, and support staff
11 necessary to improve electronic services; and

12 (D) for other costs directly associated with improving
13 the efficiency of the real property tax system.

14 The Director of the Department of Revenue and Taxation *shall*
15 submit a report to *I Maga'lahen Guåhan* and *I Liheslaturan Guåhan*
16 on a monthly basis as to the expenditures of the funds following the
17 enactment of this Act, detailing all transactions;

18 (10) other than the portions designated to be used for in Items
19 (1), (2), (3), (4) and (5) of this Subsection, five percent (5%) of the
20 remaining balance *shall* be lock boxed for the procurement of a
21 unified financial management information system, as recommended
22 by consensus from the Department of Revenue and Taxation, the
23 Department of Administration, the General Services Agency, the
24 Office of Public Accountability, the Office of Technology, the
25 University of Guam, the Guam Community College, the Guam
26 Department of Education, and Guam Memorial Hospital Authority.
27 This amount shall be subject to legislative appropriation.

1 (11) Other than the portions designated to be used for in Items
2 (1), (2) (3) (4) and (5) of this Subsection, three percent (3%) of the
3 remaining balance *shall* be a source of funding for island-wide school
4 bus shelters. The Director of the Department of Public Works *shall*
5 submit a report to *I Maga'lahaen Guåhan* and *I Liheslaturan Guåhan*
6 on a monthly basis as to the expenditures of the funds following
7 enactment of this Act, detailing all transactions.”

8 **Section 4.** §53101 of Title 17, Guam Code Annotated, is hereby *amended*
9 to read as follows:

10 “§ 53101. **Early Childhood Program Fund.** There is hereby
11 created, separate and apart from all other funds of the government of Guam,
12 a fund known as the “Early Childhood Program Fund.” All monies received
13 by or on behalf of the government of Guam pursuant to §22425(q)(7) of
14 Title 5 GCA, *shall* be deposited in the Fund and used for early childhood
15 programs at the University of Guam, the Guam Community College, or the
16 Guam Department of Education. The Fund *shall not* be commingled with the
17 General Fund or any other funds of the government of Guam, and it *shall* be
18 maintained in a separate bank account. All monies in the Fund *shall* require
19 legislative appropriation, and *shall not* be subject to any transfer authority of
20 *I Maga'lahaen Guåhan.*”

21 **Section 5. Severability.** *If* any provision of this Act or its application to
22 any person or circumstance is found to be invalid or contrary to law, such
23 invalidity *shall not* affect other provisions or applications of this Act which can be
24 given effect without the invalid provisions or application, and to this end the
25 provisions of this Act are severable.”

EDDIE BAZA CALVO
Governor



RAY TENORIO
Lieutenant Governor

Office of the Governor of Guam

FEB 13 2014

Honorable Judith T. Won Pat, Ed.D.
Speaker
I Mina'trentai Dos Na Liheslaturan Guåhan
155 Hesler Street
Hagåtña, Guam 96910

32-14-1302
Office of the speaker
Judith T. Won Pat, Ed. D.
Date: 2/14/14
Time: 4:49 PM
Received by: [Signature]

Dear Madame Speaker:

Transmitted herewith is Bill No. 226-32 (COR) "AN ACT TO ADD A NEW CHAPTER 58E TO TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE FINANCE, DESIGN, RENOVATION, REHABILITATION, CONSTRUCTION OR MAINTENANCE OF PUBLIC SCHOOLS" which I signed into law on February 10, 2014 as Public Law 32-121.

Senseramente,

EDDIE BAZA CALVO

2014 FEB 14 PM 4:49 [Signature]

1302

Ricardo J. Bordallo Governor's Complex • Adelup, Guam 96910
Tel: (671) 472-8931 • Fax: (671) 477-4826 • governor.guam.gov • calendar.guam.gov
 Eddie Baza Calvo @eddiebazacalvo @governorcalvo governorofguam

I MINA'TRENTAI DOS NA LIHESLATURAN GUÅHAN
2014 (SECOND) Regular Session

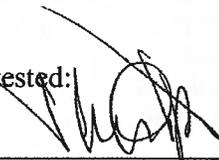
CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

This is to certify that **Bill No. 226-32 (COR)**, "AN ACT TO *ADD A NEW CHAPTER 58E TO TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE FINANCE, DESIGN, RENOVATION, REHABILITATION, CONSTRUCTION OR MAINTENANCE OF PUBLIC SCHOOLS,*" was on the 1st day of February, 2014, duly and regularly passed.



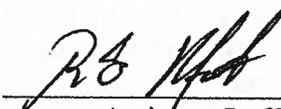
Judith T. Won Pat, Ed.D.
Speaker

Attested:



Tina Rose Muña Barnes
Legislative Secretary

This Act was received by *I Maga'lahen Guåhan* this 1st day of FEB,
2014, at
10:50 o'clock P.M.



Assistant Staff Officer
Maga'lahi's Office

APPROVED:



EDWARD J.B. CALVO
I Maga'lahen Guåhan

Date: FEB 10 2014

Public Law No. 32-121

1 for the interest payments of the lease and lease-back as a form of bridge
2 financing until the maturity of the Business Privilege Tax bond series
3 2013C.

4 *I Liheslatura* finds that after reviewing the summary of outstanding
5 General and Limited Obligation debts as of March 1, 2013, that the debt
6 ceiling assessed value is at One Billion One Hundred Thirty Nine Million
7 Four Hundred Sixty Four Thousand Eight Hundred Fifty Three Dollars
8 (\$1,139,464,853). It also states that the General Obligation Debt is Four
9 Hundred Forty Six Million Four Hundred Seventy Three Thousand Eight
10 Hundred Fifty Three Dollars (\$446,473,853), and the Limited Obligation
11 Debt is Six Hundred Sixty Three Million Eight Hundred Ninety Six
12 Thousand Eight Hundred Three Dollars (\$663,896,803), with an
13 accumulated total of One Billion One Hundred Ten Million Three Hundred
14 Seventy Thousand Six Hundred Fifty Six Dollars (\$1,110,370,656).
15 Subtracting the debt ceiling limit less the General and Limited Obligation
16 Debts leaves the amount for future debt obligation at Twenty Nine Million
17 Ninety Four Thousand One Hundred Ninety Seven Dollars (\$29,094,197).

18 *I Liheslatura* further finds that the cost to fund the rehabilitation of
19 the public schools will certainly exceed the debt ceiling obligation if a
20 general obligation bond is pursued. To circumvent Guam's debt ceiling cap,
21 *I Liheslatura* finds that the construction of *Okkodo* High School, *Astumbo*
22 Middle School, *Liguan* Elementary School, *Adacao* Elementary School,
23 John F. Kennedy High School, and the expansion of *Okkodo* High School,
24 has demonstrated the fundamental soundness of using municipal lease as a
25 vehicle to build new educational facilities. By making the most of municipal
26 leasing to rehabilitate and construct Guam public schools, the remaining

1 future debt obligation may be used to fund other priorities of the
2 government.

3 § 58E101. **Definitions.** For purposes of this Chapter and *unless*
4 otherwise specified, the following words and phrases are defined to mean:

5 (a) *Comprehensive capital improvement plan* means a plan
6 that takes into consideration the physical condition of each school
7 along with attendance area population, enrollment patterns, and
8 bussing logistics. It *shall* also include how each school meets the
9 instructional needs of GDOE, and prioritizes repairs of existing
10 schools and renovation and construction of new school facilities in
11 order to deal with GDOE limited resources.

12 (b) *Contract shall* mean the design, renovation,
13 rehabilitation, construction, and financing contract entered into by and
14 between the education agency and the contractor chosen by the Guam
15 Economic Development Agency and approved by *I Liheslaturan*
16 *Guåhan*.

17 (c) *Contractor shall* mean the authorized entity which *shall*
18 be the signatory on the contract and *shall* be fully responsible for
19 carrying out the design, renovation, rehabilitation, construction,
20 financing, or maintenance of the education facility. The contractor
21 may cooperate with another entity or entities in any manner the
22 contractor deems appropriate to provide for the financing, design,
23 renovation, rehabilitation, construction or maintenance of the public
24 school facilities envisioned by this Act.

25 (d) *Education agency shall* mean the Guam Department of
26 Education.

1 (e) *Education facility* as used in this Act *shall* mean public
2 elementary and secondary schools on Guam, to include its athletic
3 fields and playgrounds, excluding the five leased schools under the
4 education agency.

5 (f) *Lease shall* mean a lease from an education agency to the
6 contractor entered into at the time of the contract for the property.

7 (g) *Lease-back shall* mean the lease from the contractor to
8 the education agency of the rehabilitated, renovated or newly
9 constructed education facility.

10 (h) *Lease-back period shall* mean the term of the lease from
11 the contractor to the education agency.

12 (i) *Property shall* mean any property on which an education
13 facility is located.

14 **§ 58E102. Authorization to Enter into Long-term Leases.** For
15 the purpose of facilitating the financing, design, construction and
16 rehabilitation and maintenance of an education facility encompassed by this
17 Act, the government of Guam or an education agency, as the case may be, is
18 authorized to lease, if required, to the contractor sufficient government of
19 Guam real property on which to rehabilitate an education facility; provided,
20 such property is in the inventory of the education agency or the government
21 of Guam. The property may be the site of an existing education facility
22 under the control of an education agency, which existing facility may be
23 rehabilitated under the provisions of this Act.

24 The education agency is also authorized to lease back from the
25 contractor the property for a period mutually agreed upon between the
26 education agency and the contractor as may be reasonably necessary to
27 amortize over the lease-back period the costs associated with the design,

1 renovation, rehabilitation, construction or maintenance of the education
2 facility. In no event shall the end of such lease-back period be later than the
3 date thirty (30) years from the scheduled date of completion of the education
4 facility. The lease-back may be structured as an annually renewable lease
5 with a provision for automatic renewals to the extent that pledged revenue
6 under § 58E107 is available. The lease-back *shall not* be construed as a debt
7 under any applicable debt limitation under the Guam Organic Act or Guam
8 law.

9 **§ 58E103. Identification of Projects and Procurement.** Under the
10 Superintendent of Education's direction, the education agency *shall* utilize
11 the Program Study, and the report generated by the Department of Interior
12 (DOI)-funded assessment report by the Army Corps of Engineers, to identify
13 and prioritize potential projects to be completed. The list of projects *shall* be
14 included in a Request for Proposals developed by the education agency.
15 Upon receipt of the Program Study, the Superintendent of Education *shall*
16 solicit Requests for Proposals (RFP) through the Department of Public
17 Works, in compliance with the Guam Procurement Law, for the financing,
18 design, construction and rehabilitation of the education facility, according to
19 the needs of the education agency and consistent with this Chapter. The
20 choice of the contractor *shall* be made by a selection committee comprised
21 of the Superintendent of the Department of Education, serving as Chairman,
22 and including the Director of the Department of Public Works or Deputy
23 Director, the Director of the Department of Land Management or Deputy
24 Director, the Administrator of the Guam Environmental Protection Agency
25 or Deputy Administrator, and the Administrator of the Guam Economic
26 Development Authority or Deputy Administrator. The committee *shall*
27 assess the prior performance of the contractor on similar projects, and *shall*

1 be free to disqualify any contractor that *does not* have a successful record of
2 project completion on Guam.

3 The selection of a contractor *shall* be based upon the proposal that
4 delivers the best value for Guam in meeting the objectives of the education
5 agency.

6 The RFP *shall* be issued within thirty (30) days after the receipt of the
7 Program Study for the design, renovation, rehabilitation, construction or
8 maintenance of the education facility.

9 **§ 58E104. Responsibilities of Developer/Contractor.** The
10 contract *shall* require that the contractor be responsible for all costs,
11 expenses and fees of any kind or nature, associated with the rehabilitation,
12 design, civil improvements, on-site and off-site infrastructure, construction,
13 permits, and financing associated with the completion of an education
14 facility, including the financing of furniture and equipment for the education
15 facility, as and to the extent provided by the education agency in the Request
16 for Proposals. The lease-back may provide that if sufficient funds are not
17 appropriated or otherwise available for the payment of amounts due under
18 the lease, the education agency will have the obligation to vacate the
19 education facility, and the contractor *shall* have the right of use and
20 occupancy of the education facility for the remainder of the term of the
21 lease, *unless* new mutually satisfactory terms are entered into. For this
22 purpose, the lease may provide that its term *shall* be extended for a period
23 *not to exceed* the shorter of ten (10) years beyond the original term of the
24 lease-back, or such period of time as is necessary to repay in full any
25 financing arranged pursuant to § 58E108 of this Chapter. The capital
26 maintenance costs *shall* be paid by the education agency.

1 **§ 58E105. Contractual Safeguards.** Prior to undertaking the work
2 of rehabilitating educational facilities, the Guam Economic Development
3 Authority, the Department of Public Works, the Guam Department of
4 Education, and the developer or contractor, *shall* negotiate and enter into a
5 binding construction contract to build or refurbish the educational facility in
6 accordance with the Guam Building Code (21 G.C.A. Ch. 67), and any other
7 applicable requirements. The construction contract *shall* contain contractual
8 obligations typically found in government of Guam construction contracts,
9 including, but *not* limited to:

- 10 (a) warranties;
- 11 (b) liquidated damages;
- 12 (c) performance and payment bonds;
- 13 (d) indemnity;
- 14 (e) insurance;
- 15 (f) standard specifications;
- 16 (g) technical specifications;
- 17 (h) progress schedule;
- 18 (i) maintenance;
- 19 (j) compliance with Guam labor regulations;
- 20 (k) compliance with Guam prevailing wage rates for
21 employment of temporary alien workers (H2) on Guam;
- 22 (l) compliance with Public Law 29-98: restriction against
23 contractors employing convicted sex offenders to work at government
24 of Guam venues.

25 The contract must be submitted for review and approval to all entities
26 charged by law with the duty to review and approve government contracts,
27 including the Office of the Attorney General.

1 **§ 58E106. Assignments.** To facilitate the purpose of this Act and
2 provide security for the holders of any financing instruments issued pursuant
3 to this Act, the contractor may assign, without the need of the consent of the
4 education agency, the contract, the lease and lease-back to any underwriter,
5 trustee or other party as appropriate to facilitate the contractor financing.

6 **§58E107. Pledge of Revenues.**

7 (a) Rental payments under the lease and the lease-back may
8 be secured by a pledge or other reservation of revenues collected by
9 the government of Guam from the following:

10 (1) Taxes collected under the Business Privilege Tax
11 Law (namely, 11 GCA Chapter 25, excluding the alcoholic
12 beverage taxes, liquid fuel taxes, automotive surcharges,
13 tobacco taxes and real property taxes). The business privilege
14 tax pledged or reserved *shall only* apply to the unpledged
15 portion of the business privilege tax (currently one percentage
16 point of the current four percent business privilege tax rate) so
17 as not to violate the government's covenants to bondholders of
18 the Series A, Series B and Series C Limited Obligation bonds
19 authorized through Public Law 31-76, Public Law 31-196 and
20 Public Law 31-276. The sum of approximately One Million
21 Eight Hundred Eighty-Two Thousand Eighty-Two Dollars
22 (\$1,882,082) *shall* fund interest in Fiscal Year 2015, and the
23 sum of approximately Two Million Five Hundred Sixty Four
24 Thousand One Hundred Sixty-Five Dollars (\$2,564,165) *shall*
25 fund interest payment annually for Fiscal Years 2016 through
26 2018.

1 (2) The sum of One Million Two Hundred Thousand
2 Dollars (\$1,200,000) from the revenues received pursuant to
3 §22425(q)(5) of Article 4, Chapter 22 Division 2, Title 5, Guam
4 Code Annotated will be available annually beginning in Fiscal
5 Year 2016; and

6 (3) The sum of Four Million Eight Hundred Thousand
7 Dollars (\$4,800,000) from the maturity of Business Privilege
8 Tax Bond Series 2013C *shall* be available annually beginning
9 in Fiscal Year 2019.

10 (b) Revenues pledged or reserved *shall* be remitted in the
11 following manner:

12 (1) The Business Privilege Tax *shall* only pay for the
13 interest payments of the lease and the lease-back pending the
14 maturity of the Business Privilege Tax Bond Series 2013C in
15 Fiscal Year 2019, and said interest payments *shall* cease.

16 (2) Revenues received pursuant to §22425 (q)(5) of
17 Article 4, Chapter 22 Division 2, Title 5, Guam Code
18 Annotated, upon availability; and

19 (3) Upon the maturity of the Business Privilege Tax
20 Bond Series 2013C.

21 Any amounts pledged as provided in this Section are hereby
22 continuously appropriated for the purpose of making lease-back payments,
23 but any amounts only reserved as provided in this Section, and not pledged,
24 shall be subject to annual appropriation for the purpose of making lease-back
25 payments. The revenues pledged or reserved and thereafter received by the
26 government of Guam or by any trustee, depository or custodian *shall* be
27 deposited in a separate account and *shall* be immediately subject to such

1 reservation or the lien of such pledge without any physical delivery thereof
2 or further act, and such reservation or the lien of such pledge *shall* be valid
3 and binding against all parties having claims of any kind in tort, contract or
4 otherwise against the government of Guam or such trustee, depository or
5 custodian, irrespective of whether the parties have notice thereof. The
6 instrument by which such pledge or reservation is created need not be
7 recorded.

8 **§ 58E108. Use of Tax-Exempt Bond, Taxable Bond and Other**
9 **Financing Instruments for Financing.** To minimize the financing cost to
10 the education agency, financing utilized by the contractor to fund the
11 design, renovation, rehabilitation, construction or maintenance of an
12 education facility *shall* be through tax-exempt obligations, taxable bond
13 obligation, or other financial instruments, provided, such financing is
14 available at interest rates determined by the education agency to be
15 reasonable and competitive. Alternatively, the contractor may use an
16 alternative method of financing, including, but *not* limited to, a short
17 term debt, mortgage, loan, federally guaranteed loan or loan by an
18 instrumentality of the United States of America if such financing will
19 better serve the needs of the people of Guam. Such alternative financing
20 *shall* be approved by *I Liheslaturan Guåhan*. The purpose for the
21 requirements of this Section is to assure the education agency pays the
22 lowest possible interest rate so that the cost to the education agency of
23 financing the design and construction of an education facility,
24 amortized through the lease-back payments from the education
25 agency to the contractor, will be lower than regular commercial rates.

26 **§ 58E109. Utilities, Maintenance and Repair.** The education
27 agency *shall* be responsible for the connection and payment of all utilities,

1 including without limitation, power, water, sewer, telephone, and cable, and
2 all maintenance and repair and exterior groundskeeping and landscaping,
3 and upkeep of the education facility.

4 **§ 58E110. Severability.** If any provision of this Act or its
5 application to any person or circumstance is found to be invalid or contrary
6 to law, such invalidity *shall not* affect other provisions or applications of this
7 Act which can be given effect without the invalid provisions or application,
8 and to this end the provisions of this Act are severable.”

**ATTACHMENT C: GDOE REHABILITATION, CONSTRUCTION, EXPANSION AND
RENOVATION PRIORITIES**

Guam Department of Education Facility Priorities

1. Renovation of Simon Sanchez High School
2. Development of a comprehensive capital improvement plan to modernize schools
3. Funding the needs of the remaining schools in order of general priority:
 - Potential lease-back arrangement for the following:
 - A new central/north middle school
 - George Washington High School
 - FB Leon Guerrero Middle School
 - Vicente Benavente Middle School
 - Agueda Johnston Middle School
 - Inarajan Middle School
 - Southern High School
 - Oceanview Middle School
 - Jose Rios Middle School
 - Repair/renovation/upgrade of other schools, listed according to Army Corps of Engineers assessment score:
 - Chief Brodie Memorial Elementary School
 - J.Q. San Miguel Elementary School
 - Tamuning Elementary School
 - D.L. Perez Elementary School
 - P.C. Lujan Elementary School
 - Price Elementary School
 - M.U. Lujan Elementary School
 - Talofofo Elementary School
 - J.P. Torres Alternative School
 - Carbullido Elementary School
 - Juan M. Guerrero Elementary School
 - LBJ Elementary School
 - Merizo Martyrs Memorial Elementary School
 - Finegayan Elementary School
 - Upi Elementary School
 - Agana Heights Elementary School
 - Astumbo Elementary School
 - Inarajan Elementary School
 - Wettengel Elementary School
 - Marcial Sablan Elementary School
 - Maria Ulloa Elementary School

- Truman Elementary School
- C.L. Taitano Elementary School
- Machananao Elementary School
- Ordot Chalan Pago Elementary School

ATTACHMENT D: ACKNOWLEDGEMENT OF RECEIPT FORM

DEPARTMENT OF PUBLIC WORKS

Please acknowledge receipt of

RFP-_____

Lease Financing for Rehabilitation, Construction, Expansion and Renovation of Public School Facilities

Name of Prospective Offeror _____

Name of person receiving RFP _____

Signature _____

Date _____

Time _____

Contact Person regarding RFP _____

Company/Firm _____

Title _____

E-mail Address _____

Contact Number _____

Fax Number _____

Address _____