

**LEASE FINANCING FOR DESIGN, RENOVATION, REHABILITATION,
CONSTRUCTION AND MAINTENANCE OF PUBLIC SCHOOLS
(BEGINNING WITH SIMON SANCHEZ HIGH SCHOOL)**

PROJECT No.: 730-5-1055-L-YIG

**EDDIE BAZA CALVO
Governor of Guam**

PREPARED BY:



**DIVISION OF CAPITAL IMPROVEMENT PROJECTS
CONTRACTS ADMINISTRATION SECTION
DEPARTMENT OF PUBLIC WORKS
GOVERNMENT OF GUAM**

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2015

RECOMMEND APPROVAL:

APPROVED BY:



JOHN F. CALANAYAN
Engineer in Charge
Department of Public works

Date: 6/11/15



GLENN LEON GUERRERO
Director
Department of Public works

Date: 6/11/15

**LEASE FINANCING FOR DESIGN, RENOVATION, REHABILITATION,
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(BEGINNING WITH SIMON SANCHEZ HIGH SCHOOL)**

PROJECT NO.: NO. 730-5-1055-L-YIG

RFP Issue Date: **June 15, 2015**

Number of Pages: **106**

Proposal Date and Time:

August 28, 2015

4:00 p.m. Chamorro Standard Time

ISSUING AGENCY INFORMATION

**Department of Public Works
Glenn Leon Guerrero, Director, Acting
542 North Marine Corps Drive
Upper Tumon, Guam 96913
glenn.leonguerrero@dpw.guam.gov
Phone: (671) 646-3131**

**DPW-CIP Engineer-Point of Contacts:
John F. Calanayan, Engineer Supervisor
John.calanayan@dpw.guam.gov
Phone: (671) 646-3189**

INSTRUCTION TO OFFERORS

Return Proposal to:
John F. Calanayan
Department of Public Works
542 North Marine Corps Drive
Upper Tumon, Guam 96913
John.calanayan@dpw.guam.gov
Phone: (671) 646-3189

Mark Face Envelope/Package:
RFP No.: 730-5-1055-L-YIG
RFP Title: Lease Financing for Design,
Renovation Rehabilitation, Construction and
Maintenance of Public Schools
(Beginning with Simon Sanchez High School)

Proposal Date: **August 28, 2015 @ 4 p.m.**
(Chamorro Standard Time)

OFFERORS MUST COMPLETE THE FOLLOWING

Offeror Name /Point of Contact/Address:

Authorized Offeror Signatory:

(Please print and sign)

Offeror Phone Number:

Offeror Fax Number:

Offeror Federal I.D. Number

Offeror e-mail address:

OFFERORS MUST RETURN THIS COVER SHEET WITH THEIR PROPOSALS

**LEASE FINANCING FOR DESIGN, RENOVATION, REHABILITATION,
CONSTRUCTION OR MAINTENANCE OF PUBLIC SCHOOLS
(BEGINNING WITH SIMON SANCHEZ HIGH SCHOOL)
PROJECT NO. 730-5-1055-L-YIG**

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OFFERORS CHECKLIST

This Checklist is provided for assistance only and should not be submitted with Offerors 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 and Time
RFP Issue Date:	June 15, 2015
Pre-proposal Conference & Simon Sanchez High School Site Inspection:	July 6, 2015 @ 9:00 A.M.
Deadline for Receipt of Written Questions:	July 24, 2015 @ 4:00 P.M.
Issuance of Answers to Written Questions:	August 7, 2015
RFP Due Date and Time:	August 28, 2015 @ 4:00 P.M.
Anticipated Discussions with offerors:	
Anticipated Award of Contract:	
Anticipated Leaseback Execution:	

SECTION 2: PROJECT OVERVIEW AND INSTRUCTIONS

2.0 INTENT

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 seeking a qualified firm to provide financing, design, renovation and construction and to provide collateral equipment, maintenance and insurance as mandated under Public Laws 32-120 and 32-121 for a total of thirty-six (36) Guam Department of Education (GDOE) schools as outlined in the Army Corps of Engineering assessment report (**Attachment A-14**) with priority of Simon Sanchez High School, as well as the development of a comprehensive capital improvement plan, as defined in 5 G.C.A. § 58D103(b) & 58E101(a).

Prospective Offerors are directed to read referenced Public Laws 32-120 and 32-121, Public Law 20-27 as amended by P.L. 31-118 amending subsections 850, 852 & 853 of Title I of the Guam Code Annotated. These laws are available on the World Wide Web at <http://www.guamlegislature.com> All offerors are to understand that in the event of conflict between representations made in this RFP and a public law, the public law controls.

It is the intent that an indefinite delivery, indefinite quantity (IDIQ) contract for financing, design, renovation and construction services of GDOE school facilities will be awarded to the most responsive and responsible Proposer whose proposals meet the needs of the Department of Public Works (DPW) to the best degree.

Once a firm is selected, a scope of work and fee estimate will be negotiated to perform the required services for each selected school. A task order will then be developed and executed.

2.1 PERIOD OF PERFORMANCE

2.1.1 Design/Construction/Renovation/Demolition/CIP:

Period of performance of the IDIQ contract for financing, design, renovation, and construction services is for a five (5) year period commencing from the date of award.

The period of performance to complete the Simon Sanchez School Facility is seven hundred and twenty (720) days or two (2) years commencing from the date of award of the negotiated task order.

The period of performance for each remaining thirty-five (35) GDOE school facilities will be negotiated and awarded on a task order basis per school facility.

2.1.2 Lease Back Agreement:

The lease-back period for each school will not exceed Thirty (30) years from the schedule date of completion of the educational facility.

2.2 REQUEST FOR PROPOSAL

2.2.1 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 Two Hundred U.S. Dollars (\$200.00) 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 A-13 (Page 105)** to this RFP and return the completed form to DPW in order to receive any addenda or other notices related to this RFP (5GCA 5220 (b)). 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.

2.2.2 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

2.3 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).

2.4.7 Multiple or Alternate Proposals. Multiple or alternate proposals will not be accepted.

2.5 DISCUSSIONS AND EVALUATION

2.5.1. Selection Committee. (5GCA 58D105 & 58E103) The choice of the firm shall be made by a selection committee comprised of the Superintendent of Guam Department of Education (GDOE), serving as Chairman and including the Director of Department of Public Works (DPW) or Deputy Director, the Director of the Department of Land Management (DLM) or Deputy Director, the Administrator of the Guam Environmental Protection Agency (GEPA) or Deputy Administrator, and the Administrator of the Guam Economic Development Authority (GEDA) or Deputy Administrator.

2.5.2 Discussions. In accordance with the Guam Procurement Regulations, the evaluation committee may conduct discussions with any any Offeror at anticipated date and time as stated in **Section 1**. 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 required services, 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**.

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 the best qualified Offeror(s) 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 DPW will negotiate a contract with the best qualified Offeror. If compensation, contract requirements or contract documents cannot be agreed upon, the DPW may enter into negotiations with the next most qualified offeror.

2.6 LEGAL REQUIREMENTS

Each Offeror is required to submit the affidavits and assurances attached as **Attachments A-1 through A-6**. 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 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.
- Attachment A-6: Local Procurement Preference Application

2.7 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.

2.8 EQUAL OPPURTUNITY

(a) The Contractor will not discriminate against any employee or applicant for employment because of race, religion, sex, color, age, economic status, or national origin. The Contractor will take affirmative action to insure that qualified applicants are employed and that employees are treated during employment without regard to their race, religion, sex, color, age, economic status, or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoffs or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this nondiscrimination clause.

(b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, religion, sex, color, age, economic status, or national origin.

(c) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Contracting Officer, advising the said labor union or workers' representative of the Contractor's commitments under Section 202 of Executive

Order No. 11246 of September 24, 1965 and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

2.9 HIRING APPRENTICES

The Contractor shall hire for performance of work under this contract apprentice(s) to be employed in the performance of work under this contract if H2 workers are employed in accordance with Executive Order No. 2014-06 and 2014-09.

2.10 MINIMUM WAGE RATE

All temporary alien workers (H2) employed on this project shall be paid not less than minimum wage applicable to the corresponding skill or craft as determined by the Department of Labor, Government of Guam. Prevailing wage rates of Department of Labor, Government of Guam are attached herewith and shall be deemed a part of the contract documents. (See **Attachment A-7: PREVAILING WAGE RATE FOR TEMPORARY ALIEN**).

For the latest U.S. Department of Labor Wage Determination: Guam, Northern Marianas Islands, visit <http://www.wdol.gov/wdol/scafiles/std/05-2147.txt>

2.11 WAGE AND BENEFITS DETERMINATION FOR SERVICES

Offerors submitting proposals must pay employees providing services procured through this RFP in accordance with the Wage Determination for Guam and the Northern Mariana Islands issued and promulgated by U.S. Department of Labor for such labor as is employed in the direct delivery of contract deliverables to the government of Guam. 5 GCA § 5801 and § 5802, as applicable. A copy of the most recent wage determination is included herein (See **Attachment A-8: THE WAGE DETERMINATION FOR SERVICE CONTRACT ACT**). The Wage Determination for Guam and the Northern Mariana Islands also can be found on the U.S. Department of Labor's website: <http://www.wdol.gov>.

Offerors submitting proposals must provide health and similar benefits for employees, such benefits having a minimum value as detailed in the Wage Determination issued and promulgated by U.S. Department of Labor and shall contain provisions guaranteeing a minimum of ten (10) paid holidays per annum per employee. 5 GCA § 5802.

See Attachment A-8A: AG Procurement Form 006 (Feb. 16, 2010) must be completed and included in all responses to this RFP.

SECTION 3: GENERAL INFORMATION

3.0 AUTHORITY

This RFP is issued under the authority of Public Laws 32-120 and 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:

John F. Calanayan
The Department of Public Works
542 North Marine Corps Drive
Upper Tumon, Guam 96913
john.calanayan@dpw.guam.gov
Phone: (671) 646-646-3189

3.3 PRIME CONTRACTOR/SUBCONTRACTORS PARTNERSHIP

The Offeror awarded a contract under this RFP will be the Prime 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. Subcontractors should be capable of submitting performance bond and to comply with 5 GCA 58D106 requirements. The Prime 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.

Offeror shall have a Current Certificate of Authorization (COA) to contract for architectural or engineering services issued by the Guam Board of Registration for Professional Engineers, Architects and Land Surveyors prior to the award.

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 as provided in the Guam Procurement Regulations;
- Reject any or all proposals received in response to this RFP in the best interests of DPW or the government of Guam as provided in the Guam Procurement Regulations;
- 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-A: DESIGN/CONSTRUCTION/RENOVATION/DEMOLITION SCOPE OF WORK

4.0 OVERVIEW

The scope of work for this RFP includes financing and lease financing for rehabilitation, construction, expansion and renovation (inclusive of architectural and engineering design) of thirty-six (36) schools with a total cost of up to One Hundred Million Dollars (\$100,000,000.00). The Simon Sanchez High School shall be the first priority. The Offeror shall work with the Superintendent of Education and Guam Economic Development Authority to identify and prioritize potential projects to be completed based on the assessment report generated by US Army Corps of Engineers in August 2013 and by the latest Federal and Local Building Code Standards.

4.0.1 The Offeror shall include project approach and cost estimates for all thirty-six (36) public schools (including Simon Sanchez High School) with their proposal based on the August 2013 US Army Corps of Engineers assessment report for the listed deficiencies and also for providing furniture and equipment to facilitate the function of the schools.

4.0.2 The Offeror shall include approach and cost estimate to provide capital maintenance and insurance for all thirty-six public schools (including Simon Sanchez High School).

4.0.3 In addition the Offeror shall also include a separate project approach and cost estimate for design, construction/renovation, and demolition in whole or in part of Simon Sanchez High School to be in compliance with the latest Federal and Local Building Code Standards and construction of additional new facilities such as cafeteria, auditorium, Sports Facilities, Gymnasium, Track and Field, etc., and to provide furniture and equipment, maintenance and insurance as mandate under Public Law 32-121.

4.0.3.1 The Offeror shall include in his proposal, Conceptual Plans showing the civil and architectural layout for Simon Sanchez High School based on SSHS Requirements. It shall also include all offsite development such as proposed access roads and any modifications to existing roadways or pedestrian facilities, utilities, landscaping, etc. It shall also include concept building elevations (front, side and rear elevations), and an architectural rendering depicting the type of structure, color schemes, and structures orientation relative to grounds improvements. **(Please see attached sample, ATTACHMENT A-9)**

4.0.3.2 The Offeror's proposal must also include a work plan to sequence renovation and construction work of a live and occupied facility that will not result in campus closure, double session, and utility service disruption. The plan must insure 180 instructional days are met as mandated in P.L. 28-45. **(Please see attached sample, ATTACHMENT A-10)**

4.1 TASK ORDERS

Task Orders will be negotiated, issued and released under the Contract for the rehabilitation or construction of the GDOE schools beginning with Simon Sanchez High School educational facilities. The construction task order shall contain contractual obligations including, but not limited to:

- a) Warranties;
- b) Liquidated damages;
- c) Performance and Payment bonds;
- d) Indemnity;
- e) Insurance;
- f) Standard specifications;
- g) Technical specifications;
- h) Progress schedule;
- i) Daily reports;
- j) Maintenance;
- k) Compliance with Guam labor regulations;
- l) Compliance with Guam prevailing wage rates for employment of temporary alien workers (H2) on Guam;
- m) Compliance with Public Law 29-98: restriction against contractors employing convicted sex offenders to work at government of Guam venues.

In negotiation of task order, 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:

- a) 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.;
- b) 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;

- c) 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;
- d) The cost of reproducing drawings and specifications for bidding and their distribution to prospective bidders and plan file rooms.
- e) Collateral equipment, 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. GRT rate shall be added after the direct cost and 15% overhead and profit.

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 If the Offeror is a Developer; it is the responsibility of the Developer to hire a Contractor based on the minimum experiences and qualifications required by this RFP. The Developer must submit his Construction Team personnel qualifications, experiences plus all other documentations necessary to assist the Evaluation Team during the evaluation process.

4.2.1.3 If the Offeror is a Contractor; it is the responsibility of the Contractor to hire or partner with a Developer based on the minimum experiences and qualifications required by this RFP. The Contractor must submit his

Developer Team personnel qualifications, experiences plus all other documentations necessary to assist the Evaluation Team during the evaluation process.

- 4.2.1.4** Bid Bond. DPW will require that all Offerors include a Bid Bond of not less than 15% of the Bid Amount 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.
 - 4.2.1.5** The Offeror must be bondable as required by this RFP and by law. A one hundred percent (100%) 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).
 - 4.2.1.6** The Offeror shall be responsible for all costs, expenses and fees of any kind or nature, associated with the rehabilitation, design, civil improvements, on-site and off-site infrastructure, construction, permits, and financing associated with the completion of an education facility.
 - 4.2.1.7** The Awardee shall work with the Guam Economic Development Authority to finance the design (including architectural and engineering), renovation or construction of all thirty-six (36) school facilities and to provide furniture and equipment.
 - 4.2.1.8** 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.
 - 4.2.1.9** 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.
 - 4.2.1.10** All thirty-six (36) school facilities shall be designed, constructed and /or renovated using certified recognized sustainable design measurement systems so as to be energy efficient, achieve cost effective operation and environmental compatibility.
- 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** The Offeror shall maintain appropriate and safe traffic control during construction phase. All traffic control during school hours shall be reviewed and approved by GDOE and DPW.
- 4.2.3.4** All fencing shall meet GDOE and DPW requirements.
- 4.2.3.5** Any construction vehicles within the construction site boundary shall have a company placard clearly visible on the vehicle.

- 4.2.3.6 The Offeror shall install and maintain proper erosion control measures to prevent run-off during construction.
- 4.2.3.7 Parking for Offeror's personal vehicles shall be as directed by GDOE and DPW.
- 4.2.3.8 Temporary Utilities. The Offeror shall be responsible for connecting and disconnecting all temporary utilities at the construction site.
- 4.2.3.9 Record Documents. The Offeror shall be responsible for maintaining specifications and 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.
- 4.2.3.10 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. Other Requirements. Proposals must adhere to the following:

- 4.2.4.1. The arrangement does not raise taxes or fees, or create new taxes or fees;
- 4.2.4.2. The financial impact on the government of Guam is as stated in current public law.
- 4.2.4.3. 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, GDOE, GEDA or the government of Guam. By submitting a proposal in response to this RFP, prospective Offerors understand and agree with this requirement.

4.4 OFFEROR'S RESPONSIBILITIES

Offerors are required to review Public Laws 32-120 (Attachment A-11) and 32-121 (Attachment A-12). 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 on a task order basis. 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, GDOE, GEDA and DPW from any liability arising from the implementation of the Offeror's proposal.
- 4.3.4. Liquidated Damages:** The Awardee further agrees to pay to the Government the amount of one fourth of one percent of the contract value per calendar day, not as a penalty but as a reasonable liquidated damages for breach of this contract by the Awardee by his failing, neglecting or refusing to complete the work within the time herein specified and said sums shall be paid for each consecutive calendar day thereafter that the Contractor shall be in default after the time stipulated in the contract for completing the work ready for use and/or operation.

SECTION 4-B: FINANCING SCOPE OF WORK

The Scope of Work for Financing is part of the criteria in which all the proposals submitted would be based on. This section will be scored based on assigned weights as indicated in Evaluation Form. The overall weight of the financing is twenty five percent (25%). The Proposer shall work with the Guam Economic Development Authority (GEDA) to finance the design (including architectural and engineering), renovation or construction of thirty-six (36) schools (beginning with Simon Sanchez High School) and to provide furniture and equipment. The Proposer must also be able to provide capital maintenance for the schools as a result of this RFP for the duration of the lease agreement. Funding shall be by annual legislative appropriation. The Proposer shall be evaluated on the following:

- a. Term Sheet to include all interest charges, fees and expenses.
- b. Responsiveness of proposal.
- c. Ability of the Lessor to lease to Lessee the facilities described in Scope of Work 4-A of this RFP.
- d. Ability of Lessor to structure municipal leases from \$10,000,000.00 to over \$300,000,000.00. Please provide examples of municipal leases financed.
- e. Ability of Lessor to offer suggestions on various arrangements for service and maintenance contracts in support of the upkeep and service of the leased facility. Please provide detail on suggested payment arrangements.
- f. Ability of Lessor to allow the purchase of the leased school facility by Lessee at any time during the lease period. Please provide detail on pre-payment arrangement scenario.
- g. Ability of Lessor to allow Lessee to cancel the lease obligation, without penalty, at the end of the current fiscal year in which appropriations were last budgeted, or otherwise made legally available, in the event budgetary funds become unavailable for appropriation in future years (Event of non- appropriation).

Non-Appropriation Clause (defined): In event that sufficient funds (a) are not appropriated by the governing body of the Government Body prior to the beginning of any Renewal Term for the payment of the Base Rentals on the Base Rental Payment Dates and reasonably estimated Additional Rentals payable during such Renewal Term, or (b) are otherwise not legally available for such purpose, then an Event of Non-appropriation shall be deemed to have occurred. If an Event of Non-appropriation shall occur, the Government Body shall not be obligated to make payment of the Base Rentals or Additional Rental's provided for herein beyond the last day of the Renewal Term during which such Event of non-appropriation occurs, except for the Government Body's obligation to pay Rentals which are payable prior to the termination of the Lease.

- h. Ability of Lessor to provide 100% financing for the facility, including rehabilitation, construction, expansion, renovation, maintenance and other related costs to complete the project as per Section 4-A Scope of Work.
- i. Ability of Lessor to develop a payment schedule that can be structured on an annual basis.

4.4 FINANCING PROPOSER QUALIFICATION

The following minimum criteria shall be met:

- 4.4.1. Proposer shall be a Developer, Contractor or Finance Company who may be subject to Guam Licensing Laws, however, must be licensed to do business within Guam prior to the submission of proposal.
- 4.4.2. Proposer must have and be willing to commit sufficient staff, resources, and capital to finance, develop, perform and deliver the services required by this Request For Proposal, in accordance with the terms and conditions specified herein.
- 4.4.3. Proposer must have knowledge in the municipal leaseback business. Examples should be provided or proposal to complete this financing.
- 4.4.4. Proposer must have knowledge in managing municipal leases for schools or related public and private buildings. Examples should be provided or a detailed proposal be provided to manage this project.

4.5 PLEDGE OF REAL PROPERTY TAX REVENUES AND BUSINESS PRIVILEGE TAX REVENUES

4.5.1 Rental payments under the lease and the lease-back may be secured by a pledge from the Territorial Educational Facilities Fund (TEFF) or other reservation of revenues by the government of Guam pursuant to § 22425(q)(4) and (6) Article 4, Chapter 22 Division 2, Title 5, Guam Code Annotated. These statutes are available on the World Wide Web at <http://www.guamcourts.org/CompilerofLaws/GCA/11gca/11gc022.PDF> and the attached Public Law 32-120 Section 58D109 (Attachment A-11)

The Territorial Educational Facilities Fund was created by Public Law 22-19 (as amended by Public Law 23-14) to account for all real property tax revenues received by or on behalf of government of Guam.

The government of Guam levies taxes on all real property at a fix rate of seven-eightieths percent (7/80%) of the assessed value and levies taxes on improvements to real property at a fix rate of seven-twentieths percent (7/20%) of the assessed value of the improvements. By statute, all real property and improvements are assessed at ninety percent (90%) of appraised value. The first half of all property taxes is due December 15th of each year. The second half of all property taxes is due February 20th of each year. The entire tax on property may be paid when the first installment is due (<http://www.guamcourts.org/CompilerofLaws/GCA/11gca/11gc024.PDF>).

**Schedule of Real Property Tax Revenues
Fiscal Years 2009-2013**

<i>Fiscal Year</i>	<i>Audited Revenues</i>
2009	20,310,866
2010	19,452,108
2011	20,147,143
2012	19,225,091
2013	21,263,267

Source: Government of Guam Audited Financial Statement

4.5.2 In accordance to Public Law 32-121 (Attachment A-12), rental payments under the lease and the lease-back for the public elementary and secondary schools on Guam, to include its athletic fields and playgrounds, excluding the five leased schools under the Guam Department of Education may be secured by a pledge or other reservation of revenues collected by the government from the following:

1. Taxes collected under the Business Privilege Tax Law (namely, Title 11 Guam Code Annotated Chapter 26, excluding the alcoholic beverage taxes, liquid fuel taxes, automotive surcharges, tobacco taxes and real property taxes). The unpledged portion of the business privilege tax (currently one percentage point of the current four percent business privilege tax rate) in the sum of approximately One Million Eight Hundred Eighty-Two Thousand Eighty-Two Dollars (\$1,882,082) shall fund interest in Fiscal Year 2015, and the sum of approximately Two Million Five Hundred Sixty Four Thousand One Hundred Sixty-Five Dollars (\$2,564,165) shall fund interest payment annually for Fiscal Years 2016 through 2018.
2. The sum of One Million Two Hundred Thousand Dollars (\$1,200,000) from revenues received pursuant to Section 22425 (q)(5) of Article 4, Chapter 22, Division 2, Title 5, Guam Code Annotated will be available annually beginning in Fiscal Year 2016. This statute is available on the World Wide Web at <http://www.guamcourts.org/CompilerofLaws/GCA/11gca/11gc022.PDF> and the attached Public Law 32-121 Chapter 58E. Please also refer to Section 4.5.1 of this RFP for description of the revenues and collections.
3. The sum of Four Million Eight Hundred Thousand Dollars (\$4,800,000) from the maturity of Business Privilege Tax Bonds Series 2013C shall be available annually beginning in fiscal year 2019.

Revenues pledge or reserved shall be remitted in the following manner:

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

2. Revenues received pursuant to § 22425 (q)(5) of Article 4, Chapter 22 Division 2, Title 5, Guam Code Annotated, upon availability; and
3. Upon the maturity of the Business Privilege Tax Bond Series 2013C.

Business Privilege Tax Revenues are assessed and collected monthly against persons on account of their businesses operating within Guam measured by the application of the business privilege tax rate against values, gross proceeds of sales or gross income, as applicable, pursuant to Article 2 of Chapter 26 of Title 11 of the Guam Code Annotated. The Legislature is responsible for setting business privilege tax rates. Business privilege taxes consist of five categories: the general business privilege tax (formerly known as the gross receipts tax), the alcoholic beverage tax, the liquid fuel tax, the tobacco tax and automotive surcharges. Other than the general business privilege tax, which has remained at the current level of 4.0% for more than ten years (with the exception of a period of time between April 1, 2003 and March 31, 2004 when the rate was increased from 4.0% to 6.0% under P.L. 27-05 and then reduced again to 4.0% under P.L. 27-76), the other categories are taxed at varying rates on the basis of volume of fuel, or the amount of beverage or tobacco purchased. The Business Privilege Tax Revenues derived from the levy of three percentage points, out of the total percentage points of the Government's general business privilege tax levied from time to time (currently four percentage points) are pledged to secure the payment of the Government of Guam Business Privilege Tax Bonds, Series A, Series B and Series C. From the one percentage point that is not pledged to secure the repayment of the Bonds, 0.16 percentage points is currently required by statute to be deposited in the Guam Memorial Hospital Authority Pharmaceuticals Fund for appropriation by the Legislature to fund pharmaceutical, drug, medical supplies, medical equipment, blood and blood products, and medicine requirements for Guam Memorial Hospital. No portion of the alcoholic beverage tax, the liquid fuel tax, the tobacco tax and automotive surcharges is pledged to secure payment of the 2013C Bonds.

The Government levies the business privilege tax on a broad base of services and goods, including the sale of tangible personal property and the provision of professional services; however, certain entities or sales, including most wholesale businesses, governmental entities, charitable and community organizations, hospitals, most agricultural producers and fisheries, home industries, licensed child care facilities and certain fuel sales, are exempt from the business privilege tax. In addition, under P.L. 24-12, as amended by P.L. 29-02, certain small businesses with gross annual income under \$50,000 are granted exemption from the business privilege tax on the first \$40,000 of annual revenues. Banks, banking institutions, small lenders, building and loan associations, and other lending institutions are taxed annually at the business privilege tax rate on their net income. There are no limitations on business privilege tax rates,

Business Privilege Tax Collections

The Government has levied, collected and enforced the collection of business privilege taxes since 1953. Business privilege taxes are payable on a monthly basis, no later than the 20th day of the month following the taxable activity, except that banks and other lending institutions are required to pay business privilege taxes annually, no later than 90 days following the close of the taxpayer's tax year.

Enforcement of Collection of Business Privilege Taxes

Any business privilege taxes levied, due and uncollected become a debt due the Government and

a lien upon any property of the debtor for the amount of the unpaid balance plus all penalties and interest. The office of the Commissioner of Revenue and Taxation (the "Tax Commissioner") may also collect delinquent business privilege taxes through suit, issuance of a warrant for collection, or injunction to restrain the delinquent taxpayer from continuing to carry on its business until the delinquent tax liability is paid. The statute of limitations for collections of unpaid business privilege taxes is seven years after the return is filed. There is no statute of limitation for revenue not reported.

Unless it is shown that the taxpayer's failure to timely remit business privilege taxes is due to reasonable cause and not due to willful neglect, there will be imposed a specific penalty to be added to the tax in the amount of 5% of the amount of such tax if the failure is not more than 30 days, with an additional 5% for each additional 30 days, or fraction thereof, not to exceed 25% in the aggregate. Penalties are also imposed on fraudulent and false returns. Interest at the prime rate (as determined and adjusted from time to time by the Tax Commissioner) is collected on past due business privilege taxes and on any penalties related thereto. In the case of corporations, officers, directors and employees are personally liable for unpaid gross receipts taxes in the same manner such persons may be liable for failure to withhold taxes on wages under applicable provisions of the Internal Revenue Code.

Criminal penalties are also available for failure to pay business privilege taxes, submission of false or fraudulent returns and aiding another's tax evasion.

In addition, after exhausting administrative remedies, a taxpayer may file an action in the Superior Court of Guam, irrespective of the amount involved, for the refund of any business privilege tax alleged to have been erroneously or illegally assessed or collected, or of any penalty claimed to have been illegally or erroneously collected, or of any sum collected alleged to have been excessive.

TABLE 1
Government of Guam Business Privilege Tax Collections
Fiscal Years 1991 – 2013

<u>Fiscal Year</u>	<u>Business Privilege Tax Collections</u>
1991	\$144,453,058
1992	155,936,253
1993	147,772,341
1994	151,150,400
1995	172,475,799
1996	180,377,835
1997	184,500,199
1998	172,063,088
1999	148,963,676
2000	146,488,599
2001	137,394,940
2002 ⁽¹⁾	119,345,725
2003 ⁽²⁾	156,095,935
2004 ⁽²⁾	170,610,706
2005	149,081,382

2006	155,386,098
2007	172,745,349
2008	185,795,875
2009	182,583,996
2010	188,621,364
2011	200,047,641
2012	221,443,640
2013	221,672,983

⁽¹⁾ Decrease is a result, in part, of the economic effects of super typhoon Pongsona, typhoon Chataan and the "9/11" attacks on the U.S. mainland, all of which occurred or had material effects in Fiscal Year 2002.

⁽²⁾ Reflects temporary increase in the business privilege tax rate from 4% to 6% from April 2003 through April 2004.

Sources: Government of Guam Audited Financial Statements for Fiscal Years 1991- 2013

4.6 SPECIAL PROVISIONS

Indebtedness Limitation

Section 11 of the Organic Act of Guam provides that no public indebtedness of the Government shall be authorized or allowed in excess of ten percent of the aggregate tax valuation of the property in Guam.

On March 27, 2007, the Supreme Court of the United States issued its decision in the case of *Limtiaco v. Camacho*, which, among other things, interpreted "aggregate tax valuation" to mean the assessed valuation (i.e., the amount upon which the property tax rate is levied, as opposed to appraised value). At the time, the assessed valuation of property in Guam was defined by Guam statutes to mean 35% of the property's appraised value, as ascertained by the Guam assessor. Guam's property taxation statutes have since been amended so that assessed value is now defined as 90% of appraised value, with related amendments to property tax rates so that revenue impacts were neutral.

The Certificates will not be treated as public indebtedness of the Government for purposes of Section 11 of the Organic Act of Guam.

4.7 CONTENT OF FINANCIAL PROPOSAL

Proposal should be prepared simply and economically, providing straightforward, concise description of the proposer's ability to fulfill requirements of the proposal. In order to ensure a uniform review process and to obtain the maximum degree of comparability, it is required that proposals be organized in the following manner:

4.7.1. Please provide a brief overview of your firm, including a description of capital, credit ratings and experience.

- 4.7.2. Please include your firm's proposed structure in detail, as well provisions for extension of maturity or roll-over, or any other hypothetical scenario.
- 4.7.3. Provide a preliminary term sheet or similar format outlining the terms and conditions of the proposed lease agreement including interest rates.
- 4.7.4. Discuss the estimated time line for the issuance of this lease and describe your firm's ability to conduct this transaction in a timely matter. Please feel free to outline certain variables such as credit committees, and their effects, if any, on the terms and conditions of the financing.
- 4.7.5. Please include your firm's three (3) years latest audited financials.
- 4.7.6. Please describe any other terms and conditions required by your firm, in regards to this financing.
- 4.7.7. Organizational Chart. Indicate the principal personnel that would be available to DPW, DOE, GEDA and the government, as well as describe their experience and responsibilities for this financing.
- 4.7.8. References. Include a reference list of at least FIVE (5) clients to whom proposer has provided services similar to this RFP. This list will include the following information:

Name of Client

Date of Services

Address

Contact Person

Telephone Number(s) and Email Address

- 4.7.9. General Statement of Experience. Include a written statement of experience in financing, providing and managing similar services. If the proposer does not possess an experience similar to the services required, proposer shall provide any pertinent information or experience Proposer feels may qualify for consideration of award.
- 4.7.10. Operational Plan. Include a narrative description and/or organization chart outlining the method of operation, operational structure, and services to be provided by the proposer. This description should fully and completely demonstrate the intended methods for servicing the requirements. This plan should specifically identify obligations of the Government of Guam (e.g financing, rehabilitation, construction, expansion and renovation) upon which the proposed plan is contingent. Proposers are encouraged to provide any other pertinent information, which will assist the Government of Guam in evaluating the proposed method of operation.

4.8 TERMS OF PAYMENTS

- 4.8.1. The Government of Guam through the Department of Education shall pay the Developer or Finance Company, on an annual basis for all lease payments due in accordance to the terms of the contract.
- 4.8.2. Payments shall be made in accordance with, subject to applicable provisions of § 22425(q)(4) and (6) Article 4, Chapter 22 Division 2, Title 5, Guam Code Annotated or 5 G.C.A. 58E107, where applicable The Developer or Finance Company shall submit one (1) annual invoice in original form, for lease payments due.
- 4.8.3. Non-Appropriation Clause: In event that sufficient funds (a) are not appropriated by the Government Body prior to the beginning of any Renewal Term for the payment of the Base Rentals on the Base Rental Payment Dates and reasonably estimated Additional Rental Payment Dates and reasonably estimated Additional Rentals payable during such Renewal Term, or (b) are otherwise not legally available for such purpose, then an Event of Non-appropriation shall be deemed to have occurred.
- 4.8.4. If an Event of Non-appropriation, the Government Body shall not be obligated to make payment of the Base Rentals or Additional Rental's provided for herein beyond the last day of the Renewal Term during which such Event of non-appropriation occurs, except for the Government Body's obligation to pay Rental which are payable prior to the termination of the Lease.
- 4.8.5. If the Government fails to perform as lessee under the lease or decides not to appropriate lease payments. Consequently, if the lessee takes possession of the building investors or the trustee will typically be permitted to operate the financed facility for a period of time specified in the ground lease. However, once the term of the ground lease expires, the Government Body is entitled to repossession of the site together with all improvements on the site free and clear of any interest of the investors or a trustee on their behalf.
- 4.8.6. If the Government of Guam loses the use of the leased facility under certain circumstances, lease payments will be made only during the times DPW and DOE has full use of the leased facility. This will result in partial lease payments for the entire contract period.
- 4.8.7. Proposer's Affirmation and Declaration. Complete and have notarized the Proposer's Affirmation and Declaration form provided in the RFP Package. An authorized representative of the firm must sign this form as defined in 14.1h below.

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 the bid for the bidder and shall contain the amounts of any such commission, gratuity or compensation. The affidavit shall be open and available to the public for inspection and copying. Failure to submit

the affidavit concerning commissions paid shall be deemed non responsive and cause for rejection upon receipt of the proposal.

- 4.8.8. Proposal Signature forms. An authorized representative of the firm as defined below must sign this form:

When a proposer is a corporation, the president or vice president signing shall set out the corporate name in the full beneath which he/she shall sign his/her name and give the title of his/her office. The proposal shall also bear the seal of the corporation attested by its corporate secretary.

When the proposer is a partnership, the proposal shall be signed in the name of the partnership by a general partner or other person duly authorized to bind the partnership. The capacity and authority of the person signing shall also be given.

When the proposer is an individual or sole proprietorship, the proposal shall be sign by the individual owner stating name and style under which the proposer is doing business.

If the proposer is doing business under a fictitious name, the proposer must submit a copy of Certificate of Registration.

When the proposer is a joint venture, each joint venture must sign the proposal as herein above indicated.

- 4.8.9. Each proposal submitted will be graded and evaluated based on the combined total weighted score of Section 5.2 of this RFP. Financing Capability has a maximum score of 25%. Each proposal submitted will be evaluated using Evaluation Form provided in this RFP.

- 4.8.10. Only after the qualifying of the proposals will discussions begin.

- 4.8.11. The basis for the negotiations will be the leaseback program proposed by the highest rated proposer based on the evaluation.

4.9 EVALUATION OF FINANCING PROPOSAL

- 4.9.1. A Evaluation committee will be established to review and evaluate all proposals submitted in response to this RFP. The committee shall conduct a preliminary evaluation of all proposals on the basis of the information provided and other evaluation criteria set forth in this RFP. All proposals submitted will be evaluated by the evaluation committee and will be ranked by the criteria provided in this RFP, including the following:

4.9.1.1. Term sheet to include all interest, fees and expenses.

4.9.1.2. Responsiveness of Proposal

- 4.9.1.3. Ability of the Lessor to lease to Lessee the facilities described in Section 4: Scope of Work
 - 4.9.1.4. Ability of Lessor to structure municipal leases from \$10,000,000 to over \$300,000,000.
 - 4.9.1.5. Ability of Lessor to offer suggestions on various arrangements for service and maintenance contracts in support of the upkeep and service of the leased facility. Please provide detail on suggested payment arrangements.
 - 4.9.1.6. Ability of Lessor to allow the purchase of the leased school facility by Lessee at any time during the lease period. Please provide detail on pre-payment arrangement scenario.
 - 4.9.1.7. Ability of Lessor to allow Lessee to cancel the lease obligation, without penalty, at the end of the current fiscal year in which appropriations were last budgeted, or otherwise made legally available, in the event budgetary funds become unavailable for appropriation in future years (Event of non-appropriation).
 - 4.9.1.8. Ability of Lessor to provide 100% financing for the facility, including rehabilitation, construction, expansion, renovation, maintenance and other related costs to complete the projects as described in Section 4: Scope of Work. Please provide examples of experience involved in similar financing.
 - 4.9.1.9. Ability of Lessor to develop a payment schedule that can be structured on an annual basis. Please provide example of payment scenario.
 - 4.9.1.10. Company's Experience: Company history, organization and experience in Rehabilitation, construction, expansion, renovation and maintenance as per required in the RFP.
 - 4.9.1.11. Resources and Availability: Architectural-Engineering designers, consultant, construction managers, contractors, sub-contractors, quantity of personnel, equipment that will assigned to projects as per required in the RFP.
- 4.9.2.** The evaluation committee will first review each proposal for compliance with the minimum qualifications and mandatory requirements of the RFP. Failure to comply with any requirements may disqualify a proposal.
- 4.9.3.** Proposals will be evaluated and rated based on the criteria stated in the RFP, including but not limited to the following:
- 4.9.3.1. Responsiveness of the Proposal to perform the scope of work.

- 4.9.3.2. Ability, capacity, and skill of the Proposer to perform the scope of work.
- 4.9.3.3. Experience of the business and individual members of the business in accomplishing similar services.
- 4.9.3.4. Responses of the client reference.
- 4.9.3.5. Such other information that may be required or useful in fateful performance of the contract.

4.9.4. The Government of Guam reserves the following rights to:

- 4.9.4.1. Conduct pre-award discussion and/or pre-award/contract negotiations with any or all responsive and responsible proposers who submit proposal determined to be reasonably acceptable of being selected for award; conduct personal interviews or require presentations of any or all proposers prior to selection; and make investigations of the qualifications of the proposers as it deems appropriate, including, but not limited to, a background investigation.
- 4.9.4.2. Request that proposer(s) modify their proposal to more fully meet the needs of the Government of Guam or to furnish additional information as the Government of Guam may reasonably require.
- 4.9.4.3. Accord fair and equal treatment with respect to any opportunity for discussions and revisions of proposals. Such revisions may be permitted after submission of proposals and prior to award.
- 4.9.4.4. Negotiate any modifications to a proposal that it deems acceptable, waive minor irregularities in the procedures, and reject any and all proposals.
- 4.9.4.5. Process the selection of the successful Proposers without further discussion.
- 4.9.4.6. Financial Statements. The Government of Guam reserves the right to request the proposers 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, proposer may be required to submit a detailed business plan in addition to any 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.

4.9.5 CONTRACT REQUIREMENT

4.9.5.1. Basis of Award. A contract will be awarded to the most responsible and responsive proposer whose proposal meets the needs of the Government of Guam to the best degree.

4.9.5.2. Contract Term. The period of the contract shall be not later than for a period of thirty (30) years from the schedule date of completion.

SECTION 5: EVALUATION CRITERIA

5.0 EVALUATION

After receipt of all proposals, the Selection committee will be convened to review and evaluate the proposals according to the following criteria based on a maximum possible value of 100 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 as described in Section 4-A.
- 5.1.3.** Ability, capacity, and skill of the Offeror to perform financing as described in Section 4-B.
- 5.1.4.** Experience of the Offeror's Construction Team 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 5 years of actual and direct experience in construction of minimum \$5,000,000 of schools or other similar facilities/structures.
- 5.1.5.** Such other information that may be required or useful in fateful performance of the contract.
- 5.1.6.** 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 COMPETENCY OF BIDDERS

The Government may require bidders to present satisfactory evidence that he has sufficient experience and he is fully prepared with necessary capital, material, machinery and skilled workmen and supervision staff to carry out the contract satisfactorily.

Accordingly, the Contractor must submit for review the following statements;

- a) Experience on similar work.
- b) Past performance of firm in accomplishing government projects in agreed time.
- c) Availability of plant, machinery and other equipment necessary for work.
- d) Quality of work presently performed for Government of Guam or other agencies.
- e) Contractor's diligence in carrying out responsibility.
- f) Record of good owner-contractor relationship.
- g) Previous record of bids qualification.
- h) Quality of supervisory personnel and areas of their performance.
- i) Record of past performance of government contracts including record of default and nonpayment of obligations.
- j) Possession of Government of Guam appropriate contractor's license.
- k). Financing capabilities.
- l) Financial resources.

Financial resources report shall be dated not more than six (6) months prior to bid opening, must be prepared by a certified accountant and shall contain at least the following information:

- 1) Total Assets
- 2) Total Liabilities
- 3) Total Current Assets
- 4) Total Current Liabilities
- 5) Bonding Capability

Any bidder who at the time of bidding is determined liable to pay liquidated damages for delay in completion of the last two works contracted from the Government of Guam will be automatically rejected.

5.3 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	MAX SCORE	SCORE
<p><u>Financing Capability.</u> Offeror's capability to provide 100% financing to complete the projects as required in the RFP; and the ability to execute the best financing and alternative financing plan that could give the Government the least interest rate during that course of the 30 years agreement.</p>	25	
<p><u>Project Expertise and Experience.</u> The education and experience 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 school projects or similar facilities/structures with a minimum contract amount of Five Million (\$5,000,000) Dollars for the past 5 years on Guam the contiguous and non-contiguous United States and its Territories.</p>	25	
<ol style="list-style-type: none"> 1. <u>Project approach.</u> Specific methods to complete each task orders requirement including the sequence and timing of work. Understanding of critical tasks and plans for addressing and resolving potential difficulties. 2. 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. 3. 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. 4. Offeror suggested payment arrangements will also be assessed. 	40	
<p><u>Project Innovation.</u> Innovative systems which utilize Guam's environment to achieve energy efficiency and significantly reduces the school's maintenance cost.</p>	10	
<u>TOTAL POINTS</u>	100	

INDIVIDUAL EVALUATION FORM:

Evaluation Criteria	Evaluation Points	Remarks
Financing Capability		
Project Expertise and Experience.		
Project Approach		
Project Innovation.		
Total		

Summary Evaluation Form:

Criteria	Evaluators Points					Total Points	Remarks
	A	B	C	D	E		
Financing Capability							
Project Expertise and Experience.							
Project Approach.							
Project Innovation.							
Total							

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 11 inch 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 5 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. 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 Non-Collusion (Attachment A-2)
 - c. Affidavit No Gratuities or Kickbacks (Attachment A-3)
 - d. Affidavit Contingent Fees (Attachment A-4)
 - e. Affidavit Ethical Standards (Attachment A-5)
 - f. Local Procurement Preference Application (Attachment A-6)
 - g. Declaration Re Compliance With U.S. DOL Wage Determination (Attachment A-8A)

SIMON SANCHEZ HIGH SCHOOL REQUIREMENTS

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 seeking a qualified firm to provide financing, design, renovation, construction of Simon Sanchez High School and to provide collateral equipment, maintenance and insurance.

Note:

All given figures/drawings are for general guidelines and for reference only and shall be verified by the Offeror to comply with all the standards set forth by all agencies having jurisdiction local or federal.

New High School Considerations:

- a) 2,200 students
- b) 120 classroom teachers

Offices needed

- Administrative office (5 administrators)
- Student Support (Discipline) w/ unisex restroom and holding area
- 2 Conference rooms 25pax
- 1 Business Office with security
- 1 Nurse's Office(with private triage room, separate lobby area to receive students that can't see the sick beds)
- 9 Counselor Offices (w/ small counseling conference room, segregated waiting area for visitors, 2 clerical desks)
- ESL Coordinator's Office- with small testing room
- 4 small SPED CRT Office - a medium size (12pax) conference area for IEP meetings
- Male and Female PE Offices (accommodate 6 teachers each office), ROTC (Secured Armory for weapons/sensitive items) , Librarian,
- 1 School Resource Officers Office (2 pax)
- 1 parent holding/waiting area

CLASSROOMS NEEDED:

SUBJECT	NUMBER OF CLASSROOMS NEEDED
English <i>Regular Classrooms</i>	22
Math <i>15 Regular Classrooms and 1 Math Department Work Room w/RR</i>	16
Science	15
Social Studies <i>Regular Classrooms</i>	16
ESL and SPED <i>(Special Populations-Small Kind)</i> <i>2 conjoined classrooms for BLS (1-Lab setup for life skills, 1-classroom setting for instruction)</i>	5 ESL 6 SPED
GCC	7
Fine Arts PE Health World Language CFS ROTC Chamorro Business <i>**Regular Classrooms</i>	34

TOTAL NUMBER OF CLASSROOMS NEEDED: 121

Other Facilities to be included/considered:

Library

Auditorium

Cafeteria

Fine Arts/Performing Arts Buildings

Sports Facilities;

Gymnasium

Athletic Track and Field

Athletic Facility

Field House

Outdoor Sports Field

Baseball/Softball Fields

Tennis Courts

Football/Soccer Fields

Staff/Faculty Rooms

Restrooms

Rotunda/Courtyard

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]:

Table with 3 columns: Name, Address, % of Interest. Includes three rows of blank lines for data entry.

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]:

Table with 3 columns: Name, Address, Compensation. Includes one row of blank lines for data entry.

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

AFFIDAVIT NON-COLLUSION

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. The proposal for the solicitation identified above is genuine and not collusive or a sham. The Offeror has not colluded, conspired, connived or agreed, directly or indirectly, with any other Offeror or person, to put in a sham proposal or to refrain from making an offer. The Offeror has not in any manner, directly or indirectly, sought by an agreement or collusion, or communication or conference, with any person to fix the proposal price of Offeror or of any other Offeror, or to fix any overhead, profit or cost element of said proposal price, or of that of any other Offeror, or to secure any advantage against the government of Guam or any other Offeror, or to secure any advantage against the government of Guam or any person interested in the proposed contract. All statements in this affidavit and in the proposal are true to the best of the knowledge of the undersigned. This statement is made in pursuant to 2 GAR Division 4 § 3126(b).

3. I make this statement 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: _____, _____.

AFFIDAVIT 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: _____, _____.

AFFIDAVIT CONTINGENT FEES

CITY OF _____)
ISLAND OF GUAM) ss.

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: _____, _____.

AG Procurement Form 007 (March 9, 201)

AFFIDAVIT ETHICAL STANDARDS

CITY OF _____)
) ss.
ISLAND OF GUAM)

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

The affiant is _____ [state one of the following: the Offeror, a
partner of the Offeror, an officer of the Offeror] making the foregoing identified bid or proposal. To the
best of affiant's knowledge, neither affiant nor any officers, representatives, agents, subcontractors or
employees of Offeror have knowingly influenced any government of Guam employee to breach any of
the ethical standards set forth in 5 GCA Chapter 5, Article 11. Further, affiant promises that neither he or
she, nor any officer, representative, agent, subcontractor, or employee of Offeror will knowingly
influence any government of Guam employee to breach any ethical standards set forth in 5 GCA Chapter
5, Article 11. These statements are made pursuant to 2 GAR Division 4 § 11103(b).

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 Procurement Form 005 (Jul. 12, 2010)

LOCAL PROCUREMENT PREFERENCE

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 RFP No. _____. 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 RFP No. _____.

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.

PREVAILING WAGE RATE FOR TEMPORARY ALIEN

Prevailing Wage Rates for Temporary Alien Employment Certification
Government of Guam
EFFECTIVE SEPTEMBER 29, 2008

OCCUPATION	HOURLY
Bricklayer	\$14.02
Carpenter	\$13.56
Cement Mason	\$12.87
Construction Equipment Mechanic	\$14.14
Cook, CAMP	\$11.85
Construction Helper	\$9.34
Construction Labor	\$8.50
Electrician	\$15.45
Heating Air conditioning & Refrigeration Mechanic	\$15.73
Heavy Equipment Mechanic	\$14.14
Heavy Equipment Operator	\$13.77
Iron Worker	\$10.38
Painter	\$14.60
Pipe Fitter	\$16.80
Plasterer	\$10.98
Plumber	\$14.96
Refrigeration Mechanic	\$16.24
Roofer	\$10.96
Sheet-Metal Worker	\$15.17

WD 05-2147 (Rev.-17) was first posted on www.wdol.gov on 12/30/2014

REGISTER OF WAGE DETERMINATIONS UNDER
THE SERVICE CONTRACT ACT
By direction of the Secretary of Labor

U.S. DEPARTMENT OF LABOR
EMPLOYMENT STANDARDS ADMINISTRATION
WAGE AND HOUR DIVISION
WASHINGTON D.C. 20210

Diane C. Koplewski
Director

Division of
Wage Determinations

Wage Determination No.: 2005-2147
Revision No.: 17
Date Of Revision: 12/22/2014

Note: Executive Order (EO) 13658 establishes an hourly minimum wage of \$10.10 for 2015 that applies to all contracts subject to the Service Contract Act for which the solicitation is issued on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.10 (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract. The EO minimum wage rate will be adjusted annually. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

States: Guam, Northern Marianas, Wake Island

Area: Guam Statewide
Northern Marianas Statewide
Wake Island Statewide

****Fringe Benefits Required Follow the Occupational Listing****

OCCUPATION CODE - TITLE	FOOTNOTE	RATE
01000 - Administrative Support And Clerical Occupations		
01011 - Accounting Clerk I		12.50
01012 - Accounting Clerk II		13.53
01013 - Accounting Clerk III		15.59
01020 - Administrative Assistant		17.67
01040 - Court Reporter		15.38
01051 - Data Entry Operator I		10.48
01052 - Data Entry Operator II		11.99
01060 - Dispatcher, Motor Vehicle		13.06
01070 - Document Preparation Clerk		12.25
01090 - Duplicating Machine Operator		12.25
01111 - General Clerk I		10.29
01112 - General Clerk II		11.28
01113 - General Clerk III		12.32

01120 - Housing Referral Assistant	17.15
01141 - Messenger Courier	10.12
01191 - Order Clerk I	11.23
01192 - Order Clerk II	12.25
01261 - Personnel Assistant (Employment) I	14.33
01262 - Personnel Assistant (Employment) II	14.90
01263 - Personnel Assistant (Employment) III	16.48
01270 - Production Control Clerk	18.34
01280 - Receptionist	9.67
01290 - Rental Clerk	11.10
01300 - Scheduler, Maintenance	13.75
01311 - Secretary I	13.75
01312 - Secretary II	15.38
01313 - Secretary III	17.15
01320 - Service Order Dispatcher	11.57
01410 - Supply Technician	17.67
01420 - Survey Worker	15.26
01531 - Travel Clerk I	11.61
01532 - Travel Clerk II	12.57
01533 - Travel Clerk III	13.44
01611 - Word Processor I	12.25
01612 - Word Processor II	13.75
01613 - Word Processor III	15.38
05000 - Automotive Service Occupations	
05005 - Automobile Body Repairer, Fiberglass	13.34
05010 - Automotive Electrician	13.06
05040 - Automotive Glass Installer	12.10
05070 - Automotive Worker	12.10
05110 - Mobile Equipment Servicer	8.59
05130 - Motor Equipment Metal Mechanic	13.06
05160 - Motor Equipment Metal Worker	12.10
05190 - Motor Vehicle Mechanic	13.06
05220 - Motor Vehicle Mechanic Helper	10.12
05250 - Motor Vehicle Upholstery Worker	12.10
05280 - Motor Vehicle Wrecker	12.10
05310 - Painter, Automotive	12.37
05340 - Radiator Repair Specialist	12.10
05370 - Tire Repairer	7.81
05400 - Transmission Repair Specialist	12.10
07000 - Food Preparation And Service Occupations	
07010 - Baker	10.47
07041 - Cook I	9.54
07042 - Cook II	11.78
07070 - Dishwasher	7.25
07130 - Food Service Worker	7.78
07210 - Meat Cutter	11.86
07260 - Waiter/Waitress	7.59
09000 - Furniture Maintenance And Repair Occupations	

09010 - Electrostatic Spray Painter	14.38
09040 - Furniture Handler	8.85
09080 - Furniture Refinisher	14.38
09090 - Furniture Refinisher Helper	10.66
09110 - Furniture Repairer, Minor	12.51
09130 - Upholsterer	14.38
11000 - General Services And Support Occupations	
11030 - Cleaner, Vehicles	8.23
11060 - Elevator Operator	8.23
11090 - Gardener	10.99
11122 - Housekeeping Aide	8.33
11150 - Janitor	8.23
11210 - Laborer, Grounds Maintenance	9.14
11240 - Maid or Houseman	7.25
11260 - Pruner	8.23
11270 - Tractor Operator	10.33
11330 - Trail Maintenance Worker	9.14
11360 - Window Cleaner	9.14
12000 - Health Occupations	
12010 - Ambulance Driver	15.81
12011 - Breath Alcohol Technician	15.81
12012 - Certified Occupational Therapist Assistant	21.70
12015 - Certified Physical Therapist Assistant	21.70
12020 - Dental Assistant	13.20
12025 - Dental Hygienist	29.85
12030 - EKG Technician	23.96
12035 - Electroneurodiagnostic Technologist	23.96
12040 - Emergency Medical Technician	15.81
12071 - Licensed Practical Nurse I	14.14
12072 - Licensed Practical Nurse II	15.81
12073 - Licensed Practical Nurse III	17.63
12100 - Medical Assistant	11.54
12130 - Medical Laboratory Technician	14.14
12160 - Medical Record Clerk	11.82
12190 - Medical Record Technician	13.59
12195 - Medical Transcriptionist	14.14
12210 - Nuclear Medicine Technologist	34.75
12221 - Nursing Assistant I	10.03
12222 - Nursing Assistant II	11.30
12223 - Nursing Assistant III	12.31
12224 - Nursing Assistant IV	13.84
12235 - Optical Dispenser	15.81
12236 - Optical Technician	14.14
12250 - Pharmacy Technician	13.41
12280 - Phlebotomist	13.84
12305 - Radiologic Technologist	22.64
12311 - Registered Nurse I	20.70
12312 - Registered Nurse II	25.32

12313 - Registered Nurse II, Specialist	25.32
12314 - Registered Nurse III	30.64
12315 - Registered Nurse III, Anesthetist	30.64
12316 - Registered Nurse IV	36.72
12317 - Scheduler (Drug and Alcohol Testing)	19.59
13000 - Information And Arts Occupations	
13011 - Exhibits Specialist I	15.06
13012 - Exhibits Specialist II	18.66
13013 - Exhibits Specialist III	22.83
13041 - Illustrator I	15.06
13042 - Illustrator II	18.66
13043 - Illustrator III	22.83
13047 - Librarian	20.66
13050 - Library Aide/Clerk	12.00
13054 - Library Information Technology Systems Administrator	18.66
13058 - Library Technician	15.06
13061 - Media Specialist I	13.46
13062 - Media Specialist II	15.06
13063 - Media Specialist III	16.80
13071 - Photographer I	12.82
13072 - Photographer II	14.32
13073 - Photographer III	17.75
13074 - Photographer IV	21.73
13075 - Photographer V	26.30
13110 - Video Teleconference Technician	12.91
14000 - Information Technology Occupations	
14041 - Computer Operator I	13.65
14042 - Computer Operator II	15.76
14043 - Computer Operator III	17.56
14044 - Computer Operator IV	19.50
14045 - Computer Operator V	21.81
14071 - Computer Programmer I	(see 1) 15.73
14072 - Computer Programmer II	(see 1) 19.50
14073 - Computer Programmer III	(see 1) 23.84
14074 - Computer Programmer IV	(see 1)
14101 - Computer Systems Analyst I	(see 1) 24.23
14102 - Computer Systems Analyst II	(see 1)
14103 - Computer Systems Analyst III	(see 1)
14150 - Peripheral Equipment Operator	13.65
14160 - Personal Computer Support Technician	19.50
15000 - Instructional Occupations	
15010 - Aircrew Training Devices Instructor (Non-Rated)	24.23
15020 - Aircrew Training Devices Instructor (Rated)	29.32
15030 - Air Crew Training Devices Instructor (Pilot)	33.30
15050 - Computer Based Training Specialist / Instructor	24.23
15060 - Educational Technologist	22.82
15070 - Flight Instructor (Pilot)	33.30

15080 - Graphic Artist	20.47
15090 - Technical Instructor	17.65
15095 - Technical Instructor/Course Developer	21.58
15110 - Test Proctor	13.87
15120 - Tutor	13.87
16000 - Laundry, Dry-Cleaning, Pressing And Related Occupations	
16010 - Assembler	8.08
16030 - Counter Attendant	8.08
16040 - Dry Cleaner	9.34
16070 - Finisher, Flatwork, Machine	8.08
16090 - Presser, Hand	8.08
16110 - Presser, Machine, Drycleaning	8.08
16130 - Presser, Machine, Shirts	8.08
16160 - Presser, Machine, Wearing Apparel, Laundry	8.08
16190 - Sewing Machine Operator	9.86
16220 - Tailor	10.33
16250 - Washer, Machine	8.46
19000 - Machine Tool Operation And Repair Occupations	
19010 - Machine-Tool Operator (Tool Room)	14.49
19040 - Tool And Die Maker	18.20
21000 - Materials Handling And Packing Occupations	
21020 - Forklift Operator	12.49
21030 - Material Coordinator	18.34
21040 - Material Expediter	18.34
21050 - Material Handling Laborer	10.65
21071 - Order Filler	9.66
21080 - Production Line Worker (Food Processing)	12.49
21110 - Shipping Packer	13.33
21130 - Shipping/Receiving Clerk	13.33
21140 - Store Worker I	13.23
21150 - Stock Clerk	18.58
21210 - Tools And Parts Attendant	12.49
21410 - Warehouse Specialist	12.49
23000 - Mechanics And Maintenance And Repair Occupations	
23010 - Aerospace Structural Welder	20.69
23021 - Aircraft Mechanic I	19.70
23022 - Aircraft Mechanic II	20.69
23023 - Aircraft Mechanic III	21.74
23040 - Aircraft Mechanic Helper	13.70
23050 - Aircraft, Painter	18.50
23060 - Aircraft Servicer	16.09
23080 - Aircraft Worker	17.38
23110 - Appliance Mechanic	14.49
23120 - Bicycle Repairer	9.74
23125 - Cable Splicer	15.43
23130 - Carpenter, Maintenance	13.00
23140 - Carpet Layer	13.55
23160 - Electrician, Maintenance	14.99

23181 - Electronics Technician Maintenance I	14.72
23182 - Electronics Technician Maintenance II	15.05
23183 - Electronics Technician Maintenance III	18.31
23260 - Fabric Worker	12.60
23290 - Fire Alarm System Mechanic	15.43
23310 - Fire Extinguisher Repairer	11.67
23311 - Fuel Distribution System Mechanic	15.43
23312 - Fuel Distribution System Operator	13.01
23370 - General Maintenance Worker	11.95
23380 - Ground Support Equipment Mechanic	19.70
23381 - Ground Support Equipment Servicer	16.09
23382 - Ground Support Equipment Worker	17.38
23391 - Gunsmith I	11.67
23392 - Gunsmith II	13.55
23393 - Gunsmith III	15.43
23410 - Heating, Ventilation And Air-Conditioning Mechanic	15.76
23411 - Heating, Ventilation And Air Conditioning Mechanic (Research Facility)	16.55
23430 - Heavy Equipment Mechanic	15.15
23440 - Heavy Equipment Operator	13.73
23460 - Instrument Mechanic	15.43
23465 - Laboratory/Shelter Mechanic	14.49
23470 - Laborer	10.65
23510 - Locksmith	14.49
23530 - Machinery Maintenance Mechanic	17.38
23550 - Machinist, Maintenance	15.43
23580 - Maintenance Trades Helper	9.92
23591 - Metrology Technician I	15.43
23592 - Metrology Technician II	16.41
23593 - Metrology Technician III	17.37
23640 - Millwright	15.43
23710 - Office Appliance Repairer	14.38
23760 - Painter, Maintenance	13.55
23790 - Pipefitter, Maintenance	15.32
23810 - Plumber, Maintenance	14.38
23820 - Pneudraulic Systems Mechanic	15.43
23850 - Rigger	15.43
23870 - Scale Mechanic	13.55
23890 - Sheet-Metal Worker, Maintenance	15.21
23910 - Small Engine Mechanic	13.55
23931 - Telecommunications Mechanic I	19.01
23932 - Telecommunications Mechanic II	19.76
23950 - Telephone Lineman	18.24
23960 - Welder, Combination, Maintenance	14.66
23965 - Well Driller	15.43
23970 - Woodcraft Worker	15.43
23980 - Woodworker	11.67

24000 - Personal Needs Occupations	
24570 - Child Care Attendant	10.09
24580 - Child Care Center Clerk	12.58
24610 - Chore Aide	12.43
24620 - Family Readiness And Support Services Coordinator	12.44
24630 - Homemaker	16.12
25000 - Plant And System Operations Occupations	
25010 - Boiler Tender	15.43
25040 - Sewage Plant Operator	14.49
25070 - Stationary Engineer	15.43
25190 - Ventilation Equipment Tender	10.73
25210 - Water Treatment Plant Operator	14.49
27000 - Protective Service Occupations	
27004 - Alarm Monitor	10.90
27007 - Baggage Inspector	7.35
27008 - Corrections Officer	12.05
27010 - Court Security Officer	12.05
27030 - Detection Dog Handler	10.90
27040 - Detention Officer	12.05
27070 - Firefighter	12.05
27101 - Guard I	7.37
27102 - Guard II	10.90
27131 - Police Officer I	12.05
27132 - Police Officer II	13.40
28000 - Recreation Occupations	
28041 - Carnival Equipment Operator	9.53
28042 - Carnival Equipment Repairer	10.08
28043 - Carnival Equipment Worker	7.78
28210 - Gate Attendant/Gate Tender	13.18
28310 - Lifeguard	11.01
28350 - Park Attendant (Aide)	14.74
28510 - Recreation Aide/Health Facility Attendant	10.76
28515 - Recreation Specialist	18.26
28630 - Sports Official	11.74
28690 - Swimming Pool Operator	17.71
29000 - Stevedoring/Longshoremen Occupational Services	
29010 - Blocker And Bracer	15.20
29020 - Hatch Tender	15.20
29030 - Line Handler	15.20
29041 - Stevedore I	14.22
29042 - Stevedore II	16.25
30000 - Technical Occupations	
30010 - Air Traffic Control Specialist, Center (HFO) (see 2)	35.77
30011 - Air Traffic Control Specialist, Station (HFO) (see 2)	24.66
30012 - Air Traffic Control Specialist, Terminal (HFO) (see 2)	27.16
30021 - Archeological Technician I	17.49
30022 - Archeological Technician II	19.56

30023 - Archeological Technician III	24.21
30030 - Cartographic Technician	23.18
30040 - Civil Engineering Technician	21.93
30061 - Drafter/CAD Operator I	17.49
30062 - Drafter/CAD Operator II	19.56
30063 - Drafter/CAD Operator III	20.74
30064 - Drafter/CAD Operator IV	24.21
30081 - Engineering Technician I	14.62
30082 - Engineering Technician II	16.41
30083 - Engineering Technician III	18.36
30084 - Engineering Technician IV	22.34
30085 - Engineering Technician V	27.83
30086 - Engineering Technician VI	33.66
30090 - Environmental Technician	21.10
30210 - Laboratory Technician	20.74
30240 - Mathematical Technician	23.34
30361 - Paralegal/Legal Assistant I	19.06
30362 - Paralegal/Legal Assistant II	21.53
30363 - Paralegal/Legal Assistant III	26.35
30364 - Paralegal/Legal Assistant IV	30.80
30390 - Photo-Optics Technician	21.93
30461 - Technical Writer I	22.17
30462 - Technical Writer II	27.10
30463 - Technical Writer III	32.79
30491 - Unexploded Ordnance (UXO) Technician I	22.74
30492 - Unexploded Ordnance (UXO) Technician II	27.51
30493 - Unexploded Ordnance (UXO) Technician III	32.97
30494 - Unexploded (UXO) Safety Escort	22.74
30495 - Unexploded (UXO) Sweep Personnel	22.74
30620 - Weather Observer, Combined Upper Air Or Surface Programs	(see 2) 20.74
30621 - Weather Observer, Senior	(see 2) 23.00
31000 - Transportation/Mobile Equipment Operation Occupations	
31020 - Bus Aide	8.15
31030 - Bus Driver	9.69
31043 - Driver Courier	8.97
31260 - Parking and Lot Attendant	7.25
31290 - Shuttle Bus Driver	9.99
31310 - Taxi Driver	8.21
31361 - Truckdriver, Light	8.97
31362 - Truckdriver, Medium	11.61
31363 - Truckdriver, Heavy	12.48
31364 - Truckdriver, Tractor-Trailer	12.48
99000 - Miscellaneous Occupations	
99030 - Cashier	7.46
99050 - Desk Clerk	9.70
99095 - Embalmer	22.74
99251 - Laboratory Animal Caretaker I	16.24

99252 - Laboratory Animal Caretaker II	17.04
99310 - Mortician	22.74
99410 - Pest Controller	13.28
99510 - Photofinishing Worker	11.95
99710 - Recycling Laborer	10.76
99711 - Recycling Specialist	16.27
99730 - Refuse Collector	10.24
99810 - Sales Clerk	8.95
99820 - School Crossing Guard	15.03
99830 - Survey Party Chief	20.30
99831 - Surveying Aide	11.54
99832 - Surveying Technician	15.00
99840 - Vending Machine Attendant	20.19
99841 - Vending Machine Repairer	23.57
99842 - Vending Machine Repairer Helper	20.19

ALL OCCUPATIONS LISTED ABOVE RECEIVE THE FOLLOWING BENEFITS:

HEALTH & WELFARE: \$4.02 per hour or \$160.80 per week or \$696.79 per month

VACATION: 2 weeks paid vacation after 1 year of service with a contractor or successor; and 4 weeks after 3 years. Length of service includes the whole span of continuous service with the present contractor or successor, wherever employed, and with the predecessor contractors in the performance of similar work at the same Federal facility. (Reg. 29 CFR 4.173)

HOLIDAYS: A minimum of ten paid holidays per year, New Year's Day, Martin Luther King Jr's Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.) (See 29 CFR 4174)

THE OCCUPATIONS WHICH HAVE NUMBERED FOOTNOTES IN PARENTHESES RECEIVE THE FOLLOWING:

1) **COMPUTER EMPLOYEES:** Under the SCA at section 8(b), this wage determination does not apply to any employee who individually qualifies as a bona fide executive, administrative, or professional employee as defined in 29 C.F.R. Part 541. Because most Computer System Analysts and Computer Programmers who are compensated at a rate not less than \$27.63 (or on a salary or fee basis at a rate not less than \$455 per week) an hour would likely qualify as exempt computer professionals, (29 C.F.R. 541.400) wage rates may not be listed on this wage determination for all occupations within those job families. In addition, because this wage determination may not list a wage rate for some or all occupations within those job families if the survey data indicates that the prevailing wage rate for the occupation equals or exceeds \$27.63 per hour conformances may be necessary for certain nonexempt employees. For example, if an individual employee is nonexempt but nevertheless performs duties

within the scope of one of the Computer Systems Analyst or Computer Programmer occupations for which this wage determination does not specify an SCA wage rate, then the wage rate for that employee must be conformed in accordance with the conformance procedures described in the conformance note included on this wage determination.

Additionally, because job titles vary widely and change quickly in the computer industry, job titles are not determinative of the application of the computer professional exemption. Therefore, the exemption applies only to computer employees who satisfy the compensation requirements and whose primary duty consists of:

(1) The application of systems analysis techniques and procedures, including consulting with users, to determine hardware, software or system functional specifications;

(2) The design, development, documentation, analysis, creation, testing or modification of computer systems or programs, including prototypes, based on and related to user or system design specifications;

(3) The design, documentation, testing, creation or modification of computer programs related to machine operating systems; or

(4) A combination of the aforementioned duties, the performance of which requires the same level of skills. (29 C.F.R. 541.400).

2) AIR TRAFFIC CONTROLLERS AND WEATHER OBSERVERS - NIGHT PAY & SUNDAY PAY: If you

work at night as part of a regular tour of duty, you will earn a night differential and receive an additional 10% of basic pay for any hours worked between 6pm and 6am.

If you are a full-time employed (40 hours a week) and Sunday is part of your regularly scheduled workweek, you are paid at your rate of basic pay plus a Sunday premium of 25% of your basic rate for each hour of Sunday work which is not overtime (i.e. occasional work on Sunday outside the normal tour of duty is considered overtime work).

HAZARDOUS PAY DIFFERENTIAL: An 8 percent differential is applicable to employees employed in a position that represents a high degree of hazard when working with or in close proximity to ordnance, explosives, and incendiary materials. This includes work such as screening, blending, dyeing, mixing, and pressing of sensitive ordnance, explosives, and pyrotechnic compositions such as lead azide, black powder and photoflash powder. All dry-house activities involving propellants or explosives.

Demilitarization, modification, renovation, demolition, and maintenance operations on sensitive ordnance, explosives and incendiary materials. All operations involving regrading and cleaning of artillery ranges.

A 4 percent differential is applicable to employees employed in a position that represents a low degree of hazard when working with, or in close proximity to ordnance, (or employees possibly adjacent to) explosives and incendiary materials which involves potential injury such as laceration of hands, face, or arms of the employee engaged in the operation, irritation of the skin, minor burns and the like; minimal damage to immediate or adjacent work area or equipment being used. All operations involving, unloading, storage, and hauling of ordnance, explosive, and

incendiary ordnance material other than small arms ammunition. These differentials are only applicable to work that has been specifically designated by the agency for ordnance, explosives, and incendiary material differential pay.

**** UNIFORM ALLOWANCE ****

If employees are required to wear uniforms in the performance of this contract (either by the terms of the Government contract, by the employer, by the state or local law, etc.), the cost of furnishing such uniforms and maintaining (by laundering or dry cleaning) such uniforms is an expense that may not be borne by an employee where such cost reduces the hourly rate below that required by the wage determination. The Department of Labor will accept payment in accordance with the following standards as compliance:

The contractor or subcontractor is required to furnish all employees with an adequate number of uniforms without cost or to reimburse employees for the actual cost of the uniforms. In addition, where uniform cleaning and maintenance is made the responsibility of the employee, all contractors and subcontractors subject to this wage determination shall (in the absence of a bona fide collective bargaining agreement providing for a different amount, or the furnishing of contrary affirmative proof as to the actual cost), reimburse all employees for such cleaning and maintenance at a rate of \$3.35 per week (or \$.67 cents per day). However, in those instances where the uniforms furnished are made of "wash and wear" materials, may be routinely washed and dried with other personal garments, and do not require any special treatment such as dry cleaning, daily washing, or commercial laundering in order to meet the cleanliness or appearance standards set by the terms of the Government contract, by the contractor, by law, or by the nature of the work, there is no requirement that employees be reimbursed for uniform maintenance costs.

The duties of employees under job titles listed are those described in the "Service Contract Act Directory of Occupations", Fifth Edition, April 2006, unless otherwise indicated. Copies of the Directory are available on the Internet. A links to the Directory may be found on the WHD home page at <http://www.dol.gov/esa/whd/> or through the Wage Determinations On-Line (WDOL) Web site at <http://wdol.gov/>.

REQUEST FOR AUTHORIZATION OF ADDITIONAL CLASSIFICATION AND WAGE RATE {Standard Form 1444 (SF 1444)}

Conformance Process:

The contracting officer shall require that any class of service employee which is not listed herein and which is to be employed under the contract (i.e., the work to be performed is not performed by any classification listed in the wage determination), be classified by the contractor so as to provide a reasonable relationship (i.e., appropriate level of skill comparison) between such unlisted classifications and the classifications listed in the wage determination. Such

conformed classes of employees shall be paid the monetary wages and furnished the fringe benefits as are determined. Such conforming process shall be initiated by the contractor prior to the performance of contract work by such unlisted class(es) of employees. The conformed classification, wage rate, and/or fringe benefits shall be retroactive to the commencement date of the contract. {See Section 4.6 (C)(vi)} When multiple wage determinations are included in a contract, a separate SF 1444 should be prepared for each wage determination to which a class(es) is to be conformed.

The process for preparing a conformance request is as follows:

- 1) When preparing the bid, the contractor identifies the need for a conformed occupation(s) and computes a proposed rate(s).
- 2) After contract award, the contractor prepares a written report listing in order proposed classification title(s), a Federal grade equivalency (FGE) for each proposed classification(s), job description(s), and rationale for proposed wage rate(s), including information regarding the agreement or disagreement of the authorized representative of the employees involved, or where there is no authorized representative, the employees themselves. This report should be submitted to the contracting officer no later than 30 days after such unlisted class(es) of employees performs any contract work.
- 3) The contracting officer reviews the proposed action and promptly submits a report of the action, together with the agency's recommendations and pertinent information including the position of the contractor and the employees, to the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, for review. (See section 4.6(b)(2) of Regulations 29 CFR Part 4).
- 4) Within 30 days of receipt, the Wage and Hour Division approves, modifies, or disapproves the action via transmittal to the agency contracting officer, or notifies the contracting officer that additional time will be required to process the request.
- 5) The contracting officer transmits the Wage and Hour decision to the contractor.
- 6) The contractor informs the affected employees.

Information required by the Regulations must be submitted on SF 1444 or bond paper.

When preparing a conformance request, the "Service Contract Act Directory of Occupations" (the Directory) should be used to compare job definitions to insure that duties requested are not performed by a classification already listed in the wage determination. Remember, it is not the job title, but the required tasks that determine whether a class is included in an established wage determination. Conformances may not be used to artificially split, combine, or subdivide classifications listed in the wage determination.

DECLARATION re COMPLIANCE WITH U.S. DOL WAGE DETERMINATION

Procurement No.: _____

Name of Offeror Company: _____

I, _____ hereby certify under penalty of perjury:

(1) That I am _____ [please select one. the offeror, a partner of the offeror, an officer of the offeror] making the bid or proposal in the foregoing identified procurement;

(2) That I have read and understand the provisions of 5 GCA § 5801 and § 5802 which read:

§ 5801. Wage Determination Established.

In such cases where the government of Guam enters into contractual arrangements with a sole proprietorship, a partnership or a corporation ("contractor") for the provision of a service to the government of Guam, and in such cases where the contractor employs a person(s) whose purpose, in whole or in part, is the direct delivery of service contracted by the government of Guam, then the contractor shall pay such employee(s) in accordance with the Wage Determination for Guam and the Northern Mariana Islands issued and promulgated by the US Department of Labor for such labor as is employed in the direct delivery of contract deliverables to the government of Guam.

The Wage Determination most recently issued by the US Department of Labor at the time a contract is awarded to a contractor by the government of Guam shall be used to determine wages, which shall be paid to employees pursuant to this Article. Should any contract contain a renewal clause, then at the time of renewal adjustments, there shall be made stipulations contained in that contract for applying the Wage Determination, as required by this Article, so that the Wage Determination promulgated by the U.S Department of Labor on a date most recent to the renewal date shall apply.

§ 5802. Benefits.

In addition to the Wage Determination detailed in this Article, any contract to which this Article applies shall also contain provisions mandating health and similar benefits for employees covered by this Article, such benefits having a minimum value as detailed in the Wage Determination issued and promulgated by the US Department of Labor, and shall contain provisions guaranteeing a minimum of ten (10) paid holidays per annum per employee.

(3) That the offeror is in full compliance with 5 GCA § 5801 and § 5802, as may be applicable to the procurement referenced herein;

(4) That I have attached the most recent wage determination applicable to Guam issued by the US Department of Labor. [INSTRUCTIONS - Please attach!]

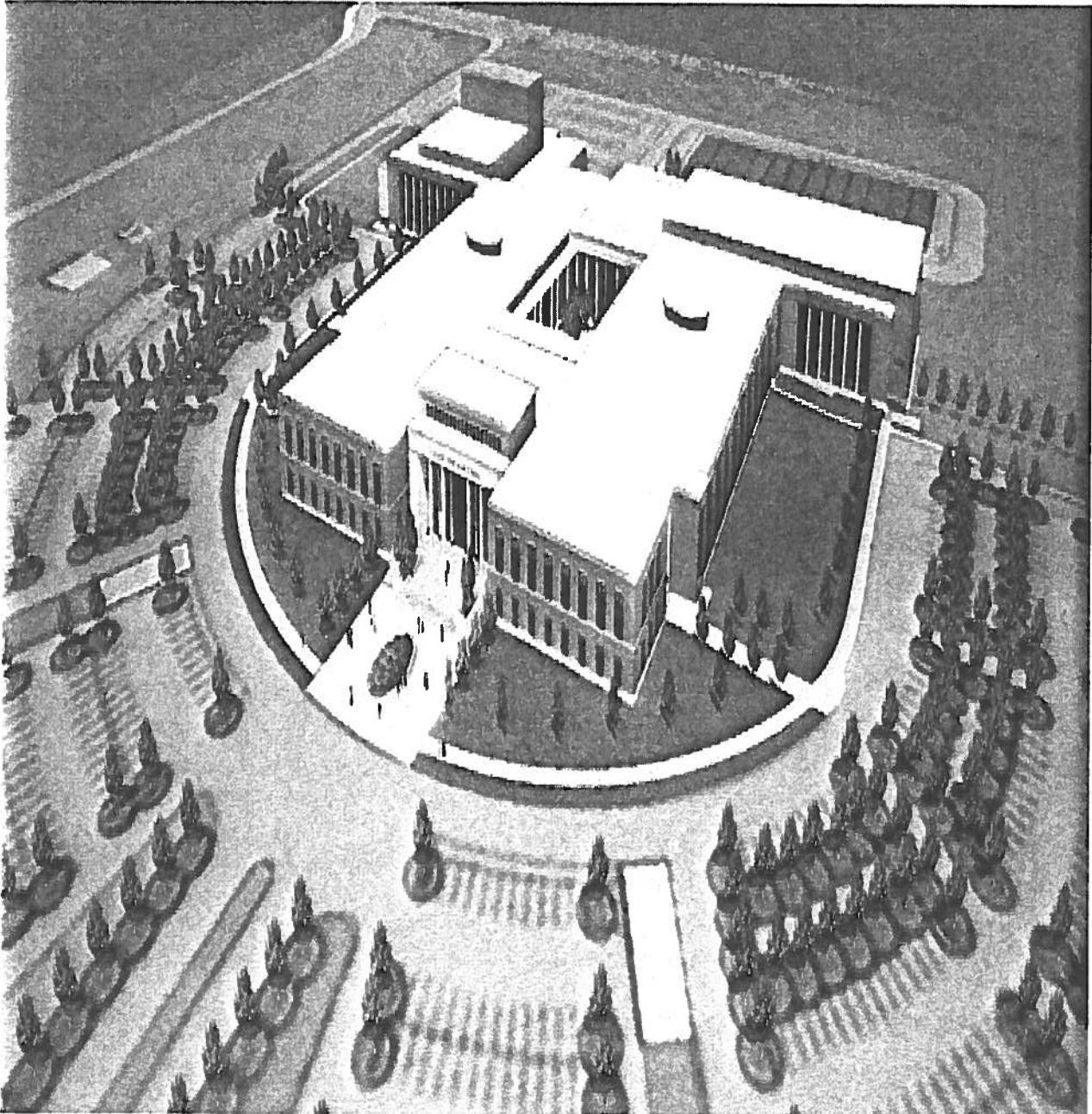
Signature

THIS MUST BE COMPLETED AND RETURNED IN THE ENVELOPE CONTAINING THE PROPOSAL

AG Procurement Form 006 (Feb 16, 2010)

Simon Sanchez High School Conceptual Rendering SAMPLE

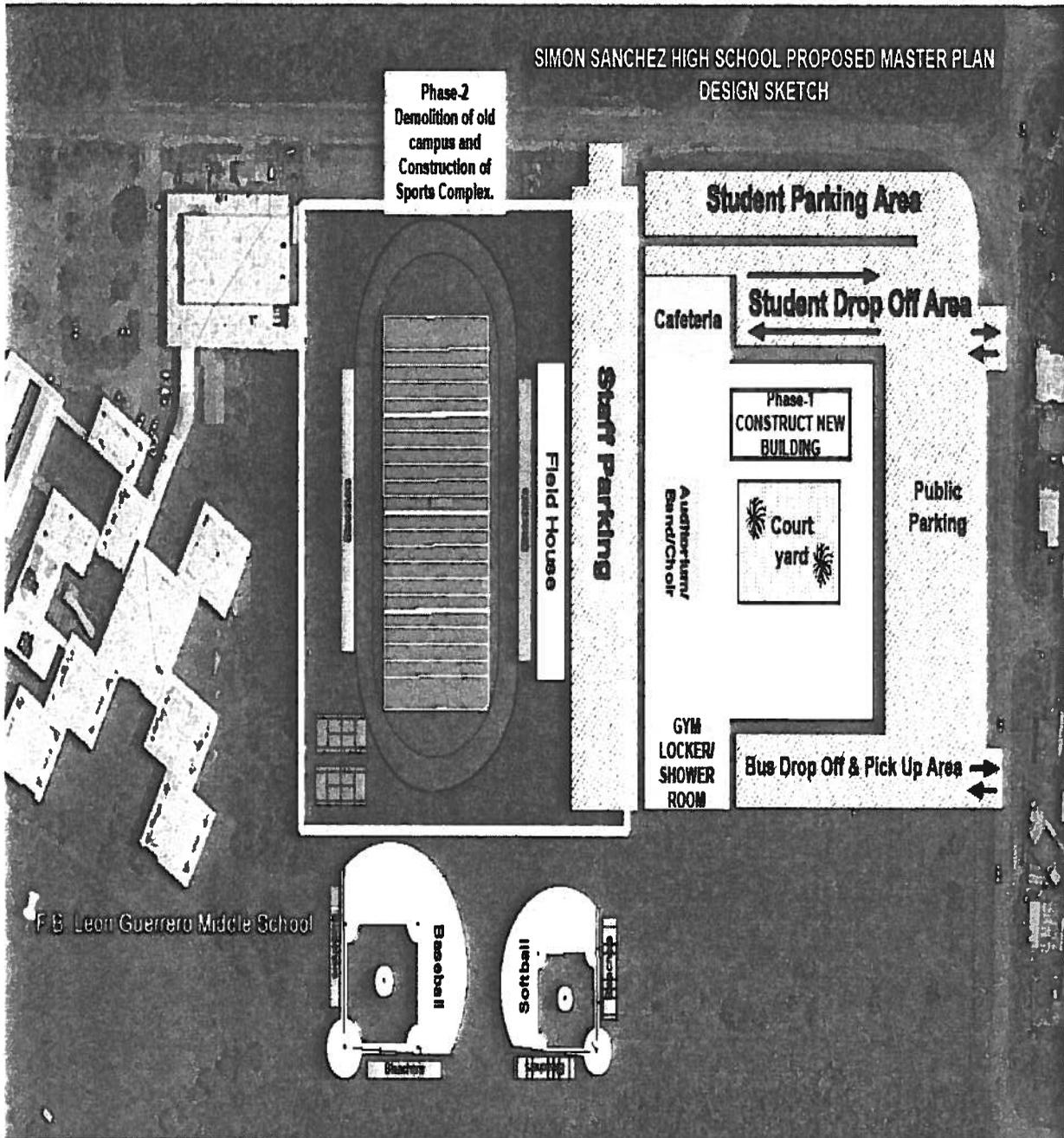
NOTE: Offeror must submit a conceptual layout plan of facility. Conceptual rendering should be architectural-creative-motiff.



Simon Sanchez High School Master Plan SAMPLE

NOTE:

The Offeror must submit the design master plan and narrative project approach to address the classes schedule versus work or construction schedule to minimize classes disruption during the construction.





EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor of Guam

FEB 13 2014

Honorable Judith I. Won Pat, Ed.D.
Speaker
I Muni'trentai Dos Na Liheslaturan Guåhan
155 Hesler Street
Hagåtña, Guam 96910

32-14-1301
Office of the Speaker
Judith I. 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 11 PM 4:09 PM

Sincerely,

EDDIE BAZA CALVO

1301

Ricardo J. Bordallo Governor's Complex • Adelup, Guam 96910
Tel: (670) 472-8941 • Fax: (670) 477-4826 • governor.guam.gov • calvo.far.guam.gov

**I MINA'TRENTA DOS NA LIHESLATURAN GUAHAN
2014 (SECOND) Regular Session**

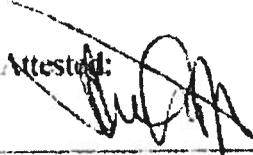
CERTIFICATION OF PASSAGE OF AN ACT TO I MIGA'LAHEN GUAHAN

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.



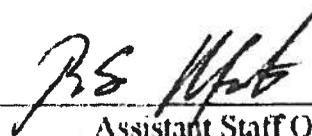
Judith T. Won Pat, Ed.D.
Speaker

Attested:



Tina Rose Muña Barnes
Legislative Secretary

This Act was received by *I Maga'lahaen Guahan* 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 Guahan

Date: FEB 10 2014

Public Law No. 52-120

I MINATRENTA DOS NA LIHESLATURAN GUÁHAN
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. Lintiaco
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 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.

1

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, *Liguán* 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

3

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'lahaen 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 Kāhat* 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

5

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 *Guåhan*, 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

7

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 *Guåhan*. 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 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*
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8 education agency pays the lowest possible interest rate so that the cost to
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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'laken Gudhan'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'lahaen Gudhan* and *I Liheslaturan Gudhan*
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 TE
Lieutenant G

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: 9:30
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

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](http://governorofguam.gov)

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

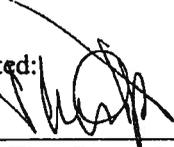
CERTIFICATION OF PASSAGE OF AN ACT TO *I MAGA'LAHEN GUÅHAN*

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.

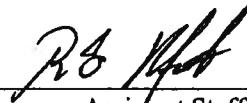


Judith T. Won Pat, Ed.D.
Speaker

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 L.B. CALVO
I Maga'lahen Guåhan

FEB 10 2014

Date:

Public Law No. 32-121

1 **THE FINANCE, DESIGN, RENOVATION,**
2 **REHABILITATION, CONSTRUCTION OR MAINTENANCE OF**
3 **PUBLIC SCHOOLS**

4 § 58E100. Legislative Findings and Intent.

5 § 58E101. Definitions.

6 § 58E102. Authorization to Enter into Long-Term Leases.

7 § 58E103. Identification of Projects and Procurement.

8 § 58E104. Responsibilities of Developer/Contractor.

9 § 58E105. Contractual Safeguards.

10 § 58E106. Assignments.

11 § 58E107. Pledge of Revenues.

12 § 58E108. Use of Tax-Exempt Bond and Other Financing
13 Instruments for Financing.

14 § 58E109. Utilities, Maintenance and Repair.

15 § 58E110. Severability.

16 **§ 58E100. Legislative Findings and Intent.** *I Liheslaturan*
17 *Guåhan* finds that Guam public school facilities face deficiencies in its
18 roofing, exterior, interior, structural, mechanical, electrical, plumbing, and
19 school grounds, which create a non-conducive environment that hinders
20 learning and the work and production of teachers and students.

21 *I Liheslaturan Guåhan* finds that the Guam Department of Education
22 is about \$90 Million behind on maintenance projects for the island's public
23 schools, according to a report commissioned by the Department of the
24 Interior in 2012, and recently submitted to the Guam Department of
25 Education in August 2013.

26 It is, therefore, the intent of *I Liheslaturan Guåhan* for the
27 government of Guam to use one quarter of the business privilege tax to pay

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 *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 *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 *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.”

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.”

ACKNOWLEDGEMENT OF RECEIPT FORM

DEPARTMENT OF PUBLIC WORKS

Please acknowledge receipt of

RFP-730-5-1055-L-YIG

Lease Financing for Renovation or Construction of Thirty-Six (36) GDOE Schools beginning with Simon Sanchez High School

Name of Prospective Offeror _____

Name of person receiving RFP _____

Signature _____

Date _____

Time _____

Contact Person regarding RFP _____

Company/Firm _____

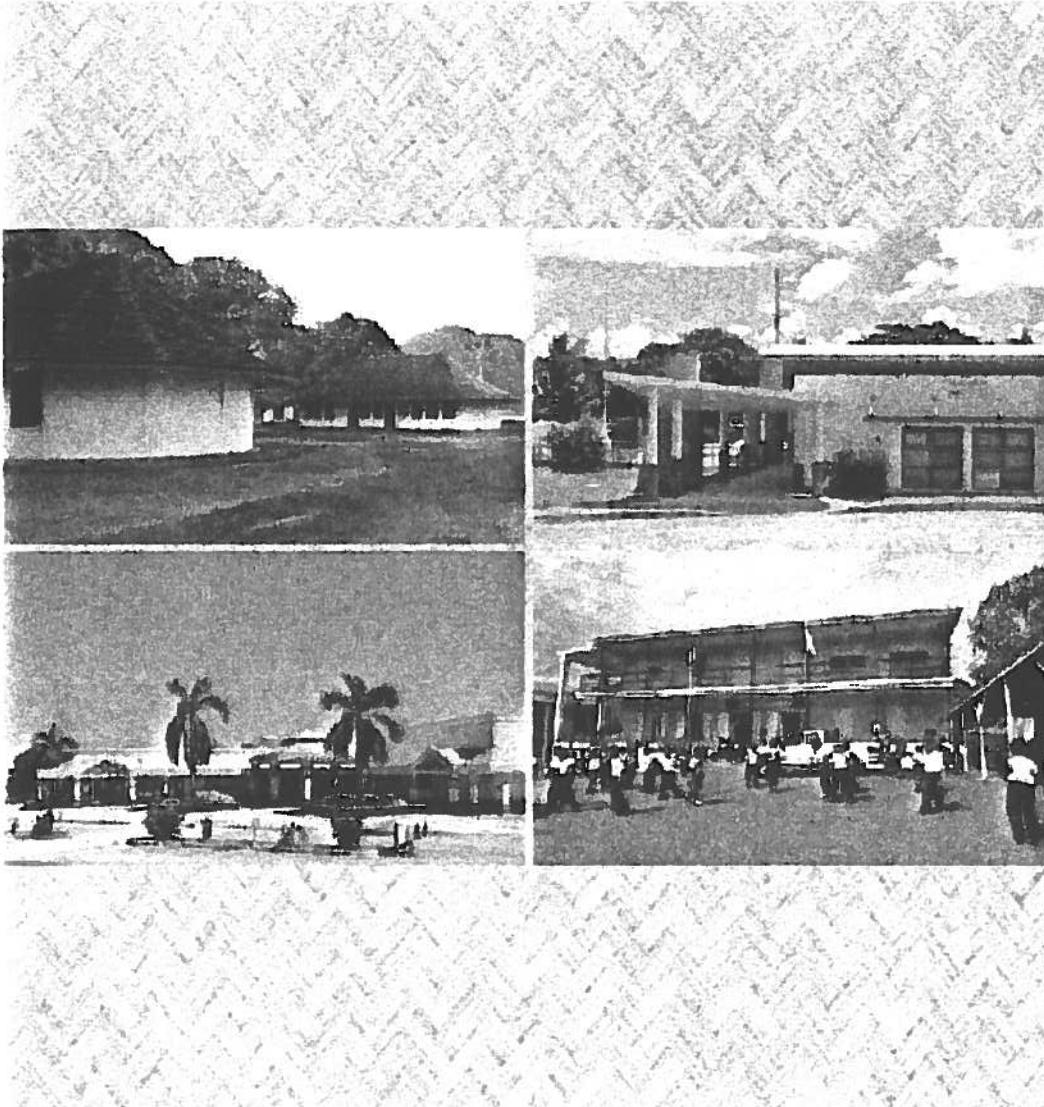
Title _____

E-mail Address _____

Contact Number _____

Fax Number _____

Address _____



**INVENTORY
AND
CONDITION
ASSESSMENT
PHASE II REPORT**



U.S. Department of the Interior
Office of Insular Affairs

Insular ABCs
Insular Schools
Assessment of
Buildings and Classrooms

August 2013



Prologue

The preparers of this report are indebted to the assistance and support provided by the scores of dedicated professionals in the insular area school districts and supporting agencies. Their advice and keen insight into local conditions was invaluable.

INVENTORY AND CONDITION ASSESSMENT PHASE II REPORT

INSULAR ABCs

Insular Schools: Assessment of Buildings and Classrooms

--Final--

August 2013

Prepared by:

Helber Hastert & Fee, Planners

Under contract with:

US Army Corp of Engineers, Honolulu District

Prepared for:

US Department of the Interior, Office of Insular Affairs

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Acronyms

ABCs	Insular Schools: Assessment of Buildings and Classrooms
CIP	Capital improvement project
CNMI	Commonwealth of the Northern Mariana Islands
CRV	Current replacement value
DM	Deferred maintenance
DOI	US Department of the Interior
DPW	Department of Public Works
ECM	Energy conservation measure
EAM	Enterprise asset management
FCI	Facility condition index
FIMS	Facility information management system
H/S	Health and safety
IEQ	Indoor environmental quality
M&R	Maintenance and repair
SME	Subject matter expert
USACE	US Army Corps of Engineers
USVI	US Virgin Islands
\$M	Million Dollars

Executive Summary

This report documents the findings of an assessment of the physical condition of public schools (Kindergarten – Grade 12) in the US Insular Areas (Commonwealth of the Northern Mariana Islands, Guam, American Samoa and US Virgin Islands). This “Phase II” report is part of the US Department of the Interior/Office of Insular Affairs “Insular ABCs” initiative (Assessment of Buildings and Classrooms) to improve the condition of insular area schools, a goal of DOI’s FY11- FY16 Strategic Plan. The report is the second in a series of steps associated with the ABCs Initiative. The first report provided situational awareness, a preliminary assessment of school conditions and a methodology for conducting a comprehensive school condition assessment. This report documents the findings and recommendations of that comprehensive assessment. The third step will be to implement the recommendations following the general scope and timeline provided in this report.

All 115 public K-12 schools in the four insular areas were surveyed between August 2012 and April 2013. Close coordination between the assessment team, school district leadership and staff, and school principals was maintained to gain input and participation and maximize results of the assessment process. Data was input into a relational database which is also accessible via a secure project website. Conditions of key building elements for each building were scored in the field¹ and approximations of associated deferred maintenance (DM) cost were generated through a cost algorithm in location adjusted, 2013 dollars. Quantities, costs and a condition “score” can be aggregated at the building system level, building, school, island, insular area and all insular area levels, and provides OIA and the insular areas with simple metrics to

¹ Deferred maintenance estimates were based on a simple condition rating system using scores ranging from five (no DM) to one (major DM), with zero representing “not present but required.”

gauge condition of insular schools – and to monitor progress. The accompanying table provides a high level overview of the school inventory.

Insular Schools Summary

	Schools	Buildings	Total SF (M)*	DM (\$M)	Replacement Cost** (\$M)
Am Samoa	28	293	0.9	\$10.0	\$100
CNMI	20	298	0.9	\$11.3	\$162
Guam	35	641	3.0	\$89.9	\$870
USVI	32	344	2.5	\$66.2	\$606
Total	115	1,576	7.3	\$177.4	\$1,738

*Based on room measurements

**Based on local replacement cost data

The insular area school replacement value is estimated at approximately \$1.7 billion. Deferred maintenance is estimated at approximately \$177 million, of which approximately 9% is associated with high priority health and safety issues. School grounds conditions were also assessed (e.g., site drainage, pavement conditions, fencing, etc.) and deficiencies were identified, but associated costs were not calculated as part of the Phase II effort. Indoor environmental quality assessments identified practical, low cost options to immediately improve classroom condition (e.g., re-opening sealed windows, improving natural lighting and installing/repairing fans) that are also not directly included in the DM backlog. Energy audits identified cost-effective energy conservation measures to significantly reduce utility bills and improve occupant comfort while reducing electrical and water consumption.

It is recommended that OIA and the insular areas engage closely in a partnership to achieve significant progress in completing ABCs Initiative Phase II recommendations within the next five years.

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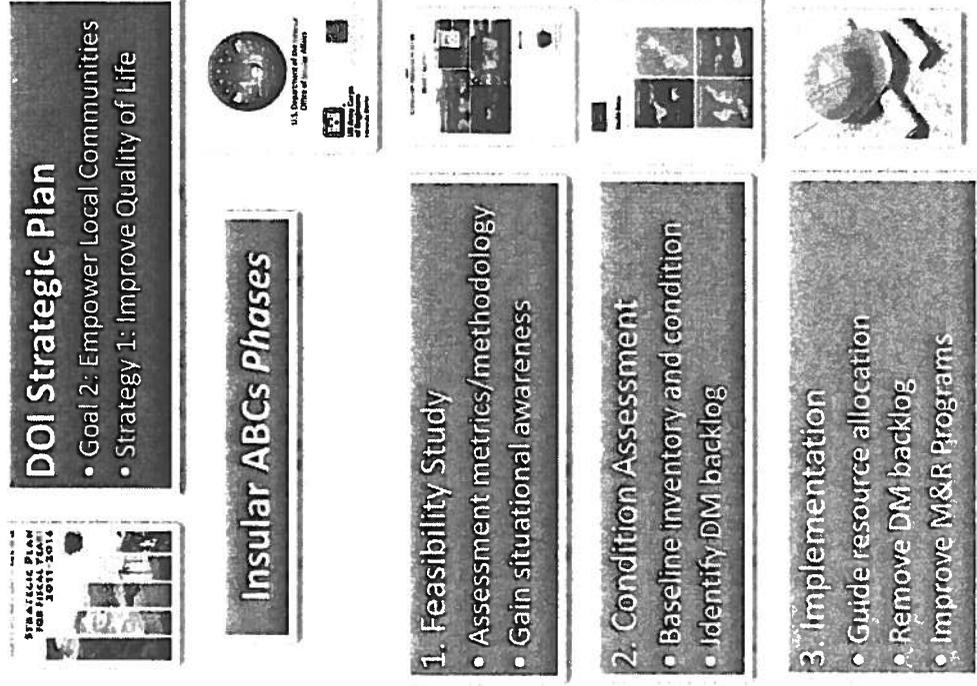
1 Introduction

The Insular ABCs initiative represents a partnership between OIA and four insular areas (American Samoa, the Commonwealth of the Northern Mariana Islands (CNMI), Guam, and US Virgin Islands (USVI)) to improve the physical condition of K-12 public schools. This report represents Phase II of a three-phased initiative: the first was a feasibility study undertaken to gain situational awareness, collect preliminary inventory data and establish assessment methodology. The Phase II report provides a first-ever baseline inventory and condition assessment of the insular K-12 public schools (115) identifying deferred maintenance (DM) costs (maintenance that should have been performed but was delayed for a future period), energy conservation measures to reduce overall utility costs and increase energy security, and measures to improve indoor environmental quality conditions to boost student performance.

The Insular Schools: Assessment of Buildings and Classrooms (ABCs) initiative, or Insular ABCs, was initiated to support the US Department of the Interior's (DOI) FY 2011-2016 Strategic Plan Goal #2, Empower Insular Communities, Strategy #1, Improve Quality of Life in the insular areas, the supporting performance measure of which is "Percent of schools in acceptable condition based on specified safety and functionality standards." As stated in the Strategic Plan, the DOI through its Office of Insular Affairs (OIA) "will assist the insular areas to improve the quality of life by pairing access to financial resources for capital improvements and public services with robust oversight, and by improving interagency coordination on insular issues." Implementation of the Phase II recommendations represents the third and final phase and is outlined in Chapter 6.

The report is organized into six chapters. Chapter 1 provides a general introduction and overall context. Chapter 2 summarizes methodology, including descriptions of assessment techniques and cost model.

Chapter 3 provides a high level overview of the insular school districts and general findings from the condition assessment. Chapter 4 summarizes insular area-specific findings. Chapter 5 summarizes the various work products produced as part of the Phase II effort. Chapter 6 presents the implementation plan.



1.1 Purpose

DOI's Strategic Plan identifies the need to improve insular school conditions as an important performance measure in improving quality of life. Comprehensive condition assessments currently do not exist for all areas and prioritization of school facility investments is inconsistent and in some cases subject to strong political pressures.

Purpose	Need
<ul style="list-style-type: none"> • Provide comprehensive, verifiable data to assess needs based funding requirements. • Develop estimates of deferred maintenance cost needed to improve condition of insular schools. 	<ul style="list-style-type: none"> • Lack of awareness regarding existing deficiencies and funding needs. • Existing investment decisions rely on incomplete information.

Deferred maintenance is defined by The Federal Accounting Standards Advisory Board (www.FASAB.gov) as: *maintenance that was not performed when it should have been or was scheduled to be and which, therefore, is put off or delayed for a future period. For purposes of this standard, maintenance is described as the act of keeping fixed assets in acceptable condition. It includes preventive maintenance, normal repairs, replacement of parts and structural components, and other activities needed to preserve the asset so that it continues to provide acceptable services and achieves its expected life. Maintenance excludes activities aimed at expanding the capacity of an asset or otherwise upgrading it to serve needs different from, or significantly greater than, those originally intended.* Statement of Federal Financial Accounting Standard 6

1.2 Value to OIA and Insular Areas

Condition assessment and deficiency reporting established in Phase II of the Insular ABCs initiative provides insular school stakeholders (OIA, Governors, School District officials, etc.) with a clear view of how building elements and school facilities throughout the respective districts are performing and provides a snap shot, based on standard metrics (e.g., score and DM backlog), of the relative condition of insular schools. The comprehensive view of facility condition provided in this phase will help inform investment strategies and enhance facility longevity. The condition assessment also identified health and safety concerns that need immediate attention, as well as more systemic problems such as deteriorated roofs, and supporting utility systems, etc. that will need to be addressed in a sustained, programmatic approach.

A comprehensive, geo-referenced facility inventory was created to support the condition assessments, establishing the first-ever insular facilities database of all school buildings. Costs estimates were developed for the 131 building elements assessed, accounting for a subset of major building costs, referred to as current replacement value (CRV). It is important to note that the parametric cost estimates provided are for high level planning purposes and are not substitutes for project-level design costs. Facility floor areas and CRVs provide valuable metrics for facilities planning and analyzing maintenance program alternatives.

DM percentage of total CRV (DM/CRV), or cost of needed repairs compared to the respective asset value, is referred to as the facility condition index (FCI) and is provided at all levels, from insular area to building element, and helps inform funding needs. FCI can help identify the magnitude of particular problems regardless of cost (e.g., an FCI over 50 percent may indicate replacement is warranted). Based on survey results, 25 percent of elements rated had FCI's above 1.5 percent and are considered, for the purposes of this report, to have a high FCI.

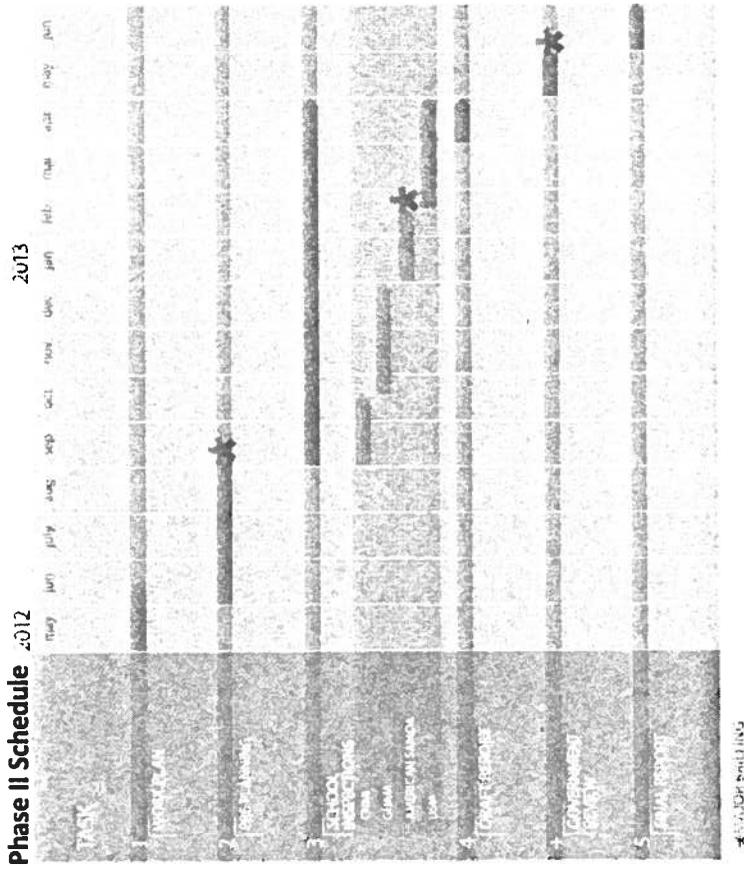
1.3 Project Schedule

The overall project was conducted over a fourteen-month period (May 2012 through June 2013) as indicated on the accompanying chart. Assessment criteria and methodology were developed from May through August 2012. A prototyping exercise took place at CNMI schools in August 2012 to validate/refine assessment tools and methods, before full surveys began in September 2012. School surveys started in CNMI in September 2012, moved to Guam in November, American Samoa in January 2013 and finally, to USVI in March 2013. School surveys concluded in April 2013.

Status briefings with OIA were provided in September 2012, and March and July 2013. Report findings were briefed to each of the insular area Governors in late July and early August 2013. Training sessions on how to access FIMS information were also provided to insular area staff during this period. This final report is to be published on the OIA website in late August 2013.

1.4 Team Organization

OIA contracted with the US Army Corps of Engineers (USACE) Honolulu District to undertake the ABCs initiative. USACE retained Helber Hastert & Fee, Planners and its multi-disciplinary team of subject matter experts to lead the effort. HHF was the primary liaison with school district personnel.



Insular ABCs Team Members

Overall Lead	USACE Honolulu District
Consulting Team Leader/ Facility Planners	Helber Hastert & Fee Planners, Inc.
Architect	Mason Architects, Inc.
Structural Engineer	Martin & Chock, Inc.
Mechanical Engineer	InSynergy Engineering, Inc.
Electrical Engineer	InSynergy Engineering, Inc.
Civil Engineer	Austin Tsutsumi & Associates, Inc.
FIMS Developer	Total Resource Management, Inc.

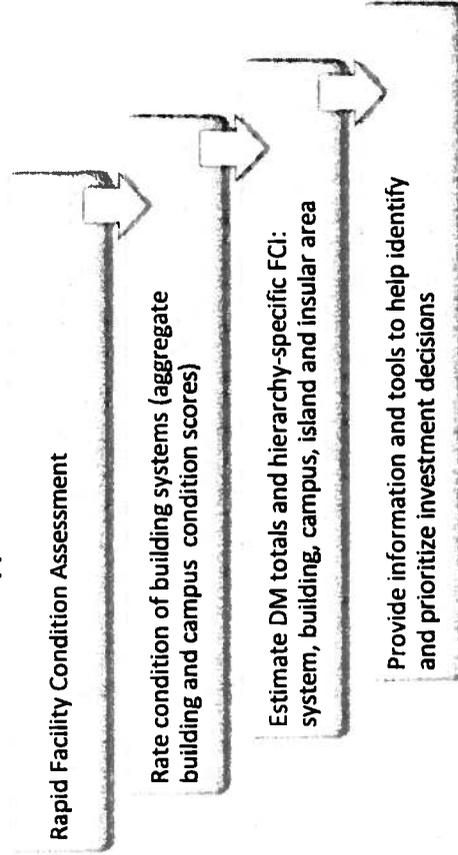
2 Methodology

Phase II of the Insular ABCs included assessment and rating of building elements and DM estimation (based on component cost and condition score) to identify specific needs. DM estimates were aggregated at the building, building system, school, and regional levels to identify budgetary needs and help prioritize investment decisions. The initiative required development of the overall assessment approach, a cost model to calculate DM costs, an information management database, and a website data reporting system.

2.1 Overall Approach

The insular ABCs used a rapid condition assessment model following a standard set of assessment procedures, a simple condition score range, and score-based DM calculations. Data summaries were then provided by composite system and building level score, DM, and FCI.

Schematic of overall approach



Key components of the Insular ABCs initiative included development of assessment standards, stakeholder engagement practices, and data reporting systems. Data compilation and reporting tools are to be provided to school districts upon project completion.

Condition assessment standards included defining items to be assessed, assessment criteria, establishing data collection practices and needed tools, and developing systems for compiling data and reporting back to school principals, school district personnel, and OIA officials. Health and safety concerns were also recorded when immediate hazards to student safety were identified such as potential for falling concrete, jagged edges on finishes or fixtures, electrocution or fire risk, failed/near-failing integrity of structural elements, lack of emergency exits, serious air quality problems, fall risk, septic system problems (leaks or backups), or lack of nearby fire hydrants.

Engagement with insular area school superintendents and school facility managers (principals, planning, programming and budgeting offices, maintenance personnel, and other school district staff) was critical to capturing facility inventory data and existing needs. Facility management personnel were invited to participate in the assessments and were engaged throughout the assessment process to maximize awareness of the process and findings.

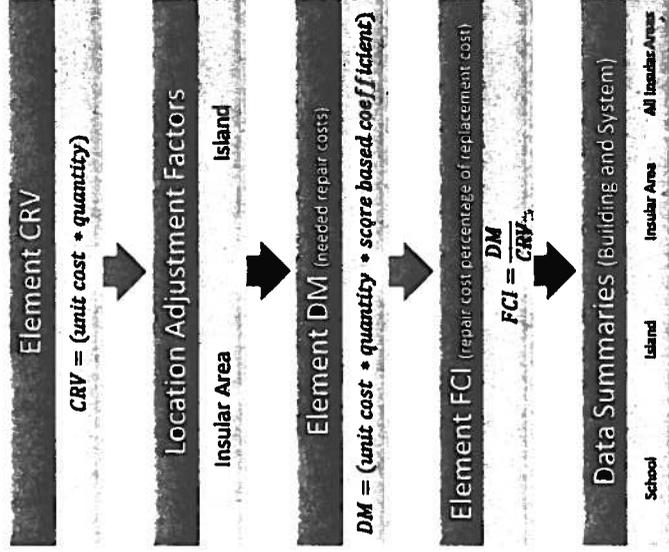
A facility information management system (FIMS) was developed to collect and store assessment data, geocode facilities and related data, process calculations, and report findings. In addition to FIMS use, data compilation and reporting assessment findings included immediate reports back to school principals when safety risks were observed, out-briefs to school district personnel on major and common findings, delivering narrative reports in each insular area, and presenting summary condition data on the project website.

2.2 Cost Model

The Insular ABCs assessment model as described in the Phase I report is based on the NASA DM Parametric Estimating Method (NASA model). Summary scores and costs from the Insular ABCs condition assessments are reported at the system level, including seven building systems generally following the NASA model. "Site" was added to account for school grounds conditions, including drainage problems.²

Building Systems	
1. Structure	5. Mechanical (HVAC)
2. Roofing	6. Electrical
3. Exterior	7. Plumbing
4. Interior	8. Site

Key components of the cost model (identified in the schematic diagram to the right) include estimating element-level CRV, applying location adjustment factors, estimating DM based on a score coefficient (shown on the System Condition CRV Percentages table), calculating FCI to assist in data interpretation, and reporting data summaries through the system



hierarchy on the project website.

The building component typology was established generally following the national standard UNIFORMAT II Elemental Classification for Building Specifications, Cost Estimating, and Cost Analysis guide (1999) with some adjustments provided by team SMEs. Element costs were then estimated from national average RSMeans data (another national standard source for cost estimating data), and then adjusted by location factors based on local construction cost history, all expressed in 2013 dollars.

A total of 54 assessment categories, or subsystems, (e.g., roof covering, exterior windows, exterior wall construction), and 162 cost selections (e.g., asphalt roofing, aluminum windows double hung, reinforced masonry bearing walls), were identified to capture construction material types and address key grounds and building components. Subsystem and element material choices allowed surveyors to rapidly select appropriate building element types and collect required quantity information during assessments.

The cost selection total also includes 22 "Site" elements for which assessments were conducted but costs not assigned. The Insular ABCs cost model could be expanded during the implementation phase to include costs for Site work components.

CRV is only calculated for the assessed building elements so it does not represent full facility replacement cost.

The costs assigned to each element (elemental CRV) were calculated through the cost model via 13 primary formulas and ten secondary formulas (applied when data for the primary calculations were not available). Most calculations were based on unit costs multiplied by quantities (e.g., floor area, columns, perimeter length) obtained by the assessment team.

² Site deficiencies were identified but associated costs to address the deficiencies were not calculated as part of the Phase II effort.

Insular Schools: Assessment of Buildings and Classrooms

DM cost estimates were derived by applying a score to the individual element (abbreviated score definitions are provided below; each SME prepared and followed a more detailed set of system and subsystem criteria to ensure consistency). The rating system used scores ranging from five to zero, five indicating no DM, one indicating significant DM, and zero representing not present but required.

Element Score Definitions	
5	No DM. Only normal scheduled maintenance required.
4	Minor DM. Some minor repairs needed. System functions as intended.
3	Moderate DM. More minor and some larger repair required. System occasionally unable to function as intended.
2	Significant DM. Significant repairs required. Excessive damage clearly visible. Obsolete. System not functional as intended. Parts not easily obtainable. Does not meet all codes.
1	Major DM. Major repair/replacement required to restore function. Unsafe to use.
0	Not Present. Element needs to be acquired/installed

The scores corresponded with a system condition CRV percentage as shown in the table below.

System Condition CRV Percentages (for estimating DM)						
System\Score	5	4	3	2	1	0
Structure	0%	2%	25%	50%	120%	100%
Exterior	0%	1%	10%	75%	100%	100%
Roofing	0%	9%	25%	90%	120%	100%
Interiors	0%	3%	10%	75%	101%	100%
Mechanical	0%	10%	25%	50%	120%	100%
Plumbing	0%	10%	25%	50%	120%	100%
Electrical	0%	10%	25%	50%	120%	100%

Phase II Report – August 2013

System Condition CRV Percentages for Structure, Exterior, Roofing, and Interiors were developed by the respective SMEs to correlate with their assessment criteria. As shown, a score of 5 indicates no DM (0%). Rating an element with a lower condition score yields a higher DM percentage. Zero means an element is not present but requires installation, while 1 means full replacement, which often exceeds the installation costs due to other factors (e.g., demolition and disposal costs).

Insular area cost adjustment factors were developed, and applied to elemental CRVs, based on recent construction cost schedules collected from the insular areas and normalized to the US National average cost.

Insular area adjustment factors:

Insular Area	Factor
U.S. National Average	1.00
American Samoa	0.86
CNMI	1.22
Guam	1.95
U.S. Virgin Islands	1.63

Island adjustment factors, applied to adjusted insular area costs, were derived from cost estimate differences provided through local official interviews.

Island adjustment factors:

Am	Samoa	Factor	CNMI	Factor	Guam	Factor	USVI	Factor
Tutuila	1.0	1.0	Saipan	1.0	Guam	1.0	St. Thomas	1.0
Aunu'u	1.2	1.2	Tinian	1.3			St. Croix	0.8
Manua	2.0	2.0	Rota	1.5			St. John	1.5

Element costs, condition score, DM, and FCI were aggregated to system and building totals. These two “rollups” are continued through school, island, insular area, and total inventory to allow views into building and

system issues at various levels and illustrate the scale of problems identified. This model was based on rough, order-of-magnitude parametric cost estimates developed for high level budgetary purposes and is inappropriate to use for design purposes. Building elements and costs can continue to be refined in the future to improve precision and more accurately account for actual building replacement values. Details on cost elements, associated cost factors and the various calculations used are provided in an accompanying technical paper.

Defining condition assessment criteria was a critical component to standardizing this process and included the definition of visual assessment queues that would be used to assign one of the six ratings to each element assessed. Estimating DM costs for Site deficiencies was outside of the project scope; however, 22 Site elements were assessed to capture conditions of existing roadways, parking lots, pedestrian paving, fences & gates, water supply, sanitary sewer, and storm sewer.

Deficiencies could be identified by the surveyors as health and safety concerns. Health and safety DM costs were totaled independent of other DM costs for priority attention.

The rapid assessment process provided the ability to assess general building conditions but stopped well short of a code compliance audit. It is recommended that project planning and design for major renovations to address deferred maintenance also include identification of and correction of possible code compliance issues for structural, electrical and mechanical systems.

2.3 Assessment Procedure

Establishment of assessment procedures was undertaken early in project planning to instill a consistent and replicable process that could be taught to and used by building surveyors and applied in any locale over time.

Key components included:

- Local engagement
- School district personnel engagement
- Assessment protocol

2.3.1 Local Engagement

Close coordination between the assessment team, school district staff, and school principals was maintained to minimize disruption to the teaching environment and maximize results of the assessment process.

Local officials

- Relevant government officials were briefed on project objectives, and asked to provide information on recent school construction costs, utility records, hard asset data, existing site and floor plans, schools with drainage problems, GIS data, capacity and enrollment data, previous studies and planned improvements, and logistical matters.

Principals

- To engage school principals constructively and efficiently in the assessment process, a short questionnaire was sent to school principals in advance of surveys with a read ahead of basic project information. Information requested in the questionnaires provided insight on existing conditions

Inspection schedule

- School assessment schedules were created based on school district communications, maintained by the assessment team, and shared with school district personnel throughout surveys. Standard pacing was established early in the process, averaging about one school per day.

Survey assistance and participation

- School district personnel were encouraged to accompany the assessment team for process awareness and as a quality control measure. School administrative or maintenance staff typically showed the assessment team prominent or pervasive problems with the school facilities and grounds.

Briefings

- Kickoff meetings with school district leadership were held within one month prior to the surveys to brief local officials on objectives, assessment methods, and assessment schedule and gain input.
- In-briefs were conducted the first working day of team arrival to introduce the surveyors, get school personnel assignments for those joining the team during surveys if applicable, review protocol and standards, and go over logistics.
- Out-briefs were provided to facility management personnel at or near the completion of the surveys to report assessment findings, including common and major findings.

2.3.2 Assessment Protocol

A standard protocol was developed for the assessment team to complement the written assessment criteria.

Prior to school visit:

- Review principal questionnaire and other available school information
- Notify principals if there are schedule changes; request permission to visit schools on Saturdays and holidays
- Confirm ability for the surveyors to access to each room

At the school:

- Check in at the front desk and in-brief the principal or assigned representative
- Get input on existing problems from school maintenance personnel to the extent possible

During surveys:

- Wear team identification badges and any school district-specified personal protective equipment
- Walkthrough surveys of all rooms in buildings with minimal disruptions to ongoing activities

Post surveys:

- Check out at front desk and provide feedback if requested by the principal
- Report observed life safety concerns to school principals or assigned representative immediately
- Complete data entry and reporting

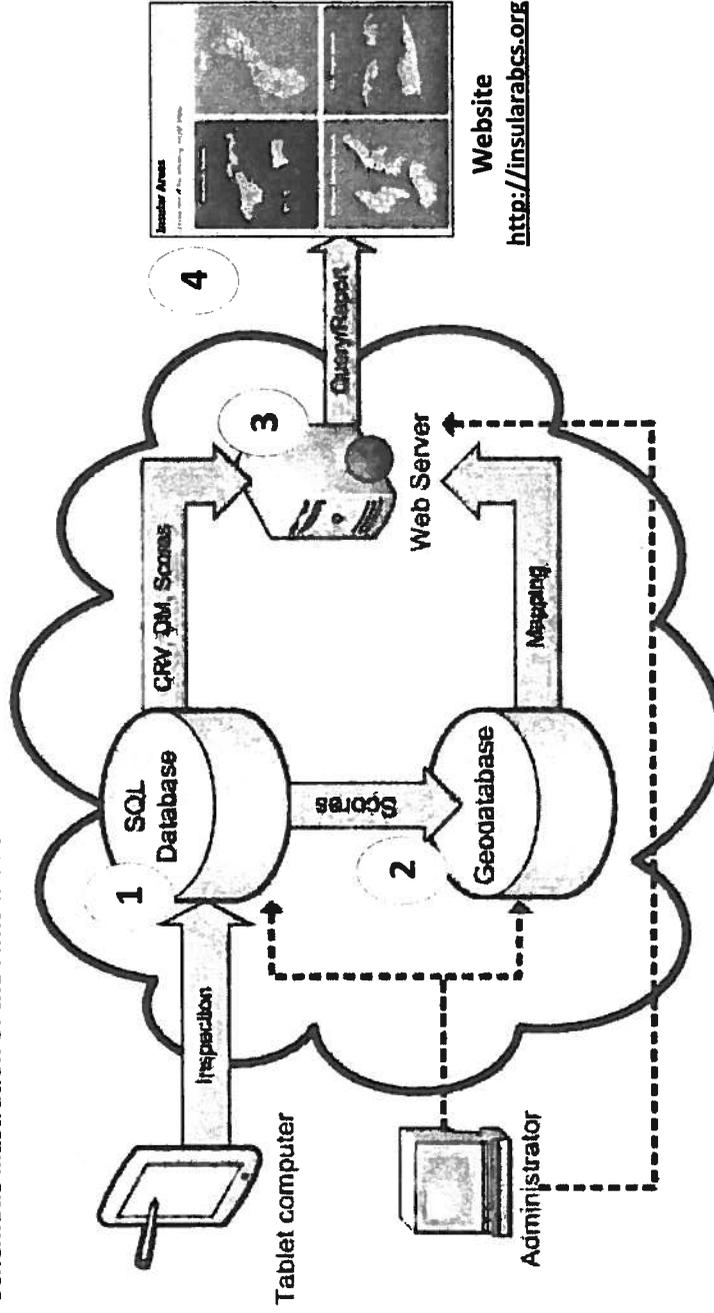
2.4 FIMS Design

The FIMS included laptops, tablets, and cameras for data collection, GIS shapefiles to geocode referenced facility information, a relational database server to compile, store, and process data, and a website to report findings. Access privileges for both entering and viewing information were developed to protect data integrity and safeguard insular area information.

2.4.1 Basic Database Structure

The FIMS database stores facility data and the score weighting, FCI, and DM algorithms used to calculate data summaries for reporting assessment findings. The system includes applications to capture, track and report data to inform repair and replacement budgets and provide a foundation for possible IT-based facility management programs. The system is developed to support senior level managers' needs to report on funding and resource requirements and the surveyors' needs to efficiently record information.

Schematic Illustration of the FIMS model



Basic Components

1. Assessment data and other available facility data was gathered and uploaded to the SQL database via tablets and laptops.
2. Facility data was geo-referenced for map-based data viewing.
3. Query and reporting tools were developed to provide data summaries.
4. Data was made accessible to authorized users through a web interface.

2.5 Web Interface

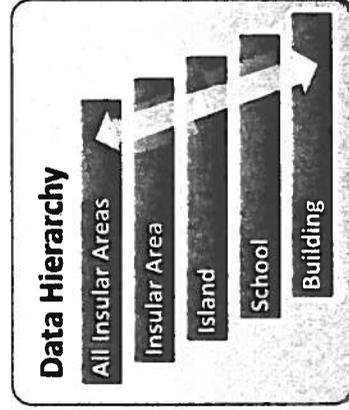
The project website (<http://insularabc.org/>) was developed to provide data summaries of basic facility information queries to high level federal and insular area officials and more specific facility information and assessment details to facility managers. Database hierarchy is mirrored in the project webpages taking information summaries from the insular area to individual building levels. All pages identify hierarchy-specific DM totals, inventory CRV, composite scores, the number of buildings in each score range, and FCI estimates.

Insular Area and Island pages show regional system and school DM and FCI summaries. In addition to DM and FCI summaries, School pages provide graphical indications of building composite and system-level assessment scores. Additional school details are also provided.

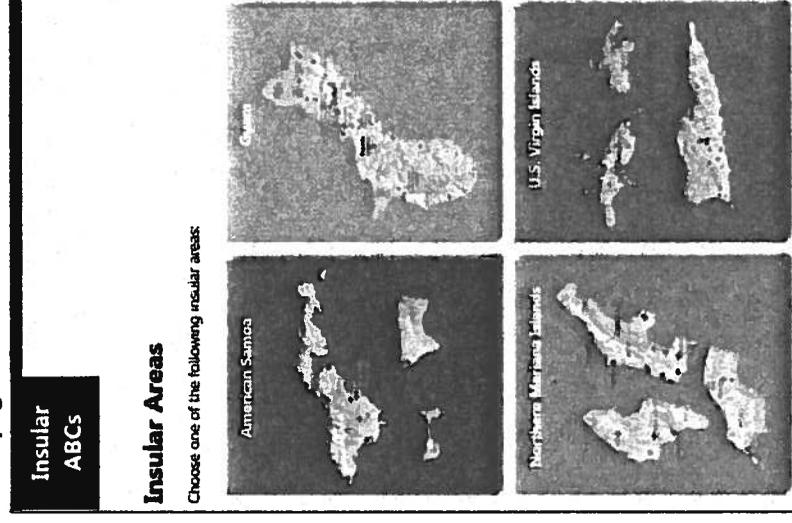
Building pages include DM and score summaries as well as elements assessed in each system, scores given, comments, and photos of deficiencies. Additional building details are also provided. Through the Building pages, facility managers can access element specific details to see where problems exist and review comments and photos.

Aerial maps on the School and Building pages (see image at right) provide color-coded score indications to give school district personnel and facility managers a quick view of where problems exist by both building and system.

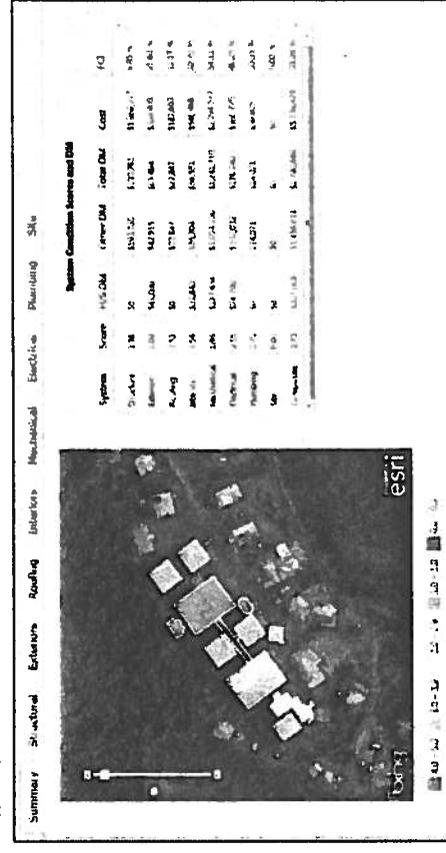
Website access permissions were developed to direct officials and facility management personnel to pages useful for their purposes to streamline web-browsing and screen area-specific information.



Home page view



The home page (left) provides a roll-up of all the insular area data for OIA use. Each insular area has access to its own page with associated data roll-ups at the school district, school (below), building and building system level.



School-level view

3 Insular Area Overview

This chapter provides a high level overview of the K-12 school facilities and related matters in the insular areas.

The general lack of available data on facility inventory, school facility and campus standards, and funding metrics in the respective insular areas obscures existing programmatic and facility needs and impedes the ability to determine or track the effectiveness of maintenance and repair (M&R) funding assistance. The lack of capital improvement project (CIP) planning in some areas also reduces facility management efficiency.

During the Insular ABCs surveys, it was observed that school district facility management personnel and maintenance staff were, by and large, committed to maintaining safe and secure facilities and educational environments for students, but varying levels of resources and experience creates challenges with maintenance programs and general practices.

3.1 Insular Area Comparison

Construction costs, school district management approaches and budgets, and demographics vary considerably across the insular school districts. The table below provides a general overview and comparison of the insular school inventory.

	Schools	Buildings	Total SF*	Enrollment	Replacement Cost** (\$M)
Am Samoa	28	293	0.9	13,025	\$300
CNMI	20	298	0.9	10,117	\$162
Guam***	35	641	3.0	25,051	\$870
USVI	32	344	2.5	15,192	\$606
Total	115	1,576	7.3	63,385	\$1,738

*Net floor area based on room measurements

**Based on local replacement cost data

***Building, enrollment, and cost figures for the 35 schools assessed (not total 40 public schools)

3.1.1 Annual School District Budgets

Budget analysis was beyond the scope of the study, but information gathered during local engagement or supplemental project research was compiled to compare, at a gross scale, funding differences between insular areas.

	FY 2013 Budget (\$M)	Budget \$/Student	Budget \$/sf
Am Samoa	\$61	\$4,700	\$70
CNMI	\$61	\$6,064	\$68
Guam	\$272	\$8,550	\$78
USVI	\$210	\$13,799	\$83

3.1.2 CIP Planning and M&R Programming

The extent of CIP planning, including capacity and construction metrics and identification of basic facility standards, as well as long range goals and objectives, also varies considerably and is needed in American Samoa and USVI to define such metrics and establish goals and objectives.

Insular Area	Comprehensive CIP Planning	Track Needed CIP Projects	Seek Funding as Needed
Am Samoa		X	
CNMI	X		
Guam	X		
USVI			X

School CIP and M&R program organization varies by school district. The general model vests M&R responsibility with the school district, with CIP support services either solely provided by, or through shared responsibility with, the Public Works Department (DPW). Most of the districts have central office maintenance staff that support selected schools or building systems (e.g., plumbing, electrical, carpentry) and custodial staff at schools providing lighter-duty support. Generally,

school principals are required to get personally involved in school maintenance oversight, which detracts from their primary responsibilities as school administrators.

The CNMI Public School System is the most autonomous School District, handling all CIP planning and M&R internally or through consultant services. It also supports a seven-year CIP planning process which is undergoing its second revision. The Guam Department of Education is in the process of re-evaluating and updating its 1999 ten-year CIP plan. American Samoa school CIP planning consists of a worksheet, providing a five-year projection of planned CIP projects, which is updated annually and submitted to the Governor for consideration in the annual budget process. It falls short of a comprehensive plan in that it lacks a vision statement, implementing policies, opportunities for public participation and engagement, and a clear articulation of facility needs and standards. USVI has a more limited school CIP planning process.

Guam DOE has recently moved to procuring its new schools through a design/build/operate/maintain program where the school district leases its new schools from a third party. It is also experimenting with outsourcing its CIP, M&R, custodial, and food preparation functions.

American Samoa DOE previously relied on its DPW for CIP and M&R services, but assumed M&R responsibilities some time ago in an effort to be more responsive to school needs. Based partly on reducing duplication and level of effort (the DOE and DPW both typically need to maintain M&R-related equipment and supplies), the new Administration has proposed to move M&R responsibilities back to DPW as an efficiency measure.

USVI DOE maintains a close working relationship with DPW for CIP support. It operates the only multi-district system in the insular areas with a system wide, central maintenance office supporting the two separate school districts, each with dedicated maintenance staff.

School-based parent/teacher organizations provide important community support for minor school improvement projects. Current practices permit these organizations to undertake minor construction projects that may not meet current code requirements and may lead to future problems. Policies are needed to provide structure and accountability for these types of projects.

Due to the aging physical plant, harsh coastal environments and chronic underfunding, all of the school districts' maintenance staff spend much of their time responding to trouble calls. These limitations impact the school district's ability to focus on preventative maintenance programs, work order management systems, or training programs and perpetuate the struggle to balance resources with needs. Annual M&R budgets are largely set by historic allocation trends, and are not based on empirical data or predictive lifecycle modeling. Difficulty in tracking equipment and system records and warranties is also common and in some cases results in a significant loss of value.

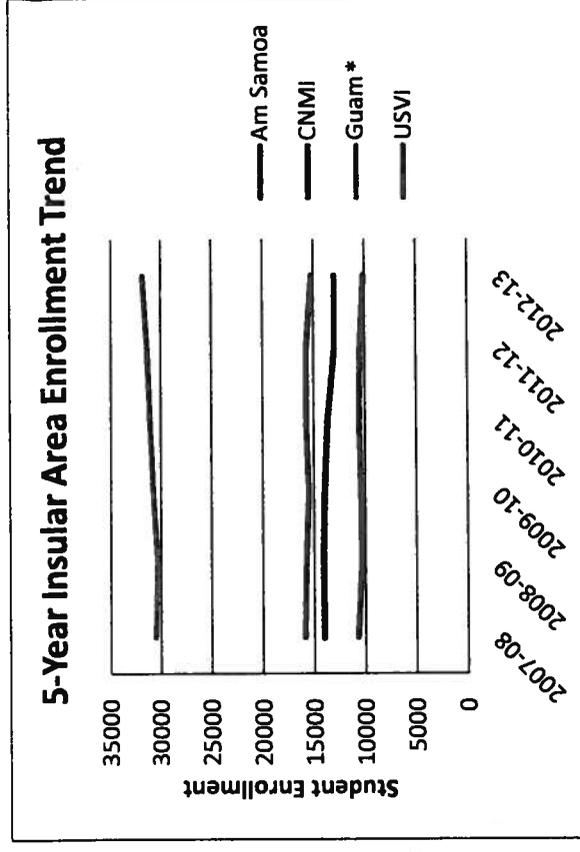
Facility standardization provides significant economies of scale for M&R programs and simplifies CIP programming. American Samoa adopted a standard 10-classroom, two-story concrete building, which is gradually replacing the 1960's-era concrete and wood frame classroom, reducing design and maintenance costs. CNMI is pursuing a similar practice in developing new buildings based on plans from recent construction projects. USVI is in the process of standardizing its repair parts inventory (windows, doors, plumbing, etc.) to streamline replacement projects. Standardization efforts need to be supported and expanded.

3.1.3 Population and Enrollment Trends

The insular areas experienced significant post-war growth as their economies matured and air travel improved. In the past decade however, all but Guam have experienced population declines (Guam +3%; USVI -2%; American Samoa -3%, CNMI -22%; insular average: -4%). Although overall population trends are not directly related to public school enrollment trends, for a number of reasons (e.g., age cohorts, private school competition, etc.), they tend to track each other over time.

To the extent this transition from decade-over-decade growth to stability and decline is more than a transitory phenomenon, the years of adding school capacity may be transitioning to a period of school consolidation and replacement/renovation. Areas of localized growth and decline within each of the insular areas exist that require careful local analysis. For example, Guam is experiencing significant growth on its northern end and population decline in the south. While CNMI has experienced significant overall population decline, areas around Garapan and Tinian are growing. American Samoa is generally experiencing a population shift from the outer islands to the main island of Tutuila.

On the margins, there is also interplay between public and private school enrollments. In Guam and American Samoa, there is some shift from Public to Private schools while CNMI is experiencing the opposite trend.

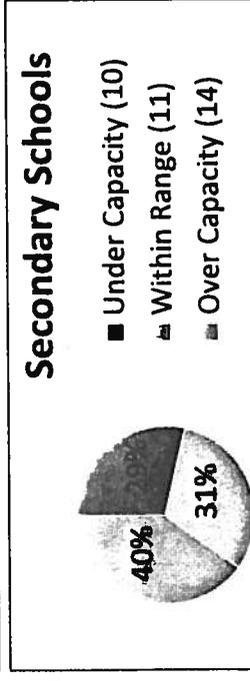
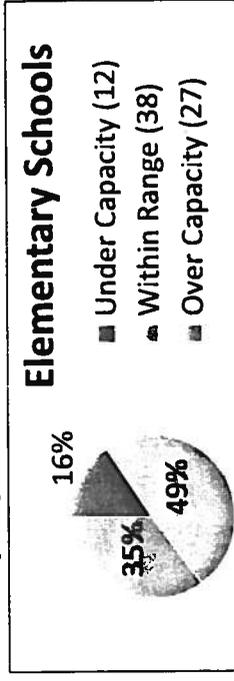


*Guam enrollment for all 40 public schools

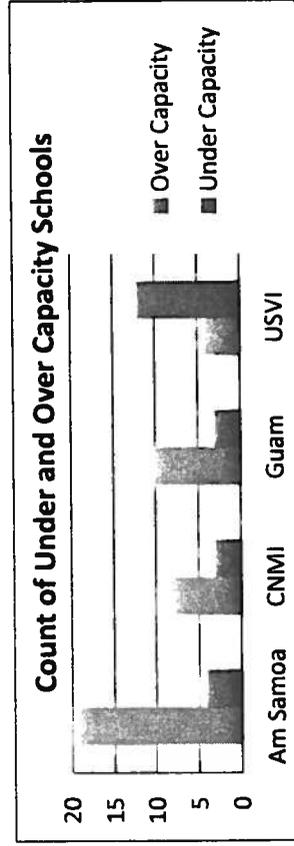
Over the last five years, American Samoa public school enrollment has declined 8%, CNMI is down 6%, and USVI is down 5%. Similar to the population trend, Guam’s public school student enrollment has increased 4% in five years.

The effects of these fluctuations are demonstrated in the school capacity charts presented on the following page.

School Capacity Metrics³



Thirty-five percent of elementary schools (27 schools) and 40 percent of secondary schools (14 schools) were considered over capacity based on national gross area per student average ranges (Council of Educational Facility Planners).⁴ Fewer were considered under capacity (see accompanying charts).



³ Capacity estimated for 112 schools; Old Rota High (CNMI) was recently closed and enrollment figures were not available for Edith L. Williams Alternative Academy and Positive Connections Alternative (USVI).

⁴ Capacity estimate are based on gross square feet per student to nominally account for supporting facilities (e.g., libraries, offices, restrooms, cafeterias, auditoriums, and circulation).

3.1.4 Building Age

The average age of insular school buildings is approximately 40 years. The Insular Schools were generally constructed post WW-II in increments with the earliest in the 1950s and the latest in the 2000s – generally following the significant post war population growth experienced in the insular areas. The main exception to this trend are the colonial-era buildings in the USVI inventory that are centuries old. Reinforced concrete buildings built in the '50s are often in relatively good condition compared to more recent, lightly-framed buildings, so building age is not necessarily an accurate determinant of condition. There are no inherent limits to how long a building can last; it depends primarily on the level of consistent maintenance, but longevity is also a function of location (e.g., coastal exposed site vs. more protected inland site), construction materials and importantly, quality of construction. The insular areas are generally located in harsh, coastal environments with limited capacity for preventative M&R programs, and buildings in many cases show the wear of time and climactic conditions.

Older schools typically were planned following the “factory school” model (e.g., “fingers” of classrooms, a multipurpose building like a cafeteria, and an administrative building) that does not readily support current teaching models as effectively as more modern, open plan schools. So, in addition to age or physical condition of the building, functional obsolescence (i.e., the building’s ability to support current and future use) is an equally compelling factor to consider in CIP planning.

3.2 Condition Assessment Overview

Building elements were rated based on observed conditions. These scores were used to estimate DM and FCI values and were assigned weights based on estimated element costs. Weighted scores were aggregated at the building and system levels for schools, islands, insular areas, and for all insular areas. Weighted scores for buildings assessed were grouped into ranges to summarize conditions.

Distribution of School Buildings by Score

Score Ranges	Number of Buildings*
5	14
4.0 – 4.99	687
3.0 – 3.99	859
2.0 – 2.99	92
1.0 – 1.99	18
0.0 – 0.99	196
Total	1,866

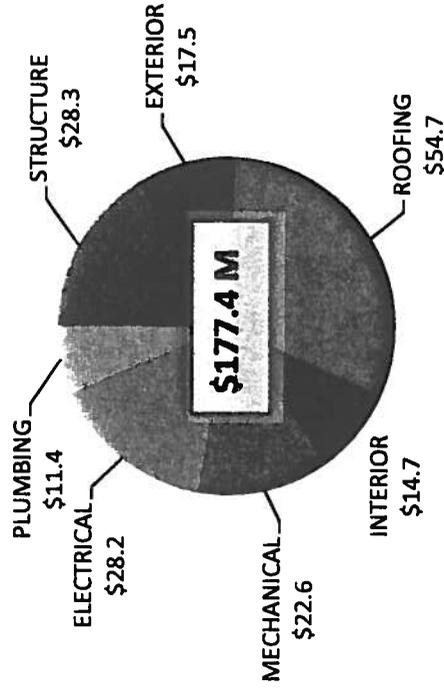
Insular Area Assessment Summary			
Score (1-5)	H/S DM (\$M)	Total DM (\$M)	FCI
3.9	\$17	\$177	12%

*Includes ancillary structures in addition to inhabited buildings

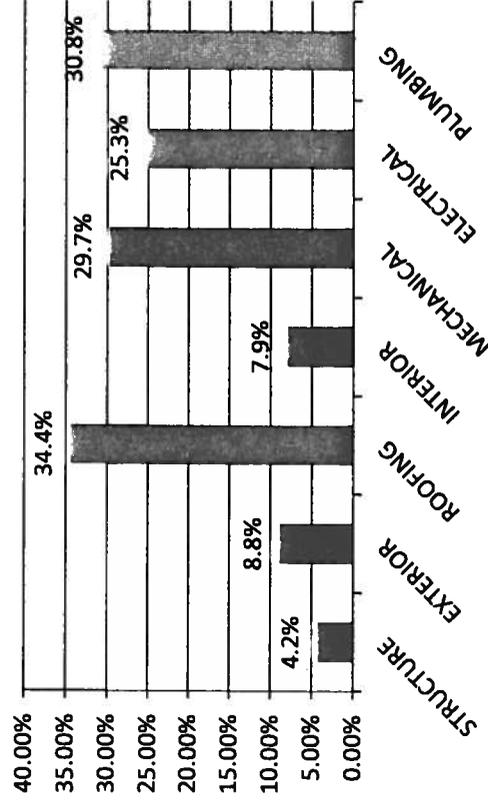
DM and FCI values were calculated and aggregated for all systems and buildings. Throughout all insular areas, roofing, mechanical (AC), and electrical systems were found to have the highest amount of DM. Even though the plumbing system had relatively low DM costs, the estimated FCI values were relatively high, indicating relatively poor condition.

A general need for greater oversight during project bidding and execution to insure materials and installation specifications are met was reported by surveyors—particularly for roofing replacement and other repairs to building exterior enclosures.

Deferred Maintenance (\$M)

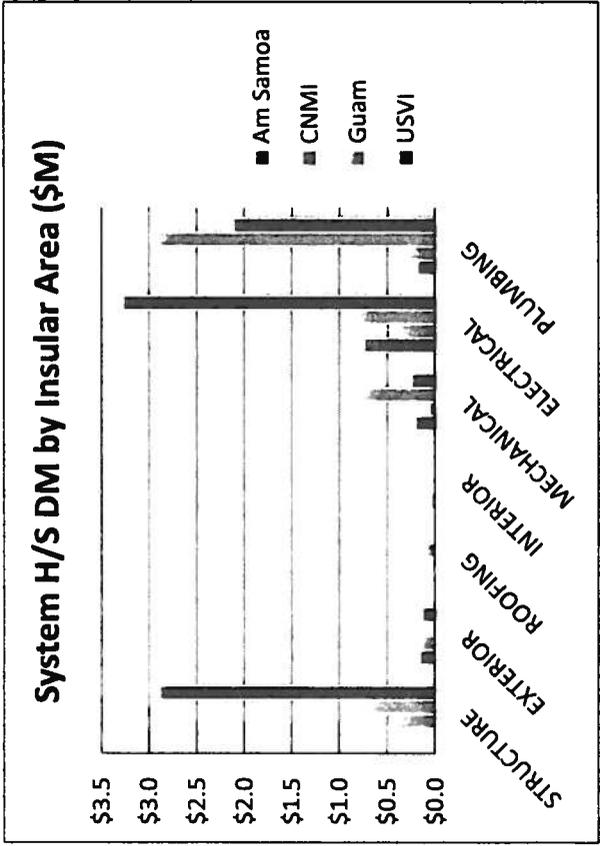
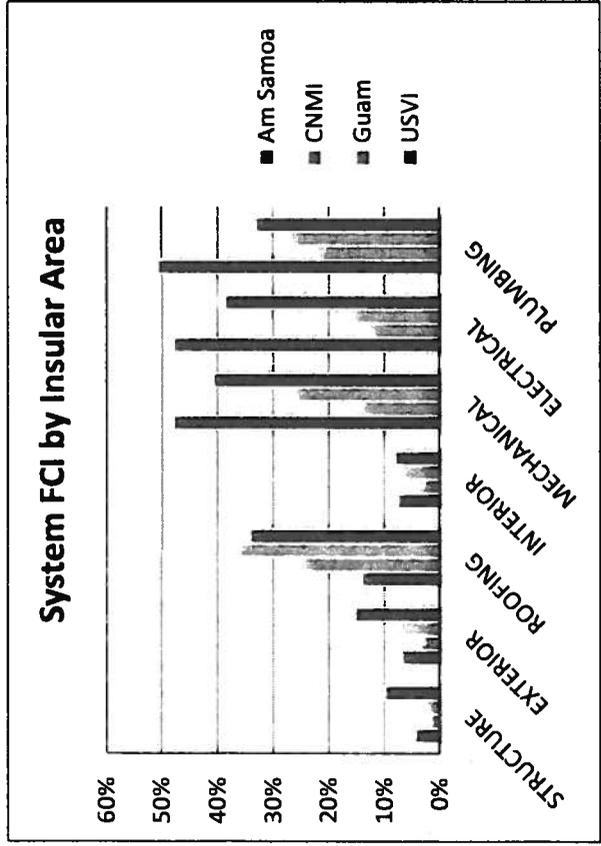


Facility Condition Index



3.2.1 Overview of Common Problems

Throughout all insular areas, fourteen assessed elements were identified that, based on assessment results, commonly had relatively high FCIs (greater than 15 percent).



Element	FCI	DM (\$M)	AS	CNMI	Guam	USVI
Intercom System - 12 Stations	70%	\$3.5	Y	Y	Y	Y
MEP Infrastructure ⁵	58%	\$3.4	X	X	X	X
Fire Alarm Command Center	41%	\$5.1	Y	Y	Y	Y
Fluid Applied Roofing	40%	\$41.8	X	X	X	X
Gutters	36%	\$0.6	Y	Y	Y	Y
Ductless dx split - air cooled	32%	\$11.9	X	X	X	X
Service Installation - 1,000 A	29%	\$9.4	Y	Y	Y	Y
Central ducted dx - air cooled	28%	\$7.5	X	X	X	X
Rolled Asphalt Roofing	27%	\$0.1	X	X	X	X
Fire Sprinklers	26%	\$1.5	X	X	X	X
Single Ply Membrane - 60 mils Roofing	21%	\$0.3	Y	Y	Y	Y
Plumbing Fixtures	21%	\$4.5	X	X	X	X
Security System	20%	\$0.8	Y	Y	Y	Y
Fluorescent Lighting Fixtures	19%	\$5.1	X	X	X	X

FCIs for security and intercom systems were especially high because in many cases these were not present and full installation is required. Other relatively high FCI items include: failing roofing materials, under-performing air conditioning systems, MEP infrastructure, electrical service and lighting fixtures.

⁵ MEP infrastructure was used to account for the presence and costs of ancillary school utility buildings and equipment that serve more than one building (e.g., generators, water distribution pumps, water tanks) that were not captured in the building inventory and assessment cost model and additional items not included in element costing and assessment selections (e.g., kitchen hood fire suppression system). Additional items to be added as specific element selections in future cost model expansions.

3.2.2 Site Concerns

Site assessments (i.e., school grounds) were conducted, initially, to address flooding and drainage concerns at school with known drainage problems. Site assessments were expanded during early project planning to include roadways, parking lots, pedestrian paving, fences and gates, water supply, sanitary sewer, and storm sewer. Site conditions identified as health and safety issues and concerns commonly found are summarized below:

Site Health and Safety Concerns	Am Samoa	CNMI	Guam	USVI
1. Inadequate fire protection on or near campus	X	X	X	X
2. Lack emergency vehicle access	X	X	X	X
3. Lack of backflow prevention	X	X	X	X
4. Sewage backup or leaks	X	X	X	
5. Septic tank/leaching field concerns	X	X	X	
6. Pedestrian hazards from poor vehicular circulation	X			X
7. Inadequate perimeter fencing/gates	X			X
Other Common Issues				
1. Lack site drainage plans or engineering	X	X		X
2. Inadequate drainage system maintenance		X	X	X
3. Potable water system problems	X	X		
4. Inadequate roadway signage, surfacing/maintenance	X			X

In American Samoa, major regional needs were identified including regional drainage problems, requiring engineered site drainage solutions and large scale electrical infrastructure upgrades (existing conditions create serious safety concerns). Addressing these concerns through

major concerted regional projects and cross-departmental project planning is recommended.

Health and safety concerns identified by other disciplines (i.e., immediate safety hazards such as injury risk, electrocution hazards, or serious air quality concerns) are discussed in Chapter 4.

3.2.3 Building Structural Conditions

Structural deficiencies were relatively isolated and related to various building types; therefore, no single type of structural DM concern resulted in a relatively high FCI. While structural DM in all insular areas was relatively low, deficiencies were identified in all areas and should not be overlooked due to the costs and risks associated with deferring maintenance of structural components. Structural deterioration is primarily caused by corrosion of steel components, including steel reinforcing within concrete or masonry buildings, and termite damage or rot of wood framed components. Most of this deterioration is due to water infiltration or exposure to humid, salt-laden atmospheric conditions. Therefore, keeping water out of the interior enclosure with well-maintained exterior wall and roof finishes and isolation of steel components from the outside environment will prevent most structural deterioration. This will also eliminate wood decay and most termite activity.

The chart below provides an overview of structural deterioration based on building type for in each insular area and an indication of frequency of both the building types and the problems associated with each particular building type:

Common Structural Concerns by Building Type	Am. Samoa	CNMI	Guam	USVI
One and Two-Story Low Slope Reinforced Concrete Roofs and Masonry Walls				
Roof water ponding causing leaking, reinforcing corrosion and spalling				
Prefabricated Concrete Gable Roof Slabs and Concrete Walls				
Isolated cracks and spalls, leaks at ridge joint				
Concrete Gable Frames with Wood Decking and Masonry Walls				
Termite damage in wood decking and nailers				
Rot or other wood damage				
Deficient wind uplift capacity				
One and Two-story Wood Framed Gable Roofs with Masonry Walls				
Termite damage or rot in wood decking and nailers				
Incomplete uplift ties between walls and roof				
Unreinforced Stone Rubble Walls and Wood Frame Roofs				
Termite damage or rot in wood roof framing				
Unreinforced walls susceptible to earthquakes				
Incomplete uplift ties between walls and roof				
Light Gage Metal Roofs with Masonry Walls				
Corrosion of steel components, esp. exposed rafter tips				
Light Framed Metal Walls and Metal Truss Gable Roofs				
Questionable lateral load path from walls to roof diaphragm				
Prefabricated Wood or Steel Framed Roofs with Structural Steel Walls				
Corrosion of steel components affecting structural integrity				
Wood Framed Buildings on Slabs or Elevated Piers				
Isolated termite damage or rot				
Missing uplift ties or under-designed for wind uplift or lateral loads				
Slabs cracked or spalled				
Fales				
Isolated termite damage				
Corrosion of steel connectors				
Slab on grade cracking/spalls				
Observed very frequently				
Observed commonly				
Observed in isolated instances				
Not applicable to Insular Area				

Each of the insular areas has been historically subject to relatively frequent hurricanes, typhoons or cyclones due to their tropical locations, and also earthquakes and tsunamis. Consequently, there are a high proportion of concrete and masonry buildings which are naturally resilient to extreme wind events. Building performance during earthquakes is largely dependent on the level of reinforcing in the walls and roofs. To evaluate reinforcing in typical buildings, “as-built” building plans were reviewed, as available, and a reinforcing scanner in the field was used on a sample of common building types. In general, most typical building types have at least a minimal level of reinforcing. Where there is light frame wood or light gauge steel construction, it is generally equipped with uplift ties.

A cursory structural building code assessment was done for common building types. Most building types were found to have at least some reinforcing for resisting lateral loads and ties for resisting high wind uplift forces. However, the historic unreinforced stone masonry buildings found in USVI were identified to be the most deficient compared to current building standards. These buildings are well-built, and proven to be resilient over the decades, but are expected to be vulnerable to a large earthquake given the level of seismicity in the region. It is recommended that further structural assessments and probable retrofits be performed for regularly occupied and historically-significant buildings.

Some light framed buildings, in various insular areas, had questionable load paths between the walls and roofs and questionable wind uplift capacity and further structural investigation warranted. However, because occupancy is expected to be a greater concern during an earthquake than a wind event, addressing the seismic vulnerability of the unreinforced stone masonry buildings in USVI is a higher priority concern.

3.2.4 Indoor Environmental Quality Recommendations

Indoor Environmental Quality (IEQ) assessments for each school were prepared by the team architect to identify conditions that may be adversely affecting the health and academic performance of students. Based on pre-established assessment criteria, the team evaluated instructional spaces with regard to four environmental parameters:

- Thermal Comfort
- Indoor Air Quality
- Visual Comfort/ Lighting
- Acoustics

These parameters are identified in green building research findings as major determinants of occupant performance. The assessment criteria were informed by current green building literature including methods established by the US Environmental Protection Agency for K-12 schools (Draft K-12 School Environmental Health Program Guidelines, February 2012), as well as guidelines for designing quality learning spaces using natural lighting.

At every school, each classroom building or building type was evaluated to identify adverse conditions that might negatively impact the student learning environment. Some conditions recorded were due to building design, campus site layout, school programming or scheduling, or environmental issues, while others were often due to localized incidents.

In response to observed conditions, a list of suggested actions to mitigate those conditions was developed. The suggested actions can largely be addressed out of school district operations and maintenance funds that have been proven to directly benefit student performance, and include minor projects such as relamping, fan repair/upgrades, mold resistant paints, modest window repair and maintenance, or larger projects such as improvements that would increase the level of natural daylighting or ventilation, etc. These are generally readily achievable projects that will

jumpstart the ABCs Initiative (i.e., identify lower cost, interim fixes that provide immediate benefit—but don't replace the need for a robust and well planned M&R program). The chart below provides an overview of the types of problems that were observed in each insular areas and indication of frequency:

Common IEQ Concerns	Am Samoa	CNMI	Guam	USVI
Thermal Comfort				
Inoperable, Broken or Inadequate Windows				
Inadequate or Missing Roof Insulation				
Window Blockage Preventing Ventilation				
Inoperable/Malfunctioning AC Units				
Unused/Missing Eave or Ridge Vents				
Indoor Air Quality				
See or Smell Mildew Growth/Moisture Problems				
Inadequate Air Circulation				
Unclean Air Diffusers				
Mildewed/Broken Ceiling Tiles				
Inadequate/Lacking Window Screen				
Dirty/Dust Build Up				
Unclean/Garbage in or Around Classrooms				
Lack Weather Seal on Doors				
Visual/Lighting Quality				
Inoperable Lights				
Inadequate Interior Shading/ Windows Tint				
Window Blockage Preventing Natural Lighting				
Non-reflective Paint Color Darkens Room				
Lack Differential Light Controls				
Unclean Light Covers				
Non-uniform Light Bulb Temperature (K value)				
Acoustics				
Inadequate Ceiling Acoustic Treatment				
Inadequate Classroom Partitions/Wall Insulation				
Excessive Noise from AC Units/Adjacent Vehicle Parking				
Problem observed frequently				
Problem observed in many instances				
Problem observed in isolated instances				
Problem not reported as significant				

3.2.5 Energy Audit Recommendations

Energy Audits for each of the insular schools were prepared by the team's mechanical and electrical engineers. The general methodology followed

a hybrid of ASHRAE “Level 1” and “Level 2” energy audits.⁶ The Level 1 audit is referred to as a “walk-through audit” and is the basic starting point for building energy optimization. In the hybrid approach used, the building’s energy cost and efficiency were also assessed by analyzing energy and water/sewer bills and using data collected during on-site building surveys. Once the field data and utility information were used to determine the approximate breakdown of utility consumption by major use category, a list of potential energy conservation measures (ECM’s) for each school was developed. The lists of ECM’s vary from low cost measures to capital investment measures and were based on observed existing conditions at each school. An energy analysis was also performed to estimate the energy savings for each measure. Cost estimates for each ECM were then developed based on current RS Means data and marked up to include taxes, fees, and local labor rates. A simple payback of 10 years or less was used as a metric to determine if each ECM is financially attractive. The availability of trained maintenance staff and resource adequacy should be considered before implementing ECMs.

Walk-through surveys included interviews with school administrators, maintenance/janitorial staff to provide information about facilities that may not be easily observed. School operation hours and occupancy were collected during the interviews. Baseline modeling was approached at the school level and not by building. Historical utility usage was based on an average of the previous 2-3 years’ worth of data if available. Electricity and water utility rates were based on an average of the most recent year.

Energy analysis conducted for the audits showed that water/sewer and power consumption rates and costs vary greatly between insular areas as summarized below.

⁶ ASHRAE (Procedures for Commercial Building Energy Audits Second Edition, 2011) classifies commercial building energy analysis into three levels of effort: 1) Walk-through Analysis, 2) Energy Survey Analysis and 3) Detailed Analysis of Capital-intensive Modifications.

Insular Area	kW/ sf/ yr	Annual Electric Bill (\$M)	kGal/ person/ yr	Annual Water Bill (\$M)	Total Utility Costs (\$M)
Am Samoa	6.27	\$2.3	3,463	\$0.5	\$2.8
CNMI	5.43	\$2.4	1,740	\$0.9	\$3.3
Guam	11.3	\$11.4	5,920	\$1.9	\$13.3
USVI	8.2	\$8.9	3,161	\$1.8	\$10.7

Source: Energy Audit Reports

The chart below provides an overview of the ECMs recommended for each insular area, the potential annual savings in utility costs, the estimated amount of time needed to payback ECM investments (simple payback), and the percent of utility cost reduction:

Energy Audit ECM Recommendations	Am. Samoa	CNMI	Guam	USVI
ECMs - Electric				
New Solar Hot Water or Heat Recovery System				
Replace T12 Fixtures with T8 LED				
Replace T8 Fluorescent Lamps with T8 LED				
Programmable Thermostats for AC				
Roofmount 30-200 KW PV system				
Fix Supply Air Discharge Duct Leaks				
New Lighting Controls				
New VFDs/High Efficiency Booster Pump Motors				
New Heat Recovery/ Desuperheater System				
Insulate Non-insulated Roofs				
Replace AC Systems with High Efficiency Units				
Retrofit with Ultra Low Flow Plumbing Fixtures				
Total Investment (\$M) - Primary ECMs	\$9.1	\$11.3	\$13.6	\$34.8
Simple Payback (years) - Primary ECMs	8	7	8	8
Investment Capitalization (years) - Primary ECMs	8	10	10	8
Dollar Savings (millions per year) - Primary ECMs	\$1.1	\$1.5	\$1.7	\$4.4
Percent Reduction in Utility Costs - Primary ECMs	55%	40%	20%	56%
ECM Recommended - Primary Recommendation				
ECM Recommended- Other, feasible if funding permits				
Not proposed				
Total Annual Savings: \$9.7M				

* Because of the low cost of water in American Samoa, water conserving ECM’s were not considered as they would not be economically viable.

4 Insular Area-Specific Findings

4.1 American Samoa Overview

The overall American Samoa school facility score is 3.7 (on a scale of 1-5). Schools are 40 years old on average. Site surveys occurred following completion of ARRA⁷-funded facility improvements (e.g., roof repairs, painting, etc.). Key problems include electrical infrastructure, gutters and drains, regional drainage problems, flooding school grounds and buildings, vehicular/pedestrian circulation hazards, parking limitations, emergency vehicle access, and fire protection (i.e., lack of proximate fire hydrants).

Distribution of School Buildings by Score

Score Ranges	Number of Buildings*
5	1
4.0 - 4.99	75
3.0 - 3.99	209
2.0 - 2.99	26
1.0 - 1.99	2
0.0 - 0.99	18
Total	331

*Includes ancillary structures in addition to inhabited buildings

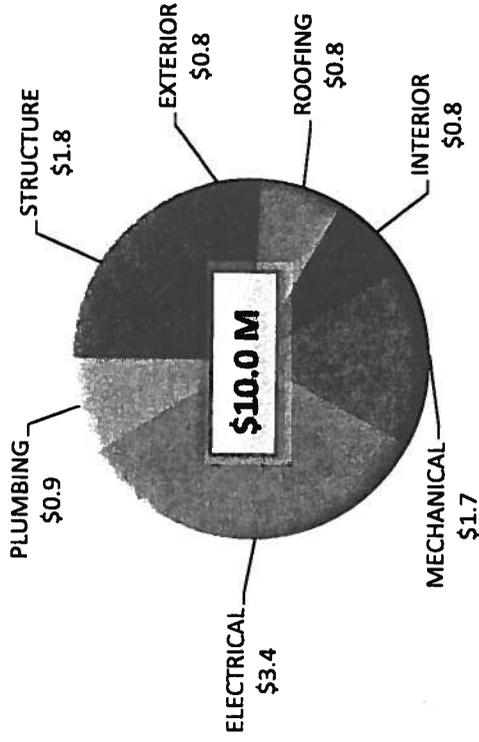
Facility standards, items that may not be present at schools but considered to be required, were established during consultation with each school district. Standard items to be rated zero if not present (recommending full installation) included:

1. Fire alarm
2. Fire hydrants/standpipes
3. Backflow preventer
4. Emergency vehicle access
5. Gutters and drains
6. Covered walkways

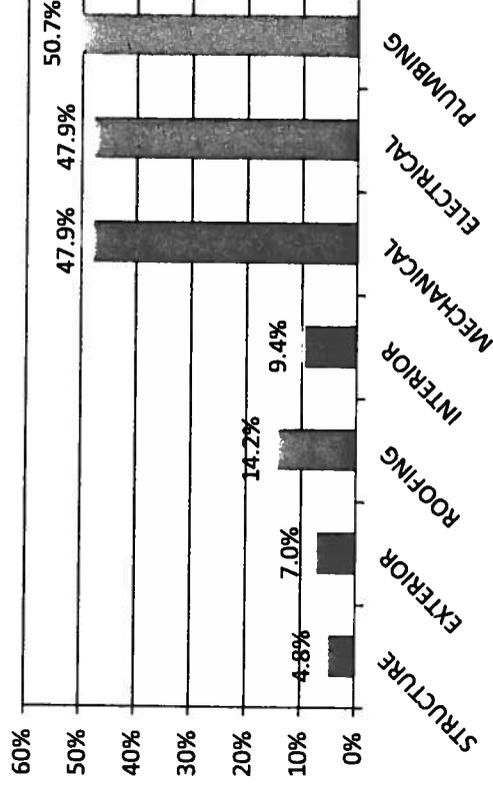
⁷ American Recovery and Reinvestment Act of 2009

4.1.1 Summary Assessment Findings

Deferred Maintenance (\$M)



Facility Condition Index



Insular Schools: Assessment of Buildings and Classrooms

Phase II Report – August 2013

Health and safety (H/S) concerns were flagged during surveys for priority attention. The H/S concern table below summarizes the number of hazardous conditions identified at each school and DM cost by system.

Health and Safety Concerns:

Priority Needs – Frequency of H/S Concerns and Related DM	Electrical	Exterior	Interior	Mechanical	Plumbing	Structure
A.P. Lutali ES	2					
Afonotele ES	2				1	
Alataua II ES	2					
Alofau ES	4				2	
Aua ES	6				1	
Coleman ES	18	1			1	
Faga'itua HS	5	2	1	1		
Faleasao ES	6					
Fitiuta ES	5					
Lauli'i ES	1					
Le'atele ES	4				1	
Leone HS	2				1	
Leone Midkiff ES	1	1				1
Lupelele ES	4					
Manu'a HS	4					
Manulele ES	5					
Masefau ES	1				1	
Matafao ES	13			1		1
Matatula ES	4					
Mt. Alava ES	3				1	
Nu'uuli Polytech	5				2	1
Olomoana ES	5				1	
Olosega ES	8				3	
Pavaia'i ES	5	1				1
Samoana HS	8			1	1	
Siliaga ES	4					3
Tafuna ES	1	2	1			
Tafuna HS	7					
Total Count	135	7	2	3	16	7
Subtotal (\$M)	\$0.75	\$0.16	\$0.04	\$0.21	\$0.19	\$0.02
Total H/S DM:	\$1.4M					

FCI, or the DM cost percentage of full replacement, can help identify major deficiencies. Based on assessment results, approximately 25 percent of elements rated had FCI's above 15 percent and are considered to have a high FCI. High FCI elements are summarized in the table below.

High FCI Elements:

Element	Estimated DM (\$M)	Estimated FCI
MEP Infrastructure ⁸	\$0.121	120%
Fire Alarm Command Center	\$0.665	101%
Fire Sprinklers	\$0.080	100%
Intercom System - 12 Stations	\$0.189	99%
Security System	\$0.384	98%
Fluid Applied Roofing	\$0.103	90%
Aluminum Windows - double hung	\$0.006	75%
Central ducted dx - air cooled AC	\$0.212	73%
Service Installation - 1,000 A	\$1.314	46%
Ductless dx split - air cooled AC	\$1.446	46%
Plumbing Fixtures	\$0.683	44%
Acoustic Ceilings	\$0.102	42%
*Fluorescent Fixtures	\$0.775	40%
Wood Doors - Double	\$0.047	39%
Gutters	\$0.022	33%
Foundation - Crawl Space	\$0.016	29%
Aluminum Windows - picture	\$0.021	29%
Wood Joists	\$0.002	29%
Wood Columns	\$0.004	23%
Tile & Covering - Carpet	\$0.026	22%
Wood Bearing Walls	\$0.108	16%
Exterior Stair Construction	\$0.046	15%

*Surveys preceded a school district lighting project which has been completed.

⁸ MEP infrastructure: includes school utilities and items lacking assessment selections

Site Concerns

Cost estimates for Site deficiencies were outside of the Phase II scope. In lieu of cost estimates, narrative lists were compiled to bring attention to major and common Site deficiencies identified during surveys. Major Site concerns identified include:

1. Inadequate fire protection on or near campus
2. Lack of emergency vehicle access
3. Pedestrian hazards from non-delineated roadways; fall hazards
4. Lack of perimeter fencing/gates
5. Lack of regular septic tank maintenance (overflow reported)
6. Lack of backflow prevention for potable water system
7. Lack site drainage plans (including regional drainage issues)

Other Common issues included:

1. Inadequate roadway surfacing and maintenance
2. Lack of roadway access signage
3. Lack designated pick up/drop off areas
4. Lack student play areas (some sites)
5. Perimeter fencing absent or in poor condition

4.1.2 Collateral Findings

Site concerns in American Samoa were great relative to other insular areas and should be seriously considered in regional and cross-departmental project planning. Major needs identified by school surveyors include the need for regional drainage improvements and large scale electrical infrastructure upgrades. Regional drainage problems exist in many valleys and low lying areas, where many of the schools are sited. In these cases, drainage issues cannot be rectified with only onsite improvements. Underground drainage system installation is warranted in some cases. The need for electrical upgrades is addressed in many of the

electrical health and safety concerns captured in the survey data. Addressing these concerns through major concerted regional projects is advisable.

In many cases, inadequate planning when adding new structures to schools was observed resulting in site congestion, obstructed natural ventilation, vehicular circulation impacts, and site drainage problems. School site plans do not exist and are needed for facility siting.

Many schools are on or near the shoreline and vulnerable to typhoon or tsunami impacts. Accelerated building material deterioration occurs near the ocean due to high concentration of salt in the atmosphere. This was a greater problem in American Samoa than in other insular areas, primarily due to the close proximity of buildings to the ocean.

The predominance of gable and hip roof structures in American Samoa school buildings (i.e., well sloped roofs) appeared to result in less water related structural damage than observed in the other insular areas (which had a higher proportion of flat roof structures). However, breach of the interior enclosure can also occur through cracks or openings in the walls, which leads to deterioration of corrodible components. Facilities in salty coastal environments are particularly vulnerable to moisture infiltration.

Replacement of termite damaged members and anchorage of roof components for cyclones is needed in some cases. It was observed that opportunities to undertake these retrofits were missed during recent reroofing projects (for some light framed roofs). It is noted that these retrofits appear to be regular practice and were observed in other cases.

4.2 CNMI Overview

The overall facility score is 4.3 (on a scale of 1-5) for CNMI Public School System (PSS) facilities. Schools are 36 years old on average. Surveys occurred following completion of ARRA-funded facility improvements (e.g., roof repairs, painting, etc.). Key problems include weatherproofing, inadequate natural ventilation, emergency vehicle access, fire protection (including fire hydrant provision), and site drainage.

Distribution of School Buildings by Score

Score Ranges	Number of Buildings*
5	6
4.0 - 4.99	218
3.0 - 3.99	48
2.0 - 2.99	13
1.0 - 1.99	6
0.0 - 0.99	31
Total	322

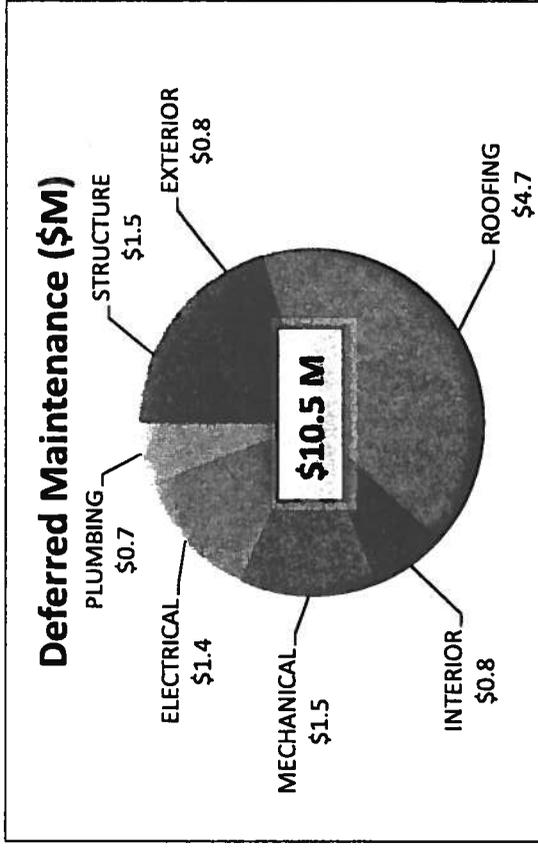
*Includes ancillary structures in addition to inhabited buildings

CNMI Assessment Summary			
Score (1-5)	H/S DM (\$M)	Total DM (\$M)	FCI
4.3	\$1	\$11	7%

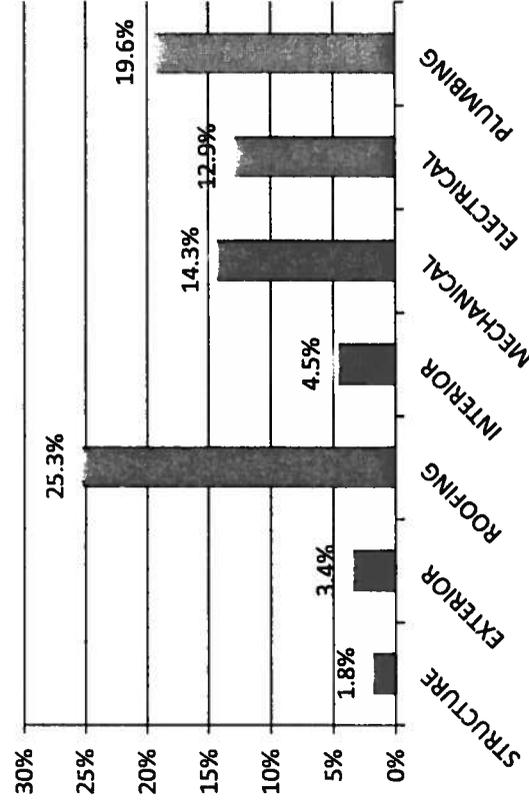
Facility standards, items that may not be present at schools but are considered to be required, were established during consultation with each by the school district for assessment rating purposes. Standard items to be rated zero if not present (recommending full installation) included:

1. Fire alarm
2. Fire hydrants/standpipes
3. Backflow preventer
4. Emergency vehicle access
5. Fences and gates
6. Covered walkways
7. Sports fields

4.2.1 Summary Assessment Findings



Facility Condition Index



H/S concerns were flagged during surveys for priority attention. The H/S concern table below summarizes the number of hazardous conditions identified at each school and associated DM cost by system.

Health and Safety Concerns:

Priority Needs – Frequency of H/S Concerns and Related DM	Electrical	Exterior	Interior	Mechanical	Plumbing	Roofing	Structure
Dandan ES		1					
G.T. Camacho ES	3						
Garapan ES	7	1		1			
Hopwood JHS	3	1					1
Kagman ES	11		1				
Koblerville ES	4	6		1	2		1
Marianas HS	2	2		1	2		5
Oleai ES	1	3		1	1		
Reyes ES	3						
Rota HS	2		1				
Rota JHS			1				1
Saipan Southern HS	2				1	1	
San Antonio ES	2						2
San Vicente ES	10					1	1
Sinapalo ES	1						
Tanapag ES	3				1		
Tinian ES	1						
Tinian Jr./Sr. HS	2	1					
Total Count	57	9	2	2	8	3	11
Subtotal (\$M)	\$0.36	\$0.16	\$0.02	\$0.06	\$0.27	\$0.04	\$0.38
Total H/S DM:	\$1.3M						

High FCI Elements:

Element	Estimated DM (\$M)	Estimated FCI
Rolled Asphalt Roofing	\$0.017	90%
Sprinkler Systems	\$0.208	80%
Intercom System	\$0.049	52%
MEP Infrastructure ⁹	\$0.130	51%
Wood Bearing Walls	\$0.013	47%
Security System	\$0.014	36%
Fluid Applied Roofing	\$3.608	29%
Tile & Covering - Carpet	\$0.081	29%
Preformed Metal Roofing	\$0.592	20%
Steel or Braced Frames – Ext. Walls	\$0.122	19%
Wood Windows - Picture	\$0.025	18%
Steel Doors - Overhead, Rolling	\$0.042	18%
Central Ducted dx - Air Cooled AC	\$0.744	17%
Metal Siding	\$0.124	16%
Tile & Covering - Acrylic	\$0.076	16%
*Fluorescent Fixtures	\$0.515	16%
Single Ply Membrane Roofing	\$0.118	16%
Fire Alarm Command Center	\$0.236	16%
Formed Metal Roofing	\$0.316	15%

*A major lighting project was completed in early 2013 (post assessment).

⁹ MEP infrastructure: includes school utilities and items lacking assessment selections

Site Concerns

Cost estimates for Site deficiencies were outside of the Phase II scope. In lieu of cost estimates, narrative lists were compiled to bring attention to major and common Site deficiencies identified during surveys. Major Site concerns identified include:

1. Inadequate fire protection distribution and storage on or near campus
2. Lack of emergency vehicle access
3. Sewage backup; malfunctioning septic tank/ leaching field (pumped regularly)
4. Lack of backflow prevention for potable water system
5. Non-potable water supply fed from fire hydrant (two schools)

Other Common issues included:

1. Inadequate site drainage engineering including: missing, degraded, or inadequate swales, ditches, culverts, drainage system, and/or detention basins
2. Regular maintenance of drainage systems, retention basins, drainage ditches, swales, and culverts is required.

4.2.2 Collateral Findings

CNMI public school facilities are primarily constructed with concrete. Structurally, concrete buildings generally perform well if a waterproof enclosure is maintained. Most problems observed stem from water penetration of roof or wall components. Flat roof structures with parapets or those that rely on maintenance of a drainage system are more susceptible than naturally drained sloped roof structures. Wood and metal buildings tend to be more susceptible to deterioration due to termite or water damage and corrosion.

During the Phase II assessments, surveyors observed an on-going roofing project and determined that the fluid-applied roofing material being used was inappropriate, and identified instances where this material failed in a short time period. Material and process specification requirements and review practices are needed to encourage repair project adequacy.

The common practice of building single story buildings using flat roofs with inadequate drainage and reinforcing projecting out of the roof for future second story expansion, leads to ponding issues, deterioration of the roofing materials and deterioration of the concrete roof structure. The roofing of these types of buildings needs to be sloped appropriately. When reroofing, exposed reinforcing should be eliminated or protected.

Reroofing of light-framed roofs needs to include replacement of termite damaged members and typhoon anchorage of roof components. This was observed to have happened for past projects, but was not evident in all recent reroofing projects.

School site plans do not exist and are needed for facility siting.

4.3 Guam Overview

The overall facility score is 4.0 (on a scale of 1-5) for Guam Department of Education (DOE) facilities. Schools are 40 years old on average. Surveys occurred just prior to commencement of ARRA-funded facility improvements (e.g., roof repairs, electrical upgrades, painting, etc.). Five of Guam's 40 public schools are leased by GDOE; surveys excluded these schools.¹⁰ Key problems include roof slope, weatherproofing, corroding rebar, spalled concrete, fresh air provision, emergency vehicle access, fire protection (including fire hydrant provision), and site drainage.

Distribution of School Buildings by Score

Score Ranges	Number of Buildings
5	6
4.0 - 4.99	344
3.0 - 3.99	286
2.0 - 2.99	21
1.0 - 1.99	7
0.0 - 0.99	103
Total	767

Guam Assessment Summary			
Score (1-5)	H/S DM (\$M)	Total DM (\$M)	FCI
4.0	\$5	\$90	11%

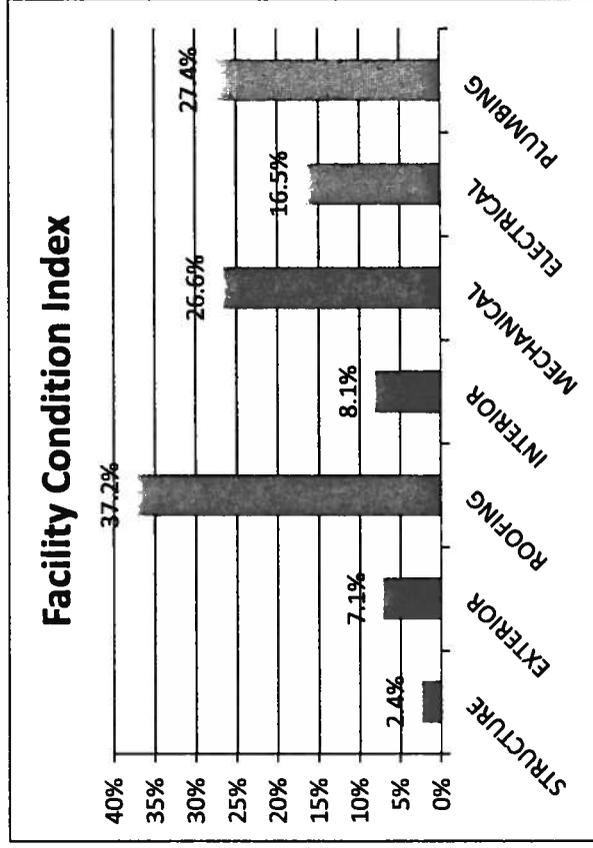
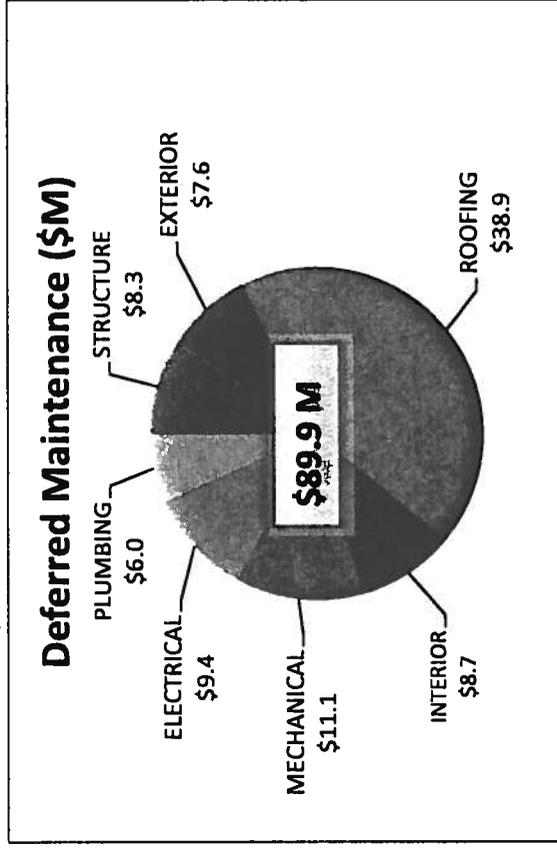
*Includes ancillary structures in addition to inhabited buildings

Facility standards, items that may not be present at schools but are considered to be required, were established during consultation with each by the school district for assessment rating purposes. Standard items to be rated zero if not present (recommending full installation) included:

1. Fire alarm
2. Fire hydrants/standpipes
3. Backflow preventer
4. Emergency vehicle access
5. Fences and gates
6. Covered walkways
7. Sports fields

¹⁰ Leased schools include Okkodo HS, JFK HS, Astumbo ES, Liguán ES and Adacao ES. Additionally, F.Q. Sanchez is closed.

4.3.1 Summary Assessment Findings



H/S concerns were flagged during surveys for priority attention. The H/S concern table below summarizes the number of hazardous conditions identified at each school and associated DM cost by system.

Health and Safety Concerns:

Priority Needs – Frequency of H/S Concerns and Related DM	Electrical	Exterior	Interior	Mechanical	Plumbing	Roofing	Structure
Agueda Johnston MS	3				1		
Astumbo ES		9			4		
C.L. Taitano ES			1		1		
Capt. Price ES	1	2	1		3	1	2
Carbullido ES	6					1	1
Chief Brodie Memorial ES	4						
F.B. Leon Guerrero MS	1	1	1	1	3		
Finegayan ES	3		1				
George Washington HS	3		3		2		
Hagatna Heights ES	1			1			
Inarajan ES							
Inarajan MS	2		1		1		
J.P. Torres ES	1				1		
J.Q. San Miguel ES					1		1
Jose Rios MS	4				2		
Juan M. Guerrero ES					1		
L.P. Untalan MS					2		
LBJ ES	1						
M.A. Sablan ES	2						
M.U. Lujan ES	3				1		1
Machananao ES					3		
Maria A. Ulloa ES	1				2		
Merizo Martyrs ES	5		1	1	2		
Oceanview MS	4						
Ordot/Chalan Pago ES				1	1		
P.C. Lujan ES	1				1		
Simon Sanchez HS	2		2				1
Southern HS	1		1		13		1
Talofoto ES	6				1		
Tamuning ES					5		
Truman ES	2				1		
Upi ES	3		1				
Vicente S.A. Benavente MS	1			4	1		
Wettengel ES	3	1			1		
Total	64	13	2	18	54	2	7
Subtotal (\$M)	\$0.80	\$0.03	\$0.03	\$0.76	\$2.89	\$0.86	\$0.73
Total H/S DM:	\$5.3M						

High FCI Elements:

Element	Estimated DM (\$M)	Estimated FCI
Security System	\$0.002	100%
Built-up Asphalt - Roofing	\$0.449	86%
Interroom System - 12 Stations	\$3.833	83%
Steel Grate Stairway	\$0.026	75%
Wood Windows - picture	\$0.725	69%
Steel Windows - picture	\$0.102	56%
Steel Joists / Composite Slab - Roof	\$0.136	54%
Gutters	\$0.352	52%
MEP Infrastructure ¹¹	\$2.586	52%
Epoxy Coating - Exterior Finish	\$0.109	47%
Fluid Applied Roofing	\$34.571	40%
Beams and Lightweight Decking System	\$0.045	33%
Central ducted chiller - air cooled AC	\$3.763	32%
Downspouts	\$0.021	29%
Ductless chiller - air cooled AC	\$6.204	25%
Rolled Asphalt Roofing	\$0.131	25%
Fire Sprinklers	\$1.751	24%
Formed Metal Roofing	\$1.565	23%
Single Ply Membrane - 60 mils	\$0.020	23%
Central chilled water - air cooled AC	\$1.180	22%
Preformed Metal Roofing	\$1.753	19%
Plumbing Fixtures	\$2.124	18%
Service Installation - 1,000 A - Electrical	\$2.650	17%
Steel Doors - Overhead, rolling	\$0.143	17%
Paint & Coating	\$1.133	15%
Fluorescent Lighting Fixtures	\$2.257	15%

Note: Surveys preceded ARRA-funded roof, mechanical, and electrical repair projects.

¹¹ MEP infrastructure: includes school utilities and items lacking assessment selections

Site Concerns

Cost estimates for Site deficiencies were outside of the Phase II scope. In lieu of cost estimates, narrative lists were compiled to bring attention to major and common Site deficiencies identified during surveys. Major Site concerns identified include:

1. Inadequate fire protection distribution and storage on or near campus
2. Lack of emergency vehicle access
3. Sewage leaks or backup
4. Malfunctioning septic tank/ leaching field (pumped regularly)
5. Lack of backflow prevention for potable water system
6. Field equipment deteriorated and unsafe

Other Common issues included:

1. Regular maintenance of drainage systems, retention basins, drainage ditches, swales, and culverts is required.

4.3.2 Collateral Findings

Guam DOE has experienced several major changes in the past 20 years including the standup of US Department of Defense Education Activity (DODEA) schools in the late 1990's and development of a number of new, leased schools in the early 2000's. There is also increasing enrollment pressure from private schools. The opening of DODEA schools resulted in a drop in student enrollment and the loss of "DOD Impact Aid" assistance funds. Based in part on a 2009 study (Evergreen Solutions, LLC), Guam DOE has initiated a review of its school maintenance programs and is evaluating opportunities to outsource some of its internal functions. These initiatives need to be encouraged and dovetail with the recommendations of this report.

Guam public school facilities are primarily constructed with concrete. Structurally, concrete buildings generally perform well if a waterproof enclosure is maintained. Most problems observed stem from water penetration of roof or wall components. Flat roof structures with parapets or those that rely on maintenance of a drainage system are more susceptible than naturally drained sloped roof structures. Wood and metal buildings tend to be more susceptible to deterioration due to termite or water damage and corrosion.

In several cases, inadequate planning when adding new structures to schools was observed resulting in site drainage problems, site congestion, obstructed natural ventilation, and vehicular circulation impacts. School site plans do not exist and are needed for facility siting.

4.4 USVI Overview

The overall facility score is 3.6 (on a scale of 1-5) for U.S. Virgin Islands Department of Education (VIDE) facilities. Key problems include corroding rebar, spalled concrete, deteriorated wood elements, weatherproofing, air quality concerns, plumbing leaks, exposed electrical elements, vehicle circulation, emergency vehicle access, fire protections (including fire hydrant provision), and site drainage.

Distribution of School Buildings by Score

Score Ranges	Number of Buildings
5	1
4.0 - 4.99	50
3.0 - 3.99	316
2.0 - 2.99	32
1.0 - 1.99	3
0.0 - 0.99	44
Total	446

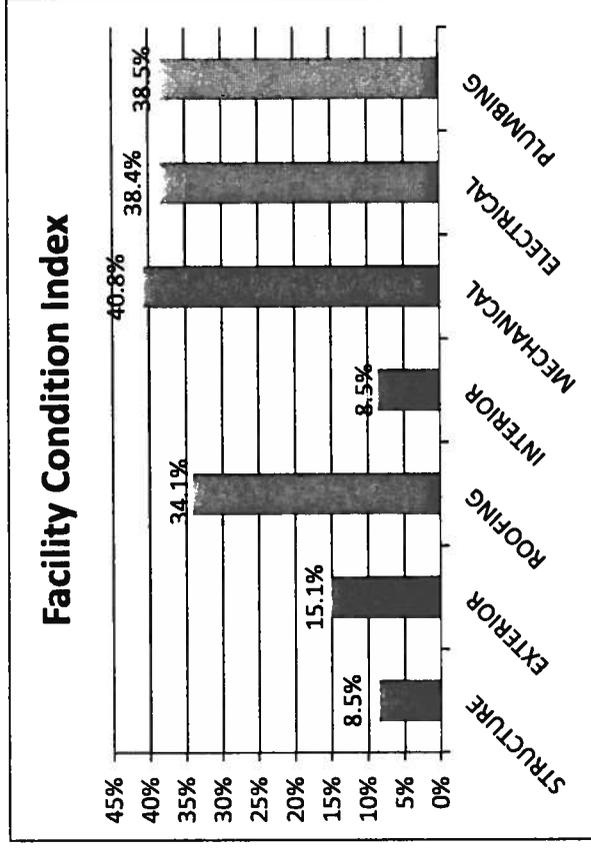
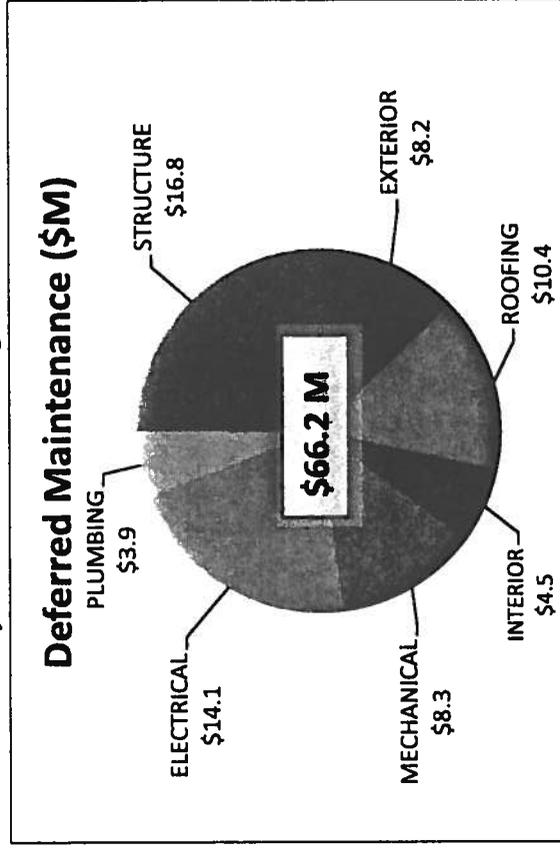
USVI Assessment Summary			
Score (1-5)	H/S DM (\$M)	Total DM (\$M)	FCI
3.6	\$9	\$66	17%

*Includes ancillary structures in addition to inhabited buildings

Facility standards, items that may not be present at schools but are considered to be required, were established during consultation with each by the school district for assessment rating purposes. Standard items to be rated zero if not present (recommending full installation) included:

1. PA system
2. Fire alarm
3. Fire hydrants/standpipes
4. Backflow preventer
5. Emergency vehicle access
6. Fences and gates

4.4.1 Summary Assessment Findings



H/S concerns were flagged during surveys for priority attention. The H/S concern table below summarizes the number of hazardous conditions identified at each school and associated DM cost by system.

Health and Safety Concerns:

Priority Needs – Frequency of H/S Concerns and Related DM	Electrical	Exterior	Interior	Mechanical	Plumbing	Roofing	Structure
Addelita Cancryn JHS	1	2	1	1	1	1	1
A. Henderson ES	2		1	1	2		
Alfredo Andrews ES	3		2	2	3		
Arthur Richards JHS	2				1		
Bertha C. Boschulte MS	2	2	1	2	2		2
Charles Emanuel ES	3	3	1	1	1		1
Charlotte Amalie HS	1		1	1	4		
Claude O. Markoe ES	2		1	1	1		
E. Benjamin Oliver ES	2				1		
Edith L. Williams Alt.	2				1		
Elena Christian JHS	3				1		
Eulalie Rivera ES	1		1	1	1		
Evelyn M. Williams ES	1		1	1	2		
Glady's Abraham ES	1						
Guy H. Benjamin ES	1	1					
Ivanna Eudora Kean HS	1				1		2
Jane E. Tuitt ES	1						
John H. Woodson JHS	1				1		
Joseph Gomez ES	2	3			1		
Joseph Sibilly ES	2	2			1		1
Juanita Gardine ES	2						
Julius E. Sprauve	1				1		3
Leonard Dober ES	3						
Lew Muckle ES	3	2					
Lockhart ES	1			1			
Pearl B. Larsen ES	2						
Positive Connections Alt.	3						
Ricardo Richards ES	3						
St. Croix Central HS	3						
St. Croix Ed. Complex HS	5				7		
Ulla F. Muller ES	3	3				1	3
Y.E. Milliner-Bowsky ES	2						
Total Count	65	18	1	8	31	1	16
Subtotal (\$M)	\$3.28	\$0.14	\$0.01	\$0.25	\$2.12	\$0.01	\$2.89
Total H/S DM:	\$8.7M						

High FCI Elements:

Element	Estimated DM (\$M)	Estimated FCI
Fire Alarm Command Center	\$4,532	107%
MEP Infrastructure ¹²	\$2,007	72%
EFS Coating	\$0,494	72%
Ductless dx split - air cooled AC	\$4,634	61%
Steel Joists & Slab	\$1,250	57%
Central Chilled Water - water cooled AC	\$0,004	50%
Fire Sprinklers	\$0,257	50%
Fluid Applied	\$7,601	48%
Epoxy Coating	\$0,194	47%
Intercom System - 12 Stations	\$0,811	45%
Built-up Asphalt	\$0,142	44%
Asphalt Roofing - Strip	\$0,005	44%
Sanitary Installation - 1,000 A	\$5,845	44%
Beams & Lightweight Decking System	\$0,025	39%
Slab Only - Floor	\$1,218	38%
Aluminum Windows - sliding	\$0,357	38%
Wood Windows - double hung	\$0,007	36%
Light Metal Framed Structural Walls	\$1,270	34%
Central ducted dx - air cooled	\$3,572	29%
Downspouts	\$0,199	28%
Tile & Covering - Acrylic	\$0,082	28%
Gutters	\$0,334	27%
Single Ply Membrane - 60 mils	\$0,191	26%
Central Chilled Water - air cooled AC	\$0,148	25%
Covered Walkways	\$4,882	24%
Plumbing Fixtures	\$1,644	24%
Fluorescent Lighting Fixtures	\$7,053	23%
Formed Metal	\$0,065	22%
Galvalume Steel Deck, Triple Seams	\$0,381	22%
Concrete Ceilings	\$0,160	22%
CIP Beam & Slab	\$2,315	21%
CIP Beam & Slab - Roof	\$1,396	21%
Slab Only - Roof	\$0,406	19%

¹² MEP infrastructure: includes school utilities and items lacking assessment selections

Element	Estimated DM (\$M)	Estimated FCI
Drywall Partitions/Wood Stud Framing	\$0.049	17%
Steel Joists, Beams & Slab on Columns	\$1.617	17%
Aluminum Windows - picture	\$0.385	17%
• Rolled Asphalt Roofing	\$0.006	17%
Preformed Metal Roofing	\$1.829	16%
Wood Joists	\$0.047	15%
Exterior Stair Construction	\$0.240	15%
Metal Door/Metal Frame	\$0.025	15%

4.4.2 Collateral Findings

A general need for greater oversight during project bidding and execution to insure materials and installation specifications are met was reported by surveyors—particularly for roofing replacement and other exterior enclosure repairs. Abandoned AC equipment is compromising exterior enclosures. Roadway asphalt and concrete pavings are in poor condition throughout the area.

Site Concerns

Cost estimates for Site deficiencies were outside of the Phase II scope. In lieu of cost estimates, narrative lists were compiled to bring attention to major and common Site deficiencies identified during surveys. Major Site concerns identified include:

1. Inadequate fire protection distribution and storage on or near campus
2. Lack of emergency vehicle access
3. Lack of backflow prevention for potable water system
4. Poor traffic access and circulation (parking/pick up drop off areas)

Other Common issues included:

1. Isolated site drainage and flooding problems (concrete swale/grade/drainage system maintenance)
2. Asphalt and concrete pavements in poor condition
3. Parking and roadway marking/signage in poor condition or absent
4. Perimeter fencing and student play areas absent or in poor condition

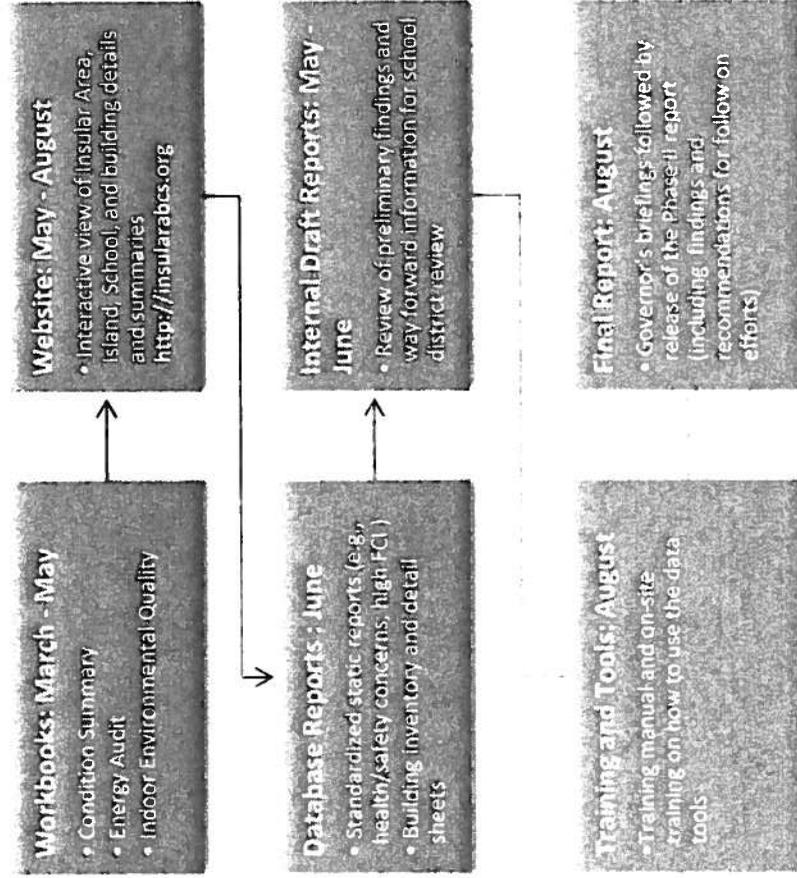
In several cases, inadequate planning when adding new structures to schools was observed, resulting in site congestion, obstructed natural ventilation, vehicular circulation impacts, and site drainage problems. School site plans do not exist and are needed for facility siting.

5 Work Products

Phase II of the Insular ABCs Initiative included the transfer of information gathered in the study, including facilities inventory and condition data, and a recommended implementation plan for next steps to insular area and OIA officials as appropriate.

Overall Delivery Schedule

The following chart provides a summary of the various reports and briefings presented as part of the Phase II process.



5.1 Reports

Reports and assessment data were transferred to School District personnel as data compilation and processing was completed. Initial reporting was provided by the survey team through on-site verbal updates and more formally during kickoff briefings and out briefs for each insular area.

A workbook for each insular area was compiled initially as a means to vet draft findings with School District SMEs, and later as a repository of insular area-related information. School District comments were incorporated into reports before finalizing them. The workbooks provide contextual background and narrative descriptions of assessment findings to add depth to data compiled and reported on the website, and will be an enduring legacy of the Phase II initiative. Workbook contents include:

- Narrative Condition Assessment Summaries
- IEQ Assessments
- Energy Audits
- Principal Questionnaires
- Presentations (Insular Area Kickoffs, Out briefs)
- Condition Assessment Criteria
- Database reports
- Cost Model Documentation
- School Site Plans

The project website (<http://insularabcs.org>) provides all insular area, insular area, island, school, building and building system level inventory, condition, and cost information through weighted scores, DM totals, and FCI calculations, as well as a repository for the insular workbooks.¹³ School district personnel can navigate through the website at various

¹³ Access to the “summary of all insular areas” page where summaries of all the insular areas are compiled, is limited to OIA; insular areas officials each have access to their own information.

levels of the hierarchy and track associated DM cost and health and safety issues.

The “database reports” provided in the workbooks and downloadable from the website, are immediately useful to facility managers and include specialized reports summarizing a variety of topical data including:

1. Health and safety concerns
2. DM priorities (items with high FCI)
3. Insular area, island, school, and building reports

These reports will assist facility managers in identifying high priority needs and developing DM backlog reduction strategies.

5.2 FIMS Transition

The workbooks and website provide each of the territories with the detailed inventory and condition data as well as documentation of the cost model and condition assessment criteria used in the Phase II assessments. Excel tables included in the workbooks and the drill-down capability in the website provide school facility planners the information they need to access Phase II data. OIA will continue to host the FIMS and will extend editing privileges to each of the territories as part of Phase III (see related discussion in Chapter 6).

6 Implementation Plan

OIA and the insular areas need to continue to work together to implement the recommendations of this report to improve the physical condition of insular area schools and transition the school districts to sound, adequately-funded preventative school maintenance programs. The following implementation plan should be considered notional and subject to change in discussions with each insular area. It provides general recommendations for OIA and the insular areas to follow and substantially accomplish insular ABCs goals *within a five year time frame*. It is up to OIA and insular area leadership to develop strategies for accomplishing these goals. The “partnership” requires both OIA and the insular areas to engage by committing staff and dedicated funding, over a period of years, and elevating the concern to a high level of executive importance. The recommended implementation plan focuses on two key areas:

- Removing the DM backlog, resolving site deficiencies, and implementing the IEQ and Energy Audit recommendations
- Transforming school facility management to Industry Standard maintenance programs – to prevent the DM backlog from re-occurring

Each insular area needs to take maximum advantage of the awareness created by the Phase II report to recruit other partners and investors who share the same view – that the physical condition of insular area schools must be improved.

A general scope and timeframe for each task in the implementation plan is summarized below. A notional implementation schedule is provided at the end of this chapter. An initial three-month pre-planning/consultation period will provide time to firm up individualized implementation schedules for each insular area, based on its particular needs and requirements. A final report would be issued at the end of the initiative to document findings, lessons learned, and needed follow-on actions.

6.1 Remove DM Backlog/ Implement Report

Recommendations

Removing the DM backlog is the most important recommendation of this report as it is fundamental to improving the condition of insular area schools. It is recommended that OIA and the insular areas establish a five-year timeframe to substantially remove the backlog. Establishing priority lists and strategies for addressing and correcting health and safety-related DM should be undertaken as a first step. Resolving school site deficiencies identified in the Phase II report (e.g., site drainage, pavement conditions, fencing, etc.), particularly health and safety-related problems, is a critical parallel recommendation. Implementing the range of short term, low cost initiatives outlined in the IEQ assessments, largely with existing operational funding, is also imperative because it will immediately improve the student learning environment and overall student performance. Implementing energy audit recommendations will lead to significant utility bill savings and a more sustainable, secure energy infrastructure. These initiatives are described below within the context of a long range CIP plan for public schools - a pre-requisite to addressing the DM backlog, site deficiencies, IEQ, and energy measures.

This section is subdivided into four distinct topic areas:

- Develop/update comprehensive CIP plans
- Develop strategies to prioritize and implement DM Backlog, Indoor Environmental Quality improvements, and Energy Conservation Measures
- Develop strategies to define, prioritize, and implement site infrastructure improvements
- Execute plan recommendations

6.1.1 Develop/Update Comprehensive CIP plans

Long Range CIP plans are important not only to articulate local priorities and strategies for addressing immediate and near-term repair needs, but

also for mapping out higher-level facility management considerations (e.g., decisions regarding school or building replacement or relocation, functional obsolescence in building design, closures, consolidations, new construction, regional needs, adaptation to changing teaching models, use of online/distance learning tools, decisions regarding outsourcing (i.e., privatization of) functions like maintenance and food service, and of critical importance, adoption of comprehensive facility standards to ensure equity and an objective context for priority setting). CIP plan development/revision is considered a pre-requisite to repair and other DM reduction efforts because it will inform facility investments and prevent undue expenditures in under-used, heavily deteriorated, or outdated facilities. CIP plans help capture facility expansion or consolidation justifications, memorialize facility standards, and document facility adequacy in meeting existing and future requirements.

Infrastructure and utility support systems are an important element of a comprehensive CIP plan. Technical input provided through the process described in Section 6.1.3 should feed into the overall CIP planning process to ensure a comprehensive and well integrated plan.

The CIP planning process will rely on both objective DM data to identify major and common problems and deeper consideration of assessment findings to identify broader issues. CNMI and Guam have a history of supporting long range planning and OIA may be able to leverage these initiatives. American Samoa and USVI need to develop long range planning programs and have a more fundamental need in this area.

Major projects undertaken should include a pre-installation assessment survey of relevant facilities to verify appropriate project definition, extents and budgets. New projects should include funding for associated infrastructure upgrades and ensure that M&R budgets will adequately address maintenance and support of newly installed material and

equipment (e.g. electrical distribution upgrades as needed for new air conditioning systems, smart boards and computer station projects.)

Timeframe: Months 4-18

6.1.2 DM Backlog, IEQ, and ECM Strategies

General awareness of the magnitude of DM backlogs through the publication of this report will raise political awareness and consensus towards resolving school condition issues. As part of the Comprehensive CIP plan process, an action-oriented process needs to be developed to prioritize DM backlog investments and immediately implement IEQ recommendations. Facility standardization efforts already underway need to be formalized and expanded

A DM backlog investment strategy needs to be developed in each territory from a comprehensive perspective to focus on the highest priority areas (i.e., health and safety, specific schools, programs, systems, etc.) that can only be identified through the comprehensive planning process discussed above. A filtering process separating the larger, CIP-type projects from routine maintenance and repair projects needs to be undertaken early on, including identification of those projects that need to be implemented immediately. In composing strategies to address DM and IEQ concerns, facility planners can utilize FIMS database reports and workbook information to identify schools, buildings, systems, or possibly building elements with major concerns, and prioritize action.

The Energy Audits identify substantial annual energy and water bill cost saving potential through a variety of energy conservation measures (e.g., renewable energy initiatives, HVAC upgrades, enhanced maintenance procedures, etc.). OIA can provide consultant services to assist each insular area in developing and prioritizing a comprehensive ECM investment strategy. It can also use its status to attract national and international developer interest, potentially broadening the investment

portfolio by including multiple school districts, thereby achieving scale economies not available to the individual school districts.

Timeframe: Months 4-15 (in parallel with the CIP plan task)

6.1.3 Site Improvement Strategies

Follow-on studies need to be initiated to develop the general Site assessment problems identified in Phase II into a prioritized list of defined and budgeted site improvement projects. This needs to be done following a filtering process similar to that discussed in Section 6.1.2 (e.g., separating larger, CIP-type projects from routine maintenance and repair projects), with health and safety-related projects taking priority. This would typically include preparation of infrastructure master plans to prioritize and guide investment decisions.

Timeframe: Months 4-15 (in parallel with the CIP plan task)

6.1.4 Execute Plan Recommendations

To further assist the insular areas, OIA can also provide technical support to execute the fast tracking of DM/IEQ/ECM projects by providing consulting services to develop work orders, design documents, cost estimates, system assessments, as well as project oversight/contract administration services. These roles and responsibilities would need to be closely integrated with existing DOE/DPW functions to ensure a seamless management framework.

All major projects undertaken should include a proper post-installation performance verification to ensure that the design objectives are being met and to provide feedback for modifications, if necessary.

Timeframe: Months 16-57

6.2 Initiate M&R Program Improvements

The second most important recommendation of this report is to prevent further DM accumulation. The best way to do this is through improving the efficiency and effectiveness of local M&R programs.

Three main steps are recommended:

- Program Improvements
- Standup FIMS inventory and assessment database and support transition to an enterprise asset management (EAM) system and provide related training and support if deemed appropriate and supportable by local officials
- Periodic facility re-assessment to monitor progress

6.2.1 Program Improvements

Systemic change is needed immediately to prevent DM backlog from re-occurring (reducing the DM backlog without changing the underlying reason why it occurs does not meet initiative goals). An EAM (enterprise asset management) system should be instituted in the territorial facilities offices to support and monitor progress of the five-year implementation plan, to help track assets and expected economic useful life, submit and manage repair work orders, and organize repair and maintenance efforts. Introducing the EAM is an important technological step but at the same time, maintenance program procedures and programs need to be realigned to a preventative maintenance model based on modern building science (e.g., predicted failure rates, economic useful life, building reserve funds, etc.). Foremost is the need for insular area leaders to create a heightened awareness of the value of building maintenance as an important government function.

It is recommended that OIA use its assistance programs to help the insular areas institute this change through provision of consulting services and funding temporary staff positions, and reserving 5 to 10% of its annual funding to support M&R programs (OIA currently reserves 5% in

American Samoa which is matched by a local fuel tax). Although each insular area is different in the way it approaches M&R programs, there are sufficient similarities to warrant development of common resource materials, including maintenance procedure manuals.

A critical first step is to deploy embedded facility maintenance teams in each district to support DM reduction/site improvements/IEQ/ECM initiatives as well as support internal change and process improvement. To the extent they can meet pre-defined job qualifications, it's recommended that embedded staff be recruited locally. The embedded teams would also support an effort to prepare best practice manuals for school district maintenance staff (e.g., everything from AC system maintenance procedures to review of standard specifications and oversight in project bidding and construction) and school principals who interact with maintenance and custodial staff and Parent-Teacher/self-help organizations (e.g., instructions on how to maintain school culverts and drainage ways, guidelines for self-help projects, etc.).

At a larger scale, an assessment of each insular area's M&R program is necessary to determine the optimal configuration and budgets, based on local conditions. This needs to be conducted as an extension of the FIMS/EAM deployment and would therefore engage insular area departments beyond education. Key criteria in the assessments would be cost effectiveness and overall value based on best practices and industry standards. The assessment would require the insular areas to stand up a working committee of relevant agency representatives (e.g., Governor's Office, DOE, DPW, IT, etc.) to engage in several workshops to vet and prioritize organizational options, as well as support information requests related to the evaluation. Major outcomes would include recommendations for dedicated, adequate, annual funding, associated staffing levels and general organization, and an annual review process to ensure continuous improvement.

Timeframe: Year One

6.2.2 FIMS and Migration to an EAM System

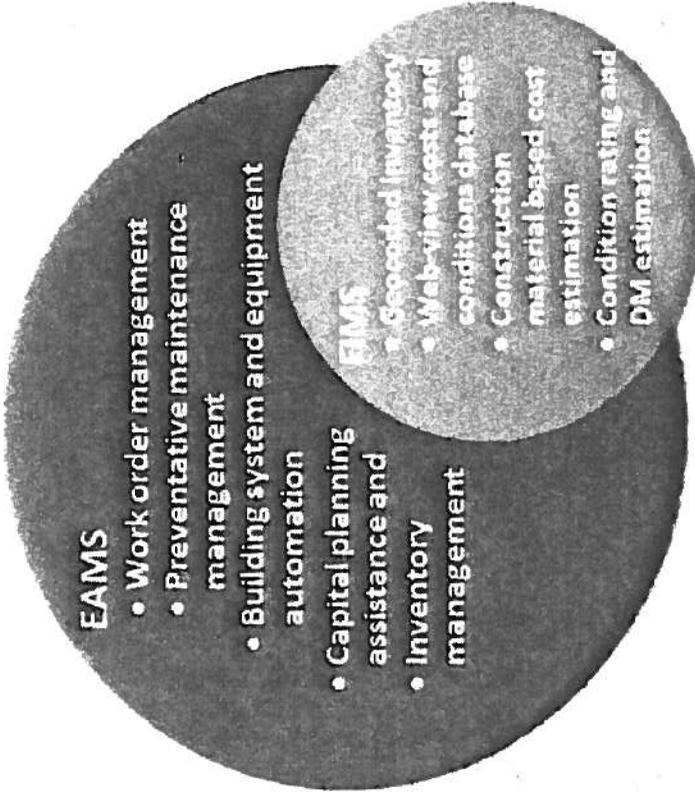
The FIMS data model developed in the Phase II initiative¹⁴ provides a web-viewable relational database, geocoded facility inventory, condition ratings, cost algorithm, and DM cost reporting capability that can serve as the core of a facilities management database. It provides OIA with the broad overview it needs to track the physical condition of insular area schools. Coupled with re-assessments, it can also assist the insular areas to track progress in reducing DM backlog, provide information for facilities planners to develop work orders and assist in the local budgeting process.

The FIMS can also serve as the basis of a more robust enterprise asset management (EAM) system that includes planning, programming, budgeting and work order management tools. A variety of EAM systems are in use in school districts across the country to improve capital asset management in ways that increase reliability, enhance predictive maintenance, ensure regulatory compliance, reduce energy usage, and support sustainability initiatives. The EAM software evolved from computerized maintenance management systems that focused on establishing and tracking preventive maintenance schedules (e.g., monthly, quarterly and annual maintenance budgets and schedules based on economic useful life of building systems) and work order management software to budget and track service requests (from the Principal's desk to the school district facility manager, to the Procurement Department, to the onsite construction manager). An EAM system can also assist with

¹⁴ As currently designed, FIMS system expenses, not including hardware, cost approximately \$1,200 per month, and include:

1. SQL data base server
2. DataSplice (data entry software)
3. ESRI Online (GIS maps)
4. Web hosting

capital plan creation, capital budget and expenditure analysis, building system automation (e.g., electrical, mechanical, and alarm), equipment monitoring, and general inventory management (e.g., custodial, mechanical, technology, and food service). Expanded EAM capacity includes the ability to store and retrieve building system and equipment warranties, suppliers and vendor pricing information, contracts, automated purchase orders and tracking and reporting on energy consumption data relative to preset benchmarks. Upgrading to an EAM system will be particularly important to support the 5-year implementation plan. The ability to easily track work order status, for example, is critical to developing a cost effective and efficient system.



Organizational change at the Cabinet level will be required to support this technological transition; the Governor's Office, IT, Public Works, Education and perhaps other insular area agencies will need to collaborate, share resources and take ownership. The insular areas should take advantage of OIA's grant programs to support this change ranging from providing consulting services, equipment purchases and funding temporary staff positions to help implement program enhancements.

Timeframe: Months 4-15

6.2.3 Periodic Facility Re-assessment

This task is critical to monitoring the success of the ABCs initiative. OIA is encouraged to directly or indirectly support this process through its access to consultant services. Two re-assessments are recommended in the first five years of implementation:

- First re-assessment to begin in the middle of year three as part of the EAM implementation, providing a mid-point condition update and an opportunity to collect additional facilities data or condition status.
- Second re-assessment is scheduled to occur at the end of the project execution phase to validate that all projects have been completed and that the DM Backlog and other projects have been addressed.

Timeframe: Years 3 and 5

6.3 Implementation Plan Notional Timeline

The timeline organizes the various tasks into a notional five-year window, commencing with a pre-planning/consultation step and concluding with the delivery of a final report to OIA documenting findings, lessons learned and needed follow-on actions. It is notional and provides a starting point for more detailed insular area-specific plans.

