
FW: SSHS Negotiation Meeting

12 messages

Thuy Nguyen <tnguyen@ssfm.com>

Tue, Jul 1, 2025 at 1:30 PM

To: DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "john.calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, "lester.carlson@bbmr.guam.gov" <lester.carlson@bbmr.guam.gov>, "cgarcia@investguam.com" <cgarcia@investguam.com>, Carlos Bordallo <carlos.bordallo@investguam.com>, "tmb@guamlaw.net" <tmb@guamlaw.net>, "ccruz@traguam.com" <ccruz@traguam.com>, "Mmakio@traguam.com" <Mmakio@traguam.com>, "edward.birn@doa.guam.gov" <edward.birn@doa.guam.gov>, "tkeeler@oagguam.org" <tkeeler@oagguam.org>, "fnishihira@oagguam.org" <fnishihira@oagguam.org>, "donna.herrero@dpw.guam.gov" <donna.herrero@dpw.guam.gov>

NOTE: Meeting time has changed to 2:00 PM, Thursday, July 3rd at GEDA Conference Room, 5th floor ITC Building.

-----Original Appointment-----

From: Alvin Bejosa <abejosa@ssfm.com>

Sent: Monday, June 30, 2025 11:29 AM

To: Alvin Bejosa; DPW SSHS CM Team; Vincent P. Arriola; Linda Ibanez; John F. Calanayan; K. Erik Swanson PhD; Carla Masnayan; Lester Carlson; Tina Garcia; Carlos Bordallo (carlos.bordallo@investguam.com); tmb@guamlaw.net; Cedric Cruz; Michael Makio; edward.birn@doa.guam.gov; Tom Keeler; fnishihira@oagguam.org

Cc: Donna Herrero; Glenn Leon Guerrero; Connie Garrido; Joseph W Duenas; Gerard E. Bautista

Subject: SSHS Negotiation Meeting

When: Thursday, July 3, 2025 2:00 PM-4:00 PM (UTC+10:00) Guam, Port Moresby.

Where: GEDA Conference Room, 5th Floor

CORRECTION: Time Change to Chamorro Standard Time (ChST)

You are invited to a scheduled Zoom meeting.

Topic: SSHS Negotiation Meeting

Time: Jul 3, 2025 10:00 AM Guam, Port Moresby

Join Zoom Meeting

<https://us06web.zoom.us/j/81196966011?pwd=aujSbNEkovLBw3eDwEcHmsoYxKao6O.1>

Meeting ID: 811 9696 6011

Passcode: 860095

One tap mobile

+16699006833,,81196966011#,,, *860095# US (San Jose)

+16892781000,,81196966011#,,, *860095# US

Dial by your location

- +1 669 900 6833 US (San Jose)
- +1 689 278 1000 US
- +1 719 359 4580 US
- +1 253 205 0468 US
- +1 253 215 8782 US (Tacoma)
- +1 301 715 8592 US (Washington DC)
- +1 305 224 1968 US
- +1 309 205 3325 US
- +1 312 626 6799 US (Chicago)
- +1 346 248 7799 US (Houston)
- +1 360 209 5623 US
- +1 386 347 5053 US
- +1 408 638 0968 US (San Jose)
- +1 507 473 4847 US
- +1 564 217 2000 US
- +1 646 876 9923 US (New York)
- +1 646 931 3860 US
- +1 669 444 9171 US

Meeting ID: 811 9696 6011

Passcode: 860095

NOTICE: This communication and any attachments ("this message") may contain confidential information for the sole use of the intended recipient(s). Any unauthorized use, disclosure, viewing, copying, alteration, dissemination or distribution of, or reliance on this message is strictly prohibited. If you have received this message in error, or you are not an authorized recipient, please notify the sender immediately by replying to this message, delete this message and all copies from your e-mail system and destroy any printed copies.

Lester Carlson <lester.carlson@bbmr.guam.gov>

Tue, Jul 1, 2025 at 2:23 PM

To: Thuy Nguyen <tnguyen@ssfm.com>

Cc: DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "john.calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, "cgarcia@investguam.com" <cgarcia@investguam.com>, Carlos Bordallo <carlos.bordallo@investguam.com>, "tmb@guamlaw.net" <tmb@guamlaw.net>, "ccruz@traguam.com" <ccruz@traguam.com>, "Mmakio@traguam.com" <Mmakio@traguam.com>, "edward.birn@doa.guam.gov" <edward.birn@doa.guam.gov>, "tkeeler@oagguam.org" <tkeeler@oagguam.org>, "fnishihira@oagguam.org" <fnishihira@oagguam.org>, "donna.herrero@dpw.guam.gov" <donna.herrero@dpw.guam.gov>

I have to attend a Special Economic Service meeting on July 3rd at 2 p.m. so this does not work for me

[Quoted text hidden]

Thuy Nguyen <tnguyen@ssfm.com>

Thu, Jul 3, 2025 at 9:11 AM

To: Alvin Bejosa <abejosa@ssfm.com>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "john.calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, "lester.carlson@bbmr.guam.gov" <lester.carlson@bbmr.guam.gov>, "cgarcia@investguam.com" <cgarcia@investguam.com>, Carlos Bordallo <carlos.bordallo@investguam.com>, "tmb@guamlaw.net" <tmb@guamlaw.net>, "ccruz@traguam.com" <ccruz@traguam.com>, "Mmakio@traguam.com" <Mmakio@traguam.com>, "edward.birn@doa.guam.gov" <edward.birn@doa.guam.gov>, "tkeeler@oagguam.org" <tkeeler@oagguam.org>, "fnishihira@oagguam.org" <fnishihira@oagguam.org>, "donna.herrero@dpw.guam.gov" <donna.herrero@dpw.guam.gov>
Cc: Glenn Leon Guerrero <gguerrero@ssfm.com>, Connie Garrido <cgarrido@ssfm.com>, Joseph W Duenas <jduenas@ssfm.com>, "Gerard E. Bautista" <gbautista@ssfm.com>

Good morning all,

Friendly reminder that we will have the SSHS Negotiation Meeting today at GEDA Conference Room, 5th floor ITC Building, at 2:00 PM today.

For those who are not able to meet in person, please join us via the Zoom link, see below.

Topic: SSHS Negotiation Meeting

Time: Jul 3, 2025 2:00 PM Guam, Port Moresby

[Quoted text hidden]

Thank you,

Thuy Nguyen | Student Intern



Innovate | Adapt | Sustain

215 Rojas Street, Suite 213 | Harmon, Guam 96913
T 808.531.1308 | D 808.913.0346
tnguyen@ssfm.com | www.ssfm.com

-----Original Appointment-----

From: Thuy Nguyen On Behalf Of Alvin Bejosa

Sent: Tuesday, July 1, 2025 1:31 PM

To: DPW SSHS CM Team; Vince Arriola; Linda Ibanez; john.calanayan@dpw.guam.gov; keswanson@gdoe.net; Carla Benita Masnayan; lester.carlson@bbmr.guam.gov; cgarcia@investguam.com; Carlos Bordallo; tmb@guamlaw.net; ccruz@traguam.com; Mmakio@traguam.com; edward.birn@doa.guam.gov; tkeeler@oagguam.org; fnishihira@oagguam.org; donna.herrero@dpw.guam.gov

Subject: FW: SSHS Negotiation Meeting

[Quoted text hidden]

[Quoted text hidden]

Carla Benita Masnayan <cdmasnayan@gdoe.net>

Thu, Jul 3, 2025 at 9:15 AM

To: Thuy Nguyen <tnguyen@ssfm.com>

Cc: Glenn Leon Guerrero <gguerrero@ssfm.com>, Vince Arriola <vince.arriola@dpw.guam.gov>

Buenas!

My assistant principals Ron Canos and Keith Quiambao will be attending on my behalf. They have signed NDAs prior.

Thank you!

Carla D. Masnayan, Principal
Simon Sanchez High School
331 N. Marine Corps Drive
Tamuning, Guam 96913
(T) 653-2313 (11:30 a.m. - 5:00 p.m.)
SSHS Website: <https://sshs.gdoe.net>
Inquiries: SSHS@GDOE.NET
Email: cdmasnayan@gdoe.net

[Quoted text hidden]

Guam Department of Education 2025

Tina Garcia <cgarcia@investguam.com>

Thu, Jul 3, 2025 at 2:16 PM

To: Thuy Nguyen <tnguyen@ssfm.com>

Cc: DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "john.calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, "lester.carlson@bbmr.guam.gov" <lester.carlson@bbmr.guam.gov>, Carlos Bordallo <carlos.bordallo@investguam.com>, "tmb@guamlaw.net" <tmb@guamlaw.net>, "ccruz@traguam.com" <ccruz@traguam.com>, "Mmakio@traguam.com" <Mmakio@traguam.com>, "edward.birn@doa.guam.gov" <edward.birn@doa.guam.gov>, "tkeeler@oagguam.org" <tkeeler@oagguam.org>, "fnishihira@oagguam.org" <fnishihira@oagguam.org>, "donna.herrero@dpw.guam.gov" <donna.herrero@dpw.guam.gov>, John San Nicolas <jsannicolas@investguam.com>, Angelene Rios <angelene.rios@investguam.com>

Attached are copies of the JFK ground lease and the JFK lease agreement with GovGuam.

Again we would need to work directly with the selected developer to complete these documents. I will give a heads up to bond counsel that we are close to selection so they can plan documents accordingly.

Regards,
Tina Garcia

[Quoted text hidden]

215 Rojas Street, Suite 213 | Harmon, Guam 96913
T 671.646.7736 | F 671.300.7738
jduenas@ssfm.com | www.ssfm.com

"Do not go where the path may lead, go instead where there is no path and leave a trail." – Ralph Waldo Emerson

From: Tom Keeler <tkeeler@oagguam.org>
Sent: Tuesday, July 8, 2025 10:14 AM
To: Joseph W Duenas <jduenas@ssfm.com>
Subject: Re: FW: SSHS Negotiation Meeting

Email received from **EXTERNAL** sender. Confirm the content is safe prior to opening attachments or links.

Private and Confidential

Joe,

Thanks for the note to Terry Brooks. Please advise if I can be of any assistance.

Regards,

Tom

Thomas P. Keeler

Assistant Attorney General

Cell: 488-3232



Innovate | Adapt | Sustain

215 Rojas Street, Suite 213 | Harmon, Guam 96913
T 671.646.7736 | F 671.300.7738
jduenas@ssfm.com | www.ssfm.com

"Do not go where the path may lead, go instead where there is no path and leave a trail." – Ralph Waldo Emerson

From: Joseph W Duenas
Sent: Tuesday, July 8, 2025 10:22 AM
To: 'Tom Keeler' <tkeeler@oagguam.org>
Subject: RE: FW: SSHS Negotiation Meeting

Hi Tom,

Thank you for your email.

- At this point, we're working with GEDA's attorney Terry Brooks and GEDA Bond Counsel on redrafting the contracts used for the JFK P3 project. Our intent is to create DRAFT contracts tailored to SSHS that were previously approved by the AG.
- Once we have draft contracts that have been reviewed, we will have you review it.
- We will ensure you are kept in the loop throughout this process and have final review, as instructed by Director Arriola.

Feel free to reach out to me if you have any questions or concerns.

Sincerely,

Joe

Joseph W. Duenas, ENV SP | Pacific Area Manager



Innovate | Adapt | Sustain

Thanks,

Joe

Joseph W. Duenas, ENV SP | Pacific Area Manager



Innovate | Adapt | Sustain

215 Rojas Street, Suite 213 | Harmon, Guam 96913
T 671.646.7736 | F 671.300.7738
jduenas@ssfm.com | www.ssfm.com

"Do not go where the path may lead, go instead where there is no path and leave a trail." – Ralph Waldo Emerson

From: Terrence M. Brooks <TMB@guamlaw.net>

Sent: Saturday, July 5, 2025 11:47 AM

To: Carlos Bordallo <carlos.bordallo@investguam.com>

Cc: Tina Garcia <cgarcia@investguam.com>; Thuy Nguyen <tnguyen@ssfm.com>; DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>; Vince Arriola <vince.arriola@dpw.guam.gov>; Linda Ibanez <linda.ibanez@dpw.guam.gov>; john.calanayan@dpw.guam.gov; keswanson@gdoe.net; Carla Benita Masnayan <cdmasnayan@gdoe.net>; lester.carlson@bbmr.guam.gov; ccruz@traguam.com; Mmakio@traguam.com; edward.birn@doa.guam.gov; tkeeler@oagguam.org; fnishihira@oagguam.org; donna.herrero@dpw.guam.gov; John San Nicolas <jsannicolas@investguam.com>; Angelene Rios <angelene.rios@investguam.com>

Subject: Re: FW: SSHS Negotiation Meeting

Email received from **EXTERNAL** sender. Confirm the content is safe prior to opening attachments or links.

[Quoted text hidden]

Joseph W Duenas <jduenas@ssfm.com>

Tue, Jul 8, 2025 at 10:23 AM

To: Vince Arriola <vince.arriola@dpw.guam.gov>

Cc: Linda Ibanez <linda.ibanez@dpw.guam.gov>, Tina Garcia <cgarcia@investguam.com>, "lester.carlson@bbmr.guam.gov" <lester.carlson@bbmr.guam.gov>, "Terrence M. Brooks" <TMB@guamlaw.net>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>

FYSA

Joseph W. Duenas, ENV SP | Pacific Area Manager

The JFK Project Development Agreement applies in situations where the developer obtains its own financing. The financing company in this agreement is named the owner.

The Biolab contract was a construction contract, not a lease and lease-back situation.

If the SSHS project is going to be a straight lease and lease-back with bond financing, we will need an entirely different agreement. Has GovGuam entered into any development agreements utilizing a lease and lease-back arrangement, and paid for them using bonds obtained through GEDA? If so, can we get a copy of that type of agreement?

Thank you.

Terry Brooks

From: Carlos Bordallo <carlos.bordallo@investguam.com>

Sent: Thursday, July 3, 2025 4:55:57 PM

To: Terrence M. Brooks

Cc: Tina Garcia; Thuy Nguyen; DPW SSHS CM Team; Vince Arriola; Linda Ibanez; john.calanayan@dpw.guam.gov; keswanson@gdoe.net; Carla Benita Masnayan; lester.carlson@bbmr.guam.gov; ccruz@traguam.com; Mmakio@traguam.com; edward.birn@doa.guam.gov; tkeeler@oagguam.org; fnishihira@oagguam.org; donna.herrero@dpw.guam.gov; John San Nicolas; Angelene Rios

[Quoted text hidden]

[Quoted text hidden]

Joseph W Duenas <jduenas@ssfm.com>

Mon, Jul 7, 2025 at 9:43 AM

To: "Terrence M. Brooks" <TMB@guamlaw.net>, Carlos Bordallo <carlos.bordallo@investguam.com>

Cc: Tina Garcia <cgarcia@investguam.com>, Thuy Nguyen <tnguyen@ssfm.com>, DPW SSHS CM Team

<DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez

<linda.ibanez@dpw.guam.gov>, "john.calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>,

"keswanson@gdoe.net" <keswanson@gdoe.net>, Carla Benita Masnayan <cdmasnayan@gdoe.net>,

"lester.carlson@bbmr.guam.gov" <lester.carlson@bbmr.guam.gov>, "ccruz@traguam.com" <ccruz@traguam.com>,

"Mmakio@traguam.com" <mmakio@traguam.com>, "edward.birn@doa.guam.gov" <edward.birn@doa.guam.gov>,

"tkeeler@oagguam.org" <tkeeler@oagguam.org>, "fnishihira@oagguam.org" <fnishihira@oagguam.org>,

"donna.herrero@dpw.guam.gov" <donna.herrero@dpw.guam.gov>, John San Nicolas <jsannicolas@investguam.com>,

Angelene Rios <angelene.rios@investguam.com>

Hi Attorney Brooks,

Unless another template emerges, SSFM will work off of the JFK Project Development Agreement as the starting point. We will have something to you and the team to review in the next couple of days.

Let me know if you have any concerns with this approach. Our intent is to keep this progressing.

Attached is a Word version of the JFK project development agreement. It's very comprehensive, but may include items that are beyond the scope of SSHS. It contains a Construction Contract, which is an exhibit.

I've tried to correct the typos that occurred in converting from pdf to Word, but have otherwise left it as is.

Terry Brooks

From: Tina Garcia <cgarcia@investguam.com>

Sent: Thursday, July 3, 2025 2:24:26 PM

To: Thuy Nguyen

Cc: DPW SSHS CM Team; Vince Arriola; Linda Ibanez; john.calanayan@dpw.guam.gov; keswanson@gdoe.net; Carla Benita Masnayan; lester.carlson@bbmr.guam.gov; Carlos Bordallo; Terrence M. Brooks; ccruz@traguam.com; Mmakio@traguam.com; edward.birn@doa.guam.gov; tkeeler@oagguam.org; fnishihira@oagguam.org; donna.herrero@dpw.guam.gov; John San Nicolas; Angelene Rios

Subject: Re: FW: SSHS Negotiation Meeting

[Quoted text hidden]

 **JFK Project Development Agreement.docx**
2112K

Carlos Bordallo <carlos.bordallo@investguam.com>

Thu, Jul 3, 2025 at 4:55 PM

To: "Terrence M. Brooks" <TMB@guamlaw.net>

Cc: Tina Garcia <cgarcia@investguam.com>, Thuy Nguyen <tnguyen@ssfm.com>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "john.calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, "lester.carlson@bbmr.guam.gov" <lester.carlson@bbmr.guam.gov>, "ccruz@traguam.com" <ccruz@traguam.com>, "Mmakio@traguam.com" <mmakio@traguam.com>, "edward.birn@doa.guam.gov" <edward.birn@doa.guam.gov>, "tkeeler@oagguam.org" <tkeeler@oagguam.org>, "fnishihira@oagguam.org" <fnishihira@oagguam.org>, "donna.herrero@dpw.guam.gov" <donna.herrero@dpw.guam.gov>, John San Nicolas <jsannicolas@investguam.com>, Angelene Rios <angelene.rios@investguam.com>

Take a look at 3.2 (c). Talks about liquidated damages.

[Quoted text hidden]

Terrence M. Brooks <TMB@guamlaw.net>

Sat, Jul 5, 2025 at 11:46 AM

To: Carlos Bordallo <carlos.bordallo@investguam.com>

Cc: Tina Garcia <cgarcia@investguam.com>, Thuy Nguyen <tnguyen@ssfm.com>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "john.calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, "lester.carlson@bbmr.guam.gov" <lester.carlson@bbmr.guam.gov>, "ccruz@traguam.com" <ccruz@traguam.com>, "Mmakio@traguam.com" <mmakio@traguam.com>, "edward.birn@doa.guam.gov" <edward.birn@doa.guam.gov>, "tkeeler@oagguam.org" <tkeeler@oagguam.org>, "fnishihira@oagguam.org" <fnishihira@oagguam.org>, "donna.herrero@dpw.guam.gov" <donna.herrero@dpw.guam.gov>, John San Nicolas <jsannicolas@investguam.com>, Angelene Rios <angelene.rios@investguam.com>

All:

2 attachments

 **JFK Ground Lease.pdf**
696K

 **JFK Lease Agreement.pdf**
14228K

Tina Garcia <cgarcia@investguam.com>

Thu, Jul 3, 2025 at 2:24 PM

To: Thuy Nguyen <tnguyen@ssfm.com>

Cc: DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "john.calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, "lester.carlson@bbmr.guam.gov" <lester.carlson@bbmr.guam.gov>, Carlos Bordallo <carlos.bordallo@investguam.com>, "tmb@guamlaw.net" <tmb@guamlaw.net>, "ccruz@traguam.com" <ccruz@traguam.com>, "Mmakio@traguam.com" <Mmakio@traguam.com>, "edward.birn@doa.guam.gov" <edward.birn@doa.guam.gov>, "tkeeler@oagguam.org" <tkeeler@oagguam.org>, "fnishihira@oagguam.org" <fnishihira@oagguam.org>, "donna.herrero@dpw.guam.gov" <donna.herrero@dpw.guam.gov>, John San Nicolas <jsannicolas@investguam.com>, Angelene Rios <angelene.rios@investguam.com>

See attached as per our discussion.

[Quoted text hidden]

 **JFK Project Development Agreement.pdf**
5322K

Carlos Bordallo <carlos.bordallo@investguam.com>

Thu, Jul 3, 2025 at 2:35 PM

To: Tina Garcia <cgarcia@investguam.com>

Cc: Thuy Nguyen <tnguyen@ssfm.com>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "john.calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, "lester.carlson@bbmr.guam.gov" <lester.carlson@bbmr.guam.gov>, "tmb@guamlaw.net" <tmb@guamlaw.net>, "ccruz@traguam.com" <ccruz@traguam.com>, "Mmakio@traguam.com" <Mmakio@traguam.com>, "edward.birn@doa.guam.gov" <edward.birn@doa.guam.gov>, "tkeeler@oagguam.org" <tkeeler@oagguam.org>, "fnishihira@oagguam.org" <fnishihira@oagguam.org>, "donna.herrero@dpw.guam.gov" <donna.herrero@dpw.guam.gov>, John San Nicolas <jsannicolas@investguam.com>, Angelene Rios <angelene.rios@investguam.com>

Here's Insurance and Maintenance agreement for JFK.

On Thu, Jul 3, 2025 at 12:16 AM Tina Garcia <cgarcia@investguam.com> wrote:

[Quoted text hidden]

 **JFK Insurance & Maintenance Agreement.pdf**
1161K

Terrence M. Brooks <TMB@guamlaw.net>

Thu, Jul 3, 2025 at 4:23 PM

To: Tina Garcia <cgarcia@investguam.com>, Thuy Nguyen <tnguyen@ssfm.com>

Cc: DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "john.calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, "lester.carlson@bbmr.guam.gov" <lester.carlson@bbmr.guam.gov>, Carlos Bordallo <carlos.bordallo@investguam.com>, "ccruz@traguam.com" <ccruz@traguam.com>, "Mmakio@traguam.com" <mmakio@traguam.com>, "edward.birn@doa.guam.gov" <edward.birn@doa.guam.gov>, "tkeeler@oagguam.org" <tkeeler@oagguam.org>, "fnishihira@oagguam.org" <fnishihira@oagguam.org>, "donna.herrero@dpw.guam.gov" <donna.herrero@dpw.guam.gov>, John San Nicolas <jsannicolas@investguam.com>, Angelene Rios <angelene.rios@investguam.com>

All:

DPW SSHS NEGOTIATION COMMITTEE MEETING

AGENDA

Thursday, July 3, 2025; 2:00 PM

GEDA Conference Room

I. CALL TO ORDER

II. UNFINISHED BUSINESS

- A. Term Sheet Discussion
- B. Draft Contract Status
 - i. Construction- Attorney Brooks
 - ii. Operations & Maintenance- Attorney Brooks
 - iii. Finance- GEDA

III. NEW BUSINESS

- A. Next Steps
 - i. Government contract internal review.
 - a. Finance- GEDA/ BBMR
 - b. Construction- SSFM DPW
 - c. Operations & Maintenance- SSFM/ SSHS/ GDOE Upcoming Schedule/ Milestones
 - ii. SSHS Schedule/ Milestones (see below)

IV. OPEN DISCUSSION

V. NEXT MEETING

- A. Thursday, July 10th, 10 a.m., GEDA Conference Room

VI. ADJOURN

SSHS Schedule/ Milestones

1. Meeting w/ Negotiation Team & Attorney Brooks- (June 26th)
2. Review Draft Construction and O&M Contracts from Attorney Brooks - Today
3. Government Review of Contracts - Comments due to Attorney Brooks by close of business - Tuesday, July 8th.
4. Revised contract from Attorney Brooks for negotiation meeting- Thursday, July 10th.
5. Internal Negotiation Committee Meeting- Objective align before negotiations – Thursday, July 10th

6. Meeting #1 w/ Core Tech - Provide draft contract.
7. Meeting #2 w/ Core Tech - Negotiate final contract
8. Finalize Contract/ Notice of Intent to Award
9. Notice of Award

Suggested Meeting Discussion Points for Initial Meeting with Proposer

7/3/25

Consideration

Consider meeting with Proposer early next week BEFORE the DRAFT contract is completed, to move the process along.

Meeting Objectives/ Discussion

1. Discuss Proposers Term Sheet.
2. Articulate that the law caps this project at \$166M (inclusive of FF&E and Financing Costs) and the RFP requirement is 2,000 students. There is no desire to go back to the legislature, as it will likely delay or stop the project.
3. Update on the DRAFT contract that is forthcoming
4. Message- We need a partner that can meet the Government expectations above required by law and the RFP. Work with stakeholders (GDOE, DPW, SSHS principal) and build a school that complies with the ceiling cap on the law (\$166M) and the requirement of the RFP (2,000 students).

Suggestions

1. Ensure DPW alignment with Governor's/ Lt. Governor's Office on the going back to the Legislature prior to the meeting with Proposer.
2. Keep initial meeting small.

CONTRACT

Core Tech International Corporation
Developer

Department of Public Works July 2025

Contract for: **Construction of the New Simon Sanchez High School FDDBLM**

Project No.: **730-5-1059-L-YIG**

Amount: **\$166,365,000**

Place: **Yigo , Guam**

FORMAL CONTRACT

THIS CONTRACT, made and entered by and between the Department of Public Works, Government of Guam, hereinafter called the "Government", and Core Tech International Corporation., a corporation of Guam, hereinafter called the "Developer".

WITNESSETH, that whereas the Government intends to perform the Finance, Demolition, Design, Build, Lease/Leaseback & Insure/ Capital Maintenance (FDDBLM) for the "**New Simon Sanchez High School, Project No.: 730-5-1059-L-YG**", hereinafter called the "Project", in accordance with the RFP issued by the Government.

NOW THEREFORE, the Government and Developer for the considerations hereinafter set forth, agree as follows:

- I. THE DEVELOPER AGREES to furnish all the necessary labor, materials, equipment, tools and services necessary to perform and complete in a workmanlike manner all the work required for the construction of the Project, in strict compliance with the contract documents herein mentioned, which are hereby made a part of the contract, including the following addenda:

Addendum No. 1

Dated April 30, 2025

(a) Contract Time: The Developer agrees to commence work under this contract upon written notice to proceed, and to **complete the project ready for use and operation within Seven Hundred and Thirty (730) calendar days** of the commencement of the contract time. The Developer hereby acknowledges that time is of the essence with respect to this contract.

(b) Subcontractors: The Developer agrees to bind every subcontractor by the terms of the contract documents. The contract documents shall not be construed as creating any contractual relation between any subcontractor and the Government.

II. SUBJECT TO AVAILABILITY OF FUNDS, THE GOVERNMENT AGREES to pay, and the Developer agrees to accept, in full payment for the performance of this contract, *the contract amount of One Hundred Sixty Six Million Three Hundred Sixty Five Thousand, (\$166,365,000.00) plus* any and all sums to be added and/or deducted resulting from all extra and/or omitted work in connection therewith, as authorized under the terms as stated in the General Conditions of the contract, all in accordance with the terms as stated in the Contract Documents.

(a) Annual payments will be made as specified in the Contract Documents.

III. CONTRACT DOCUMENTS: It is hereby mutually agreed that the following list of instruments, plans, specifications and documents which are attached hereto, bound herewith or incorporated herein by reference shall constitute the contract documents, all of which are made a part hereof, and collectively evidence and constitute the contract between the parties hereto, and they are as fully a part of this Agreement as if they were set out verbatim and in full herein, and are designated as follows:

Request For Proposal for the New Simon Sanchez High School FDDBLM issued March 28, 2025 including all Attachments and Addenda.

- What if there are any
conflicts between documents?

- IV. LIQUIDATED DAMAGES: Based on 2GAR- Administration DIV 4 Procurement Regulation on Liquidated Damages (LD) it states that "When the contractor is given notice of delay or nonperformance of this contract and fails to cure in the time specified, the contractor shall be liable for damages for delays in the amount of one-fourth of one-percent (1%) of outstanding order per calendar days from date set for cure". The Developer is liable for damages for delays for this Contract.

Example:

- V. WARRANTY: The Developer warrants that the design and construction services shall be performed in accordance with contract requirements for a period of one year. Design and Construction works not conforming to the Contract requirements shall be corrected at no additional cost to the Government.
- VI. COVENANT AGAINST CONTINGENT FEES. The Developer warrants that he has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage or contingent fee. Breach of this warranty shall give the Government the right to terminate the contract, or in its discretion, to deduct from the contract price or consideration the amount of such commission, percentage, brokerage or contingent fee. The warranty shall not apply to commission's payable by contractors upon contracts or sales secured or made through bonafide established commercial or selling agencies maintained by the Developer for the purpose of securing business.
- VI. OTHER CONTRACTS. The Government may award other contracts for additional work, and the Developer shall fully cooperate with such other contractors and carefully fit his own work to that provided under other contracts as may be directed by the Contracting Officer. The Developer shall not commit or permit any act which will interfere with the performance of work by any other contractor.

$$\frac{1}{4} \times 1\% = .0025 \times \$50,000,000 = \$125,000/\text{day}$$

VIII. DISPUTES.

1. The Government and the Developer agree to attempt resolution of all controversies which arise under, or are by virtue of, this procurement and any resulting contract through mutual agreement. If the controversy is not resolved by mutual agreement, then the Developer shall request the Government in writing to issue a final decision within sixty days after receipt of the written request. If the Government does not issue a written decision within sixty days after written request for a final decision, or within such longer period as may be agreed upon by the parties, then the Developer may proceed as though the government had issued a decision adverse to the Developer.

2. The Government shall immediately furnish a copy of the decision to the Developer, by certified mail with a return receipt requested, or by any other method that provides evidence of receipt.

3. The Government's decision shall be final and conclusive, unless fraudulent or unless the Developer appeals the decision.

4. This subsection applies to appeals of the government's decision on a dispute. For money owed by or to the Government under this contract, the Developer shall appeal the decision in accordance with the Government Claims Act by initially filing a claim with the Office of the Attorney General no later than eighteen months after the decision is rendered by the Government or from the date when a decision should have been rendered. For all other claims by or against the government arising under this contract, the Office of the Public auditor has jurisdiction over the appeal from the decision of the Government. Appeals to the Office of the Public Auditor must be made within sixty days of the Government's decision or from the date the decision should have been made.

5. The Developer shall exhaust all administrative remedies before filing an action in the Superior Court of Guam in accordance with applicable laws.

6. The Developer shall comply with the Government's decision and proceed diligently with performance of the contract pending final resolution by the Superior Court of Guam of any controversy arising under, or by virtue of, the contract, except where the Developer claims a material breach of the contract by the Government. However, if the Government determines in writing that continuation of services under the contract is essential to the public's health or safety, then the contractor shall proceed diligently with performance of the contract notwithstanding any claim of material breach by the Government.

IX. CONTRACT BINDING. It is agreed that this contract and all of the Covenants hereof shall inure to the benefit of and be binding upon the Government and the Developer respectively and his partners, successors, assignees and legal representatives. Neither the Government nor the Developer shall have the right to assign, transfer or sublet his interests or obligations hereunder without written consent of the other party. It is hereby mutually agreed by and between the parties hereto that no mechanic, contractor, subcontractor, material man or other person can or will contract for or in any other manner have or acquire any lien upon the building or works covered by this contract, or the land upon which the same is situated.

X. RESTRICTION ON SEX OFFENDERS. The Developer warrants that no person in its employment who has been convicted of sex offense under the provisions of chapter 25 of Title 9 of the Guam Code Annotated, or of an offense defined in Article 2 of Chapter 28 of Title 9 of the Guam Code Annotated, or who has been convicted of an offense with the same elements as heretofore defined in any other jurisdiction, or who is listed on the Sex Offender Registry shall provide services on behalf of the Developer while on government of Guam property, with exception of public highways. If any employee of the Developer is providing services on government property and is convicted subsequent to an award of a contract, then the Developer warrants that it will notify the Government of the conviction within twenty-four hours of the conviction, and will remove immediately such convicted person from providing services on government property. If the Developer is found to be in

violation of any of the provisions of this paragraph, then the Government will give notice to the Developer to take corrective action. The Developer shall take corrective action within twenty-four hours of notice from the Government, and the Developer shall notify the Government when action has been taken. If the Developer fails to take corrective steps within twenty-four hours of notice from the Government, then the Government in its sole discretion may suspend temporarily any contract for services until corrective action has been taken.

- XI. INDEMNITY. The Developer agrees to save and hold harmless the Government, its officers, agents, representatives, successors and assigns and other governmental agencies from any and all suits or actions of every nature and kind, which may be brought for or on account of any injury, death, or damage arising out of the acts or omissions of the Developer, Developer's subcontractors, officers, agents, servants or employees under this contract.
- XII. CLAIMS AGAINST GOVERNMENT. The Developer expressly recognizes that the Government Claims Act (Title 5 of the Guam Annotated, Chapter 6) applies with respect only to claims of money owed by or to the Developer against the Government if the claim arises out of or in connection with this agreement. The Developer also expressly recognizes that all other claims by the Developer against the Government are subject to the Guam Procurement Law (Title 5 of the Guam Annotated, Chapter 5).
- XIII. CONSENT TO JURISDICTION. The Developer hereby expressly consents to the jurisdiction of and the forum of the courts of Guam with respect to any and all claims which may arise by reason of this Agreement, except as otherwise may be provided by the Guam Procurement Law. The Developer waives any and all rights it may otherwise have to contest the same or to proceed in a different jurisdiction or forum.
- XIV. MANDATORY REPRESENTATION BY DEVELOPER REGARDING GENERAL ETHICAL STANDARDS (2 GAR Div. 4 11103 (b)). With respect to this Agreement and any other contract that the Developer may have, or wish to enter into, with any Government

of Guam agency, the Developer represents that it has not knowingly influenced, and promises that it will not knowingly influence, any government employee to breach any of the ethical standards set forth in the Guam Procurement Law and in any of the Guam Procurement Regulations.

XV. MANDATORY REPRESENTATION BY THE DEVELOPER REGARDING PROHIBITION AGAINST GRATUITIES AND KICKBACKS (2 GAR Div. 411107(e))

With respect to this Agreement and any other contract that the Developer may have or wish to enter into with any Government of Guam agency, the Developer represents that he has not violated, is not violating, and promises that it will not violate the prohibition against gratuities and kickbacks set forth in the Guam Procurement Regulations.

XVI. COMPLIANCE TO PUBLIC LAW 24-100, PRODUCTS MANUFACTURED FROM RECYCLED GLASS. Pursuant to 5 G.C.A. Section 5218, any individual or company submitting a response to this solicitation shall include the purchase of available recycled glass pulverized on Guam or appropriate products manufactured therefrom. The contract awarded under this solicitation shall determine the suitable percentage of recycled glass to be used in the project and, as a condition of the award of the contract, shall require the Contractor to identify and certify in writing the percentage of recycled glass contained in the material offered. The acceptable percentage of recycled glass has been determined to be 0% for this project.

XVII. SUPPLEMENTARY CONDITIONS:

IN WITNESS WHEREOF the parties hereto have executed this contract as of the day and year first indicated by their respected names, which shall only become effective on the date it is signed by the Governor of Guam.

DEVELOPER

GOVERNMENT

Ho Eun
Chairman
Core Tech International Corporation

Vincent P. Arriola
Director
Department of Public Works

Date: _____

Date: _____

CERTIFIED FUNDS AVAILABLE:

APPROVED AS TO FORM AND LEGALITY:

Linda J. Ibanez
Certifying Officer
Department of Public Works

Attorney General of Guam

Date: _____

Date: _____

BBMR's APPROVED:

APPROVED:

Lester L. Carlson, Jr.
Director
Bureau of Budget and Management
Research

Date: _____

Lourdes A. Leon Guerrero
Governor of Guam

Date: _____

§ 2.4 Government's Right to Stop the Work

If the Developer fails to correct Work that is not in accordance with the requirements of the Contract Documents as required by Section 12.2 or repeatedly fails to carry out Work in accordance with the Contract Documents, the Government may issue a written order to the Developer to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, the right of the Government to stop the Work shall not give rise to a duty on the part of the Government to exercise this right for the benefit of the Developer or any other person or entity, except to the extent required by Section 6.1.3.

§ 2.5 Government's Right to Carry Out the Work

If the Developer defaults or neglects to carry out the Work in accordance with the Contract Documents and fails within a ten-day period after receipt of notice from the Government to commence and continue correction of such default or neglect with diligence and promptness, the Government may, without prejudice to other remedies the Government may have, correct such default or neglect. Such action by the Government and amounts charged to the Developer are both subject to prior approval of the Contracting Officer and the Contracting Officer may, pursuant to Section 9.5.1, withhold or nullify a Certificate for Payment in whole or in part, to the extent reasonably necessary to reimburse the Government for the reasonable cost of correcting such deficiencies, including Government's expenses and compensation for the Contracting Officer's additional services made necessary by such default, neglect, or failure. If current and future payments are not sufficient to cover such amounts, the Developer shall pay the difference to the Government. If the Developer disagrees with the actions of the Government or the Contracting Officer, or the amounts claimed as costs to the Government, the Developer may file a Claim pursuant to Article 15.

ARTICLE 3 DEVELOPER

§ 3.1 General

§ 3.1.1 The Developer is the person or entity identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number. The Developer shall be lawfully licensed, if required in the jurisdiction where the Project is located. The Developer shall designate in writing a representative who shall have express authority to bind the Developer with respect to all matters under this Contract. The term "Developer" means the Developer or the Developer's authorized representative.

§ 3.1.2 The Developer shall perform the Work in accordance with the Contract Documents.

§ 3.1.3 The Developer shall not be relieved of its obligations to perform the Work in accordance with the Contract Documents either by activities or duties of the Contracting Officer in the Contracting Officer's administration of the Contract, or by tests, inspections or approvals required or performed by persons or entities other than the Developer.

§ 3.2 Review of Contract Documents and Field Conditions by Developer

§ 3.2.1 Execution of the Contract by the Developer is a representation that the Developer has visited the site, become generally familiar with local conditions under which the Work is to be performed, and correlated personal observations with requirements of the Contract Documents.

§ 3.2.2 Because the Contract Documents are complementary, the Developer shall, before starting each portion of the Work, carefully study and compare the various Contract Documents relative to that portion of the Work, as well as the information furnished by the Government pursuant to Section 2.3.4, shall take field measurements of any existing conditions related to that portion of the Work, and shall observe any conditions at the site affecting it. These obligations are for the purpose of facilitating coordination and construction by the Developer and are not for the purpose of discovering errors, omissions, or inconsistencies in the Contract Documents; however, the Developer shall promptly report to the Contracting Officer any errors, inconsistencies or omissions discovered by or made known to the Developer as a request for information in such form as the Contracting Officer may require. It is recognized that the Developer's review is made in the Developer's capacity as a Developer and not as a licensed design professional, unless otherwise specifically provided in the Contract Documents.

§ 3.2.3 The Developer is not required to ascertain that the Contract Documents are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Developer shall promptly report to the Contracting Officer any nonconformity discovered by or made known to the Developer as a request for information in such form as the Contracting Officer may require.

§ 3.2.4 If the Developer believes that additional cost or time is involved because of clarifications or instructions the Contracting Officer issues in response to the Developer's notices or requests for information pursuant to Sections 3.2.2 or 3.2.3, the Developer shall submit Claims as provided in Article 15. If the Developer fails to perform the obligations of Sections 3.2.2 or 3.2.3, the Developer shall pay such costs and damages to the Government, subject to Section 15.1.7, as would have been avoided if the Developer had performed such obligations. If the Developer performs those obligations, the Developer shall not be liable to the Government or Contracting Officer for damages resulting from errors, inconsistencies or omissions in the Contract Documents.

measurements or

conditions and the Contract Documents, or for nonconformities of the Contract Documents to applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities.

§ 3.3 Supervision and Construction Procedures

§ 3.3.1 The Developer shall supervise and direct the Work, using the Developer's best skill and attention. The Developer shall be solely responsible for, and have control over, construction means, methods, techniques, sequences, and procedures, and for coordinating all portions of the Work under the Contract. If the Contract Documents give specific instructions concerning construction means, methods, techniques, sequences, or procedures, the Developer shall evaluate the jobsite safety thereof and shall be solely responsible for the jobsite safety of such means, methods, techniques, sequences, or procedures. If the Developer determines that such means, methods, techniques, sequences or procedures may not be safe, the Developer shall give timely notice to the Government and Contracting Officer, and shall propose alternative means, methods, techniques, sequences, or procedures. The Contracting Officer shall evaluate the proposed alternative solely for conformance with the design intent for the completed construction. Unless the Contracting Officer objects to the Developer's proposed alternative, the Developer shall perform the Work using its alternative means, methods, techniques, sequences, or procedures.

§ 3.3.2 The Developer shall be responsible to the Government for acts and omissions of the Developer's employees, Subcontractors and their agents and employees, and other persons or entities performing portions of the Work for, or on behalf of, the Developer or any of its Subcontractors.

§ 3.3.3 The Developer shall be responsible for inspection of portions of Work already performed to determine that such portions are in proper condition to receive subsequent Work.

§ 3.4 Labor and Materials

§ 3.4.1 Unless otherwise provided in the Contract Documents, the Developer shall provide and pay for labor, materials, equipment, tools, construction equipment and machinery, water, heat, utilities, transportation, and other facilities and services necessary for proper execution and completion of the Work, whether temporary or permanent and whether or not incorporated or to be incorporated in the Work.

§ 3.4.2 Except in the case of minor changes in the Work approved by the Contracting Officer in accordance with Section 3.12.8 or ordered by the Contracting Officer in accordance with Section 7.4, the Developer may make substitutions only with the consent of the Government, after evaluation by the Contracting Officer and in accordance with a Change Order or Construction Change Directive.

§ 3.4.3 The Developer shall enforce strict discipline and good order among the Developer's employees and other persons carrying out the Work. The Developer shall not permit employment of unfit persons or persons not properly skilled in tasks assigned to them.

§ 3.5 Warranty

§ 3.5.1 The Developer warrants to the Government and Contracting Officer that materials and equipment furnished under the Contract will be of good quality and new unless the Contract Documents require or permit otherwise. The Developer further warrants that the Work will conform to the requirements of the Contract Documents and will be free from defects, except for those inherent in the quality of the Work the Contract Documents require or permit. Work, materials, or equipment not conforming to these requirements may be considered defective. The Developer's warranty excludes remedy for damage or defect caused by abuse, alterations to the Work not executed by the Developer, improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. If required by the Contracting Officer, the Developer shall furnish satisfactory evidence as to the kind and quality of materials and equipment.

§ 3.5.2 All material, equipment, or other special warranties required by the Contract Documents shall be issued in the name of the Government, or shall be transferable to the Government, and shall commence in accordance with Section 9.8.4.

§ 3.6 Taxes

The Developer shall pay sales, consumer, use and similar taxes for the Work provided by the Developer that are legally enacted when bids are received or negotiations concluded, whether or not yet effective or merely scheduled to go into effect.

§ 3.7 Permits, Fees, Notices and Compliance with Laws

§ 3.7.1 Unless otherwise provided in the Contract Documents, the Developer shall secure and pay for the building

execution and completion of the Work that are customarily secured after execution of the Contract and legally required at the time bids are received or negotiations concluded.

§ 3.7.2 The Developer shall comply with and give notices required by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities applicable to performance of the Work.

§ 3.7.3 If the Developer performs Work knowing it to be contrary to applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, the Developer shall assume appropriate responsibility for such Work and shall bear the costs attributable to correction.

§ 3.7.4 Concealed or Unknown Conditions

If the Developer encounters conditions at the site that are (1) subsurface or otherwise concealed physical conditions that differ materially from those indicated in the Contract Documents or (2) unknown physical conditions of an unusual nature that differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract Documents, the Developer shall promptly provide notice to the Government and the Contracting Officer before conditions are disturbed and in no event later than 14 days after first observance of the conditions. The Contracting Officer will promptly investigate such conditions and, if the Contracting Officer determines that they differ materially and cause an increase or decrease in the Developer's cost of, or time required for, performance of any part of the Work, will recommend that an equitable adjustment be made in the Contract Sum or Contract Time, or both. If the Contracting Officer determines that the conditions at the site are not materially different from those indicated in the Contract Documents and that no change in the terms of the Contract is justified, the Contracting Officer shall promptly notify the Government and Developer, stating the reasons. If either party disputes the Contracting Officer's determination or recommendation, that party may submit a Claim as provided in Article 15.

§ 3.7.5 If, in the course of the Work, the Developer encounters human remains or recognizes the existence of burial markers, archaeological sites or wetlands not indicated in the Contract Documents, the Developer shall immediately suspend any operations that would affect them and shall notify the Government and Contracting Officer. Upon receipt of such notice, the Government shall promptly take any action necessary to obtain governmental authorization required to resume the operations. The Developer shall continue to suspend such operations until otherwise instructed by the Government but shall continue with all other operations that do not affect those remains or features. Requests for adjustments in the Contract Sum and Contract Time arising from the existence of such remains or features may be made as provided in Article 15.

§ 3.8 Allowances

§ 3.8.1 The Developer shall include in the Contract Sum all allowances stated in the Contract Documents. Items covered by allowances shall be supplied for such amounts and by such persons or entities as the Government may direct, but the Developer shall not be required to employ persons or entities to whom the Developer has reasonable objection.

§ 3.8.2 Unless otherwise provided in the Contract Documents,

- .1 Allowances shall cover the cost to the Developer of materials and equipment delivered at the site and all required taxes, less applicable trade discounts;
- .2 Developer's costs for unloading and handling at the site, labor, installation costs, overhead, profit, and other expenses contemplated for stated allowance amounts shall be included in the Contract Sum but not in the allowances; and
- .3 whenever costs are more than or less than allowances, the Contract Sum shall be adjusted accordingly by Change Order. The amount of the Change Order shall reflect (1) the difference between actual costs and the allowances under Section 3.8.2.1 and (2) changes in Developer's costs under Section 3.8.2.2.

§ 3.8.3 Materials and equipment under an allowance shall be selected by the Government with reasonable promptness.

§ 3.9 Superintendent

§ 3.9.1 The Developer shall employ a competent superintendent and necessary assistants who shall be in attendance at the Project site during performance of the Work. The superintendent shall represent the Developer, and communications given to the superintendent shall be as binding as if given to the Developer.

§ 3.9.2 The Developer, as soon as practicable after award of the Contract, shall notify the Government and Contracting Officer of the name and qualifications of a proposed superintendent. Within 14 days of receipt of the information, the Contracting Officer may notify the Developer, stating whether the Government or the Contracting Officer (1) has reasonable objection to the proposed superintendent or (2) requires additional time for review. Failure of the

§ 3.9.3 The Developer shall not employ a proposed superintendent to whom the Government or Contracting Officer has made reasonable and timely objection. The Developer shall not change the superintendent without the Government's consent, which shall not unreasonably be withheld or delayed.

§ 3.10 Developer's Construction and Submittal Schedules

§ 3.10.1 The Developer, promptly after being awarded the Contract, shall submit for the Government's and Contracting Officer's information a Developer's construction schedule for the Work. The schedule shall contain detail appropriate for the Project, including (1) the date of commencement of the Work, interim schedule milestone dates, and the date of Substantial Completion; (2) an apportionment of the Work by construction activity; and (3) the time required for completion of each portion of the Work. The schedule shall provide for the orderly progression of the Work to completion and shall not exceed time limits current under the Contract Documents. The schedule shall be revised at appropriate intervals as required by the conditions of the Work and Project.

§ 3.10.2 The Developer, promptly after being awarded the Contract and thereafter as necessary to maintain a current submittal schedule, shall submit a submittal schedule for the Contracting Officer's approval. The Contracting Officer's approval shall not be unreasonably delayed or withheld. The submittal schedule shall (1) be coordinated with the Developer's construction schedule, and (2) allow the Contracting Officer reasonable time to review submittals. If the Developer fails to submit a submittal schedule, or fails to provide submittals in accordance with the approved submittal schedule, the Developer shall not be entitled to any increase in Contract Sum or extension of Contract Time based on the time required for review of submittals.

§ 3.10.3 The Developer shall perform the Work in general accordance with the most recent schedules submitted to the Government and Contracting Officer.

§ 3.11 Documents and Samples at the Site

The Developer shall make available, at the Project site, the Contract Documents, including Change Orders, Construction Change Directives, and other Modifications, in good order and marked currently to indicate field changes and selections made during construction, and the approved Shop Drawings, Product Data, Samples, and similar required submittals. These shall be in electronic form or paper copy, available to the Contracting Officer and Government, and delivered to the Contracting Officer for submittal to the Government upon completion of the Work as a record of the Work as constructed.

§ 3.12 Shop Drawings, Product Data and Samples

§ 3.12.1 Shop Drawings are drawings, diagrams, schedules, and other data specially prepared for the Work by the Developer or a Subcontractor, Sub-subcontractor, manufacturer, supplier, or distributor to illustrate some portion of the Work.

§ 3.12.2 Product Data are illustrations, standard schedules, performance charts, instructions, brochures, diagrams, and other information furnished by the Developer to illustrate materials or equipment for some portion of the Work.

§ 3.12.3 Samples are physical examples that illustrate materials, equipment, or workmanship, and establish standards by which the Work will be judged.

§ 3.12.4 Shop Drawings, Product Data, Samples, and similar submittals are not Contract Documents. Their purpose is to demonstrate how the Developer proposes to conform to the information given and the design concept expressed in the Contract Documents for those portions of the Work for which the Contract Documents require submittals. Review by the Contracting Officer is subject to the limitations of Section 4.2.7. Informational submittals upon which the Contracting Officer is not expected to take responsive action may be so identified in the Contract Documents. Submittals that are not required by the Contract Documents may be returned by the Contracting Officer without action.

§ 3.12.5 The Developer shall review for compliance with the Contract Documents, approve, and submit to the Contracting Officer, Shop Drawings, Product Data, Samples, and similar submittals required by the Contract Documents, in accordance with the submittal schedule approved by the Contracting Officer or, in the absence of an approved submittal schedule, with reasonable promptness and in such sequence as to cause no delay in the Work or in the activities of the Government or of Separate Contractors.

§ 3.12.6 By submitting Shop Drawings, Product Data, Samples, and similar submittals, the Developer represents to the Government and Contracting Officer that the Developer has (1) reviewed and approved them, (2) determined and verified materials, field measurements and field construction before related thereto, and (3) that the

and coordinated the information contained within such submittals with the requirements of the Work and of the Contract Documents.

§ 3.12.7 The Developer shall perform no portion of the Work for which the Contract Documents require submittal and review of Shop Drawings, Product Data, Samples, or similar submittals, until the respective submittal has been approved by the Contracting Officer.

§ 3.12.8 The Work shall be in accordance with approved submittals except that the Developer shall not be relieved of responsibility for deviations from the requirements of the Contract Documents by the Contracting Officer's approval of Shop Drawings, Product Data, Samples, or similar submittals, unless the Developer has specifically notified the Contracting Officer of such deviation at the time of submittal and (1) the Contracting Officer has given written approval to the specific deviation as a minor change in the Work, or (2) a Change Order or Construction Change Directive has been issued authorizing the deviation. The Developer shall not be relieved of responsibility for errors or omissions in Shop Drawings, Product Data, Samples, or similar submittals, by the Contracting Officer's approval thereof.

§ 3.12.9 The Developer shall direct specific attention, in writing or on resubmitted Shop Drawings, Product Data, Samples, or similar submittals, to revisions other than those requested by the Contracting Officer on previous submittals. In the absence of such notice, the Contracting Officer's approval of a resubmission shall not apply to such revisions.

§ 3.12.10 The Developer shall not be required to provide professional services that constitute the practice of architecture or engineering unless such services are specifically required by the Contract Documents for a portion of the Work or unless the Developer needs to provide such services in order to carry out the Developer's responsibilities for construction means, methods, techniques, sequences, and procedures. The Developer shall not be required to provide professional services in violation of applicable law.

§ 3.12.10.1 If professional design services or certifications by a design professional related to systems, materials, or equipment are specifically required of the Developer by the Contract Documents, the Government and the Contracting Officer will specify all performance and design criteria that such services must satisfy. The Developer shall be entitled to rely upon the adequacy and accuracy of the performance and design criteria provided in the Contract Documents. The Developer shall cause such services or certifications to be provided by an appropriately licensed design professional, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, Shop Drawings, and other submittals prepared by such professional. Shop Drawings, and other submittals related to the Work, designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to the Contracting Officer. The Government and the Contracting Officer shall be entitled to rely upon the adequacy and accuracy of the services, certifications, and approvals performed or provided by such design professionals, provided the Government and Contracting Officer have specified to the Developer the performance and design criteria that such services must satisfy. Pursuant to this Section 3.12.10, the Contracting Officer will review and approve or take other appropriate action on submittals only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents.

§ 3.12.10.2 If the Contract Documents require the Developer's design professional to certify that the Work has been performed in accordance with the design criteria, the Developer shall furnish such certifications to the Contracting Officer at the time and in the form specified by the Contracting Officer.

§ 3.13 Use of Site

The Developer shall confine operations at the site to areas permitted by applicable laws, statutes, ordinances, codes, rules and regulations, lawful orders of public authorities, and the Contract Documents and shall not unreasonably encumber the site with materials or equipment.

§ 3.14 Cutting and Patching

§ 3.14.1 The Developer shall be responsible for cutting, fitting, or patching required to complete the Work or to make its parts fit together properly. All areas requiring cutting, fitting, or patching shall be restored to the condition existing prior to the cutting, fitting, or patching, unless otherwise required by the Contract Documents.

§ 3.14.2 The Developer shall not damage or endanger a portion of the Work or fully or partially completed construction of the Government or Separate Developers by cutting, patching, or otherwise altering such construction, or by excavation. The Developer shall not cut or otherwise alter construction by the Government or a Separate Contractor except with written consent of the Government and of the Separate Contractor. Consent shall not be unreasonably withheld. The Developer shall not unreasonably withhold, from the Government or a Separate Contractor, its consent to cutting or otherwise altering the Work.

§ 3.15 Cleaning Up

§ 3.15.1 The Developer shall keep the premises and surrounding area free from accumulation of waste materials and rubbish caused by operations under the Contract. At completion of the Work, the Developer shall remove waste materials, rubbish, the Developer's tools, construction equipment, machinery, and surplus materials from and about the Project.

§ 3.15.2 If the Developer fails to clean up as provided in the Contract Documents, the Government may do so and the Government shall be entitled to reimbursement from the Developer.

§ 3.16 Access to Work

The Developer shall provide the Government and Contracting Officer with access to the Work in preparation and progress wherever located.

§ 3.17 Royalties, Patents and Copyrights

The Developer shall pay all royalties and license fees. The Developer shall defend suits or claims for infringement of copyrights and patent rights and shall hold the Government and Contracting Officer harmless from loss on account thereof, but shall not be responsible for defense or loss when a particular design, process, or product of a particular manufacturer or manufacturers is required by the Contract Documents, or where the copyright violations are contained in Drawings, Specifications, or other documents prepared by the Government or Contracting Officer. However, if an infringement of a copyright or patent is discovered by, or made known to, the Developer, the Developer shall be responsible for the loss unless the information is promptly furnished to the Contracting Officer.

§ 3.18 Indemnification

§ 3.18.1 To the fullest extent permitted by law, the Developer shall indemnify and hold harmless the Government, Contracting Officer, Contracting Officer's consultants, and agents and employees of any of them from and against claims, damages, losses, and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Work, provided that such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself), but only to the extent caused by the negligent acts or omissions of the Developer, a Subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss, or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity that would otherwise exist as to a party or person described in this Section 3.18.

§ 3.18.2 In claims against any person or entity indemnified under this Section 3.18 by an employee of the Developer, a Subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, the indemnification obligation under Section 3.18.1 shall not be limited by a limitation on amount or type of damages, compensation, or benefits payable by or for the Developer or a Subcontractor under workers' compensation acts, disability benefit acts, or other employee benefit acts.

ARTICLE 4 CONTRACTING OFFICER

§ 4.2 Administration of the Contract

§ 4.2.2 The Contracting Officer will visit the site at intervals appropriate to the stage of construction, or as otherwise agreed with the Government, to become generally familiar with the progress and quality of the portion of the Work completed, and to determine in general if the Work observed is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Contracting Officer will not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. The Contracting Officer will not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for the safety precautions and programs in connection with the Work, since these are solely the Developer's rights and responsibilities under the Contract Documents.

§ 4.2.3 On the basis of the site visits, the Contracting Officer will keep the Government reasonably informed about the progress and quality of the portion of the Work completed, and promptly report to the Government (1) known deviations from the Contract Documents, (2) known deviations from the most recent construction schedule submitted by the Developer, and (3) defects and deficiencies observed in the Work. The Contracting Officer will not be responsible for the Developer's failure to perform the Work in accordance with the requirements of the Contract Documents. The Contracting Officer will not have control over or charge of, and will not be responsible for acts or omissions of, the Developer, Subcontractors, or their agents or employees, or any other persons or entities performing portions of the Work.

§ 4.2.4 Communications

The Government and Developer shall include the Contracting Officer in all communications that relate to or affect the Contracting Officer's services or professional responsibilities. The Government shall promptly notify the Contracting Officer of the substance of any direct communications between the Government and the Developer otherwise relating to the Project. Communications by and with the Contracting Officer's consultants shall be through the Contracting Officer. Communications by and with Subcontractors and suppliers shall be through the Developer. Communications by and with Separate Contractors shall be through the Government. The Contract Documents may specify other communication protocols.

§ 4.2.6 The Contracting Officer has authority to reject Work that does not conform to the Contract Documents.

Whenever the Contracting Officer considers it necessary or advisable, the Contracting Officer will have authority to require inspection or testing of the Work in accordance with Sections 13.4.2 and 13.4.3, whether or not the Work is fabricated, installed or completed. However, neither this authority of the Contracting Officer nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Contracting Officer to the Developer, Subcontractors, suppliers, their agents or employees, or other persons or entities performing portions of the Work.

§ 4.2.7 The Contracting Officer will review and approve, or take other appropriate action upon, the Developer's submittals such as Shop Drawings, Product Data, and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Contracting Officer's action will be taken in accordance with the submittal schedule approved by the Contracting Officer or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time in the Contracting Officer's professional judgment to permit adequate review. Review of such submittals is not conducted for the purpose of determining the accuracy and completeness of other details such as dimensions and quantities, or for substantiating instructions for installation or performance of equipment or systems, all of which remain the responsibility of the Developer as required by the Contract Documents. The Contracting Officer's review of the Developer's submittals shall not relieve the Developer of the obligations under Sections 3.3, 3.5, and 3.12. The Contracting Officer's review shall not constitute approval of safety precautions or of any construction means, methods, techniques, sequences, or procedures. The Contracting Officer's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 4.2.8 The Contracting Officer will prepare Change Orders and Construction Change Directives, and may order minor changes in the Work as provided in Section 7.4. The Contracting Officer will investigate and make determinations and recommendations regarding concealed and unknown conditions as provided in Section 3.7.4.

§ 4.2.9 The Contracting Officer will conduct inspections to determine the date or dates of Substantial Completion and the date of final completion; issue Certificates of Substantial Completion pursuant to Section 9.8; receive and forward to the Government, for the Government's review and records, written warranties and related documents required by the Contract and assembled by the Developer pursuant to Section 9.10; and issue a final Certificate for Payment pursuant to Section 9.10.

§ 4.2.11 The Contracting Officer will interpret and decide matters concerning performance under, and requirements of, the Contract Documents on written request of either the Government or Developer. The Contracting Officer's response to such requests will be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

§ 4.2.12 Interpretations and decisions of the Contracting Officer will be consistent with the intent of, and reasonably inferable from, the Contract Documents and will be in writing or in the form of drawings. When making such interpretations and decisions, the Contracting Officer will endeavor to secure faithful performance by both Government and Developer, will not show partiality to either, and will not be liable for results of interpretations or decisions rendered in good faith.

§ 4.2.13 The Contracting Officer's decisions on matters relating to aesthetic effect will be final if consistent with the intent expressed in the Contract Documents.

§ 4.2.14 The Contracting Officer will review and respond to requests for information about the Contract Documents. The Contracting Officer's response to such requests will be made in writing within any time limits agreed upon or otherwise with reasonable promptness. If appropriate, the Contracting Officer will prepare and issue supplemental Drawings and Specifications in response to the requests for information.

ARTICLE 5 SUBCONTRACTORS

§ 5.1 Definitions

§ 5.1.1 A Subcontractor is a person or entity who has a direct contract with the Developer to perform a portion of the Work at the site. The term "Subcontractor" is referred to throughout the Contract Documents as if singular in number and means a Subcontractor or an authorized representative of the Subcontractor. The term "Subcontractor" does not include a Separate Contractor or the subcontractors of a Separate Contractor.

§ 5.1.2 A Sub-subcontractor is a person or entity who has a direct or indirect contract with a Subcontractor to perform a portion of the Work at the site. The term "Sub-subcontractor" is referred to throughout the Contract Documents as if singular in number and means a Sub-subcontractor or an authorized representative of the Sub-subcontractor.

§ 5.2 Award of Subcontracts and Other Contracts for Portions of the Work

§ 5.2.1 Unless otherwise stated in the Contract Documents, the Developer, as soon as practicable after award of the Contract, shall notify the Government and Contracting Officer of the persons or entities proposed for each principal portion of the Work, including those who are to furnish materials or equipment fabricated to a special design. Within 14 days of receipt of the information, the Contracting Officer may notify the Developer whether the Government or the Contracting Officer (1) has reasonable objection to any such proposed person or entity or (2) requires additional time for review. Failure of the Contracting Officer to provide notice within the 14-day period shall constitute notice of no reasonable objection.

§ 5.2.2 The Developer shall not contract with a proposed person or entity to whom the Government or Contracting Officer has made reasonable and timely objection. The Developer shall not be required to contract with anyone to whom the Developer has made reasonable objection.

§ 5.2.3 If the Government or Contracting Officer has reasonable objection to a person or entity proposed by the Developer, the Developer shall propose another to whom the Government or Contracting Officer has no reasonable objection. If the proposed but rejected Subcontractor was reasonably capable of performing the Work, the Contract Sum and Contract Time shall be increased or decreased by the difference, if any, occasioned by such change, and an appropriate Change Order shall be issued before commencement of the substitute Subcontractor's Work. However, no increase in the Contract Sum or Contract Time shall be allowed for such change unless the Developer has acted promptly and responsively in submitting names as required.

§ 5.2.4 The Developer shall not substitute a Subcontractor, person, or entity for one previously selected if the Government or Contracting Officer makes reasonable objection to such substitution.

§ 5.3 Subcontractual Relations

By appropriate written agreement, the Developer shall require each Subcontractor, to the extent of the Work to be performed by the Subcontractor, to be bound to the Developer by terms of the Contract Documents, and to assume toward the Developer all the obligations and responsibilities, including the responsibility for safety of the Subcontractor's Work that the Developer, by these Contract Documents, assumes toward the Government and Contracting Officer. Each subcontract agreement shall preserve and protect the rights of the Government and Contracting Officer under the Contract Documents with respect to the Work to be performed by the Subcontractor so that subcontracting thereof will not prejudice such rights, and shall allow to the Subcontractor, unless specifically provided otherwise in the subcontract agreement, the benefit of all rights, remedies, and redress against the Developer that the Developer, by the Contract Documents, has against the Government. Where appropriate, the Developer shall require each Subcontractor to enter into similar agreements with Sub-subcontractors. The Developer shall make available to each proposed Subcontractor, prior to the execution of the subcontract agreement, copies of the Contract Documents to which the Subcontractor will be bound, and, upon written request of the Subcontractor, identify to the Subcontractor terms and conditions of the proposed subcontract agreement that may be at variance with the Contract Documents. Subcontractors will similarly make copies of applicable portions of such documents available to their respective proposed Sub-subcontractors.

§ 5.4 Contingent Assignment of Subcontracts

§ 5.4.1 Each subcontract agreement for a portion of the Work is assigned by the Developer to the Government, provided that

- .1 assignment is effective only after termination of the Contract by the Government for cause pursuant to Section 14.2 and only for those subcontract agreements that the Government accepts by notifying the Subcontractor and Developer; and
- .2 assignment is subject to the prior rights of the surety, if any, obligated under bond relating to the Contract.

When the Government accepts the assignment of a subcontract agreement, the Government assumes the Developer's rights and obligations under the subcontract.

§ 5.4.2 Upon such assignment, if the Work has been suspended for more than 30 days, the Subcontractor's compensation shall be equitably adjusted for increases in cost resulting from the suspension.

§ 5.4.3 Upon assignment to the Government under this Section 5.4, the Government may further assign the subcontract to a successor contractor or other entity. If the Government assigns the subcontract to a successor contractor or other entity, the Government shall nevertheless remain legally responsible for all of the successor contractor's obligations under the subcontract.

ARTICLE 6 CONSTRUCTION BY GOVERNMENT OR BY SEPARATE CONTRACTORS

§ 6.1 Government's Right to Perform Construction and to Award Separate Contracts

§ 6.1.1 The term "Separate Contractor(s)" shall mean other contractors retained by the Government under separate agreements. The Government reserves the right to perform construction or operations related to the Project with the Government's own forces, and with Separate Contractors retained under Conditions of the Contract substantially similar to those of this Contract, including those provisions of the Conditions of the Contract related to insurance and waiver of subrogation.

§ 6.1.2 When separate contracts are awarded for different portions of the Project or other construction or operations on the site, the term "Contractor" in the Contract Documents in each case shall mean the Contractor who executes each separate Government-Contractor Agreement.

§ 6.1.3 The Government shall provide for coordination of the activities of the Government's own forces and of each Separate Contractor with the Work of the Developer, who shall cooperate with them. The Developer shall participate with any Separate Contractors and the Government in reviewing their construction schedules. The Developer shall make any revisions to its construction schedule deemed necessary after a joint review and mutual agreement. The construction schedules shall then constitute the schedules to be used by the Developer, Separate Contractors, and the Government until subsequently revised.

§ 6.1.4 Unless otherwise provided in the Contract Documents, when the Government performs construction or operations related to the Project with the Government's own forces or with Separate Contractors, the Government or its Separate Contractors shall have the same obligations and rights that the Developer has under the Conditions of the Contract, including, without excluding others, those stated in Article 3, this Article 6, and Articles 10, 11, and 12.

§ 6.2 Mutual Responsibility

§ 6.2.1 The Developer shall afford the Government and Separate Contractors reasonable opportunity for introduction and storage of their materials and equipment and performance of their activities, and shall connect and coordinate the Developer's construction and operations with theirs as required by the Contract Documents.

§ 6.2.2 If part of the Developer's Work depends for proper execution or results upon construction or operations by the Government or a Separate Contractor, the Developer shall, prior to proceeding with that portion of the Work, promptly notify the Contracting Officer of apparent discrepancies or defects in the construction or operations by the Government or Separate Contractor that would render it unsuitable for proper execution and results of the Developer's Work. Failure of the Developer to notify the Contracting Officer of apparent discrepancies or defects prior to proceeding with the Work shall constitute an acknowledgment that the Government's or Separate Contractor's completed or partially completed construction is fit and proper to receive the Developer's Work. The Developer shall not be responsible for discrepancies or defects in the construction or operations by the Government or Separate Contractor that are not apparent.

§ 6.2.3 The Developer shall reimburse the Government for costs the Government incurs that are payable to a Separate Contractor because of the Contractor's delays, improperly timed activities or defective construction. The Government shall be responsible to the Contractor for costs the Developer incurs because of a Separate Contractor's delays, improperly timed activities, damage to the Work or defective construction.

§ 6.2.4 The Developer shall promptly remedy damage that the Developer wrongfully causes to completed or partially completed construction or to property of the Government or Separate Contractor as provided in Section 10.2.5.

§ 6.2.5 The Government and each Separate Contractor shall have the same responsibilities for cutting and patching as are described for the Contractor in Section 3.14.

§ 6.3 Government's Right to Clean Up

If a dispute arises among the Developer, Separate Contractors, and the Government as to the responsibility under their respective contracts for maintaining the premises and surrounding area free from waste materials and rubbish, the Government may clean up and the Contracting Officer will allocate the cost among those responsible.

ARTICLE 7 CHANGES IN THE WORK

§ 7.1 General

§ 7.1.1 Changes in the Work may be accomplished after execution of the Contract, and without invalidating the Contract, by Change Order, Construction Change Directive or order for a minor change in the Work, subject to the limitations stated in this Article 7 and elsewhere in the Contract Documents.

§ 7.1.2 A Change Order shall be based upon agreement among the Government, Developer, and Contracting Officer. A Construction Change Directive requires agreement by the Government and Contracting Officer and may or may not be agreed to by the Developer. An order for a minor change in the Work may be issued by the Contracting Officer alone.

§ 7.1.3 Changes in the Work shall be performed under applicable provisions of the Contract Documents. The Developer shall proceed promptly with changes in the Work, unless otherwise provided in the Change Order, Construction Change Directive, or order for a minor change in the Work.

§ 7.2 Change Orders

§ 7.2.1 A Change Order is a written instrument prepared by the Contracting Officer and signed by the Government, Developer, and Contracting Officer stating their agreement upon all of the following:

- .1 The change in the Work;
- .2 The amount of the adjustment, if any, in the Contract Sum; and
- .3 The extent of the adjustment, if any, in the Contract Time.

§ 7.3 Construction Change Directives

§ 7.3.1 A Construction Change Directive is a written order prepared by the Contracting Officer and signed by the Government and Contracting Officer, directing a change in the Work prior to agreement on adjustment, if any, in the Contract Sum or Contract Time, or both. The Government may by Construction Change Directive, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions, or other revisions, the Contract Sum and Contract Time being adjusted accordingly.

§ 7.3.2 A Construction Change Directive shall be used in the absence of total agreement on the terms of a Change Order.

§ 7.3.3 If the Construction Change Directive provides for an adjustment to the Contract Sum, the adjustment shall be based on one of the following methods:

- .1 Mutual acceptance of a lump sum properly itemized and supported by sufficient substantiating data to permit evaluation;
- .2 Unit prices stated in the Contract Documents or subsequently agreed upon;
- .3 Cost to be determined in a manner agreed upon by the parties and a mutually acceptable fixed or percentage fee; or
- .4 As provided in Section 7.3.4.

§ 7.3.4 If the Developer does not respond promptly or disagrees with the method for adjustment in the Contract Sum, the Contracting Officer shall determine the adjustment on the basis of reasonable expenditures and savings of those performing the Work attributable to the change, including, in case of an increase in the Contract Sum, an amount for overhead and profit as set forth in the Agreement, or if no such amount is set forth in the Agreement, a reasonable amount. In such case, and also under Section 7.3.3.3, the Developer shall keep and present, in such form as the Contracting Officer may prescribe, an itemized accounting together with appropriate supporting data. Unless otherwise provided in the Contract Documents, costs for the purposes of this Section 7.3.4 shall be limited to the following:

- .1 Costs of labor, including applicable payroll taxes, fringe benefits required by agreement or custom, workers' compensation insurance, and other employee costs approved by the Contracting Officer;
- .2 Costs of materials, supplies, and equipment, including cost of transportation, whether incorporated or consumed;
- .3 Rental costs of machinery and equipment, exclusive of hand tools, whether rented from the Developer or others;
- .4 Costs of premiums for all bonds and insurance, permit fees, and sales, use, or similar taxes, directly related to the change; and

§ 7.3.5 If the Developer disagrees with the adjustment in the Contract Time, the Developer may make a Claim in accordance with applicable provisions of Article 15.

§ 7.3.6 Upon receipt of a Construction Change Directive, the Developer shall promptly proceed with the change in the Work involved and advise the Contracting Officer of the Developer's agreement or disagreement with the method, if any, provided in the Construction Change Directive for determining the proposed adjustment in the Contract Sum or Contract Time.

§ 7.3.7 A Construction Change Directive signed by the Developer indicates the Developer's agreement therewith, including adjustment in Contract Sum and Contract Time or the method for determining them. Such agreement shall be effective immediately and shall be recorded as a Change Order.

§ 7.3.8 The amount of credit to be allowed by the Developer to the Government for a deletion or change that results in a net decrease in the Contract Sum shall be actual net cost as confirmed by the Contracting Officer. When both additions and credits covering related Work or substitutions are involved in a change, the allowance for overhead and profit shall be figured on the basis of net increase, if any, with respect to that change.

§ 7.3.9 Pending final determination of the total cost of a Construction Change Directive to the Government, the Developer may request payment for Work completed under the Construction Change Directive in Applications for Payment. The Contracting Officer will make an interim determination for purposes of monthly certification for payment for those costs and certify for payment the amount that the Contracting Officer determines, in the Contracting Officer's professional judgment, to be reasonably justified. The Contracting Officer's interim determination of cost shall adjust the Contract Sum on the same basis as a Change Order, subject to the right of either party to disagree and assert a Claim in accordance with Article 15.

§ 7.3.10 When the Government and Developer agree with a determination made by the Contracting Officer concerning the adjustments in the Contract Sum and Contract Time, or otherwise reach agreement upon the adjustments, such agreement shall be effective immediately and the Contracting Officer will prepare a Change Order. Change Orders may be issued for all or any part of a Construction Change Directive.

§ 7.4 Minor Changes in the Work

The Contracting Officer may order minor changes in the Work that are consistent with the intent of the Contract Documents and do not involve an adjustment in the Contract Sum or an extension of the Contract Time. The Contracting Officer's order for minor changes shall be in writing. If the Developer believes that the proposed minor change in the Work will affect the Contract Sum or Contract Time, the Developer shall notify the Contracting Officer and shall not proceed to implement the change in the Work. If the Developer performs the Work set forth in the Contracting Officer's order for a minor change without prior notice to the Contracting Officer that such change will affect the Contract Sum or Contract Time, the Developer waives any adjustment to the Contract Sum or extension of the Contract Time.

ARTICLE 8 TIME

§ 8.1 Definitions

§ 8.1.1 Unless otherwise provided, Contract Time is the period of time, including authorized adjustments, allotted in the Contract Documents for Substantial Completion of the Work.

§ 8.1.2 The date of commencement of the Work is the date established in the Agreement.

§ 8.1.3 The date of Substantial Completion is the date certified by the Contracting Officer in accordance with Section 9.8.

§ 8.1.4 The term "day" as used in the Contract Documents shall mean calendar day unless otherwise specifically defined.

§ 8.2 Progress and Completion

§ 8.2.1 Time limits stated in the Contract Documents are of the essence of the Contract. By executing the Agreement, the Developer confirms that the Contract Time is a reasonable period for performing the Work.

§ 8.2.2 The Developer shall not knowingly, except by agreement or instruction of the Government in writing, commence the Work prior to the effective date of insurance required to be furnished by the Developer and Government.

§ 8.2.3 The Developer shall proceed expeditiously with adequate forces and shall achieve Substantial Completion within the Contract Time.

§ 8.3 Delays and Extensions of Time

§ 8.3.1 If the Developer is delayed at any time in the commencement or progress of the Work by (1) an act or neglect of the Government or Contracting Officer, of an employee of either, or of a Separate Contractor; (2) by changes ordered in the Work;

(3) by labor disputes, fire, unusual delay in deliveries, unavoidable casualties, adverse weather conditions documented in accordance with Section 15.1.6.2, or other causes beyond the Developer's control; (4) by delay authorized by the Government pending mediation and binding dispute resolution; or (5) by other causes that the Developer asserts, and the Contracting Officer determines, justify delay, then the Contract Time shall be extended for such reasonable time as the Contracting Officer may determine.

§ 8.3.2 Claims relating to time shall be made in accordance with applicable provisions of Article 15.

§ 8.3.3 This Section 8.3 does not preclude recovery of damages for delay by either party under other provisions of the Contract Documents.

§ 9.8 Substantial Completion

§ 9.8.1 Substantial Completion is the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete in accordance with the Contract Documents so that the Government can occupy or utilize the Work for its intended use.

§ 9.8.2 When the Developer considers that the Work, or a portion thereof which the Government agrees to accept separately, is substantially complete, the Developer shall prepare and submit to the Contracting Officer a comprehensive list of items to be completed or corrected prior to final payment. Failure to include an item on such list does not alter the responsibility of the Developer to complete all Work in accordance with the Contract Documents.

§ 9.8.3 Upon receipt of the Developer's list, the Contracting Officer will make an inspection to determine whether the Work or designated portion thereof is substantially complete. If the Contracting Officer's inspection discloses any item, whether or not included on the Developer's list, which is not sufficiently complete in accordance with the Contract Documents so that the Government can occupy or utilize the Work or designated portion thereof for its intended use, the Developer shall, before issuance of the Certificate of Substantial Completion, complete or correct such item upon notification by the Contracting Officer. In such case, the Developer shall then submit a request for another inspection by the Contracting Officer to determine Substantial Completion.

§ 9.8.4 When the Work or designated portion thereof is substantially complete, the Contracting Officer will prepare a Certificate of Substantial Completion that shall establish the date of Substantial Completion; establish responsibilities of the Government and Developer for security, maintenance, heat, utilities, damage to the Work and insurance; and fix the time within which the Developer shall finish all items on the list accompanying the Certificate. Warranties required by the Contract Documents shall commence on the date of Substantial Completion of the Work or designated portion thereof unless otherwise provided in the Certificate of Substantial Completion.

§ 9.8.5 The Certificate of Substantial Completion shall be submitted to the Government and Developer for their written acceptance of responsibilities assigned to them in the Certificate. Upon such acceptance, and consent of surety if any, the Government shall make payment of retainage applying to the Work or designated portion thereof. Such payment shall be adjusted for Work that is incomplete or not in accordance with the requirements of the Contract Documents.

§ 9.9 Partial Occupancy or Use

§ 9.9.1 The Government may occupy or use any completed or partially completed portion of the Work at any stage when such portion is designated by separate agreement with the Developer, provided such occupancy or use is consented to by the insurer and authorized by public authorities having jurisdiction over the Project. Such partial occupancy or use may commence whether or not the portion is substantially complete, provided the Government and Developer have accepted in writing the responsibilities assigned to each of them for payments, retainage, if any, security, maintenance, heat, utilities, damage to the Work and insurance, and have agreed in writing concerning the period for correction of the Work and commencement of warranties required by the Contract Documents. When the Developer considers a portion substantially complete, the Developer shall prepare and submit a list to the Contracting Officer as provided under Section 9.8.2. Consent of the Developer to partial occupancy or use shall not be unreasonably withheld. The stage of the progress of the Work shall be determined by written agreement between the Government and Developer or, if no agreement is reached, by decision of the Contracting Officer.

§ 9.9.2 Immediately prior to such partial occupancy or use, the Government, Developer, and Contracting Officer

shall jointly inspect the area to be occupied or portion of the Work to be used in order to determine and record the condition of the Work.

§ 9.9.3 Unless otherwise agreed upon, partial occupancy or use of a portion or portions of the Work shall not constitute acceptance of Work not complying with the requirements of the Contract Documents.

ARTICLE 10 PROTECTION OF PERSONS AND PROPERTY

§ 10.1 Safety Precautions and Programs

The Developer shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the performance of the Contract.

§ 10.2 Safety of Persons and Property

§ 10.2.1 The Developer shall take reasonable precautions for safety of, and shall provide reasonable protection to prevent damage, injury, or loss to

- .1 employees on the Work and other persons who may be affected thereby;
- .2 the Work and materials and equipment to be incorporated therein, whether in storage on or off the site, under care, custody, or control of the Developer, a Subcontractor, or a Sub-subcontractor; and
- .3 other property at the site or adjacent thereto, such as trees, shrubs, lawns, walks, pavements, roadways, structures, and utilities not designated for removal, relocation, or replacement in the course of construction.

§ 10.2.2 The Developer shall comply with, and give notices required by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities, bearing on safety of persons or property or their protection from damage, injury, or loss.

§ 10.2.3 The Developer shall implement, erect, and maintain, as required by existing conditions and performance of the Contract, reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards; promulgating safety regulations; and notifying the Governments and users of adjacent sites and utilities of the safeguards.

§ 10.2.4 When use or storage of explosives or other hazardous materials or equipment, or unusual methods are necessary for execution of the Work, the Developer shall exercise utmost care and caution such activities under supervision of properly qualified personnel.

§ 10.2.5 The Developer shall promptly remedy damage and loss (other than damage or loss insured under property insurance required by the Contract Documents) to property referred to in Sections 10.2.1.2 and 10.2.1.3 caused in whole or in part by the Developer, a Subcontractor, a Sub-subcontractor, or anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable and for which the Developer is responsible under Sections 10.2.1.2 and 10.2.1.3. The Developer may make a Claim for the cost to remedy the damage or loss to the extent such damage or loss is attributable to acts or omissions of the Government or Contracting Officer or anyone directly or indirectly employed by either of them, or by anyone for whose acts either of them may be liable, and not attributable to the fault or negligence of the Developer. The foregoing obligations of the Developer are in addition to the Developer's obligations under Section 3.18.

§ 10.2.6 The Developer shall designate a responsible member of the Developer's organization at the site whose duty shall be the prevention of accidents. This person shall be the Developer's superintendent unless otherwise designated by the Developer in writing to the Government and Contracting Officer.

§ 10.2.7 The Developer shall not permit any part of the construction or site to be loaded so as to cause damage or create an unsafe condition.

§ 10.2.8 Injury or Damage to Person or Property

If either party suffers injury or damage to person or property because of an act or omission of the other party, or of others for whose acts such party is legally responsible, notice of the injury or damage, whether or not insured, shall be given to the other party within a reasonable time not exceeding 21 days after discovery. The notice shall provide sufficient detail to enable the other party to investigate the matter.

§ 10.3 Hazardous Materials and Substances

§ 10.3.1 The Developer is responsible for compliance with any requirements included in the Contract Documents regarding hazardous materials or substances. If the Developer encounters a hazardous material or substance not addressed in the Contract Documents and if reasonable precautions will be inadequate to prevent foreseeable bodily

injury or death to persons resulting from a material or substance, including but not limited to asbestos or polychlorinated biphenyl (PCB), encountered on the site by the Developer, the Developer shall, upon recognizing the condition, immediately stop Work in the affected area and notify the Government and Contracting Officer of the condition.

§ 10.3.2 Upon receipt of the Developer's notice, the Government shall obtain the services of a licensed laboratory to verify the presence or absence of the material or substance reported by the Developer and, in the event such material or substance is found to be present, to cause it to be rendered harmless. Unless otherwise required by the Contract Documents, the Government shall furnish in writing to the Developer and Contracting Officer the names and qualifications of persons or entities who are to perform tests verifying the presence or absence of the material or substance or who are to perform the task of removal or safe containment of the material or substance. The Developer and the Contracting Officer will

promptly reply to the Government in writing stating whether or not either has reasonable objection to the persons or entities proposed by the Government. If either the Developer or Contracting Officer has an objection to a person or entity proposed by the Government, the Government shall propose another to whom the Developer and the Contracting Officer have no reasonable objection.

When the material or substance has been rendered harmless, Work in the affected area shall resume upon written agreement of the Government and Developer. By Change Order, the Contract Time shall be extended appropriately, and the Contract Sum shall be increased by the amount of the Developer's reasonable additional costs of shutdown, delay, and start-up.

§ 10.3.3 To the fullest extent permitted by law, the Government shall indemnify and hold harmless the Developer, Subcontractors, Contracting Officer, Contracting Officer's consultants, and agents and employees of any of them from and against claims, damages, losses, and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Work in the affected area if in fact the material or substance presents the risk of bodily injury or death as described in Section 10.3.1 and has not been rendered harmless, provided that such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself), except to the extent that such damage, loss, or expense is due to the fault or negligence of the party seeking indemnity.

§ 10.3.4 The Government shall not be responsible under this Section 10.3 for hazardous materials or substances the Developer brings to the site unless such materials or substances are required by the Contract Documents. The Government shall be responsible for hazardous materials or substances required by the Contract Documents, except to the extent of the Developer's fault or negligence in the use and handling of such materials or substances.

§ 10.3.5 The Developer shall reimburse the Government for the cost and expense the Government incurs (1) for remediation of hazardous materials or substances the Developer brings to the site and negligently handles, or (2) where the Developer fails to perform its obligations under Section 10.3.1, except to the extent that the cost and expense are due to the Government's fault or negligence.

§ 10.3.6 If, without negligence on the part of the Developer, the Developer is held liable by a government agency for the cost of remediation of a hazardous material or substance solely by reason of performing Work as required by the Contract Documents, the Government shall reimburse the Developer for all cost and expense thereby incurred.

§ 10.4 Emergencies

In an emergency affecting safety of persons or property, the Developer shall act, at the Developer's discretion, to prevent threatened damage, injury, or loss. Additional compensation or extension of time claimed by the Developer on account of an emergency shall be determined as provided in Article 15 and Article 7.

ARTICLE 11 INSURANCE AND BONDS

§ 11.1 Developer's Insurance and Bonds

§ 11.1.1 The Developer shall purchase and maintain insurance of the types and limits of liability, containing the endorsements, and subject to the terms and conditions, as described in the Agreement or elsewhere in the Contract Documents. The Developer shall purchase and maintain the required insurance from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located. The Government, Contracting Officer, and Contracting Officer's consultants shall be named as additional insureds under the Developer's commercial general liability policy or as otherwise described in the Contract Documents.

§ 11.1.2 The Developer shall provide surety bonds of the types, for such penal sums, and subject to such terms and conditions as required by the Contract Documents. The Developer shall purchase and maintain the required bonds from a company or companies lawfully authorized to issue surety bonds in the jurisdiction where the Project is located.

§ 11.1.3 Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract, the Developer shall promptly furnish a copy of the bonds or shall authorize a copy to be furnished.

§ 11.1.4 **Notice of Cancellation or Expiration of Developer's Required Insurance.** Within three (3) business days of the date the Developer becomes aware of an impending or actual cancellation or expiration of any insurance required by the Contract Documents, the Developer shall provide notice to the Government of such impending or actual cancellation or expiration. Upon receipt of notice from the Developer, the Government shall, unless the lapse in coverage arises from an act or omission of the Government, have the right to stop the Work until the lapse in coverage has been cured by the procurement of replacement coverage by the Developer. The furnishing of notice by the Developer shall not relieve the Developer of any contractual obligation to provide any required coverage.

§ 11.2 Government's Insurance

§ 11.2.1 The Government shall purchase and maintain insurance of the types and limits of liability, containing the endorsements, and subject to the terms and conditions, as described in the Agreement or elsewhere in the Contract Documents. The Government shall purchase and maintain the required insurance from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located.

§ 11.2.2 **Failure to Purchase Required Property Insurance.** If the Government fails to purchase and maintain the required property insurance, with all of the coverages and in the amounts described in the Agreement or elsewhere in the Contract Documents, the Government shall inform the Developer in writing prior to commencement of the Work. Upon receipt of notice from the Government, the Developer may delay commencement of the Work and may obtain insurance that will protect the interests of the Developer, Subcontractors, and Sub-Subcontractors in the Work. When the failure to provide coverage has been cured or resolved, the Contract Sum and Contract Time shall be equitably adjusted. In the event the Government fails to procure coverage, the Government waives all rights against the Developer, Subcontractors, and Sub-subcontractors to the extent the loss to the Government would have been covered by the insurance to have been procured by the Government. The cost of the insurance shall be charged to the Government by a Change Order. If the Government does not provide written notice, and the Developer is damaged by the failure or neglect of the Government to purchase or maintain the required insurance, the Government shall reimburse the Developer for all reasonable costs and damages attributable thereto.

§ 11.2.3 **Notice of Cancellation or Expiration of Government's Required Property Insurance.** Within three (3) business days of the date the Government becomes aware of an impending or actual cancellation or expiration of any property insurance required by the Contract Documents, the Government shall provide notice to the Developer of such impending or actual cancellation or expiration. Unless the lapse in coverage arises from an act or omission of the Developer: (1) the Developer, upon receipt of notice from the Government, shall have the right to stop the Work until the lapse in coverage has been cured by the procurement of replacement coverage by either the Government or the Developer; (2) the Contract Time and Contract Sum shall be equitably adjusted; and (3) the Government waives all rights against the Developer, Subcontractors, and Sub-subcontractors to the extent any loss to the Government would have been covered by the insurance had it not expired or been cancelled. If the Developer purchases replacement coverage, the cost of the insurance shall be charged to the Government by an appropriate Change Order. The furnishing of notice by the Government shall not relieve the Government of any contractual obligation to provide required insurance.

§ 11.3 Waivers of Subrogation

§ 11.3.1 The Government and Developer waive all rights against (1) each other and any of their subcontractors, sub-subcontractors, agents, and employees, each of the other; (2) the Contracting Officer and Contracting Officer's consultants; and (3) Separate Contractors, if any, and any of their subcontractors, sub-subcontractors, agents, and employees, for damages caused by fire, or other causes of loss, to the extent those losses are covered by property insurance required by the Agreement or other property insurance applicable to the Project, except such rights as they have to proceeds of such insurance. The Government or Developer, as appropriate, shall require similar written waivers in favor of the individuals and entities identified above from the Contracting Officer, Contracting Officer's consultants, Separate Contractors, subcontractors, and sub-subcontractors. The policies of insurance purchased and maintained by each person or entity agreeing to waive claims pursuant to this section 11.3.1 shall not prohibit this waiver of subrogation. This waiver of subrogation shall be effective as to a person or entity (1) even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, (2) even though that person or entity did not pay the insurance premium directly or indirectly, or (3) whether or not the person or entity had an insurable interest in the damaged property.

§ 11.3.2 If during the Project construction period the Government insures properties, real or personal or both, at or adjacent to the site by property insurance under policies separate from those insuring the Project, or if after final payment property insurance is to be provided on the completed Project through a policy or policies other than those

insuring the Project during the construction period, to the extent permissible by such policies, the Government waives all rights in accordance with the terms of Section 11.3 for damages caused by fire or other causes of loss covered by this separate property insurance.

§ 11.4 Loss of Use, Business Interruption, and Delay in Completion Insurance

The Government, at the Government's option, may purchase and maintain insurance that will protect the Government against loss of use of the Government's property, or the inability to conduct normal operations, due to fire or other causes of loss. The Government waives all rights of action against the Developer and Contracting Officer for loss of use of the Government's property, due to fire or other hazards however caused.

§ 11.5 Adjustment and Settlement of Insured Loss

§ 11.5.1 A loss insured under the property insurance required by the Agreement shall be adjusted by the Government as fiduciary and made payable to the Government as fiduciary for the insureds, as their interests may appear, subject to requirements of any applicable mortgagee clause and of Section 11.5.2. The Government shall pay the Contracting Officer and Developer their just shares of insurance proceeds received by the Government, and by appropriate agreements the Contracting Officer and Developer shall make payments to their consultants and Subcontractors in similar manner.

§ 11.5.2 Prior to settlement of an insured loss, the Government shall notify the Developer of the terms of the proposed settlement as well as the proposed allocation of the insurance proceeds. The Developer shall have 14 days from receipt of notice to object to the proposed settlement or allocation of the proceeds. If the Developer does not object, the Government shall settle the loss and the Developer shall be bound by the settlement and allocation. Upon receipt, the Government shall deposit the insurance proceeds in a separate account and make the appropriate distributions. Thereafter, if no other agreement is made or the Government does not terminate the Contract for convenience, the Government and Developer shall execute a Change Order for reconstruction of the damaged or destroyed Work in the amount allocated for that purpose. If the Developer timely objects to either the terms of the proposed settlement or the allocation of the proceeds, the Government may proceed to settle the insured loss, and any dispute between the Government and Developer arising out of the settlement or allocation of the proceeds shall be resolved pursuant to Article 15. Pending resolution of any dispute, the Government may issue a Construction Change Directive for the reconstruction of the damaged or destroyed Work.

ARTICLE 12 UNCOVERING AND CORRECTION OF WORK

§ 12.1 Uncovering of Work

§ 12.1.1 If a portion of the Work is covered contrary to the Contracting Officer's request or to requirements specifically expressed in the Contract Documents, it must, if requested in writing by the Contracting Officer, be uncovered for the Contracting Officer's examination and be replaced at the Developer's expense without change in the Contract Time.

§ 12.1.2 If a portion of the Work has been covered that the Contracting Officer has not specifically requested to examine prior to its being covered, the Contracting Officer may request to see such Work and it shall be uncovered by the Developer. If such Work is in accordance with the Contract Documents, the Developer shall be entitled to an equitable adjustment to the Contract Sum and Contract Time as may be appropriate. If such Work is not in accordance with the Contract Documents, the costs of uncovering the Work, and the cost of correction, shall be at the Developer's expense.

§ 12.2 Correction of Work

§ 12.2.1 Before Substantial Completion

The Developer shall promptly correct Work rejected by the Contracting Officer or failing to conform to the requirements of the Contract Documents, discovered before Substantial Completion and whether or not fabricated, installed or completed. Costs of correcting such rejected Work, including additional testing and inspections, the cost of uncovering and replacement, and compensation for the Contracting Officer's services and expenses made necessary thereby, shall be at the Developer's expense.

§ 12.2.2 After Substantial Completion

§ 12.2.2.1 In addition to the Developer's obligations under Section 3.5, if, within one year after the date of Substantial Completion of the Work or designated portion thereof or after the date for commencement of warranties established under Section 9.9.1, or by terms of any applicable special warranty required by the Contract Documents, any of the Work is found to be not in accordance with the requirements of the Contract Documents, the Developer shall correct it promptly after receipt of notice from the Government to do so, unless the Government has previously given the Developer a written acceptance of such condition. The Government shall give such notice promptly after discovery of the condition.

During the one-year period for correction of Work, if the Government fails to notify the Developer and give the Developer an opportunity to make the correction, the Government waives the rights to require correction by the Developer and to make a claim for breach of warranty. If the Developer fails to correct nonconforming Work within a reasonable time during that period after receipt of notice from the Government or Contracting Officer, the Government may correct it in accordance with Section 2.5.

§ 12.2.2.2 The one-year period for correction of Work shall be extended with respect to portions of Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual completion of that portion of the Work.

§ 12.2.2.3 The one-year period for correction of Work shall not be extended by corrective Work performed by the Developer pursuant to this Section 12.2.

§ 12.2.3 The Developer shall remove from the site portions of the Work that are not in accordance with the requirements of the Contract Documents and are neither corrected by the Developer nor accepted by the Government.

§ 12.2.4 The Developer shall bear the cost of correcting destroyed or damaged construction of the Government or Separate Contractors, whether completed or partially completed, caused by the Developer's correction or removal of Work that is not in accordance with the requirements of the Contract Documents.

§ 12.2.5 Nothing contained in this Section 12.2 shall be construed to establish a period of limitation with respect to other obligations the Developer has under the Contract Documents. Establishment of the one-year period for correction of Work as described in Section 12.2.2 relates only to the specific obligation of the Developer to correct the Work, and has no relationship to the time within which the obligation to comply with the Contract Documents may be sought to be enforced, nor to the time within which proceedings may be commenced to establish the Developer's liability with respect to the Developer's obligations other than specifically to correct the Work.

§ 12.3 Acceptance of Nonconforming Work

If the Government prefers to accept Work that is not in accordance with the requirements of the Contract Documents, the Government may do so instead of requiring its removal and correction, in which case the Contract Sum will be reduced as appropriate and equitable. Such adjustment shall be effected whether or not final payment has been made.

ARTICLE 13 MISCELLANEOUS PROVISIONS

§ 13.1 Governing Law

The Contract shall be governed by the law of the place where the Project is located, excluding that jurisdiction's choice of law rules. If the parties have selected arbitration as the method of binding dispute resolution, the Federal Arbitration Act shall govern Section 15.4.

§ 13.2 Successors and Assigns

§ 13.2.1 The Government and Developer respectively bind themselves, their partners, successors, assigns, and legal representatives to covenants, agreements, and obligations contained in the Contract Documents. Except as provided in Section 13.2.2, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 13.2.2 The Government may, without consent of the Developer, assign the Contract to a lender providing construction financing for the Project, if the lender assumes the Government's rights and obligations under the Contract Documents. The Developer shall execute all consents reasonably required to facilitate the assignment.

§ 13.3 Rights and Remedies

§ 13.3.1 Duties and obligations imposed by the Contract Documents and rights and remedies available thereunder shall be in addition to and not a limitation of duties, obligations, rights, and remedies otherwise imposed or available by law.

§ 13.3.2 No action or failure to act by the Government, Contracting Officer, or Developer shall constitute a waiver of a right or duty afforded them under the Contract, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder, except as may be specifically agreed upon in writing.

§ 13.4 Tests and Inspections

§ 13.4.1 Tests, inspections, and approvals of portions of the Work shall be made as required by the Contract Documents and by applicable laws, statutes, ordinances, codes, rules, and regulations or lawful orders of public authorities. Unless otherwise provided, the Developer shall make arrangements for such tests, inspections, and approvals with an independent testing laboratory or entity acceptable to the Government, or with the appropriate public authority, and shall bear all related costs of tests, inspections, and approvals. The Developer shall give the Contracting Officer timely notice of when and where tests and inspections are to be made so that the Contracting Officer may be present for such procedures. The Government shall bear costs of tests, inspections, or approvals that do not become requirements until after bids are received or negotiations concluded. The Government shall directly arrange and pay for tests, inspections, or approvals where building codes or applicable laws or regulations so require.

§ 13.4.2 If the Contracting Officer, Government, or public authorities having jurisdiction determine that portions of the Work require additional testing, inspection, or approval not included under Section 13.4.1, the Contracting Officer will, upon written authorization from the Government, instruct the Developer to make arrangements for such additional testing, inspection, or approval, by an entity acceptable to the Government, and the Developer shall give timely notice to the Contracting Officer of when and where tests and inspections are to be made so that the Contracting Officer may be present for such procedures. Such costs, except as provided in Section 13.4.3, shall be at the Government's expense.

§ 13.4.3 If procedures for testing, inspection, or approval under Sections 13.4.1 and 13.4.2 reveal failure of the portions of the Work to comply with requirements established by the Contract Documents, all costs made necessary by such failure, including those of repeated procedures and compensation for the Contracting Officer's services and expenses, shall be at the Developer's expense.

§ 13.4.4 Required certificates of testing, inspection, or approval shall, unless otherwise required by the Contract Documents, be secured by the Developer and promptly delivered to the Contracting Officer.

§ 13.4.5 If the Contracting Officer is to observe tests, inspections, or approvals required by the Contract Documents, the Contracting Officer will do so promptly and, where practicable, at the normal place of testing.

§ 13.4.6 Tests or inspections conducted pursuant to the Contract Documents shall be made promptly to avoid unreasonable delay in the Work.

§ 13.5 Interest

Payments due and unpaid under the Contract Documents shall bear interest from the date payment is due at the rate the parties agree upon in writing or, in the absence thereof: at the legal rate prevailing from time to time at the place where the Project is located.

(ACTION REQUIRED) SSHS 250703 DRAFT Letter DPW to Core Tech for Fee Negotiations

4 messages

Joseph W Duenas <jduenas@ssfm.com>

Thu, Jul 3, 2025 at 4:02 PM

To: Vince Arriola <vince.arriola@dpw.guam.gov>, Donna Herrero <donna.herrero@dpw.guam.gov>

Cc: Linda Ibanez <linda.ibanez@dpw.guam.gov>, "Ernest G. Candoleta Jr." <ernest.candoleta@dpw.guam.gov>, John Calanayan <john.calanayan@dpw.guam.gov>, Tom Keeler <tkeeler@oagguam.org>, "K. Erik Swanson PhD" <keswanson@gdoe.net>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>

Hi Director Arriola- As requested in today's meeting, I have attached a DRAFT letter from DPW to the Core Tech requesting a negotiation meeting on Wednesday, July 9th, 8:30 am, at your office. I assume DPW will make any final revisions and send the final letter to Core Tech.

Hi Donna- Director Arriola requested that he meet with Eun Ho from Core Tech, Dr. Swanson, and myself for Wednesday's negotiation meeting. Appreciate if you could confirm with the Director on who he wants present and send out the meeting invitations to block his schedule.

Thank you!

Joe

Joseph W. Duenas, ENV SP | Pacific Area Manager

**Innovate | Adapt | Sustain**

215 Rojas Street, Suite 213 | Harmon, Guam 96913

T 671.646.7736 | F 671.300.7738

jduenas@ssfm.com | www.ssfm.com

"Do not go where the path may lead, go instead where there is no path and leave a trail." – Ralph Waldo Emerson

NOTICE: This communication and any attachments ("this message") may contain confidential information for the sole use of the intended recipient(s). Any unauthorized use, disclosure, viewing, copying, alteration, dissemination or distribution of, or reliance on this message is strictly prohibited. If you have received this message

Private and Confidential

Mr. Duenas,

This serves to acknowledge receipt of the draft letter to Coretech. The letter is fine. I have no comments. Thanks.

Regards,

Tom

Thomas P. Keeler

Assistant Attorney General

Cell: 488-3232

On Thu, Jul 3, 2025 at 4:02 PM Joseph W Duenas <jduenas@ssfm.com> wrote:
[Quoted text hidden]

Joseph W Duenas <jduenas@ssfm.com>

Sat, Jul 5, 2025 at 12:14 PM

To: Tom Keeler <tkeeler@oagguam.org>

Cc: Vince Arriola <vince.arriola@dpw.guam.gov>, Donna Herrero <donna.herrero@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "Ernest G. Candoleta Jr." <ernest.candoleta@dpw.guam.gov>, John Calanayan <john.calanayan@dpw.guam.gov>, "K. Erik Swanson PhD" <keswanson@gdoe.net>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>

Thanks Attorney Keeler!

Joseph W. Duenas, ENV SP | Pacific Area Manager

 Image

Innovate | Adapt | Sustain

215 Rojas Street, Suite 213 | Harmon, Guam 96913

T 671.646.7736 | F 671.300.7738

jduenas@ssfm.com | www.ssfm.com

From: Tom Keeler <tkeeler@oagguam.org>

Sent: Saturday, July 5, 2025 12:12:39 PM

To: Joseph W Duenas <jduenas@ssfm.com>

Cc: Vince Arriola <vince.arriola@dpw.guam.gov>; Donna Herrero <donna.herrero@dpw.guam.gov>; Linda Ibanez <linda.ibanez@dpw.guam.gov>; Ernest G. Candoleta Jr. <ernest.candoleta@dpw.guam.gov>; John Calanayan <john.calanayan@dpw.guam.gov>; K. Erik Swanson PhD <keswanson@gdoe.net>; DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>

Subject: Re: (ACTION REQUIRED) SSHS 250703 DRAFT Letter DPW to Core Tech for Fee Negotiations

Email received from **EXTERNAL** sender. Confirm the content is safe prior to opening attachments or links.



The Honorable
LOURDES A. LEON GUERRERO
Maga' Håga - Governor

The Honorable
JOSHUA F. TENORIO
Sigundo Maga' Låhi - Lieutenant Governor



public works
DIPATTAMENTON CHE'CHO' PUPBLEKO
VINCENT P. ARRIOLA

Director

LINDA J. IBANEZ

Deputy Director

ERNEST G. CANDOLETA, JR

Deputy Director

July 7, 2025

Mr. Ho Eun
Chairman
Core Tech International Corp.
388 S Marine Corps Dr, Suite 400
Tamuning, Guam 96913

SUBJECT: INVITATION TO NEGOTIATE
New Simon Sanchez High School (FDDBLM)
Project No. 730-5-1059-L-YIG

Dear Mr. Ho,

Buenas yan Hafa Adai! The Department of Public Works (DPW), the Guam Department of Education (GDOE), and the various government stakeholders have been meeting to discuss your proposal for the above subject project.

I am kindly requesting your presence to begin negotiations on Wednesday, 8:30am, at the DPW Director's Office located in Upper Tumon. The intent of our first meeting is to discuss and seek clarification on your price proposal.

Please contact Donna Herrero at 646-3131 to confirm your participation. I look forward to seeing you.

Sincerely,

VINCENT P. ARRIOLA
Director

SSHS Negotiation Meeting

2 messages

Thuy Nguyen <tnguyen@ssfm.com>

Thu, Jul 3, 2025 at 4:43 PM

To: DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "John Calanayan" <john.calanayan@dpw.guam.gov>, "John Calanayan" <john.calanayan@dpw.guam.gov>, "Kewanson" <keswanson@gdoe.net>, "Kewanson" <keswanson@gdoe.net>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, "Lester Carlson" <lester.carlson@bbmr.guam.gov>, "Lester Carlson" <lester.carlson@bbmr.guam.gov>, "CGarcia" <cgarcia@investguam.com>, "CGarcia" <cgarcia@investguam.com>, Carlos Bordallo <carlos.bordallo@investguam.com>, "TMB" <tmb@guamlaw.net>, "TMB" <tmb@guamlaw.net>, "CCruz" <ccruz@traguam.com>, "CCruz" <ccruz@traguam.com>, "Mmakio" <mmakio@traguam.com>, "Mmakio" <mmakio@traguam.com>, "Edward Birn" <edward.birn@doa.guam.gov>, "Edward Birn" <edward.birn@doa.guam.gov>, "Tkeeler" <tkeeler@oagguam.org>, "Tkeeler" <tkeeler@oagguam.org>, "Fnishihira" <fnishihira@oagguam.org>, "Fnishihira" <fnishihira@oagguam.org>
Cc: "Donna Herrero" <donna.herrero@dpw.guam.gov>, "Donna Herrero" <donna.herrero@dpw.guam.gov>, "Angelene Rios" <angelene.rios@investguam.com>, "Angelene Rios" <angelene.rios@investguam.com>

Hello all,

Kind reminder that we will have a SSHS Negotiation Meeting on Thursday, July 10, 2025, at 10:00 a.m. in GEDA Conference Room, 5th floor ITC Building. Please bookmark your calendar.

If you are unable to join in person, please see the Zoom link below.

Topic: SSHS Negotiation Meeting

Time: Jul 10, 2025 10:00 AM Guam, Port Moresby

Join Zoom Meeting

<https://us06web.zoom.us/j/87865892886?pwd=nS7joKb2hPm1tBkVM6Bx0HE4fhDJ32.1>

View meeting insights with Zoom AI Companion

<https://us06web.zoom.us/launch/ed?muid=4f61963e-10b8-4a47-831f-3f322dcb1841>

Meeting ID: 878 6589 2886

Passcode: 346932

One tap mobile

+13462487799,,87865892886#,,, *346932# US (Houston)

+13602095623,,87865892886#,,, *346932# US

Meeting ID: 878 6589 2886

Passcode: 346932

Find your local number: <https://us06web.zoom.us/j/khrBx4NOJ>

Best regards,

Thuy Nguyen

NOTICE: This communication and any attachments ("this message") may contain confidential information for the sole use of the intended recipient(s). Any unauthorized use, disclosure, viewing, copying, alteration, dissemination or distribution of, or reliance on this message is strictly prohibited. If you have received this message in error, or you are not an authorized recipient, please notify the sender immediately by replying to this message, delete this message and all copies from your e-mail system and destroy any printed copies.

 **invite.ics**
6K

Thuy Nguyen <tnguyen@ssfm.com> Wed, Jul 9, 2025 at 1:27 PM
To: DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "John Calanayan" <john.calanayan@dpw.guam.gov>, "John Calanayan" <john.calanayan@dpw.guam.gov>, "Kewanson" <keswanson@gdoe.net>, "Kewanson" <keswanson@gdoe.net>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, "Lester Carlson" <lester.carlson@bbmr.guam.gov>, "Lester Carlson" <lester.carlson@bbmr.guam.gov>, "Carmen Garcia" <cgarcia@investguam.com>, "Carmen Garcia" <cgarcia@investguam.com>, Carlos Bordallo <carlos.bordallo@investguam.com>, "Tina B. Bordallo" <tmb@guamlaw.net>, "Tina B. Bordallo" <tmb@guamlaw.net>, "Cruz" <ccruz@traguam.com>, "Cruz" <ccruz@traguam.com>, "Mmakio" <mmakio@traguam.com>, "Mmakio" <mmakio@traguam.com>, "Edward Birn" <edward.birn@doa.guam.gov>, "Edward Birn" <edward.birn@doa.guam.gov>, "Tkeeler" <tkeeler@oagguam.org>, "Tkeeler" <tkeeler@oagguam.org>, "Fnishihira" <fnishihira@oagguam.org>, "Fnishihira" <fnishihira@oagguam.org>
Cc: "Donna Herrero" <donna.herrero@dpw.guam.gov>, "Angelene Rios" <angelene.rios@investguam.com>, "Angelene Rios" <angelene.rios@investguam.com>

Hello all,

Kind reminder: The SSHS Negotiation Meeting is scheduled for tomorrow, **Thursday, July 10, 2025, at 10:00 a.m.** in the **GEDA Conference Room, 5th Floor, ITC Building.**

If you are unable to join in person, please see the Zoom link below.

Topic: SSHS Negotiation Meeting

Time: Jul 10, 2025 10:00 AM Guam, Port Moresby

Join Zoom Meeting

<https://us06web.zoom.us/j/87865892886?pwd=nS7joKb2hPm1tBkVM6Bx0HE4fhDJ32.1>

View meeting insights with Zoom AI Companion

<https://us06web.zoom.us/launch/edl?muid=4f61963e-10b8-4a47-831f-3f322dcb1841>

Meeting ID: 878 6589 2886

Passcode: 346932

One tap mobile

+13462487799,,87865892886#,,, *346932# US (Houston)

+13602095623,,87865892886#,,, *346932# US

Meeting ID: 878 6589 2886

Passcode: 346932

Find your local number: <https://us06web.zoom.us/u/khrBx4NOJ>

Best regards,

Thuy Nguyen | Student Intern



Innovate | Adapt | Sustain

215 Rojas Street, Suite 213 | Harmon, Guam 96913

T 808.531.1308 | D 808.913.0346

tnguyen@ssfm.com | www.ssfm.com

-----Original Appointment-----

From: Thuy Nguyen

Sent: Thursday, July 3, 2025 4:43 PM

To: DPW SSHS CM Team; 'Vince Arriola'; 'Linda Ibanez'; 'john.calanayan@dpw.guam.gov'; 'keswanson@gdoe.net'; 'Carla Benita Masnayan'; 'lester.carlson@bbmr.guam.gov'; 'cgarcia@investguam.com'; 'Carlos Bordallo'; 'tmb@guamlaw.net'; 'ccruz@traguam.com'; 'Mmakio@traguam.com'; 'edward.birn@doa.guam.gov'; 'tkeeler@oagguam.org'; 'fnishihira@oagguam.org'

Cc: donna.herrero@dpw.guam.gov; angelene.rios@investguam.com

Subject: SSHS Negotiation Meeting

When: Thursday, July 10, 2025 10:00 AM-11:30 AM (UTC+10:00) Guam, Port Moresby.

Where: GEDA Conference Room, 5th floor ITC Building

[Quoted text hidden]

[Quoted text hidden]

FW: SSHS Negotiation Meeting

Joseph W Duenas <jduenas@ssfm.com>

Mon, Jul 7, 2025 at 9:43 AM

To: "Terrence M. Brooks" <TMB@guamlaw.net>, Carlos Bordallo <carlos.bordallo@investguam.com>
Cc: Tina Garcia <cgarcia@investguam.com>, Thuy Nguyen <tnguyen@ssfm.com>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "john.calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, "lester.carlson@bbmr.guam.gov" <lester.carlson@bbmr.guam.gov>, "ccruz@traguam.com" <ccruz@traguam.com>, "Mmakio@traguam.com" <mmakio@traguam.com>, "edward.birn@doa.guam.gov" <edward.birn@doa.guam.gov>, "tkeeler@oagguam.org" <tkeeler@oagguam.org>, "fnishihira@oagguam.org" <fnishihira@oagguam.org>, "donna.herrero@dpw.guam.gov" <donna.herrero@dpw.guam.gov>, John San Nicolas <jsannicolas@investguam.com>, Angelene Rios <angelene.rios@investguam.com>

Hi Attorney Brooks,

Unless another template emerges, SSFM will work off of the JFK Project Development Agreement as the starting point. We will have something to you and the team to review in the next couple of days.

Let me know if you have any concerns with this approach. Our intent is to keep this progressing.

Thanks,

Joe

Joseph W. Duenas, ENV SP | Pacific Area Manager



Innovate | Adapt | Sustain

215 Rojas Street, Suite 213 | Harmon, Guam 96913
T 671.646.7736 | F 671.300.7738
jduenas@ssfm.com | www.ssfm.com

"Do not go where the path may lead, go instead where there is no path and leave a trail." – Ralph Waldo Emerson

From: Terrence M. Brooks <TMB@guamlaw.net>

Sent: Saturday, July 5, 2025 11:47 AM

To: Carlos Bordallo <carlos.bordallo@investguam.com>

Cc: Tina Garcia <cgarcia@investguam.com>; Thuy Nguyen <tnguyen@ssfm.com>; DPW SSHS CM Team

<DPWSSHSCMTeam@ssfm.onmicrosoft.us>; Vince Arriola <vince.arriola@dpw.guam.gov>; Linda Ibanez <linda.ibanez@dpw.guam.gov>; john.calanayan@dpw.guam.gov; keswanson@gdoe.net; Carla Benita Masnayon <cdmasnayon@gdoe.net>; lester.carlson@bbmr.guam.gov; ccruz@traguam.com; Mmakio@traguam.com; edward.birn@doa.guam.gov; tkeeler@oagguam.org; fnishihira@oagguam.org; donna.herrero@dpw.guam.gov; John San Nicolas <jsannicolas@investguam.com>; Angelene Rios <angelene.rios@investguam.com>

Subject: Re: FW: SSHS Negotiation Meeting

Email received from **EXTERNAL** sender. Confirm the content is safe prior to opening attachments or links.

[Quoted text hidden]

FW: SSHS Negotiation Meeting**Terrence M. Brooks** <TMB@guamlaw.net>

Thu, Jul 3, 2025 at 4:23 PM

To: Tina Garcia <cgarcia@investguam.com>, Thuy Nguyen <tnguyen@ssfm.com>

Cc: DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "john.calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, "lester.carlson@bbmr.guam.gov" <lester.carlson@bbmr.guam.gov>, Carlos Bordallo <carlos.bordallo@investguam.com>, "ccruz@traguam.com" <ccruz@traguam.com>, "Mmakio@traguam.com" <mmakio@traguam.com>, "edward.birn@doa.guam.gov" <edward.birn@doa.guam.gov>, "tkeeler@oagguam.org" <tkeeler@oagguam.org>, "fnishihira@oagguam.org" <fnishihira@oagguam.org>, "donna.herrero@dpw.guam.gov" <donna.herrero@dpw.guam.gov>, John San Nicolas <jsannicolas@investguam.com>, Angelene Rios <angelene.rios@investguam.com>

All:

Attached is a Word version of the JFK project development agreement. It's very comprehensive, but may include items that are beyond the scope of SSHS. It contains a Construction Contract, which is an exhibit.

I've tried to correct the typos that occurred in converting from pdf to Word, but have otherwise left it as is.

Terry Brooks

From: Tina Garcia <cgarcia@investguam.com>**Sent:** Thursday, July 3, 2025 2:24:26 PM**To:** Thuy Nguyen

Cc: DPW SSHS CM Team; Vince Arriola; Linda Ibanez; john.calanayan@dpw.guam.gov; keswanson@gdoe.net; Carla Benita Masnayan; lester.carlson@bbmr.guam.gov; Carlos Bordallo; Terrence M. Brooks; ccruz@traguam.com; Mmakio@traguam.com; edward.birn@doa.guam.gov; tkeeler@oagguam.org; fnishihira@oagguam.org; donna.herrero@dpw.guam.gov; John San Nicolas; Angelene Rios

Subject: Re: FW: SSHS Negotiation Meeting

[Quoted text hidden]

 **JFK Project Development Agreement.docx**
2112K

PROJECT DEVELOPMENT AGREEMENT

THIS PROJECT DEVELOPMENT AGREEMENT is made as of the first day of August, 2010, by and between INTERNATIONAL BRIDGE CORPORATION, an Ohio corporation ("Developer"), and CAPFA CAPITAL CORP. 2010A, a Florida not-for-profit corporation ("Owner").

WITNESS ETH:

WHEREAS, Owner and the Government of Guam, through the Department of Education, Government of Guam ("Lessee"), have entered into a Lease Agreement dated as of August 1, 2010, (the "Lease");

WHEREAS, pursuant to the Ground Lease (the "Ground Lease") dated as of August 1, 2010 between the Government of Guam and Owner, Owner is grund-leasing one site (the "Site") from the Government of Guam; and, pursuant to the Lease, Owner is obligated to design, construct, and install on the Site a high school (the "Facility" or the "Project"), and to lease to Lessee the Site, the Facility and certain equipment to be located on the Site (the work scope and project description being more particularly described in Exhibit A attached hereto);

WHEREAS, Owner desires to engage Developer to design, construct and install such Facility and Developer is willing to accept such engagement pursuant to the terms set forth herein and to provide design-build and demolition services itself or cause such services to be provided through an entity in which Developer holds an ownership interest ("Project LLC"), through a separate agreement between Project LLC and Owner (the "Design-Build Agreement"); and

WHEREAS, this Agreement, together with the Insurance and Maintenance Agreement, dated as of August 1, 2010, by and between Lessor and International Bridge Corporation, as maintenance contractor, constitutes the "Contract" as that term is defined in Chapter 58A of Title 5 of the Guam Code Annotated;

NOW, THEREFORE, for and in consideration of the premises and of the covenants hereinafter contained, and other valuable consideration, Owner hereby engages Developer as developer for the Project, and Developer hereby accepts such engagement, subject to and in accordance with the following:

ARTICLE I DEFINITIONS

Section 1.1. *Definitions.* Capitalized words and terms used in this Agreement that are defined in the Lease shall have the meanings given them in the Lease. In addition to the words and tenns defined elsewhere, herein, the following words and terms shall have the meanings set forth below.

"Acquisition Price" means the total amount to be paid to Developer for the design and construction of the Project, exclusive of construction monitoring and initial development fees, which amount shall equal \$45,200,000, and shall be payable in accordance with Section 2.3 and Exhibit B attached hereto and hereby incorporated herein by reference.

"Actual Costs" means the Costs of the Project actually and necessarily incurred by Developer.

"Agreement" means this Project Development Agreement and any amendments or supplements hereto, including the Exhibits attached hereto.

"Certificate Documents" means the Financing Documents, as defined in the Trust Agreement, and each of the other documents executed in connection with the closing of the Certificates.

"Certificate Financing" means the financing for the Project, which consists of the execution and delivery of the Certificates pursuant to the Trust Agreement.

"Certificates" means the CaPFA Capital Corp. 2010A Certificates of Participation (Department of Education--John F. Kennedy High School Project), Series 2010A.

"Completion Date" means that certain completion date set forth in Section 5.01(e) of the Lease, or such later date as may be agreed to by Owner and Developer and pursuant to the provisions of Section 5.02 of the Lease.

"Contractor" means the Developer, and, if applicable, Project LLC and the subcontractors and suppliers of either Developer or Project LLC, who furnish construction services to the Project.

"Costs of the Project" means the costs necessarily incurred in the design and construction of the Project, as more fully described in Section 2.7.

"Department" means Guam Department of Public Works.

"Design-Build Agreement" means the Design-Build Agreement, dated August 24, 2010, between Owner and Project LLC, for services in connection with the design and construction of the Facility, including demolition of an existing building.

"Developer" means International Bridge Corporation, an Ohio corporation.

"Facility" has the meaning set forth in the preambles.

"Final Completion" means the final completion of the demolition, acquisition, construction, rehabilitation and installation of the Project, including all punch list items, in accordance with Section 2.3 of this Agreement and Section 3.03 of the Trust Agreement.

"Final Plans" means the 100% complete and final plans, technical specifications and estimates for the Project, including design analysis and computation sheets, a schedule, and a maintenance and custodial plan, as prepared by or under the direction of the Project Architect, subject to change orders as contemplated herein.

"Lessee" means the Department of Education, Government of Guam.

"Owner" means CaPFA Capital Corp. 2010A.

"Program Materials" means the materials attached hereto as Exhibit A.

"Project" has the meaning set forth in the preambles and means the Site, and the Facility, including all buildings to be constructed thereon and all other improvements, tenements and appurtenances thereunto belonging or in any wise appertaining.

"Project Architect" means _____.

"Project Cost Breakdown" means the Cost Breakdown attached hereto as Exhibit B.

"Project LLC" means IBC Benham LLC, the limited liability company in which Developer has an ownership interest, formed to provide to Owner the design-build and demolition services for the Project.

"Site" has the meaning set forth in the preambles.

"Sop Costs" means the reasonable and customary architectural and engineering fees, development fees, construction management fees, program management fees, FF&E coordination fees, legal fees, insurance premiums, construction completion bond and labor and material bond premiums for the Project and Developer's reasonable and customary out-of-pocket expenses resulting from construction of the Project, and similar costs and expenses, which are necessary or appropriate in the development and construction of a school building or project similar to the Project, but excluding all hard construction costs.

"Substantial Completion" means that the Project has been "substantially completed" as evidenced by the Department issuing to the Developer, the Owner and the Lessee a certificate of occupancy with respect to the Project.

"Trust Agreement" means that certain Trust Agreement, dated as of August 1, 2010, between CaPFA Capital Corp. 2010A and the Trustee relating to the Certificate Financing.

"Trustee" means U.S. Bank National Association, as Trustee under the Trust Agreement.

"Work" means and comprises the completed design, demolition, acquisition, construction, rehabilitation and installation required by this Agreement and includes all labor, materials and Soft Costs necessary to produce the Project in accordance with the Lease and the Program Materials, and all materials and equipment incorporated or to be incorporated in such construction.

ARTICLE II

DESIGN AND CONSTRUCTION OF PROJECT

Section 2.1. *Design and Development* .. Developer shall proceed with the design, demolition, acquisition, construction, rehabilitation and installation of the Project, all in accordance with the Final Plans and the Program Materials, so that Substantial Completion occurs on or prior to the Completion Date and Final Completion occurs on or before the date that is sixty (60) days after the Completion Date. Developer agrees to cause labor, materials, equipment and supplies to be furnished in such quantities, and cause its Contractors to work their forces in such hours, as will be necessary to complete the design, demolition, acquisition, construction, rehabilitation and installation of the Project as agreed to herein. Developer hereby subordinates all of Developer's title, interest, and rights in the Project, including mechanics' and materialmen's lien rights, without limitation, to the interests of Trustee under the Certificate Documents. Without limiting the generality of the foregoing, Developer shall be responsible for all of the Costs of the Project, provided Developer is paid as provided herein.

Section 2.2. *Developer's Duties.*

(a) Developer covenants with Owner to furnish its best skill, judgment and efficient business administration and to use its best efforts to cause the Project Architect and its Contractors at all times to provide an adequate supply of workers and materials to be furnished; and to perform the Work in accordance with industry standards of care and consistent with the interests of Developer and Owner.

(b) Developer will pay or cause to be paid, all sales, use, gross receipts and similar taxes that are related to the Work provided by Developer, that have been legally enacted at the time of execution of this Agreement and for which Developer is liable.

(c) Developer shall at all times cause the Site to be kept free from the accumulation of waste material or rubbish caused by the operations of its Contractors, including green waste from clearing of vegetation on sites and debris from demolition of buildings and construction. At the completion of the Work and prior to Substantial Completion, Developer shall cause the removal of all waste material and rubbish from and around the Project, as well as all tools, construction equipment, machinery and surplus material, and shall recycle or reuse waste material whenever practicable.

(d) Developer will give or cause to be given all notices and comply with all laws and ordinances legally enacted and in effect which govern the proper execution of the Work.

(e) Developer shall take or cause its Contractors to take necessary precautions for the safety of their respective employees performing the Work, and shall comply and cause compliance by any Contractors with all applicable provisions of federal, Guam and municipal safety laws to prevent accidents or injury to persons on, about or adjacent to the Project. Developer shall erect or cause to be erected and properly maintain or cause to be maintained, at all times, as required by the conditions and progress of Work, necessary safeguards for the protection of workers and the public.

(f) Developer shall pay or cause to be paid all royalties and license fees for materials, methods and systems incorporated in the Work. Developer shall defend or cause to be defended all suits or claims for infringement of any patent rights and shall hold Owner harmless from loss on account thereof.

(g) Developer warrants to Owner that all materials and equipment furnished under this Agreement will be new, unless otherwise specified, and that all Work will be of good quality, free from improper workmanship and defective materials and in substantial conformity with the Final Plans and the Program Materials. Developer agrees to correct all Work performed by it under this Agreement that proves to be defective in material and workmanship within a period of one year from the date of Final Completion.

(h) Developer shall secure or cause to be secured required certificates of inspection, testing or approval and deliver them or cause them to be delivered to Owner.

(i) Developer shall collect or cause to be collected all written warranties and equipment manuals and deliver them to Owner who shall, in turn, provide copies to Lessee.

(j) Developer shall cause the Project Architect to complete the Final Plans, all in a manner consistent with and meeting the requirements of the Program Materials.

(k) Without limiting any of the specific obligations of Developer set forth herein, Developer agrees to perform on behalf of Owner all obligations of Owner under the Certificate Documents and any other documents relating to the Certificate Financing regarding the design, demolition, acquisition, construction, rehabilitation and installation of the Project, including, but not limited to, the compliance with all obligations of Owner under the Certificate Documents for obtaining disbursements thereunder, and with all indemnification agreements of Owner related to the design, demolition, acquisition, construction, rehabilitation and installation of the Project set forth in the Certificate Documents or other documents relating to the Certificate Financing.

(l) Should a typhoon warning be issued, Developer shall secure or cause to be secured the site and take or cause to be taken every practicable precaution to minimize damage and/or danger to the Work, to persons and to adjacent property. These precautions shall include closing all openings, removing all loose materials, tools and equipment from exposed locations and removing or securing scaffolding and all other temporary work.

(m) Without limiting any of the specific obligations of Developer set forth herein, Developer agrees to perform on behalf of Owner all obligations of Owner under the Lease regarding the design, demolition, acquisition, construction, rehabilitation and installation of the Project, including, but not limited to, the compliance with all indemnification agreements of Owner related to the design, demolition, acquisition, construction, rehabilitation and installation of the Project set forth in the Lease.

Section 2.3. *Completion; Payment to Developer.* Upon completion of the monthly progress of the work described in Exhibit A, Developer shall be entitled to payment for the performance of the Work in the respective amounts shown in Exhibit B on a monthly basis upon

submission of draw requests as set forth below, which amounts shall be equal in the aggregate to the Acquisition Price. The payment for the last phase of the Work to be completed shall be payable upon Final Completion of the Project and shall be in an amount equal to the remaining unpaid portion of the Acquisition Price. Final Completion shall be evidenced by the issuance by the Project Architect and the Department, in its capacity as Lessee's construction monitor, of a written certificate of final completion and the satisfaction of all requirements under the Certificate Documents and the Lease for final completion of the Project, the final disbursement of funds for the Project, and the final payment of all retainage amounts to the Contractors.

Without limiting the foregoing, Final Completion of the Project shall not be considered to have occurred until Developer shall have delivered to Owner and to Lessee copies of all warranties and operating instructions for installed components of the Facility, a complete operations manual for the Facility and a complete set of as-built drawings of the Facility, to include all shop drawings and change orders.

Owner and Developer hereby acknowledge that payment of the Acquisition Price to Developer is to be made from proceeds of the Certificate Financing in the following manner:

(a) In connection with any requested payment of a portion of the Acquisition Price, Developer shall deliver to Owner (i) a request for disbursement in form reasonably acceptable to Owner and containing a certification by Developer as to the portion of the Project completed, in sufficient detail in order to allow Owner to verify the sufficiency and adequacy of all costs and expenses incurred, (ii) customary lien waivers and releases from all Contractors, suppliers, mechanics and others for whom payment is being requested, and (iii) such other materials as are required under the Certificate Documents or by any parties thereunder to obtain a release in favor of Owner of proceeds of the Certificates in the amount set forth in such disbursement request (any such request and other materials being referred to herein as a "Disbursement Request").

(b) Within five (5) days after Owner's receipt of a complete Disbursement Request satisfactory to Owner, Owner shall submit (or shall direct Developer to submit) a corresponding request for disbursement under the Trust Agreement. Owner shall diligently seek to obtain such disbursement under the Trust Agreement, and shall instruct Trustee to make such disbursement directly to Developer or other party entitled to payment as reflected on such Disbursement Request.

(c) Developer acknowledges and agrees that all amounts to be disbursed pursuant to Disbursement Request submitted by Developer to Owner shall be used to pay for (i) amounts due to Contractors in connection with work performed on or with respect to the Project and (ii) other costs and expenses incurred by Developer in performing each and every obligation of Developer set forth in this Agreement, including, but not limited to, the cost of permits that Developer is obligated to obtain hereunder in connection with the design, demolition, acquisition, construction, rehabilitation and installation of the Project.

(d) Developer and Owner shall comply with the requirements of Trustee and under the Certificate Documents with respect to the making of advances for the construction of the Project.

Section 2.4. *Construction Contracts, Other Agreements and Insurance.* All portions of the Work that Developer does not personally perform shall be performed under the Design-Build Agreement or under construction contracts, acquisition contracts or by other appropriate agreements between a Contractor, Developer or Project LLC, and Owner. All such contracts and agreements shall conform to the requirements of this Agreement, the Lease and the Trust Agreement and require that the Work thereunder be completed in accordance with the Final Plans and the Program Materials.

(a) Each such contract or agreement shall provide that, following an event of default or damage to, or destruction or condemnation of, the Project as described in Section 10.01 of the Lease, Owner may terminate such contract or agreement, and the contractor or vendor thereunder shall then be entitled to payment only from amounts available therefor in the Project Fund and only for work done or equipment delivered prior to such termination.

(b) Developer shall have and keep on file and available for inspection by Owner and the Department copies of the Project Documents; throughout the term of this Agreement, or as soon after the commencement of the term of this Agreement as such Project Documents shall become available to Developer. Neither the Project Documents nor any change or amendments thereto shall; (a) cause the Project to be used for any purpose prohibited by this Agreement, the Lease or by the Organic Act and laws of Guam; (b) result in a material reduction in the fair rental value of the Project as contemplated by Section 4.02 of the Lease; or (c) adversely affect the ability of Owner to meet its obligations under the Lease or any of the other Financing Documents.

(c) Each Contractor entering into such a construction contract shall be required to procure and maintain during the duration of such Contractor's construction contract, and until the Facility is insured by Owner or Lessee, standard form comprehensive bodily injury liability, property damage liability and fire insurance in the amount required by the Lease or in an amount acceptable to Owner. Developer or Project LLC may provide such insurance for each Contractor. The cost of such insurance is included in the Acquisition Price.

(d) Each Contractor shall be required to procure and maintain, during the term of its construction contract, and until the Facility is insured by Owner or Lessee, standard builder's risk insurance upon the Facility or the portion thereof to be constructed by the Contractor, including, but not limited to, the insurance and payment and performance bonds (or other assurance) required by Section 2.4(c) and (g) and Section 2.5 hereof; provided, however, that, with respect to the structural portions of the Facility that are being rehabilitated, such insurance is only required to be procured or maintained covering the electrical, mechanical and architectural improvements being made to such structures. The policy may have a deductible clause in such amount as may be approved by Owner, but in no event shall such deductible amount exceed 5% of the Actual Cost of the Facility or relevant portion thereof, except for typhoon coverage which may have a higher deductible. Such insurance coverage shall be in an amount at least equal to the total contract price for such Contractor's work. In the event of any change order resulting in the performance of additional work by the Contractor, the amount of such insurance shall be increased to include the cost of such additional work. Developer or

Project LLC may provide such insurance for the Contractor. The cost of any such insurance is included in the Acquisition Price.

(e) Each vendor retained in connection with the acquisition of equipment or fixtures for the Site shall be required to procure and maintain during the term of its acquisition contract and until such equipment is insured by Owner or Lessee, standard insurance upon the equipment to be acquired, in whole or in part, by such vendor. The policy may have a deductible clause in such amount as may be approved by Owner. Developer or Project LLC may provide this insurance on behalf of the vendor. The cost of any such insurance is included in the Acquisition Price. In the event of any change order resulting in the performance of additional work in connection with the acquisition of the equipment, the amount of such insurance shall be increased to include the cost of such additional work.

(f) The risk of loss under any and all deductibles in any policy provided by the Contractor shall be assumed by such contractor and the payment of any such deductible shall be the responsibility of the Contractor, unless such policy is provided by Developer or Project LLC, in which case Developer or Project LLC, as applicable, shall be responsible for paying such deductible. Each insurer providing the insurance described in this Section 2.4 must waive its rights of subrogation against Owner and Lessee and their respective officers, directors, elected or appointed officials and employees. Each policy of insurance shall require that none of such insurance will be materially reduced, restricted, limited, changed or cancelled without at least thirty (30) days prior written notice to Owner and, if after the execution and delivery of the Certificates, Trustee. Owner and, after the execution and delivery of the Certificates, Trustee, shall be listed as an additional insured and mortgagee (using a "New York mortgagee type" clause), respectively, under each policy required by this Section 2.4.

(g) Each Contractor shall procure and maintain workers' compensation insurance as required by applicable law, or Developer or Project LLC may elect to provide such insurance on behalf of the contractors. The cost of any such insurance is included in the Acquisition Price.

(h) Developer shall require the Project Architect and any other architect Developer retains with respect to the Project to procure and maintain errors and omissions insurance during the term of such architect's engagement for the performance of services with respect to the Project. Such policies shall include Owner, Developer or Project LLC, as appropriate, and Trustee as additional named insureds, and shall include a provision prohibiting cancellation or termination without 30 days' prior notice by certified mail to Owner, Developer, and Trustee. Developer shall provide or cause to be provided to Owner and Trustee a certificate of insurance with respect to such insurance coverage in form acceptable to Owner and Trustee.

Section 2.5. *Insurance; Payment and Performance Bond.*

(a) Developer or Project LLC shall procure and maintain, or cause their respective Contractors to procure and maintain, until Final Completion of the Project, standard all risk of loss builder's risk completed value insurance upon the Facility or relevant portion thereof constructed or to be constructed. Such policy shall contain a waiver of subrogation by the issuer of such policy with respect to Owner, Lessee and Trustee, and their officers, agents and

employees while acting within the scope of their employment and a Standard New York mortgagee endorsement in the Trustee's favor. Developer shall provide or cause to be provided a copy of such insurance policy or policies, or a certificate or certificates with respect thereto, to Owner, Lessee and Trustee. Such insurance coverage shall be in an amount equal to the amount drawn by Developer. Such builder's risk completed value insurance policy shall be made payable to Owner, Lessee and Trustee. Developer or Project LLC may elect to provide such insurance on behalf of the contractors. The cost of any such insurance is included in the Acquisition Price.

(b) Developer shall cause to be procured and maintained, until Final Completion of the Project, payment and performance bonds for the Project in an amount equal to the initial deposit to the Construction Account.

Section 2.6. *Indemnification.*

(a) To the fullest extent permitted by law, Developer shall indemnify and hold harmless Owner, Lessee, Department and Trustee and their assigns, agent and employees from and against all claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from the performance of the Work, provided that any such claim, damage, loss or expense (i) arises by way of any breach by Developer of any of the provisions of this Agreement, or (ii) is caused in whole or in part by any negligent act or omission or willful misconduct of Developer, anyone directly or indirectly employed by it (including, but not limited to, any Contractors or any agents or employees of Developer) or anyone for whose acts it may be liable. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this Section.

(b) In any and all claims against Owner, Lessee, Department and Trustee or any of their assigns, agents or employees by any employee of Developer, anyone directly or indirectly employed by it (including, but not limited to, any Contractors or any agents or employees of Developer) or anyone for whose acts it may be liable, the indemnification obligation under this Section shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Developer under workers' or workmen's compensation acts, disability benefits acts or other employee benefit acts.

Section 2.7. *Costs of the Project.* Provided Developer is being paid as provided herein, Developer agrees to be directly responsible for all of the Costs of the Project including:

- (a) all architectural, engineering and consulting fees and expenses incurred in designing and constructing the Project;
- (b) wages paid for labor in the direct employ of Developer in the performance of the Work under applicable collective bargaining agreements, or under a salary or wage schedule agreed by Owner and Developer, and including such welfare and other benefits, if any, as may be payable with respect thereto;

- (c) salaries paid to Developer's project management employees overseeing development of the Project;
- (d) cost of all employee benefits and taxes for such items as unemployment compensation and Social Security, insofar as such cost is based on wages, salaries, or other remuneration paid to employees of Developer and included in the Cost of the Project under (a), (b) and (c) above;
- (e) reasonable transportation, travel and lodging expenses of Developer or its officers or employees incurred in discharge of duties connected with the Work;
- (f) cost of all materials, supplies and equipment incorporated in the Project, including amounts payable by Developer under any acquisition contracts and costs of transportation and storage thereof;
- (g) payments made by Developer to Contractors for work performed pursuant to a contract in furtherance of this Agreement;
- (h) cost, including transportation and maintenance, of all materials, supplies, equipment, temporary facilities and hand tools not owned by the workers, which are employed or consumed in the performance of the Work, and cost less salvage value on such items used, but not consumed, which remain the property of Developer;
- (i) rental charges of all necessary machinery and equipment, exclusive of hand tools, used at the site of the Work, whether rented from Developer or others, including installations, repairs and replacements, dismantling, removal, costs of lubrication, transportation and delivery costs thereof, at rental charges consistent with those prevailing in the area;
- (j) cost of the premiums for all insurance which Developer is required to procure by this Agreement or is deemed necessary by Developer;
- (k) sales, use, gross receipt or similar taxes related to the Project, imposed by any governmental authority, and for which Developer is liable;
- (l) permit fees, licenses, tests, royalties, damages for infringement of patents and costs of defending suits therefor for which Developer is responsible under Section 2.2(f);
- (m) losses, expenses or damages to the extent not compensated by insurance or otherwise (including deductibles payable by Developer, if any, and settlement made with the written approval of Developer, Owner and Trustee), and the cost of corrective work;

- (n) minor expenses such as telegrams, long distance telephone calls, telephone service at the Project, expressage and similar petty cash items in connection with the Project;
- (o) costs of removal of all debris;
- (p) costs incurred due to an emergency affecting the safety of persons and property;
- (q) legal costs reasonably and properly resulting from performance of the Work;
- (r) all other costs directly or indirectly incurred in the performance of the Work;
- (s) all costs associated with the improvement of the Site and required utility infrastructure;
- (t) all costs associated with the connection and installation of water, sewer, power, telephone, cable and internet cables or lines; and
- (u) all other costs incurred for any category other than financing costs, costs of issuance and other cost attributed to the project that are specifically payable by Owner and contracted for by Owner, including title insurance, legal fees, underwriting fees, and third party construction monitoring.

Section 2.8. *Additional Duties of Developer.*

(a) Developer shall furnish for the Site all necessary surveys and maps describing the physical characteristics, soil reports and subsurface investigations, legal limitations, utility locations, a legal description and title insurance if title insurance is requested by Owner.

(b) Developer shall secure and pay for necessary approvals, pennits, easements, assessments, and charges required for the construction, use, or occupancy of pennant structures or for permanent changes in existing facilities.

(c) Developer will prepare and submit for Owner's approval an estimated progress schedule for the Work. This schedule shall indicate the dates for the starting and completion of the various stages of the design and construction. It shall be revised as required by the conditions of the Work and those conditions and events which are beyond Developer's control.

(d) If Developer becomes aware of any fault or defect in the Facility, or nonconformance with the Final Plans or the Program Materials, it shall give prompt written notice thereof to Owner.

(e) Upon Final Completion of the Project, Developer shall deliver to Trustee and Owner a final lien waiver and contractor's affidavit of each Contractor in statutory form sufficient to release and discharge all mechanic's and materialmen's liens on the Project.

(f) Developer shall use reasonable best efforts to ensure that the full and complete Costs of the Project are paid in a prompt manner.

Section 2.9. *Developer's Guarantee.* If the aggregate costs and expenses for all items necessary for completion of the Project and the performance by Developer of all obligations of Developer hereunder (including, but not limited to, the design, development and construction of the Project) exceed, in the aggregate, the Acquisition Price, then Developer shall be solely responsible for the payment of any amounts (the "Excess Amounts") in excess of the Acquisition Price, unless such excesses directly result from change orders to the Final Plans which are instituted or approved in writing in accordance with the requirements of Section 2.15 herein.

Developer shall pay all Excess Amounts on or prior to the date any such Excess Amounts are due and payable.

Section 2.10. *Guaranties And Warranties.* Developer and Project LLC shall obtain nonnal and customary warranties or guaranties from each Contractor for the work to be performed by each Contractor in connection with the Project, and shall further assure that each such warranty or guaranty obtained is assignable. Developer shall also obtain such warranties as are required under the Lease. Developer shall procure and install Equipment that enjoys the customary manufacturer warranties or guaranties, and shall further assure that each such warranty or guaranty obtained is assignable. Upon the Final Completion of the Project by Developer pursuant to the terms of this Agreement, Developer hereby agrees to assign to Owner, or to such entity or entities as Owner may direct, each and every such warranty and guaranty.

Section 2.11. *Books, Records, Reports, Fiscal Matters.*

(a) Books. Developer and Project LLC shall maintain current and complete records and accounts of all transactions with respect to the Project and the development and construction of the Project. Such books of account shall be maintained at Developer's or Project LLC's office in Guam, and Owner and Owner's accountants and auditors shall have access to such books and accounts at all reasonable times. Developer shall maintain said books and accounts in a safe manner and separate from any records not dealing directly with the Project. Such books and accounts shall be kept in accordance with sound accounting practices consistently applied, and otherwise in such manner as shall be reasonably required by Owner.

(b) Records. Developer and Project LLC shall maintain, in a secure and safe manner, complete and identifiable records, files and correspondence on all matters pertaining to the Project and shall provide Owner, upon request, with either the original or a copy of same.

(c) Reports. (a) Not later than the 20th day following each month during the term of this Agreement after commencement of Developer's duties as set forth in this Agreement, Developer and Project LLC shall furnish Owner a report in triplicate containing (i) a statement of all disbursements made by Developer or Project LLC in connection with the Project for the preceding month, prepared in such reasonable detail as shall be required by Owner, and (ii) a development status report detailing the status of development on the Project.

(d) Property of Developer. All such books and records shall be and remain the property of Developer or Project LLC, as appropriate; provided, however, that Owner shall at all reasonable times have access to such books and records for inspection, audit, copying, examination and transcription.

(e) Audit. Owner shall have the right, during normal business hours, to inspect and audit at any time, and from time to time, all of Developer's and Project LLC's files, books, records, costs and expenses pertaining to the development and construction of the Project.

Section 2.12. *Developer's Efforts.* Developer and Project LLC each shall furnish its reasonable skill and judgment in developing and constructing the Project and in advising Owner with respect to the Project. Developer shall furnish efficient business administration and coordination and shall cause the Project to be completed in as expeditious and economical a manner as is practicable and consistent with the Plans. Developer shall assure that the Project and all activities related thereto at all times fully comply with all applicable laws, statutes, rules and regulations. Developer shall cause the Project to be completed in a lien-free manner, and shall promptly remove or cause to be removed by bonding or otherwise all liens filed against the Facility or the Site as a result of or related to the Project. Developer shall be permitted to engage in other business activities, in the exercise of Developer's sole discretion, during the term of this Agreement, provided that such other business activities do not materially interfere with Developer's obligations and responsibilities under this Agreement. The parties hereto acknowledge that certain obligations of Developer under this Agreement shall have been performed by Developer prior to the execution and delivery of this Agreement, and that such prior performance shall not impact the rights and obligations of the parties hereunder.

Section 2.13. *Limitations On Developer's Authority.* No authority granted to Developer under this Agreement shall be exercised unless the exercise of authority is consistent with the terms of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, Developer shall not have the authority to enter into any agreement or understanding in Owner's name except for agreements or matters which (a) Developer is specifically given the authority by Owner in writing, (b) are in writing, and (c) contain provisions in the forms of Sections 4.12 and 4.14 hereof.

Section 2.14. *Possible Assignment And Assumption.* Developer and Project LLC shall cause each agreement entered into by Developer or Project LLC hereunder in its own name to provide that such agreement may be assigned to Owner without the consent of any party and that if such agreement should be assumed by Owner, provisions in the forms of Sections 4.12 and 4.14 shall thereafter apply.

Section 2.15. *Change Orders.* Developer shall incorporate all changes to the Project that Owner is required to make under the terms of the Lease. In addition, Owner may but is in no way obligated to order other changes in the Work within the general scope of this Agreement consisting of additions, deletions or other revisions; provided, however, that any such other changes in the Work ordered by Owner which result in any change in the cost of the Work must be accompanied by an amendment to this Agreement adjusting the Acquisition Price, as reasonably agreed to by Owner and Developer, to reflect such change in cost, and that any such

other changes in the Work ordered by Owner which result in Substantial Completion occurring beyond the Completion Date must be accompanied by an amendment to this Agreement adjusting the Completion Date, as reasonably agreed to by Owner and Developer, to reflect such change in completion. All changes in the Work shall be authorized by change order and shall be performed under the applicable conditions of this Agreement. Notwithstanding the foregoing, no change in the Work shall be made if such change would increase the Acquisition Price to an amount in excess of the amount deposited by Trustee in the Project Fund under the Trust Agreement upon the initial issuance of the Certificates.

ARTICLE III DEFAULT; TERMINATION

Section 3.1. *Defaults.* The following events shall be deemed to be events of default by Developer under this Agreement:

(a) Developer shall fail to make any payments as required to be made by Developer to third parties in the performance of its duties under this Agreement and such failure shall continue and remain uncured for fifteen (15) days after receipt of written notice of such failure from Owner.

(b) Developer shall fail to comply with any other term, provision, or covenant of this Agreement, and shall not cure such failure within twenty (20) days after receipt of written notice from Owner, unless such failure cannot reasonably be cured within such twenty (20) day period, in which event it shall not be an event of default if Developer promptly commences to cure such failure within such twenty (20) day period and diligently pursues such cure to completion without interruption.

(c) Any representation or warranty made by Developer under this Agreement shall prove to be false, untrue or misleading in any material respect.

(d) The commencement of a bankruptcy or insolvency proceeding by Developer, or the filing of a bankruptcy or insolvency proceeding against Developer that continues undischarged for a period of ninety (90) days, under any federal or state bankruptcy or similar law.

(e) The entering of a judgment against Developer in any legal or equitable suit or action, which, in the reasonable estimation of Owner, materially impacts Developer's ability to perform all of its obligations under this Agreement, and such judgment shall have continued undischarged for a period of ninety (90) days.

Section 3.2. *Owner Remedies.* Upon the occurrence of any such events of default described in Section 3.1 above which are not cured within any applicable cure period given to Developer, Owner shall have the option to pursue any one or more or all of the following remedies without notice or demand whatsoever, except as otherwise provided in Section 3.1 above:

(a) Owner at its option may, with ten (10) calendar days' notice to Developer, terminate this Agreement in whole or in part, and Owner shall be entitled to pursue any rights or remedies at law or in equity as a result of such event of default. Upon such termination, Developer shall not be entitled to receive any further payment with respect to the terminated portion of the Work until the Work is finished. If the unpaid balance of the compensation to be paid to Developer hereunder shall exceed the expense of completing the Work (including compensation for additional managerial, administrative and inspection services and any liquidated damages for delay) as certified by Owner, such excess shall be paid to Developer. If such expense shall exceed such unpaid balance, then Developer shall be liable to Owner for such excess. If the Agreement is so terminated, Owner may take possession of and utilize in completing the Work such materials, supplies, plant and equipment as may be on the Site of the Work and necessary therefor.

(b) Owner at its option may maintain this Agreement in full force and effect, in which case Developer and Owner shall perform all of their respective obligations hereunder, subject to Owner's right to elect to terminate this Agreement at any time, pursuant to the terms of Section 3.2(a) hereof, provided any such event or events of default remain uncured.

(c) In the event that the Project is not completed by the Completion Date, the Developer shall pay to Owner as fixed, agreed and liquidated damages, and not as a penalty, \$2,500 for each calendar day of the delay until the Substantial Completion of the Project; provided, however, (i) that in the event that the financing of the Project is delayed and does not occur on the date of execution and delivery of the Lease (the "Estimated Financing Date"), the Completion Date shall be extended a number of calendar days equal to the number of calendar days from the Estimated Financing Date to and including the date such financing occurs; (ii) that no such damages shall be payable to Owner in the event that such delay was due to unforeseeable causes beyond the control and without the fault or negligence of Developer or any of its Contractors; (iii) that no such damages shall be payable to Owner in the event that such delay was a delay in the issuance of any permit, and such issuance postponed the construction of the Project and the delay was beyond the control and without the fault or negligence of Developer or any of its Contractors; and (iv) that no such damages shall be payable to Owner in the event that such delay was due to a mutually agreed upon change order as evidenced by a written agreement between the Owner and the Lessee pursuant and in accordance with the terms and provisions of Section 5.02 of the Lease; provided further, that with respect to delays noted in (ii), (iii) and (iv) above, the Developer shall, within ten (10) days (or such longer period as is agreed to by Owner) from the beginning of any such delay notify the Owner in writing of the causes of delay, whereupon Owner shall ascertain the facts and the extent of the delay and extend the time for Substantial Completion of the Project when in its judgment the findings of facts justify such an extension, and such findings of fact shall be final and conclusive on Developer subject only to the resolution of any dispute about such findings of fact by the Director of the Department, whose written decision in such matter shall be final and conclusive.

(d) Owner may set off against or deduct from any sums payable by Owner to Developer under this Agreement any amounts paid or incurred by Owner as a result of, or by reason of or in connection with such default.

(e) Pursuit by Owner of any of the foregoing remedies shall not preclude pursuit by Owner of any other remedies herein provided or any other remedies provided by law (all such remedies being cumulative), nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any amounts then due to Owner hereunder or of any amounts accruing to Owner by reason of the violation of any of the terms, provisions and covenants herein contained. No waiver by Owner of any violation or breach of any of the terms, provision or covenants herein contained shall be deemed or construed to constitute a waiver of any other violation or breach of any of the terms, provisions, or covenants herein contained. Forbearance by Owner in enforcing one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default or of Owner's right to enforce any such remedies with respect to any such default or any subsequent default. If, on account of any event of default of Developer and Developer's obligations under the terms and conditions of this Agreement, it shall become necessary or appropriate for Owner to employ or consult with an attorney concerning or to enforce or defend any of Owner's rights or remedies hereunder, Developer agrees to pay the attorney's fees so incurred by Owner.

Section 3.3. *Expiration And Termination.*

(a) Developer's Obligations. Without limiting any other provisions of this Agreement, upon the expiration or earlier termination of this Agreement, Developer shall immediately:

- (i) Account for and deliver to Owner all monies of Owner.
- (ii) Deliver to Owner as received any monies due Owner under this Agreement but received by Developer after such expiration or termination.
- (iii) Deliver to Owner or such other person as Owner shall designate, all materials, supplies, equipment, keys, contracts, plans, documents, files, books and records pertaining to this Agreement and the development and construction of the Project.
- (iv) Assign all existing contracts relating to the development and construction of the Project to Owner or such other person as Owner shall designate.
- (v) Furnish all such information, take all such other action and cooperate with Owner as Owner shall reasonably require in order to effectuate an orderly and systematic termination of Developer's services, duties, obligations and activities hereunder.

(b) Survival. Notwithstanding anything in this Agreement to the contrary, the provisions of this Section 3.3 shall survive any expiration or termination of this Agreement.

Section 3.4. *Owner Defaults.* An event of default by Owner under this Agreement shall be deemed to have occurred if Owner shall fail to comply with the provisions of Section 2.3 hereof, and shall not cure such failure within five (5) business days after receipt of written notice

from Developer, or otherwise fails to comply with any term, provision or covenant of this Agreement, and shall not cure such failure within twenty (20) days after receipt of written notice from Developer, unless such failure cannot reasonably be cured within such twenty (20) day period, in which event it shall not be an event of default if Owner promptly commences the cure of such failure within such twenty (20) day period, and diligently and without interruption pursues such cure to completion.

ARTICLE IV MISCELLANEOUS

Section 4.1. *Binding Agreement.* This Agreement shall be fully binding on all parties to the Agreement, and their respective successors and assigns, in accordance with its terms.

Section 4.2. *Assignment.* No party to this Agreement may assign its rights and obligations under this Agreement without the prior written consent of the other party except as expressly provided for herein. Notwithstanding anything herein to the contrary, the parties agree that without the consent of any other person, Owner may assign its rights and obligations hereunder to Trustee or other party in connection with the Certificate Financing. Developer hereby consents to any such assignment.

Section 4.3. *Inspections.* Owner, Lessee and Trustee shall have the right (but as to the Trustee, no duty) to make reasonable inspections of the Project and the Work at any time prior to Completion and Acceptance of the Project, and Developer shall provide proper facilities for such inspections. Such right of inspection shall be reserved to Owner, Lessee and Trustee in all construction contracts entered into by Developer. This section shall not be construed so as to limit in any manner, the right and duty of Owner, Lessee and Trustee to inspect, approve, disapprove or take any other action with regard to the Project and Work in accordance with applicable law.

Section 4.4. *Governing Law.* This Agreement is made in Guam under the Organic Act of Guam and laws of Guam and is to be so construed.

Section 4.5. *Amendment.* This Agreement may be amended at any time by a writing which refers to this Agreement and is executed by all parties hereto, subject to any restrictions placed on Owner regarding amendment or modification hereof contained in the Trust Agreement.

Section 4.6. *Other Documents.* The parties agree to execute and record such other documents as maybe necessary for the implementation and consummation of this Agreement. Any approvals or consents required hereunder shall not be unreasonably withheld by the party from whom such approval or consent is sought.

Section 4.7. *Third Parties.* The parties hereto acknowledge that nothing herein expressed or implied in this Agreement is intended or shall be construed to confer upon or give any person or entity other than Developer or Owner or assignees as permitted by Section 3.2 of this Agreement any rights or remedies under or by reason of this Agreement.

Section 4.8. *Rights and Remedies.* The duties and obligations imposed by this Agreement and the rights and remedies available hereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. Notwithstanding anything contained herein to the contrary, this Agreement shall in no way limit Developer's rights against Owner as provided in any agreement between Developer and Owner pertaining to the Project.

Section 4.9. *Exhibits.* The exhibits attached to and referred to herein are part of this Agreement for all purposes.

Section 4.10. *Time.* Time is of the essence in this Agreement.

Section 4.11. *Notices.* Any notice required or pennitted to be given under this Agreement shall be in writing and shall be deemed to have been given and received four (4) business days after being deposited in a United States Post Office, certified or registered mail, postage prepaid, return receipt requested, or when actually received by a party to whom directed if delivered by hand or sent by facsimile (with the sender receiving confirmation of receipt and provided notice is also promptly sent by one of the other permitted means) or overnight courier. Notices shall be addressed to the party, to whom directed at the address set forth below or to such other address as such party from time to time may specify in writing.

Owner: CaPFA Capital Corp. 2010A
99 Riverside Drive
Moore Haven, Florida 33471
Attention: President

With a copy to: William L. Zvara, P.A.
4810 Arapahoe Avenue
Jacksonville, Florida 32210
Facsimile: (904) 387-9212

Lessee: Department of Education
P.O. Box DE
Hagatna, Guam 96932
Attention: Nerissa B. Underwood, Ph.D., Superintendent
Telephone: (671) 475-0462
Facsimile: (671) 472-5003

With a copy to: Department of Administration
PO Box 884
Hagatna, Guam 96932
Attention: Lourdes M. Perez, Director
Telephone: (671) 475-1250/1234

Guam Economic Development Authority
590 South Marine Corps Drive
ITC Building, Suite 511
Tamuning, Guam 96913
Attention: Tony Blaz, Administrator
Telephone: (671) 647-4332
Facsimile: (671) 649-4146

Department of Public Works
542 North Marine Drive
Tamuning, Guam 96913
Attention: Andy S. Leon Guerrero, Acting Director
Telephone: (671) 646-3131
Facsimile: (671) 649-6178

Trustee: U.S. Bank National Association
633 West Fifth Street, 24th Floor,
Los Angeles, CA 90071
Attention: Corporate Trust Services
Reference: 2010A Certificates of Participation (Guam/ CaPFA)

Developer: International Bridge Corporation
P.O. Box 21149
GMF, Guam 96921
Attention: President

Section 4.12. *Waiver Of Subrogation.* Each party to this Agreement (the "Waiving Party") hereby waives any cause of action it might have against any other party hereto on account of any loss or damage that shall be covered by any insurance policy that covers the Project or any Site, and that names said Waiving Party as a party insured, to the extent of money actually paid to such Waiving Party under such insurance policy. Each party agrees that it will request its insurance carrier to endorse all applicable policies waiving the carrier's rights of recovery under subrogation or otherwise, consistent with the immediately preceding sentence.

Section 4.13. *Exculpation.* Owner's obligations hereunder shall be payable solely from the proceeds of the Certificates made available to Owner.

Section 4.14. *Waiver of Attorneys' Fees Statute.* The parties hereby agree that each party's obligations hereunder to pay attorneys' fees and expenses of another party, or to reimburse another party for such fees and expenses, shall extend only to such fees and expenses as are actually incurred by such other party.

Section 4.15. *Relationship of Parties.* The parties hereto acknowledge and agree that the relationship of Developer to Owner is that of an independent contractor engaged for the

purpose of developing the Project. Nothing in this Agreement shall create between Developer and Owner the relationship of principal and agent (other than as expressly set forth herein), joint venturers, partners or any other similar or representative relationship, and Developer shall not hold itself out as an agent (except as expressly provided herein), representative, partner or joint venturer of Owner.

Section 4.16. *Counterparts.* This Project Development Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Developer, by its duly authorized representative, has executed this Project Development Agreement as of the date first above written.

INTERNATIONAL BRIDGE CORPORATION

By: 

Title: VICE PRESIDENT

IN WITNESS WHEREOF, the Owner, by its duly authorized representative, has executed this Project Development Agreement as of the date first above written.

CAPPA CAPITAL CORP. 2010A

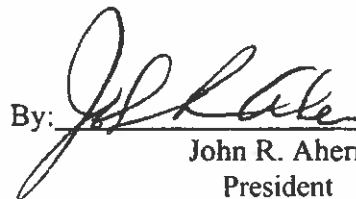
By: 
John R. Ahern
President

EXHIBIT A

SCOPE OF WORK AND PROGRAM MATERIALS

OHS West:260687324.10

CONSTRUCTION OF NEW JOHN F. KENNEDY HIGH SCHOOL FINANCE,
DEMOLITION, DESIGN, BUILD, MAINTAIN AND LEASEBACK (FDDBML)

FINAL CONTRACT TECHNICAL
SPECIFICATIONS

PROJECT NO. 700-5-1020-L-TAM

FELIX P. CAIVIACHO
Governor of Guam

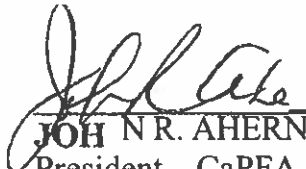
Prepared by: Department
of Public Works
Government of Guam

April 8, 2009

APPROVED BY:


v/o
LAWRENCE P. PEREZ
Director
Department of Public Works


NERISSA BRETANIA-SHAFER
Superintendent
Guam Public School System


JOHN R. AHERN
President - CaPFA Capital Corp. 2009A


ROBERT W. TOELKES
President - International Bridge Corp.

Request for Proposal
Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDBML)
TECHNICAL SPECIFICATIONS
Project No. 700-5-1020-L-TAM

GENERAL STATEMENT OF WORK

I. INTRODUCTION

This Statement of Work describes the Scope of Work required of the Proposer's demolition team in demolishing existing building, design team in providing the architectural and engineering services for the preparation of reports, plans, specifications, and estimates (PS&E) and other supporting data for the construction of John F. Kennedy High School. This General Statement of Work, its corresponding Attachments and the Proposer's written proposal submission in response to the Government's Request for Proposal, shall constitute the requirements for completion of the project Scope of Work. The Scope of Work shall be completed in accordance with the schedule requirement of 270 calendar days for design and construction from the date of lease-leaseback agreement execution.

II. PROJECTS DESCRIPTIONS AND LOCATIONS

The project involves the construction of a new high school on the site of the existing John F. Kennedy High School in Tuman, Guam. This statement of work governs the preparation of required design and permitting documents for the construction of the new John F. Kennedy High School, including necessary environmental reports/abatement plans (for asbestos, radon and etc.) prior to demolition of the existing building, as well as Plans, Specifications & Estimates (PS&E); and other supporting documents for the construction of the new JFK High School.

Tasks 1 and 2, (Assessments and Conceptual Plans) of the design work involves those investigative and study requirements, which must be undertaken to adequately assess the existing condition of the site and form the basis of subsequent design activities. It also involves the development of Conceptual Plans, at least two concepts for the JFK High School. These conceptual plans developed for the purposes of the proposal shall be deemed to be sufficient for this task.

GENERAL STATEMENT OF WORK
Construction of New John F. Kennedy High School
Finance; Demolition, Design, Build, Maintain, Leaseback (FDDBML) Part II
Project No, 700-5-1020-L-TAM

Tasks 3, 4, and 5 (Preliminary, Pre-Final, and Final PS&E) of the design work involves the development of Preliminary PS&E incorporating comments and decisions resulting under Tasks I and II. Tasks III and IV work will further refine the various elements of the PS&E and incorporate all review comments by the reviewing agencies. Task V is the final construction plans. In order to meet the schedule requirements imposed on this project, the project design-build team may propose phased development of the PS&E and permitting documents, along with "over the shoulder" review by the Building Official during the design process, as long as such approach meets the requirements of Guam Building Law and applicable code requirements as specified herein. In all cases, the responsible design professionals shall ensure that the plans and specifications are in compliance with applicable laws, codes, rules and regulations governing the work.

The location of the new school will be at John F. Kennedy High School's compound in upper Tumon.

111. SCOPE OF WORK

The Demolition Team shall provide a barricade around the building, disconnect and mark all electrical, water line, and other utilities connections from the existing building to remain for re-connection to the new building. Remove all any existing asbestos prior to demolition and dispose as per GEPA requirements. All salvageable materials marked for use by GPSS shall be turned over to GPSS for proper use and/or disposal. The contractor shall properly dispose of all other materials. GPSS shall mark all salvageable materials prior to execution of the lease- leaseback agreements.

The Design Team shall provide the environmental, architectural, and engineering services for the different tasks described below and furnish the required reports and PS&E's for the school.

All entry permits in conjunction with the services shall be the responsibility of the design team/offeror.

The design team shall coordinate his work with the agencies, Local or Federal, having jurisdiction in permit review and approval. It shall be the responsibility of the design team to ensure that all requirements of the new schools conform to the requirement of Federal and Local laws. Any design work affecting public streets and rights-of-way shall be coordinated with the DPW Traffic Engineering Section.

Progress review meetings shall be held monthly, or more frequently as required by the design and review methodology, to review progress and discuss any design issues or problems. The meetings shall be held at the firm's office or Public Works office on a mutually agreed schedule.

TASK 1. Site Evaluation

1A. Environmental Assessment:

Conduct an environmental assessment of the existing physical and biological conditions of the school site and its vicinity. An environmental report shall be prepared for JFK High School.

The design team shall evaluate physical factors such as environmental constraints of the proposed development. The Environmental Assessment shall be complete and subject to review and approval by applicable regulatory authorities, such as the Guam Environmental Protection Agency and U.S. Environmental Protection Agency.

Possible Environmental Concerns at JFK Site:

- A. Northern groundwater lens. Storm runoff resulting within the school property must be contained within the site with the use of ponding basins or underground infiltration cells.
- B. Radon gas arising from coral rock substrate. Design of buildings must incorporate protective measures from toxic radon gas.
- C. Water wells with chlorinators.

Proposer must plan for the management of solid wastes generated, including disposal of green waste from clearing of vegetation on site and debris from demolition of buildings and construction. A demolition and disposal plan for sites requiring demolition shall be prepared and submitted for approval. The plan shall address the type of solid waste materials generated and their proper disposal. Recycling and reuse of waste generated is encouraged.

School design should follow a facility design that encourage recycling of solid waste and reuse efforts as part of school operations.

Environmental assessment reports shall be prepared, addressing the items listed above to include maps, data sheets, tables, (check) list, graphs, photographs, references, and other documentation to support the findings and environmental mitigation measures.

Ten copies of the environmental assessment reports shall be submitted.

1B. Archeological Assessment.

The northern site, are area of the island that is usually sparse in terms of archeological sites, with limited distribution of pottery scatters being the dominant site type. The existing JFK High School site has been previously developed and in use as a school site for approximately 50 years. It is unlikely that any archaeological resources will be affected by the proposed demolition and re- building activities. However, in the event that excavation or grading activities may impact previously undisturbed portions of the site, the Contractor shall be required to provide an archaeological survey and monitoring (when required) for such activities.

This involves archeologists walking over the project property, on foot and recording the locations of any historic or prehistoric materials. Detailed descriptions are made of any sites, maps are drawn and photographs taken if features or structures are encountered, GPS locations of features/sites are recorded, and shovel test are conducted as indicated by the surface findings. The final report should minimally contain sections on geographic location, environment, historic cultural context, previous findings in the area, field methods used, findings from survey, analyses done, significance of any sites found, recommendations, and references.

An equitable adjustment to the construction schedule shall be made in the event of any delay caused by work stop order due to archaeological findings.

Archeological reports shall be prepared for the JFK High School. Ten copies of the reports shall be submitted.

1C. Planimetric and Topographic Survey.

Perform an as-built planimetric and topographic survey and prepare a topographic map with one-foot contour interval of the school property. Include sufficient area to address the schools development area and adjacent properties to properly analyze all engineering aspect of the development, such as drainage patterns, utilities onsite and offsite, access roads, modifications to existing roads, pedestrian walkways, trails, etc.

Conduct a thorough property research to include adjacent properties, rights of way and/or easements. Lot numbers and property ownership shall be shown on the map.

Survey work shall be under the direct supervision of a Guam Registered Land Surveyor.

Ten copies of the Planimetric and Topographic map shall be submitted.

1D. Soil Investigation.

Perform the necessary soil investigation to properly design the school building foundations, ponding basins and infiltration cells, embankment and cut slopes, drainage channels, ground covers, underground utilities, etc. It shall include a determination of any earthquake faults and their effect on the schools design.

A soil report shall be prepared for the new high school. Ten copies of the reports shall be submitted.

TASK 2. Conceptual plans.

The design team shall develop two alternative conceptual plans for each school site showing the civil and architectural layout of an school facilities and grounds development standards as identified in the technical specifications for JFK High School. It shall include all offsite development, such as proposed access roads and any modifications to existing roadways or pedestrian facilities, utilities, landscaping, etc. It shall include concept buildings elevations (front, side, and rear elevations), and an architectural rendering depicting the type of structure, color schemes, and structures orientation relative to grounds improvements. The conceptual plans developed by the contractor for the proposal submission shall be deemed sufficient for this task.

Ten copies of the conceptual plans shall be submitted.

The design team shall conduct a conceptual presentation to all reviewing agencies upon submittal of the conceptual plans. The presentation shall address all architectural and engineering aspects of the project

TASK3. Preliminary Plans, and Specifications

The preliminary PS&E's shall be develop to at least 50% complete and the following shall be prepared.

A. PLANS:

- 1) Title Sheet.
- 2) Civil Design:
 - a) Site Plan. Show property lines, access rights of way or easements, survey base line(s), proposed facilities footprints, access roads and parking areas, traffic (vehicular and pedestrian) circulation, access roads, etc.
 - b) Grading and drainage plans.
 - c) Utilities plans (Water, sewer, power, telephone, internet and cable).
 - d) Roads plans and profiles.
 - e) Other civil engineering plans and details necessary to conduct a 50% preliminary plans review.
- 3) Architectural design:
 - a) Floor and ceiling plans
 - b) Building elevations and sectional views.
 - c) Equipment layouts
 - d) Landscaping plans
 - e) Other architectural plans and details necessary to conduct a 50% preliminary plans review.
- 4) Structural design:
 - a) Foundation plans
 - b) Floor and roof slab plans
 - c) Structural columns, walls, and beams
 - d) Other structural plans and details necessary to conduct a 50% preliminary plans review.
- 5) Mechanical design:
 - a) Plumbing plans
 - b) Air conditioning and ventilation plans
 - c) Fire protection and alarm, and monitoring plans
 - d) Mechanical equipment plans
 - e) Other mechanical plans and details necessary to conduct a 50 % preliminary plans review.
- 6) Electrical Design:
 - a) Lighting plans
 - b) Off-site power supply plans
 - c) Power supply plans to all equipments
 - d) Other electrical plans and details necessary to conduct a 50 % preliminary plans review.

B: SPECIFICATIONS:

Preliminary technical specifications shall be prepared for each item of work describing the construction methods, material requirements, and test procedures required.

C: ESTIMATES:

Preliminary estimates shall be prepared commensurate with the preliminary plans and specifications.

D. MAINTENANCE AND CUSTODIAL PLAN:

Post Construction Facilities Maintenance and Custodial Operations Plan - The design team shall prepare a complete operations manual for school for the required post construction monitoring, maintenance, and custodial operations of the school facility. The plan shall address the operational and/or maintenance of the buildings, equipments, landscaping, the drainage system, all outdoor facilities, and for any facility appurtenances for the proper operation of the school.

Ten (10) copies of the preliminary PS&E and design calculations, and the Maintenance and Custodial Plan shall be submitted. A "plans-in-hand" field reviews to be jointly conducted by the Government and Design Team shall be scheduled by the offerer after submittal of preliminary PS&E. Prior to the Plans-in-Hand reviews the design team shall mark with survey flags the approximate buildings footprints, athletic fields (where required), parking lots, access roads, and other prominent structure or facility of the school. The school sites shall be sufficiently cleared of vegetation to conduct the plans-in-hand reviews.

The Design Team's key personnel shall participate in the Plans-in-Hand field reviews and resolution meetings to resolve all comments on the project. The Design Team shall be responsible for the preparation of the "Minutes of Meeting" for approval and distribution by DPW.

TASK4. Pre-Final Plans, Specifications, and Estimates

The Pre-Final PS&E shall be 100% complete incorporating all approved comments from the preliminary PS&E, and the Maintenance and Custodial Plan. Ten copies of the following shall be submitted:

- .1. Plans - Complete plans, including title sheet, summary of quantities and schedules, details cross sections, etc.;

2. Technical specifications - Complete technical specifications to properly construct each item of work, including test procedures required, and any special conditions to be required;
3. Estimates - Each item of work shall be supported with a detailed quantity take-off computation and corresponding cost analysis for each item of work. Any lump sum cost shall be supported with detailed breakdown arriving to the lump sum cost;
4. Design Analysis and computation sheets;
5. CPM schedule to establish project construction activities within the specified construction time;
6. Maintenance and Custodial Plan.

The Firm's key personnel shall participate in the resolution meeting to resolve all comments on the submittal. Prepare a "Minutes of Meetings" for approval and distribution by DPW.

TASK 5. FINAL Plans, Specifications and Estimates

After approval of the Pre-Final PS&E, and Maintenance and Custodial Plan submit five (5) copies for final review. Upon approval of the final PS&E, and Maintenance and Custodial Plan submit one original, five sets of PS&E and Maintenance and Custodial plan, and two copies of other items listed below:

- 1) Plans
- 2) Specifications
- 3) Estimates
- 4) Quantity take-off and computation sheets
- 5) Unit price analysis
- 6) Design analysis and computations
- 7) CPM Schedule
- 8) Maintenance and Custodial Plan
- 9) An electronic non-PDF workable file in AUTO CADD format, latest version, shall also be submitted in a separate disks for the plans, specifications, and estimates; and Maintenance and Custodial Plan for each school.

IV PLANS AND DRAFTING

- 1) The PS&E be prepared in conformance with the standard format furnished by the Government.

GENERAL STATEMENT OF WORK
Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FOOBML) Part II
Project No. 700-5-1020-L-TAM

- 2) Plan size shall be 24" x 36".
- 3) All plans and details shall be legible when reduced to one-half size plans (50% reduction). The minimum size of alphanumeric text on the reduced plans shall be 1/8".

V CONSTRUCTION SCHEDULE

The construction time {inclusive of design} for new JFK High School in upper Tumon shall be **two hundred seventy (270) calendar days**.

A building permit must be secured for the JFK High School prior to construction, and an occupancy permit must be secured prior to acceptance of the new school building. DPW shall conduct inspections throughout the construction phase as required for building permit process.

Vf DESIGN CODES/GUIDES AND REFERENCES

All services shall be performed in accordance with the general criteria contained in the following references:

- 1) Building Law, Title XXXII, Government Code of Guam
- 2) International Building Code (Latest Edition)
- 3) Uniform Mechanical Code (Latest Edition)
- 4) International Plumbing Code (Latest Edition)
- 5) National Electrical Code(NEC- Latest Edition)
- 6) National Electrical Safety Code (NESC- Latest Edition)
- 7) Life Safety Code (Latest Edition)
- 8) Uniform Fire Code (Latest Edition)
- 9) Illuminating Engineering Society (IES)
- 10) American Disability Act
- 11) GEPA, USEPA, CFR29
- 12) A policy on Geometric Design of Highways and Streets
- 13) All other codes, regulations, technical publications and design manuals applicable in the performance of this RFP
- 14) Guam Energy Code

VII GOVERNMENT REVIEWING AND APPROVING AGENCIES:

- 1) Department of Public Works
- 2) Guam Environmental Protection Agency
- 3) Department of Land Management

- 4) Guam Telephone Authority
- 5) Guam Power Authority
- 6) Guam Waterworks Authority
- 7) Guam Fire Department
- 8) Guam Historic Preservation

- 9) Department of Public Health and Social Services

To provide for monitoring of the construction of the facility for lease to the Guam Public School System, Government of Guam, the Department of Public Works shall conduct construction observation inspections during the construction period as provided for and authorized in the lease-leaseback agreement.

VIII FACILITIES MAINTENANCE AND CUSTODIAL SERVICES

The building maintenance and custodial services phases shall commence upon acceptance of each school and shall continue for a period of twenty (20) years or until the leaseback contract is completed.

Building maintenance include the preventive maintenance of the whole facility (ies), maintenance and replacement of fixed equipments.

Custodial services include all janitorial services, ground maintenance and including disposal of trash.

IX UTILITIES AND ROUTINE MAINTENANCE AND REPAIR

The Education Agency shall be responsible for the payment of all utilities, including, without limitation, power, water, sewer, telephone, internet and cable of the Education Facility.

Routine maintenance, repair and upkeep shall be the responsibility of the Education Agency and / or the Contractor, as provided by the terms of the Contract.

X CONTRACTOR RESPONSIBLE FOR CAPITAL MAINTENANCE

The Contract with the Contractor, and the Lease-Back, shall provide that all capital maintenance and repair (including vandalism) of the Education Facility be performed by the Contractor as a separate cost.

The terms by which the contractor is to perform such capital maintenance shall be determined as a part of the bid process and shall be part of the conditions of the Contract. The Contract shall provide sufficient initial funding for the first five (5) years after the completion of the Education Facility.

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDBML)
TECHNICAL SPECIFICATION
Project No. 700-5-1020-L-TAM

Attachment "A"

1. SITE ENTRY and PARKING:

- Entries to the school will remain the same, but with improved paving.
- Resurface and pave parking lot.
- Area behind JFK statue needs to be leveled and paved for additional parking. The drop-off loop will be re-paved.
- The bus-drop-off area from the north gate will remain the same.
- Construct the new school building to limit vehicular access into the school's campus and physical education facilities and grounds.
- Egress needs to be included to allow student traffic from the main building to the annex buildings.
- Security gates to close off main building from facilities used during non-instructional time. The design shall, to the extent possible, isolate portions or areas within the facility intended for use during non-instructional time, such as gymnasium, library, trade classrooms, and cafeteria.

2. LANDSCAPING

- The tree in the center of the current courtyard will be left intact and continue to serve as a reminder of the resilience of the school community.
- The tree will serve as the focal point of the new courtyard.
- Level and grass the area in front of the Annex Building for physical education or provide alternative location for such activities.
- The flagpole at the front of the school will remain in its current location.

3. ACADEMIC CORES

- The main building will be a two-story building capable of housing 2300 students as per Public Law 29-114 & 29-106 and constructed on a rectangular footprint similar to the former building with an

enlarged courtyard.

- The new building will be aligned with the Band/JROTC building, which will be the only remaining portion of the original quadrangle building and continue to serve as an entrance for students passing to their classrooms. Band /JROTC building shall be repaired, including all identified damage, and shall be upgraded including the A/C units, networking and electrical system. The electrical and networking system shall be connected to new building.
- Except for art, consumer science, business, special education, all classrooms in the main building will be general classrooms.
- The school will be organized with all science areas located near the existing annex, south of the main building proper.
- A new building will be added near the annex. This new building will house two chemistry classrooms with a lab and storage between and one physics classroom with lab and storage.
- GCC Auto and Construction Trade shops will be added east of the Annex Building, between building and fence by Marine Drive. Each shop will contain shop trade work centers and classroom setting for 25 students.

4. SPECIAL EDUCATION

- Special Education is spread throughout the building.

5. SPECIAL NEEDS

- The special needs program will continue to be located on the first floor of the building. Building entries will provide accessible parking and drop-off area, ADA compliant.

6. ATHLETICS/PHYSICAL EDUCATION

- Athletics Field - High school requirements include a combined soccer/track/football field, baseball and softball fields, and three types of court sports with light post and fencing. Space for future swimming pool shall be provided. Existing facilities, properly renovated or improved, shall be deemed to satisfy this requirement.
- The excellent existing athletic facilities of JFK will remain and be upgraded, i.e., track and field, football field, and upgrade/resurface tennis court to meet official standards with safe, durable and shock absorbing playing surface.

- A new gymnasium with a main playing area that meets current basketball requirements, including bleachers with storage areas underneath to house large equipment, i.e., wrestling mats and gymnastics equipment, will be built with additional new instructional areas off the main playing area, to include a weight room, dance room, multi-use *activity* room, and a classroom for seat work and written tests.
- All indoor physical education facilities will be air-conditioned.
- An athletic director's office and equipment room will be built in close proximity to the gymnasium and field areas.
- The new gymnasium will be located at the southwest corner of the building near the existing fields and near the south parking lot.
- Locker rooms will provide showers with drying area and unobstructed dressing area. Each locker room will have storage areas within as well as within offices.
- Physical education teachers' offices will be located within each locker room with a large glass window that looks out onto the dressing area.

6. AMPHITHEATER

- The courtyard stage will be demolished and the courtyard rmpoved to provide a new amphitheater that is sufficiently large to hold one quarter of the school population.
- Location should be in such a manner that, when needed, the entire school can *view* the stage from the majority of the courtyard and second floor. It will be designed for performances as well as lectures.

7. LIBRARY

- The 8600 square foot library will contain an 1800 square foot media center in the center of the library building and a 900 square foot teacher resource center.

8. CAFETERIA

- The cafeteria will be accessible from the main parking lot for vendor delivery and pick-up, as well as community use.

- The cafeteria will be centrally air-conditioned, with seating capacity for 300-350 students and serving area with capacity for multiple lines.
- The cafeteria will be upgraded to allow Special Needs students to have easy accessibility.

9. ADMINISTRATION

- The administration offices will be located so as to provide for proper monitoring, observation and access, adding additional offices for the different functions of operations. While generally located in the same area for visitors and staff convenience, individual functions will be separated.
- The counseling office, nurse's area, and career counseling will be relocated within the same wing, closer to the administrative offices.

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDBML)
TECHNICAL SPECIFICATION
Project No. 700-5-1020-L-TAM

Attachment "B"

I. PROJECTS DESCRIPTIONS AND LOCATIONS

The location of the new school will be at John F. Kennedy High School's compound in upper Tuman of Guam's Public Schools System and shall:

- Main campus kept on quadrangle. Keep the in center courtyard and flagpole in front of school near the AFJROTC classroom.
- Stage moved to back of quadrangle.
- Move wing to avoid supervision problems.
- Open hallways like old JFKHS.
- Emergency back-up generator
- Daylighting windows installed in the classrooms, gymnasium, cafeteria, library, support rooms and administrative offices.
- Closed circuit TV security.
- Internet and phone accessibility in all the classrooms and administrative offices.
- Resurface and pave parking lot. Grass area from tennis courts to corner fence by traffic light shall be used for overflow parking..
- Preserve the field in front of the school next to the annex building for accreditation purposes, or provide alternative field space for such purposes.
- Central air-conditioning units for Administrative offices, counseling office, cafeteria, library and gymnasium.
- Split unit air conditioning units for all classrooms and other facilities.

II. SCOPE OF WORK

The following specifications shall be inclusive of collateral equipment items which are listed and appended to this attachment. There shall be no duplication of items specified

Attachment "B"
Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDBML)
Project No. 700-5-1020-L-TAM

below and items listed in the collateral equipment list.

1. Sixty (60) Standard Classrooms

- Air conditioned
- Internet and phone access
- Two (2) white boards per classrooms
- Counter installed on one (1) wall of each classroom with full length closet on each end.
- Two (2) bulletin boards for each classroom.

2. Four (4) SPED Classrooms

- Air Conditioned
- Internet and phone access
- 1-2 white boards per classroom
- Counter installed on one (1) wall of each classroom with full length closet on each end

3. One (1) SPED Resource Room

- Air Conditioned
- Internet and phone access
- One (1) white board installed
- One (1) bulletin board
- Counter installed on one (1) wall of each classroom with full length closet on each end
- Equipped with toilet, sink and shower (ADA if required)

4. One (1) Itinerant Room

- 10 ft. x 10 ft.
- Cabinet

5. Four (4) JROTC Rooms

- Should be located near large parking lot for easy access to JROTC rooms
- Air Conditioned
- Reception area with counter 450 sq. ft.
- Three (3) individual offices within each 12 ft. x 12 ft.
- Internet access in reception room and each instructor's office
- **Storage Room** - located between office and classroom with access from office and hallway 1200 sq. ft. (400 sq. ft. per 100 students required)
 - ◆ Double metal doors on hallway entrance
 - ◆ Air conditioned

Attachment "B"

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDDBML)
Project No. 700-5-1020-L-TAM

- ◆ All doors must lock with dead bolts
 - **Two (2) Classrooms**
 - ◆ Electrical system
 - ◆ Internet access in room with ability to support five (5) - ten (10) computers
 - ◆ **Capacity for forty-five (45) - fifty (50) students each**
 - ◆ Dual white boards per classroom
 - **Drill Pad** (Can use large front parking lot) 150 ft x 150 ft
 - ◆ Area needs to have removable poles with sleeves installed that are flushed with the ground to provide safety of students marching.
- 6. Four (4) Art Classrooms - Capacity for twenty (20) students**
- Air conditioned
 - Internet and phone access
 - Adequate electrical outlets on all walls to support audio/visual equipment
 - Three (3) classrooms designed for general art classes, one ("1) for ceramics
 - Lockable storage room between each two (2) rooms access from both classrooms
 - Counters installed on at least two (2) - three (3) walls of all art classrooms with two (2) sinks per room centered on the wall
 - Ceramic room needs lockable kiln room
 - Adequate electrical outlets to support audio/visual equipment
 - All rooms equipped with Internet access
- 7. Two (2) Home Economics Rooms, One (1) designed for Cooking and One (1) designed for Sewing**
- **Cooking Room**
 - ◆ Five (5) Cooking stations each set up with sink, stove, garbage disposal, and stove ventilation
 - ◆ Electrical capacity at each station to support all necessary equipment
 - ◆ Teacher's area with adequate outlets and internet access
 - ◆ One (1) board installed
 - **Sewing Room**
 - ◆ Electrical setup and capacity for twenty (20) sewing stations to support all necessary equipment
 - ◆ Small changing area designed to provide privacy but not locking

- ◆ One (1) white board installed
- ◆ Work counter installed on two (2) walls of classroom
- **Storage Rooms / Laundry Room located between Sewing and Cooking Room**
 - ◆ One (1) Locking storage area with electrical capacity and space to support four (4) refrigerators and one (1) upright freezer accessible from cooking room.
 - ◆ One (1) Locking storage area (24 sq. ft.) accessible from sewing room
 - ◆ One (1) Locking laundry area accessible from sewing and cooking area
 - ◆ Large utility sink (wash mops and etc)
 - ◆ Electrical capacity for washer and dryer

8. Choral Room

- Room designed with three (3) concrete tiers in a curved manner with adequate area for director, piano and teacher work area.
- Tiers with wall to wall carpet and anti-slip edging
- Air-conditioned with phone and internet access and adequate electrical outlets to support multiple pieces of electronic equipment.
- Dual white boards installed
- Locking storage room 150 sq. ft.
- Two (2) Practice Rooms within the Choir Room 50-60 sq. ft. each sound proof

9. Four (4) Business Classrooms

- Air conditioned
- Internet and phone access
- Electrical outlets on all walls
- One (1) - two (2) white board per classroom
- Counter installed on two (2) walls of each classroom
- Capable of accommodating 28 student computer set up and one (1) teacher station set-up
- Locking storage space between each two classrooms 30 ft. x 10 ft. accessible from both adjoining rooms.

10. Physical Education Facilities

- **Two Locker Rooms**
 - ◆ Air Conditioned

Attachment "B"

Construction of New John F. Kennedy High School
 Finance, Demolition, Design, Build, Maintain, Leaseback (FDDDBML)
 Project No. 700-5-1020-L-TAM

- ◆ Non-skid floors
 - ◆ Electrical outlets on all four (4) walls of dressing area
 - ◆ Unobstructed open dressing area equipped with seven (7) benches (10-12 ft. x 2.5 ft.) with racks for hanging clothes
 - ◆ One hundred (100) basket lockers attached to one (1) wall for student use
 - ◆ Toilets/urinals and sinks in main dressing area
 - ◆ Open bay showers with drying area immediately outside shower area, separated from dressing area
 - ◆ Three (3) storage areas with locker room
 - ◆ One (1) lockable closet custodial supply
 - ◆ One (1) lockable equipment storage room with double metal doors - **10 ft. x 20 ft.**
 - ◆ One (1) lockable daily equipment storage room 10 ft. x 10 ft.
- **Female PE Office**
 - ◆ Located and accessible within girls locker room
 - ◆ Designed with glass windows providing easy visibility of locker room with lockable metal entry door
 - ◆ Air conditioned with internet and phone access
 - ◆ Toilet, sink, shower and dressing area within office for teachers
 - ◆ Laundry area with electrical outlets to support washer/dryer
 - ◆ Lockable equipment and costume storage closet 4 ft. deep x 6 ft. wide
 - **Male PE Office**
 - ◆ Location and access within the boys locker room
 - ◆ Designed with glass windows providing easy visibility of locker room with lockable metal entry door
 - ◆ Air conditioned
 - ◆ Four (4) locking individual cubicles at least 8 ft x 8 ft. each with glass window providing visibility of locker room
 - ◆ Internet and phone access in each cubicle
 - ◆ Common office area to include: toilet, sink, shower and dressing area 150 sq. ft..
 - ◆ One (1) - two (2) electrical outlets in bathroom area
 - ◆ Lockable equipment storage 4 ft. x 4 ft

11. **Gymnasium**

- Air conditioned

Attachment "B"
 Construction of New John F. Kennedy High School
 Finance, Demolition, Design, Build, Maintain, Leaseback (FDDDBML)
 Project No. 700-5-1020-L-TAM

(AD-2)

- Lockable double metal doors with easy out push bar
- Bleachers - at least one side of gym having bleachers that provide lockable storage beneath them suitable for storage of wrestling mats and similar items; alternate means of storage shall also be acceptable.
- **Within Gymnasium**
 - ◆ One (1) Gymnastics equipment storage room 20 ft. x 20 ft.
 - ◆ One (1) Athletic department gymnasium storage 10 ft. x 10 ft.
 - ◆ Two (2) restrooms - one (1) MALE and one (1) FEMALE
- **Dance Room - One (1) (Attached or within gymnasium)**
 - ◆ Air Conditioned
 - ◆ Internet and phone access
 - ◆ Mirrors on at least one wall
 - ◆ Counter installed on one (1) wall of classroom with full length closet on each end
 - ◆ One (1) bulletin board installed
 - ◆ One (1) white board installed
- **Mat Room - One (1) (tumbling, wrestling, small activity - 60 ft. x 60 ft.)**
 - ◆ Air conditioned
 - ◆ Internet and phone access
 - ◆ One (1) bulletin board installed
 - ◆ One (1) white board installed
- **Lecture/Video/Small Activity Classroom (20 ft. x 45 ft.)**
 - ◆ Air conditioned
 - ◆ Internet and phone access
 - ◆ One (1) bulletin board installed
 - ◆ One (1) white board installed
- **Weight Room (1200 sq. ft.)**
 - ◆ Air Conditioned
 - ◆ Internet and phone access
 - ◆ One (1) bulletin board installed
 - ◆ One (1) white board installed

12. **Athletic Director's Office and Storage Room**

- Split air conditioned
- Metal entry door with dead bolt
- Office area 150 sq. ft.
- Internet and phone access in office area

Attachment "8"

Construction of New John F. Kennedy High School
 Finance, Demolition, Design, Build, Maintain, Leaseback (FDDDBML)
 Project No. 700-5-1020-L-TAM

- **Caged Locking Storage 900 sq. ft.**
 - ◆ Limited access - only from within office area
 - ◆ Laundry area with electrical and water supply suitable for washer and dryer.
- 13. Library 8600sq. ft.**
- All areas central air-conditioned
 - Student area
 - Internet and phone access available
 - Lockable storage area 300 sq. ft.
 - **Media Center within Library 1800 sq. ft.**
 - ◆ Internet access ports located on the floor
 - ◆ Computer center with stationary tables/counters
 - **Teacher Resource Center within Library 900 sq. ft.**
 - ◆ Adequate electrical outlets in all walls
 - + Internet and phone access
 - + Two (2) 220 V outlets for Xerox Machine
- 14. Cafeteria**
- Air conditioned
 - Seating capacity for 300 - 350 students
 - Serving area with capacity for multiple lines
- 15. One (1) Nurses Station**
- Located within the vicinity of physical education facilities and administration with easy ambulance access.
 - All areas air conditioned
 - Reception/Patient reserving area 300 sq. ft.
 - Adequate electrical outlets in all areas to support equipment
 - Internet access
 - Bathroom with sink, shower, and toilet. Bathroom needs to be ventilated
 - Three (3) patient rooms with capacity to put at least two (2) beds per room. 64 sq. ft. / room
 - Lockable Records Room 150 sq. ft.
 - Lockable Supply Room 200 sq. ft.
 - Nurse's Office 12 ft. x 12 ft.
 - Phone and internet access
 - Lockable workroom with sink and outlets to support refrigerator 10 ft. x 10 ft.

16. Administrative Offices

- Central Air conditioning unit
- Internet and phone access in all offices, storage, and under all service counters
- Electrical outlets on all walls of each office
- Electrical outlets under counters
- Visible window view of the parking lot area and the students passing hallways

- **Reception/ Waiting Area in Main Office**
 - ◆ Enclosed plexiglass door and bulletin board (4 ft. x 4 ft.)
 - ◆ Wall embedded and enclosed trophy showcase

- **Principal's Office** 300 sq. ft.
 - ◆ Conferencing room for small group meetings (12 capacity size)
 - ◆ Administrative secretary work area

- **Assistant Principal, Curriculum** 12 ft. x 12 ft. within
 - ◆ Reception area with phone and internet access
 - ◆ Enclosed plexiglass door bulletin board (4 ft. x 4 ft.)
 - ◆ Clerical staff work area

- **Office Xerox Room** 36 sq. ft.
 - ◆ Air conditioned
 - ◆ Electrical outlets in all walls and adequate wattage for Xerox capability

- **Office Supply Room** 36 sq. ft.
 - ◆ Air conditioned

- **Computer Operator Room** 200 sq. ft.
 - ◆ Internet and phone access
 - ◆ Electrical outlets on all walls
 - ◆ Locking storage closet 5ft. x 5ft.

- **Single Occupancy Adult Restroom**
 - ◆ Not accessible to the public

- **Assistant Principal Discipline/Attendance** 12ft x 12 ft minimum
 - ◆ Located near the nurse's office

Attachment "B"

Construction of New John F. Kennedy High School
Finance, Design, Build, Maintain, Leaseback (FDDDBML)

(AD-2)

- ◆ Clerical staff area
 - ◆ Service counter area
 - ◆ Reception area with phone and internet access
- **Holding Rooms**
 - ◆ Separate entrance for GPO
- **Assistant Principal, Business** 12ft x 12ft minimum
 - ◆ Located near the Supply room
 - ◆ Secured service window for issuing and receiving money, tickets etc.
 - ◆ Administrative officer's office 12ft. x 12ft.
 - ◆ One (1) of locking storage closet 4ft. x 4ft.
 - ◆ Clerical space 240 sq. ft.
- **Assistant Principal SPED**
 - ◆ Reception area with phone and internet access 250 sq. ft.
 - ◆ One (1) of 12 ft x 12 ft. office for Assistant principal
 - ◆ Three (3) of 10 ft. x 10 ft. offices for CRTs
 - ◆ One (1) of 12 ft. x 12ft. office within for LOTE Coordinator
 - ◆ One (1) Conference room within 15 ft. x 15 ft.
- Security**
 - ◆ Room for monitoring closed circuit TV
 - ◆ Outside covered areas for monitoring visitor entrance

17. Allied Health Program (Nursing Program)

- Classroom Setting and seating size
- Central Air Conditioned
- Laboratory - half of classroom size

18. Counseling Center

- Should be located adjacent to main office for easy access to Records Room
- Central Air Conditioned
- Internet and Phone Access in all work areas and rooms
- Electrical outlets on all walls
- Reception Area/ College Career Center 200 sq. ft.
- Eight (8 each) - Counselor Officer 10ft. x 10ft.
- Conference Area 12ft. x 12ft.
- Storage Room 12ft. x 8ft.

Attachment "B"

Construction of New John F. Kennedy High School
 Finance, Demolition, Design, Build, Maintain, Leaseback (FDDBML)
 Project No. 700-5-1020-L-TAM

19. **Records Room One (1)**
- Fireproof
 - Capable of housing 25,000 student records
 - Located in Central Book locker
 - Air conditioned
 - Electrical outlets on all walls
 - Small lockable area within for personnel records
20. **Custodial/ School Aide Break Room One (1) 250 sq. ft. ,**
- Air Conditioned
 - Internet and phone access
 - Electrical outlets on the walls
 - Two (2) Single occupancy adult restrooms (Men, Women)
 - Defined area for vending machines with floor drain
21. **Custodial Closets Four (4) 8ft. x 8ft.**
- Two (2) per floor, located at opposite ends of building
 - Equipped with sink and running water and faucet for hose
22. **Restrooms**
- **Faculty Restrooms Three (3) sets**
 - ◆ One located in Faculty Lounge
 - ◆ One located at opposite end of the building
 - ◆ One set located upstairs
 - **Student Restrooms**
 - ◆ Adequate for 2300 students
23. **Storage Rooms**
- **Paint and Hazardous Material Storage Room**
 - ◆ Location separate from main building
 - ◆ Natural ventilation
 - ◆ Five (5) rooms of 10ft. x 10ft.
 - ◆ Each with its own solid access door
 - WAY Student Government Storage Room 15ft. x 15ft.
 - **General Storage Room**
 - ◆ Air Conditioned
 - ◆ 220 V outlet for Xerox
 - ◆ 900 sq. ft.

Attachment "B"

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDBML)
Project No. 700-5-1020-L-TAM

Attachment "B"
Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDDBML)
Project No. 700-5-1020-L-TAM

(AD-2)

- ◆ Heavy duty metal shelving for supplies
- ◆ Outside double doors for delivery

24. Faculty Lounge (1) and Faculty Work Area (1) 900 sq. ft.

- Air Conditioned
- Internet and Phone access
- Electrical outlets on all walls and for computer workstations with Xerox machine
- Defined area for vending machines with floor drain
- One (1) bulletin board installed
- Two (2) restrooms - Male and Female
- One (1) counter with sink
- Storage area for Xerox paper

25. Lockers

- **Student Lockers**
 - ◆ 1/3 Full locker size located within classrooms 30/room
- **Central Book Locker - one (1)**
 - ◆ Book locker area should have floor to ceiling shelves;
 - ◆ Heavy duty metal rows with sufficient room to move about with portable step platforms to access upper shelves
 - ◆ Double wide metal doors for access from outside for receiving shipments
 - ◆ Business window with counter area for issue/receiving textbooks and associated instructional materials that opens into quad area
 - ◆ Heavy duty tables for packing /unpacking materials and numbering for inventory control.

26. Chemistry and Physics Building -

- Design this science building to mirror Okkudu's chemistry and physics classrooms
- **Chemistry Classrooms**
 - ◆ Single story
 - ◆ Two (2) classrooms
 - ◆ Lab and storage rooms located between the two classrooms
 - ◆ Exhaust and ventilation system located within the lab
- **Physics Classrooms**
 - ◆ Classroom lab within the classroom
 - ◆ Storage room

Attachment "8"

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDBML)

(AD-2)

27. GCC Auto and Construction Trades

- East of Annex Building, between building and fence by Marine drive

Auto and Construction Trade Shops

- **Auto Shop**
 - ◆ Two (2) car bay work area
 - ◆ Eight (8) inch re-enforced floors
 - ◆ Airlines for compressor
 - ◆ Include classroom space for twenty-five (25) students
- **Construction Trade Shop**
 - ◆ Shop setting to accommodate classroom trades for plumbing, masonry, carpentry, and electrical
 - ◆ Include classroom space for twenty-five (25) students

28. MIS Room (160 square meter or 16'x10')

- In addition to a computer operators office space, a Main Information System, MIS room is needed to house network equipment that will feed all the northern schools of GPSS
- **Electrical loads should include:**
 - ◆ PBX equipments
 - ◆ servers, routers, printers
 - ◆ Air Conditioner

29. Center Courtyard

- Adequate lighting for gathering around the courtyard

30. Hallways

- Widen hallways to accommodate and prevent students from getting wet during rainy days
- Install concrete benches in front of each classroom and other areas deemed feasible
- Install concrete tables and seat, or other provisions for outdoor seating, at corner areas of the courtyard (see Tuman beaches, similar or better)

31. Collateral Equipment

- See attached list of JFK high school collateral equipment; equipment furnished shall be provided by manufacturers regularly engaged in the manufacture and supply of such items, and shall of standard quality, suitable for use in a normal high school setting. Contractor shall submit material and equipment submittals to be evaluated based on the specifications in the attached collateral equipment list.

Attachment "B"

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDBML)

(AD-2)

JFK High School		Quantity	Unit	COMMENTS
Item No.	Item			
STANDARDIZED CLASSROOM EQUIPMENT		Total: 30		
	Computer Desk (Rectangular Work station 60" w X 24" d X 32.5" h)	90	Each	
2	Computer System	270	Each	
3	Laptop System	90	Each	
4	Multi Media Projector	28	Each	
5	Document Camera	19	Each	
6	Projector Screen (ceiling mounted 120"/PSBC120)	90	Each	
7	Printer & Scanner	90	Each	
8	MEDI CAN STEP CAN, RED, PLASTIC LINER	90	Each	
9	Storage Cabinet 30"x15"x66"	90	Each	
10	Student Combo Desk & Chair Chrome Frame (36 in.)	2740	Each	
11	reacher Chair	90	Each	
12	Teacher Desk(double pedestal) Model#88004	90	Each	
13	Legal Size 4 Drawer 512CP	90	Each	
14	Teacher Podiums	90	Each	
15	Wall Mount Guam Classroom Flag, 2' x 3'	90	Each	
16	World Map & Globe Combo, 4th to 12	70	Each	
17	Wall Mount U.S. Classroom Flag, 2' x 3'	90	Each	
18	Fire Extinguisher	180	Each	
19	Surge Protectors	180	Each	
20	Table, Adjustable Height, 30" x 72"	90	Each	
21	White Board 60"x36"	180	Each	
22	Bulletin Board 60"x36"	180	Each	
SPECIALTY PROGRAMS CLASSROOM EQUIPMENT		Total: 27		
	Book Shelves 4 tier	7	Each	
2	Computer Desk (Rectangular Work station 60" w X 24" d X 32.5" h)	24	Each	
3	Computer System	85	Each	
4	La to S stem	27	Each	
5	MEDI CAN STEP CAN, RED, PLASTIC LINER	27	Each	
6	Multi Media Projectorr	14	Each	
7	Document Camera	0	Each	
8	Projector Screen (ceiling mounted 120"/PSBC120)	26	Each	
9	Printer & Scanner	26	Each	
10	Storage Cabinet 30"x15"x66"	26	Each	
11	Student Combo Desk & Chair Chrome Frame (36in.)	440	Each	
12	Teacher Chair	27	Each	
13	Teacher Desk(double pedestal) Model#88004	26	Each	
14	Legal Size 4 Drawer 512CP	26	Each	
15	Teacher Podiums	20	Each	
16	Wall Mount Guam Classroom Flag, 2' x 3'	20	Each	
17	Wall Mount U.S. Classroom Flag, 2' x 3'	20	Each	

JFK High School		Quantity	Unit	COMMENTS
Item No-	Item			
18	Drying Rack for Art Classrooms	8	Each	
19	EnviroVentilation System, Skutt	5	Each	
20	Surge Protectors	54	Each	
21	White Board 60"x36"	27	Each	
22	Bulletin Board 60"x36"	27	Each	
SUPPORT PROGRAMS OFFICE EQUIPMENT		Grand Total		
	Library ES Program School Health Office Music Office Guidance Office			
	Book Shelves 4 tier	15	Each	
2	Bulletin Board 60"x36"	15	Each	
3	Bulletin Board 60"x36"	15	Each	
4	Computer Desk (Rectangular Work station 60"w X 24"d X 32.5"h)	5	Each	
5	Computer System	9	Each	
6	La to S stem	14	Each	
7	Multi Media Projector	5	Each	
8	Printer & Scanner	16	Each	
9	Round Steel Wastebasket, 5.8 Ga	15	Each	
10	Storage Cabinet 30"x15"x66"	16	Each	
11	Teacher Chair	15	Each	
12	Teacher Desk(double pedastal) Model#88004	15	Each	
13	Legal Size 4 Drawer 512CP	28	Each	
14	Wall Mount Guam Classroom Flag, 2' x 3'	1	Each	
15	Wall Mount U.S. Classroom Flag, 2' x 3'		Each	
16	Surge Protectors	15	Each	
SUPPORT PROGRAMS OFFICE EQUIPMENT		Grand Total		
	Automotive Construction Trades Allied Health Home Science Marketing Education			
	Computer Desk (rectangular work station 60" w X 24" d X 32.5" h)	5	Each	
2	Computer System	16	Each	
3	Student Combo Desk & Chair Chrome Frame (36in.)	80	Each	
4	Teacher Chair	8	Each	
5	Teacher Desk(double pedastal) Model#88004	8	Each	
6	Wall Mount Guam Classroom Flag, 2' x 3'	8	Each	
7	Wall Mount U.S. Classroom Flag, 2' x 3'	8	Each	
8	Fire Extinguisher	10	Each	
9	Surge Protectors	16	Each	
10	MEDI CAN STEP CAN, RED, PLASTIC LINER	27	Each	
11	Folding Table, Blow Molded Top	10	Each	

JFK High School		Quantity	Unit	COMMENTS
Item No.	Item			
STORAGE ROOMS				
1	Heavy Duty Steel Utility Shelf, 5 Tier, for storage rooms	160	Each	
2	3 Drawer 31" [3-3122-C] Lateral Fireproof File Cabinet	16	Each	
3	Steps platforms		Each	
4	Foldin Table, Blow molded top			
SCIENCE				
1	18" Stacking Chair	60	Each	
2	Beakers Various sizes (Case)	30	Each	
3	Biohazard Waste Disposal	1	Each	
4	Bunsen Burner (Single)	30	Each	
5	Chemical Storage Cabinet	2	Each	
6	Dissecting Kit	60	Each	
7	Disecting Pan	60	Each	
8	Disecting Pins(Boxes)	60	Each	
9	Erlenmeyer Flask Various Sizes (Case)	40	Each	
10	Graduated Cylinders Various sizes (Case)	40	Each	
11	Hazardous Waste Storage Bin	4	Each	
12	Material Safety Data Sheet CD	2	Each	
13	Meter Sticks	28	Each	
14	Microscope	56	Each	
15	Petri Dish	56	Each	
16	Prepared Slides Assorted Set	4	Each	
17	Pull Scales	4	Each	
18	Stainless Steel Trolleys	4	Each	
19	Test tubes 150 ML (Case)	4	Each	
20	Triple Beam Balance	4	Each	
21	Aquaium 50 Gallon with Accessories	2	Each	
22	Human Skeleton Model	14	Each	
23	Meosis Model	14	Each	
24	Mitosis Mxciel	14	Each	
25	Cell Model	14	Each	
26	Eye Model	14	Each	
27	Magnifying Glass	28	Each	
28	Science Table w/ Epoxy ResIn Top	30	Each	
29	Swivel Stool with Backrest	60	Each	
SPEED				
	TV-27 in.	1	Each	
2	VHS/DVD Player	1	Each	
3	Sofa Set w/dining table	1	Each	
4	Twin bed set	2	Each	
5	Kitchen Table		Each	
6	Microwave		Each	
7	Rice cooker		Each	
8	Electric Range		Each	
9	Washing Machine		Each	
10	Dryer		Each	

JFK High School		Quantity	Unit	COMMENTS
Item				
1	American Flag Set		Each	
2	Color Guard Flag Harnest	4	Each	
3	Display Case	2	Each	
4	Guam Flag Set		Each	
5	PA System (Mixer-Amp, Speakers, Speaker Stands, Cables, Microphones)	1	Each	
6	Podiums	2	Each	
7	Saber Swords	4	Each	
8	Velvet Chain with stand	20	Each	
9	AV Carts 44"	2	Each	
10	TV-27 in.	2	Each	
11	VHS/DVD Player	2	Each	
BAND/CHOIR				
1	Acoustic Piano (upright)		Each	
2	Bass Guitar	2	Each	
3	Bass Guitar Strings Set	2	Each	
4	Blessing Flute	2	Each	
5	Blessing Piccolo	2	Each	
6	Choir Shell Complete Set	3	Each	
7	Clarinet	2	Each	
8	Director Chair		Each	
9	Flutes		Each	
10	Guitar Strings Set (Acoustic)	10	Each	
11	Guitar Strings Set (Bectric)	10	Each	
12	Keyboard Music Stand	2	Each	
13	Keyboard Speakers	2	Each	
14	Maracas	2	Each	
15	Music Chairs	35	Each	
16	Music Sheets Band (asst.)	1	Each	
17	Music Sheets Choir (asst.)	1	Each	
18	Music Stand	40	Each	
19	Orchestra Bells		Each	
20	PA System (Mixer-Amp, Speakers, Speaker Stands, Cables, Microphone)		Each	
21	Tuba (4/4)		Each	
22	Yamaha Tyros 2 Keyboard	2	Each	
23	Electric Keyboard w/amp & stand	1	Each	
24	Electric Keyboard Amp	2	Each	
25	Electric Bass w/amp	2	Each	
26	Electric Guitar w/Amp	2	Each	
27	Instrument Storage Cabinets	1	Each	
28	Carry/Storage Racks for Music Stands	4	Each	

JFKHigh ScJlo(I)		Quantity	Unit	COMMENTS
Item No,	It:e			
2	5 Station/4 Stack Weight Station	1	Each	
4	Ball Carry Net	3	Each	
5	Ball Rack	3	Each	
6	Base (3 base set)	2	Each	
7	Basketballs	28	Each	
8	Batons, Alumnum Relay	10	Each	
9	Bats	10	Each	
10	Clipboards, Sports (Basketball, Soccer, Volleyball, Football)	6	Each	
11	Cone Cart	1	Each	
13	Dumbbells with Portable Rack	1	Each	
15	Equipment Bag 24x36"	4	Each	
16	Fast Pitch Softball Pack	2	Each	
17	First Aid Kit, 58 pc Trainer Set	6	Each	
18	Flag Belt System	2	Each	
19	Flag Football Set Velcro Blue	2	Each	
20	Flag Football Set velcro Green	2	Each	
21	Flag Football Set velcro Red	2	Each	
22	Flag Football Set velcro Yellow	2	Each	
23	Flat Bench	2	Each	
24	Flat Weight Bench	3	Each	
25	Football Official Size	20	Each	
26	Golf Bag Trolley	3	Each	
27	Golf Balls, Wiffle	3	Each	
28	Golf Club Set	3	Each	
29	Golf Ground Cups	3	Each	
30	Gym Mats, 6' x 12'	4	Each	
31	Hurdles, Handy Hurdles™	8	Each	
32	Indoor Soccer Goal	2	Each	
33	Measuring Tape	6	Each	
34	Measuring Wheel	6	Each	
35	Megaphone	6	Each	
36	8 x 4 Wall Mirrors	7	Each	
37	Olympic Barbell Set	2	Each	
38	Outdoor Soccer Goal	2	Each	
39	Pinnies, 30 Pack	2	Each	
40	Plate Rack	2	Each	
41	Portable Basketball System	2	Each	
42	Portable White Board	6	Each	
43	Referee Stand	2	Each	
44	Rugby Ball	10	Each	
45	Safety Cones 15"	12	Each	
46	Safety Cones 18"	24	Each	
47	Safety Cones 28"	12	Each	
48	Safety Cones 48"	10	Each	
49	Score Board	2	Each	
50	Shower Curtain	10	Each	
51	Soccer Goal Net	2	Each	
52	Soccer Goal Post	2	Each	
53	Soccerballs	24	Each	
54	Softball Bases	4	Each	
55	Softball Class Pack, Secondary. Include Balls, Gopher Sport	1	Each	
56	Stationary Bike	2	Each	

JFK High School		Quantity	Unit	COMMENTS
Item No.	Item.			
57	Stopwatch	6	Each	
58	Table Tennis	2	Each	
59	Table Tennis Balls, Pack of 144 pcs	2	Each	
60	Table Tennis Paddle	6	Each	
61	Tennis Balls	4	Each	
62	Tennis Net	2	Each	
63	Tennis Raquets Asst.	6	Each	
64	Timer	1	Each	
65	TreadmiH	2	Each	
66	Tug-of-War Rope	2	Each	
67	Universal Gym (leg press, arm, laterals, etc)	1	Each	
68	Volleyball Net	2	Each	
69	Volleyball Net, Competition-Grade	2	Each	
70	Volleyball Standard, Portable	2	Each	
71	Volleyballs	24	Each	
72	Weight Bench	2	Each	
73	Weight Bench	2	Each	
74	Wrestling Mat 10 x 10	4	Each	

JFK High School		Quantity	Unit	COMMENTS
Item No.	Item			
75	Washer	1	Each	
76	Dryer	1	Each	
86	All-Terrain Equipment Wagon	1	Each	
87	All-Terrain Ball Master Rack	1	Each	
88	Utility Cart w/Cabinet (Blue)	2	Each	
89	30-Pedometer	2	Each	
90	8.5" dia Set Utility Balls - Set of 6	1	Each	
91	40" dia Omnikin Ball/Bladder	1	Each	
92	Archery Storage Cart	1	Each	
93	Bear Target Annular	30	Each	
94	Bear Shooting Tab	30	Each	
95	36" Self-Healing Ethafoam Target	6	Each	
96	Roll-Away Target Stand	6	Each	
97	28"L Arrows (Set of 72)	1	Each	
98	30"L Arrows (Set of 72)	1	Each	
99	Package w/ 48"H Backboard (Forest Green Padding)	2	Each	
100	Bison Locking Ball Cart (Blue)	1	Each	
101	Rainbow Cyclone Basketballs, Size 6 (Set of 6)	1	Each	
102	Rainbow Cyclone Basketballs, Size 7 (Set of 6)	3	Each	
103	Fiberglass Stackable Benches - Yellow	6	Each	
104	Rainbow Set Half-Cones (Set of 36)	1	Each	
105	Storage Caddy	1	Each	
106	25 lb Capacity Dry Line Marker	1	Each	
107	English Measuring Wheel	1	Each	
108	Health-O-Meter Floor Scale	1	Each	
109	UltraFit Class Step Fitness Steps (Set of 26)	1	Each	
110	Class Step Cart	1	Each	
111	Folding Goal w/ Net	2	Each	
112	Size 4 Rainbow Set	2	Each	
113	GOPHER Performer Plus Size 5 Official	12	Each	
114	Team Croquet	1	Each	
116	Mat Transport Carts 58"L x 22"W Cart, 30 lb	3	Each	
117	Tumbling Mats, Embassy Vinyl 6' x 12', 45 lb, Velcro on 2 ends,	10	Each	
118	Mat Mover	2	Each	
119	AAI Graphite Parallel Bars	1	Each	
120	48"L x 24"W x 2"-12"H, Wedge, Blue	1	Each	
121	AAI Junior Coil Board	1	Each	
122	Vaulting Buck	1	Each	
123	Alumaflex Competition Balance Beam	1	Each	
124	6x15.5x12cmv4 Balance Landing Mat	1	Each	
125	Universal Transporters	1	Each	
126	Deluxe Heavy-Duty Electric Inflator	1	Each	
127	0.5 hp Inflator/Deflator	1	Each	
128	Softcrosse Set, 12 Sticks, 12 Balls	2	Each	
129	Right Throw	24	Each	
130	Left Throw	12	Each	
131	Diamond 12RFPSC	24	Each	
132	All-Terrain Lockable Totemaster	1	Each	
133	DOM Clear Paddle	24	Each	
134	Body Ball Game	1	Each	
135	Rainbow Set of Large (36"L x 24"W) Mesh Bags - Set of 6	1	Each	
136	Hi-Lo Scoop set	12	Each	
137	Pull-out bleachers for 1000 seatings	1	Each	

JFK High Schoell		Qpantfy	Unit	COMMENTS
Item No.	Item			
143	Olympic Weight Set (Gray Plates)		Each	
145	Tricep Rope		Each	
146	Tricep Bar	1	Each	
147	Power Source Smith Machine with Counter-Balance System, Gray	1	Each	
148	Adjustable FlaVIncline/Decline, Bench, Gray Frame, Dark Green		Each	
149	Weight Pins	24	Each	
150	Spring Collars	24	Each	
151	Plate Set w/Rack	1	Each	
Dance Room				
155	Storage Cabinet 30" x 15"x 66"	2	Each	
156	Califone PowerPro Deluxe PA.Music System capabilities)	1	Each	
157	Utility Cart w/Cabinet (Blue)	1	Each	
Baseball/Softball Field				
1	MP-5 Fast Pitch SB Mobile Trainer (MP5-761-104)	1	Each	
2	X-tender Batting Cage 72'x12'x12' [TS-XT799]	1	Each	
Girls & Boys Lockerroom				
1	12"D Six Tier Ventilated Locker, Triple-Wide, Unassembled (grey)	18	Each	
MHS PE Office				
JHS PE Office				
INFORMATION TECHNOLOGY				
MIS Network Room				
	CyberServer 8015C-TB 1U Quad Intel Xeon Server		Each	
2	Blade Server Quad Core Blades	1	Each	
3	SAN - Storage Area Network, with at least 2 Terabytes of storage	1	Each	
4	Computer System	2	Each	
5	Laptop System	1	Each	
6	Computer Desk (Rectangular Work station 60"w X 24"d X 32.S"h)		Each	
7	Gigabit Switches	150	Each	
8	Server Rack- APC NetShelter AR3157 48U Rack	2	Each	
HOME ECONOMIC				
	Folding Table, Blow Molded Top	4	Each	
2	Refrigerator	1	Each	
3	Washing Machine	1	Each	
4	Dryer		Each	
5	Sewing Stations Complete	20	Each	
Amphitheater (Court Yard)				

JFK High School		Quantity	Unit	COMMENTS
Item No.	Item			
	HDJ S-550 Package Sound Equipment Item#: S-550-PACK Complete with: Stanton S-550 2U Dual CD Player Gemini MM-01 4-Channel Stereo Mixer PD-8 Power Center Hollywood DR-306 Wireless Mic System Naxa NX-916 Headphones Oct sse FR1003 Rack Case		Each	
FINE ARTS PHOTOGRAPHY				
1	Digital Camera	20	Each	
2	Computer System	3	Each	
3	Printer & Scanner	5	Each	
4	Storage Cabinet 30x15x66	2	Each	
5	Computer Desk (Rectangular Work station 60"w X 24"d X 32.5"h)	2	Each	
FACULTY WORK AREA				
	Table, Adjustable Height, 30" x 72"	6	Each	
2	Refrigerator	1	Each	
3	Microwave	1	Each	
4	Storage Cabinet 30x15x66	2	Each	
5	Die Cut	1	Each	
6	Paper Dispenser (Butcher Paper Rack)	2	Each	
7	Paper Shredder	1	Each	
8	Laminating Machine	1	Each	
9	Paper Trimmer	2	Each	
10	Stackable Chairs	12	Each	
MAIN OFFICE				
	2 Drawer Filing Cabinets	10	Each	
2	2 Way Radios	32	Each	
3	4 Drawer Filing Cabinets	8	Each	
4	Lenox Series Two Chairs w/Connecting Center Table, L2111G5 by Lesro	28	Each	
5	Computer System	12	Each	
6	La to S stem	2	Each	
7	Display Case	4	Each	
8	Paper Shredder	1	Each	
9	Printer & Scanner	2	Each	
10	Round Steel Wastebasket, 20 Ga	16	Each	
11	Table, Adjustable Height, 30" x 72"	4	Each	
12	AnalogNOIP Business Telephones for all offices & classrooms	151	Each	
13	PBX Network Equipment for phone system & internet (Cisco switches, Shoregears Intel)	6	Each	

JFI< HfghSchciol		()uantity	Unit	COMMENTS
Item No.	Item			
PRINCIPAL				
	The Corsica Veneer Conference Room Furniture features elegant lines with excellent durability AA-grade North American hardwood veneers Hand selected veneer to ensure matching grain patterns Surface protected with two-coats of high-tech catalyzed lacque		Each	
2	High-Back Executive Leather Chair (87501-FS-BOSS)	12	Each	
3	Embassy Executive Desk Set (60850-FS-BS)		Each	
4	HON 700 Series 42" W Lateral Files w/Storage	2	Each	
5			Each	
6	Multi Media Projectorr		Each	
7	Document Camera		Each	
8	Printer & Scanner		Each	
9	Stackable Chairs	10	Each	
ASSISTANT PRINCIPALS				
	Boat Shape Conference Table	2	Each	
2	High-Back Executive Leather Chair (B7501-FS-BOSS)	24	Each	
3	Embassy Executive Desk Set (60850-FS-BS)	4	Each	
4	HON 700 Series 42" W Lateral Files w/Storage	4	Each	
5	Letter Size 2 drawer 514CP	8	Each	
6	Megaphone	4	Each	
7	La to S stem	4	Each	
8	Multi Media Projector	4	Each	
9	Document Camera	1	Each	
10	Printer & Scanner	4	Each	
11	Stackable Chairs	32	Each	
12	Whiteboards 4x6	4	Each	
COUNSELORS				
	2 Drawer File Cabinet	8	Each	
2	4 drawer lateral file in charcoal "(36"w X 19 1/4"d X 53 1/4"h.) Hon Catal .166	12	Each	
3	Teacher Chair	2	Each	
4	Teacher Desk	2	Each	
5	Whiteboards 4x6	9	Each	
ADMIN OFFICER				
2	4 Drawer File Cabinet	2	Each	
3	Binding Machine System		Each	
4	Cash Box	2	Each	
5	Electronic Safe	1	Each	
6	Key Box Storage, Hold 240 Keys, #k-240	2	Each	
7	Paper Shreddar	1	Each	
8	Storage Cabinet, Metal 36x18x72, #FH-183	2	Each	
9	Teacher Chair	2	Each	
10	Teacher Desk	2	Each	
11	Whiteboard		Each	

JFKHigh School		Quantity	Unit	COMMENTS
ItemNo.	Item.			
12	Printer & Scanner	1	Each	
COMPUTER OPERATOR OFFICE				
	School Management System Storage Area Network Server (Core Blade with SAN)		Each	
2	Printer & Scanner		Each	
3	Surge Protectors	4	Each	

JFK High School		Quantity	Unit	COMMENTS
Item No.	Item			
NURSE'S OFFICE				
1	4 Drawer File Cabinet	15	Each	
2	Balance Beam Scale	1	Each	
3	Biohazard Waste Disposal	2	Each	
4	BMI Scale, SECA 703 Electronic Measuring Station	2	Each	
5	Emergency carts, Medical Supply #73449	1	Each	
6	Exam Light	2	Each	
7	First Aid Couch	4	Each	
8	Folding Portable Curtain	2	Each	
9	Narcotics Cabinet	2	Each	
10	Oto/Ophthalmoscope Set	1	Each	
11	Refrigerator	1	Each	
12	Sphygmomanometer (Blood Pressure Cuffs)	2	Each	
13	Steel Step-On- Can, 12 Gallon		Each	
14	Steel Step-On- Can, 24 Gallon		Each	
15	Stethoscopes, Sprague Rappaport-Type	2	Each	
16	Stretchers, Aluminum Break-Apart #JAS400	1	Each	
17	Thermometer	5	Each	
18	Towel Dispenser, C-Fold	2	Each	
19	Vision Screening Instrument	1	Each	
20	Water Dispensor (Hot, Cold & Room Temp)	1	Each	
21	Wheel Chairs	1	Each	
22	Crutches, Adjustable	8	Each	
CAFETERIA				
1	Cafeteria Table	22	Each	
2	Utility Cart	2	Each	
3	Teaspoon, Stainless Steel, Dozen	60	Each	
4	Dinner Fork, Stainless Steel, Dozen	60	Each	
5	Melamine Six Compartment Tray	600	Each	
6	Trash Cans	10	Each	
7	Mop Bucket & Wringer	1	Each	
8	6' x 4' Non-slip Rubber Mat for entrance way	6	Each	

JFK High School			Unit	COMMENTS
Item No.	Item			
00	1			
1	60 DIAx29 in Brodart #60-850-000	3	Each	
2	Card Catalog Cabinets	3	Each	
3	CD/Cassette Player	2	Each	
4	Library Automation Software, Book Bar Coder and Scanner		Each	
5	Circulation Desk System	1	Each	
6	Computer System	3	Each	
7	Overhead Projector Cart	3	Each	
8	Periodical Displayers	2	Each	
9	Portable White Board	1	Each	
10	Printer & Scanner	6	Each	
11	Projector - Overhead 3m	3	Each	
12	Round Folding Table	10	Each	
13	Georgia Chair Library Chair with Sled Base 503-S b Georgia Chair	50	Each	
14	Table, Adjustable Height, 30" x 72"	4	Each	
15	Traditional Single-Sided Book Truck	3	Each	
16	Tripod Projector Screens	1	Each	
17	AV Carts 44"	16	Each	
18	TV- 27 in.	16	Each	
19	VHS/DVD Player	16	Each	
20	Library Reference Books	6	Each	
LIBRARY/MEDIA CENTER				
	Computer System	18	Each	
2	Computer Desk (Rectangular Work station 60"w X 24"d X 32.5"h)	6	Each	
3	Digital Camera	4	Each	
4	Multimedia Projector		Each	
5	Cam Corder, Panasonic Palm corder Mini DV Digital		Each	
6	Tripods for Video Camcorder		Each	
LIBRARY/TECHNICAL				
30	2 Drawer File Cabinet	1	Each	
31	4 Drawer File Cabinet	1	Each	
32	Storage Cabinet	1	Each	
33	Teacher Chair	1	Each	
GENERAL/STUDENT EQUIPMENTS				
1	Trash Cans (at least 39 gallons)	20	Each	
2	Mop Bucket & Wringer	4	Each	
3	Platform Trucks (70"Length X 40"Width)	2	Each	
4	Water Dispenser (Hot, Cold & Room Temp)	3	Each	
5	MEDI CAN STEP CAN, RED, PLASTIC LINER	10	Each	
6	enMotion Impulse Dispenser Blue	24	Each	
9	LevRmatic Roll Towel Dispenser	50	Each	

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDDBML)
TECHNICAL SPECIFICATIONS
Project No. 700-5-1020-L-TAM

Attachment "C"

I. BUILDING SYSTEMS, MATERIALS AND EQUIPMENT

The following descriptions and comparisons are organized by specification section. Civil, structural, mechanical and electrical discussions follow the architectural section.

Building construction shall be cast-in-place or pre-cast concrete or CMU for walls and cast-in-place or pre-cast concrete with monolithic concrete topping for floor or roof slabs.

A. Architectural

1. Miscellaneous Metals

Stainless steel or aluminum will be used to provide the best longevity for all exposed metals. Interior miscellaneous metals will be galvanized or prime coated steel.

2. Carpentry

Hardwood shall be used for finish carpentry such as casework, doors and trim. Casework will be wood veneer faced with plastic laminate counter tops. Interior wood blocking will be treated lumber.

3. Insulation

- a. The model energy code allows an overall thermal value with an OTV not to exceed 27.8 btu/sf. On this basis, a roof U- value of 0.10 (R-10) is adequate without any need for wall insulation.
- b. Roof insulation will be placed inside the building to avoid the need to protect it from the elements. For spaces with ceilings, unfaced 2-1/2" fiberglass board insulation pin

Attachment "C"

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDDBML) Project
No. 700-5-1020-L-TAM

impaled to the underside of the roof shall be used.

- c. For conditioned Hallways without ceilings (exposed structure), spray applied cementitious insulation will be used.

4. Roofing

Roofing materials over concrete slabs will be fluid-applied urethane. A heavy-duty multithane roof coating, 65 mils thick (off-white color) shall be used or approved equal. Manufacturer will provide a 5-year warranty and shall be installed by a certified roof specialist.

5. Windows, Exterior Doors and Glazing

- a. Exterior windows and louvers will be aluminum with a color polyester (Kynar) finish. Fire-rated interior openings will have steel windows
- b. Exterior doors and frames will be aluminum. Interior doors will be solid core wood door with painted or veneer finish or aluminum doors and frames.
- c. Exterior glazing will be laminated or tempered security glass. Provide typhoon shutters for exterior window and doors.

6. Floor Finishes

Unglazed ceramic tiles will be used at classrooms, multi-use room, library and administrative areas. The service kitchen, serving line area and entrance locations for the classroom building will be quarry tile. Toilet rooms floors will be ceramic tiles. Exposed natural concrete at the mechanical/electrical rooms, bulk storage and exterior walkways will be sealed with a penetrating sealer.

7. Exterior Wall Finish

Exterior walls finish will be fair-faced concrete with a paint finish. Paint will be 100% acrylic emulsion by manufacturers providing a tropical formulation.

8. Ceilings

Attachment "C"

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain. Leaseback (FDDBML)
Project No. 700-5-1020-L-TAM

Classrooms, administration, nurse's office and library ceilings and portions of the corridors will be 2' x 4' acoustical tile on metal suspension system. Conditioned areas with open ceiling shall be properly designed with appropriate exposed insulation, ductwork and lighting. Un-conditioned areas with open ceilings shall have clean concrete finishes.

9. Toilet and Restrooms

Floors non-skid ceramic tiles and walls will receive ceramic tiles. lavatory counters will be concrete faced. Toilet partitions will be concrete.

10. Fire Protection

Portable fire extinguishers will be provided at each classroom, kitchen, other occupied areas, mechanical/electrical rooms and at exit ways. Fire extinguisher cabinets serving public areas will be at secure locations or in locked cabinets. Extinguishers will be 12- lbs.. multiple purpose dry chemical extinguisher (light hazard). Electrical room and mechanical rooms will have 10-lbs. bracket mounted multiple purpose dry chemical extinguisher. Extinguishers will be located within a maximum travel distance of 75-feet.

11. Signage

An exterior school identification sign shall be installed. Additionally, individual building and room identification signage will be specified.

B. Civil

1. Storm Drainage Systems

- a. Runoffs considered in this design for disposal into percolation basins are from the developed area. Runoffs from undeveloped area of the properties will drain as is or remain on its present condition.
- b. The site drainage system will utilize underground percolation fields below play and landscape areas, where appropriate. The design of these percolation fields are based on a 20-

Attachment "C"

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDDBML)
Project No. 700-5-1020-L-TAM

year (5% exceedance) storm.

- c. Surface runoffs will be collected by means of drain inlets or catch basins. Underground drainage pipes will be used to convey storm water from inlets to outlets. If needed, surface drainage swales and ditches will also be provided. These swales and ditches, if deemed necessary, will be either grass-lined, or provided with concrete lining or grouted rip-rap stones to prevent erosion.
- d. Ponding Basins shall be used where suitable for the disposal of storm water on-site.

2. Water Service

- a. Contractor shall verify closest waterline connection.
- b. Contractor is responsible for the connection and upgrading of waterline to comply with GWA requirements.

4. Wastewater System Improvements

- a. Contractor shall verify closest sewer line connection.

5. Drop-Off Areas (Bus and Car)

- a. The project site must have entry and exit points. Appropriate pavement marking and signs must be provided to designate the intended flow of traffic within these drop-off areas.
- b. Bus loading and unloading.

C. Structural Systems.

- 1. Structural Design Criteria will be as follows:
U.B.C. - Uniform Building Code 2000
Building code Requirements for Structural Concrete (ACI 318-95)
 - a. Dead Loading

Normal Concrete Weight = 150 pcf

Attachment "C"

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDBML)
Project No. 700-5-1020-L-TAM

1. Double Tee Panel: Guam RMP Double Tees
 - a. 18" deep

Standard Unit	=	44 psf
Composite Unit	=	82 psf
 - b. 44" deep

Standard Unit	=	74 psf
Composite Unit	=	12 psf
 2. Pre-stressed Plank

Base Unit 3.5" thick	=	43.8 psf
Composite Unit	=	81.0 psf
 3. 8 inch CMU Walls = 65 psf
 4. Waterproofing = 8.0 psf
 5. Ceiling = 5.0 psf
 6. Miscellaneous (Utilities) = 3.0 psf
- b. Live Load
1. Classrooms = 40.0 psf
 2. Roof Deck Live Load = 12.0 psf
- c. Seismic Load
1. Design Base Shear

$$V = ((C_v \times I) / R \times T) \times W$$

C_v = Seismic coefficient

I = Importance factor

R = Numerical coefficient representative of the inherent over strength and global ductility capacity of the lateral resisting system

T = Elastic fundamental period of vibration under consideration

W = Total seismic load
- d. Wind Load
1. Velocity - 175 mph as defined by USC Exposure C

2. Foundation

Attachment "C"

Construction of New John F. Kennedy High School
 Finance. Demolition, Design, Build, Maintain, Leaseback (FDDDBML)
 Project No. 700-5-1020-I-TAM

All footings shall rest on the natural compacted soil. Where soft soils are encountered, these will need to be removed and replaced with compacted coral fill.

3. Type of Construction in General.

The structural system can be in concrete masonry unit, cast-in-place, or pre-cast concrete. Contractor to submit design structural system including structural calculations.

4. Wall System

The vertical load resisting system must be composed of concrete bearing walls acting as shear walls. This is the primary lateral resisting element of the structure. The the bearing wall system also provides support of the gravity loads from the roof. Cast-in-place, pre-cast concrete or concrete masonry walls are provided in two orthogonal directions to resist any translation and torsional action imposed on the building.

A system of longitudinal and transverse cast-in-place or pre-cast concrete walls shall provide the lateral resisting element and the primary roof support. Transverse concrete walls at suitable locations will provide shear capability.

Special detailing must be provided for walls with openings.

For non-structural walls, use of reinforced concrete masonry construction or metal stud walls with fiber-cement wall-board and sound-proofing insulation may be provided.

5. Roof System.

Conventional cast-in-place system or pre-cast concrete with poured-in-place concrete topping.

D. Mechanical System

Mechanical system include air conditioning, ventilation, interior plumbing system and fire sprinkler system.

Attachment. "C"

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDDBML)
Project No. 700-5-1020-L-TAM

1. Air Conditioning Systems.

Generally, systems will follow accepted industry practices as reflected in the latest issues of the American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) handbooks.

Systems will be air-cooled to eliminate the need for make-up water and water treatment systems.

Split systems ducted for proper outside air requirements will be used at the Classrooms. The Cafeteria must utilize a package system located outside the building. Distribution duct work will be located above the ceilings except in areas with exposed ceilings.

All exterior condenser units will be properly protected from damage, and where necessary enclosed with fencing and housing

2. Mechanical Ventilation.

Mechanical Ventilation will be provided for all toilets, and other non-air conditioned enclosed spaces.

3. Interior Plumbing systems.

Conventional soil, waste and vent piping system will be used, using DWV plastic piping.

Water piping can be copper or chlorinated polyvinyl chloride.

Drinking fountains must be provided

Sinks must be provided in each classroom (as needed) ADA

requirements must be provided at each toilet room

4. Fire Sprinkler System and Alarm system.

All Existing fire alarm system must be connected to new alarm system verify existing condition for compatibility

E. ELECTRICAL SYSTEM.

Attachment "C"

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDBML)
Project No. 700-5-1020-L-TAM

Contractor to verify the existing distribution power lines and possible power connection points for the new school. The contractor will be responsible for the cost of the underground line extensions to service the school. Contractor is responsible for all upgrading to comply with GPA requirements:

1. Electrical Distribution

Power service to the facility will be from an existing or new pad mounted transformer.

Underground power service from the existing/new pad mounted transformer to automatic transfer switch the main switchboard to the emergency generator and also to the meter.

Underground distribution to main distribution panel board. Existing buildings must be connected to the new electrical system.

Distribution and branch circuit voltage will be:

- Distribution- 208/120 volts or 277/480 volts, 3 phase, 4 wire
- Power to major equipment - 208 or 480 volts, 3 phase
- Fluorescent and HID lighting- 120 or 277 volts
- Small Equipment and appliances - 208/120 volts
- Fluorescent task lighting at counters - 120 volts
- General purpose outlets - 120 volts

2. Lighting

Exterior lighting must be post mounted energy efficient metal halide fixtures for parking and driveways. Pole/fixture assembly must be specified to withstand 175 mph winds with 1.1 gust factor. Wall mounted HID fixtures must be used around the building perimeter for security lighting. Ceiling mounted HID fixtures must be used for covered walkways. Exterior light control must have two levels of automatic switching, The "Night Light" (Security Light) which is "ON" from dusk to dawn and the "Curfew Light" which is "ON" from dusk to a pre-set time before dawn.

Interior lighting fixtures must be energy efficient fluorescent and metal halide.

Attachment "C"

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, leaseback (FDDDBML)
Project No. 700-5-1020-L-TAM

- General lighting applications must use luminaries with T8 fluorescent lamps and electronic ballast.

For areas with high ceiling such as the Multi-use/Cafeteria and covered areas, metal halide or T5HO fixtures will be used.

Exit lights to be provided at egress doors and corridors must be light emitting diode type with built-in emergency battery.

- Task lighting at counters must be provided using slim type fluorescent fixtures with switch control and will be mounted under the overhead cabinets.
- General illumination in classrooms, large offices and open areas will have at least three levels of switching to save energy when natural lighting is available.
- Interior walkways must have automatic curfew lighting and security lighting controls.

Emergency lighting will be provided where required.

3. General Power

A minimum of four general use outlets will be provided in each classrooms. Outlets will be provided at ten (10) feet o.c. at offices. Outlets located outdoors and in wet locations will be weatherproof type with ground fault protection. Outlets in corridors will be heavy duty type.

Power outlets for computers will be isolated type with outlets in each general classrooms, and the library, one outlet per computer station in computer lab and in office areas.

4. Communication Systems

Telecommunications provisions underground conduit will be provided from the GTA service pedestal to the telephone terminal board, Underground system will be provided from the terminal board to the telephone cabinets to individual outlets. Instruments,

Attachment "C"

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDBML) Project
No. 700-5-1020-L-TAM

cables, and wires will be by GTA under separate contract with the government. Telephone outlets will be provided in offices, lobby, conference rooms, classrooms, and work areas.

- Public address/intercom system, clock and program bell provisions and intercom station will be provided in each classroom and office. Interior and exterior speaker system. master clock (equipment must be located in the administration area. Digital ss lave clocks in each classroom, office, library, cafeteria, and work areas. Local area network (LAN) system provisions empty raceway system will be provided for LAN cables. Minimum of one LAN outlet must be provided for in each classroom, offices, cafeteria, library, and nurse station.

Television system prov1s1ons conduit with pullwire for television service from pedestal to main TV cabinet. Cable television distribution from Main distribution frame (MDF) via underground conduit system to the library. Cable television outlets must be provided in each classroom.

5. Fire Alarm System

The fire alarm system must be automatic/manual system with audio/visual alarms throughout the facility.. The fire alarm system will be an addressable analog type. Visual alarm wilf be provided in each public toilet. Smokesmoke detectors will be provided where required. Heat detectors will be provided in mechanical rooms. Duct smoke detectors must be provided where required.

6. Emergency Back-Up Power

Provide emergency back-up generator, automatic transfer switch with concrete housing, spill containment.

Emergency Generator must have the same load capacity as the main distribution panel, with 3-days minimum capacity of diesel fuel.

7. All Lighting System

All lighting, electrical & mechanical equipment must be all energy efficient and must meet Guam Energy Code.

Attachment "C"

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDBML)
Project No. 700-5-1020-L-TAM

Attachment "C"

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDBML)
Project No. 700-5-1020-L-TAM

Construction of New John F. Kennedy High School
Finance, Demolition, Design, Build, Maintain, Leaseback (FDDDBML)
TECHNICAL SPECIFICATIONS
Project No. 700-5-1020-L-TAM

Attachment "D"

I. SITE DEVELOPMENT FOR CONSTRUCTION OF NEW JOHN F. KENNEDY HIGH SCHOOL (FDDDBML)

The following must be considered when developing the preliminary high school layouts for Guam Public School System:

•**Academic Support Areas:** Space such as libraries, teacher workrooms, and computer labs should be located near or within classroom arrangements.

•**Community Use:** the use of public schools by the community is a major issue that affects school layouts in Guam. The facilities most frequently used by the public are:

1. Cafeterias
2. Outdoor Gathering Areas (amphitheaters, covered stadiums, covered courts)
3. Aesthetic Fields and Court Sports

These facilities should be located near visitor and event parking areas. Security is also an issue; making school facilities more available to the public also makes them more vulnerable to vandalism. In the model conceptual plans, each site is organized so that facilities used by the public separate from the remainder of the campus.

Classrooms industrial arts facilities may be used for adult classes. One of the advantages of using courtyard buildings is that individual buildings can be opened after-hours to the public while keeping other academic facilities securely gated.

•**Classroom Arrangements:** Developing smaller clusters of classrooms that are organized around a landscaped courtyard reduces the institutional feeling of a school and creates a more child-scaled environment. Clusters can be organized by grade level, academic subject, or learning teams. Educational programs can also affect classroom arrangements.

•**Energy Use:** Classrooms can be sited to allow controlled lighting conditions (a north/south orientation) and reduced air conditioning costs. Landscaping can also be used to reduce air conditioning costs in classrooms and other areas.

•**General Support Areas:** Administrative offices, dining halls, and auditoriums are areas that can be located away from classrooms, and closer to visitor parking areas. Along with some athletic facilities, these are often spaces visited or used by parents or the public. They should be located in areas accessible to the public, such as locations are near visitor parking lots, public roads, and public walkways.

•**Landscape and Open Space:** Shaping the land, especially near elementary school classrooms, extends the learning environment to the outside of the building. Classroom can be sited around a landscape courtyard, creating more a child-scaled environment in a larger school. Trees can also be used to create attractive pedestrian walkways, provide shade for buildings or play areas, screen undesirable views, and control harsh winds by creating windbreaks. Landscaping a portion of the outdoor areas with large trees makes them liveable in a tropical climate. If it is not possible to afford all landscaping up-front, than develop a landscape master plan that can be implemented overtime. The landscaping portion of a project usually will be less than 10% of the overall site-planning budget-- -- ----

•**Legal Requirements:** Legal or regulatory requirements that may affect site layouts include zoning standards (setbacks, maximum site coverage, height limits, etc.) fire lanes, fire codes and ADA requirements.

•**Lighting:** for both safety and security reasons, provide lighting in all school areas that will be used during evening hours.

•**Mechanical Systems:** The preference for mechanical systems arrangement and configuration is for a decentralized system. Provide space within or near each courtyard building for mechanical equipment that services that area.

•**Physical Education and Athletics:** Athletic fields require large areas of relatively flat land. Outdoor athletics activities are often noisy, and should be located away from classrooms; if used for marching band practice, locate away from residential areas. In order to maximize flexible use of fields by coaching staff, place them together whenever possible. Athletic spaces that are used for games, which the public attends, should be easy to find and placed near visitor or event parking lots.

•**Parking:** Locate parking lots in areas with easy access to local streets. However, it is not desirable to locate parking lots in areas where they dominate public views to the school. Develop a landscape buffer between parking lots and other uses.

•**Pedestrian Walkways:** Campus layout should create safe, walkable campus environments. Pedestrian walkways that connect the primary academic facilities

are kept away from vehicular roads, and other pedestrian connections keep conflicts to a minimum. Whenever possible, create a pedestrian link between the school entry and public walkways or nearby public facilities. A clear, organized, and spacious walkway system helps to orient users and create a well-functioning environment. Walkways are often social gathering areas for students and teachers; provide shade trees and seating areas along them. Because of Guam's frequent rains, all major walkways should be fully covered. Design service roads and pedestrian walkways near athletic fields for dual use by pedestrians and service/emergency vehicles.

•**Social Needs:** Often, areas that are not designated for specific classroom activities are overlooked in school planning programs. These include conference rooms, teacher/parent meeting rooms, faculty meeting areas, and small to large gathering areas for students. School programs should be modified whenever possible to meet social needs.

•**Vehicular Traffic:** It is important to provide a substantial, on-campus area for the drop off and pickup of students by either bus or private auto. Ideally, students should be able to exit from the right hand side of the car onto a pedestrian walkway that leads to school facilities. For safety reasons, locate vehicular roadways away from school activity areas. If it is necessary to route service roads or fire lanes through or near the center campus, then limit deliveries to off-hours. If possible, locate faculty and staff parking lots away from the visitor lot and student drop off and pickup traffic; this allows teachers to avoid the heavy traffic associated with before and after-school activities.

Architectural Styles

There are many types of architectural styles appropriate for Guam's schools. Because of the island's tropical climate, sloped roofs and wide roofs overhangs are recommended.

Gates and Security

Security is a major issue for Guam's schools, and gates and fences often play a strong role in developing the physical character of a campus. This is especially true at public entries, public street edges, and campus interior locations where gates and fences either present a welcoming or unfriendly image for students, parents, and the public. Although security is an important issue, fences and gates or walls similar to those used at Tamuning Elementary School produce a positive image while maintaining security. When it is necessary to use metal-mesh fences in public areas, Provide security lighting along side and rear perimeter walls, and

keep a cleared area near the fence or wall for security reasons.

One of the best ways to keep a campus interior secure is to locate classroom, library, and cafeteria windows so that faculty and staff can observe outdoor activity areas. For courtyard layouts, keep interior courtyard windows large and limit exterior perimeter openings to high windows or louvered vents.

CONSTRUCTION OF NEW JOHN F. KENNEDY HIGH SCHOOL
FINANCE, DEMOLITION, DESIGN, BUILD, MAINTAIN AND
LEASEBACK (FDDBML)

SUPPLEMENT TO
FINAL CONTRACT
TECHNICAL SPECIFICATIONS

PROJECT NO. 700-5-1020-L-TAM

FELIX P. CAMACHO
Governor of Guam

Prepared by:

Department of Public Works
Government of Guam

September 01, 2010

APPROVED BY:



ANDREW LEON GUERRERO
Director
Department of Public Works



/JO R. AHERN
t/resident- CaPFA Capital Corp. 2010A

NERISSA B. UNDERWOOD, Ph.D.
Superintendent
Guam Department of Education

MIGUEL C. BORDALLO
Vice President - International Bridge Corp.

**CONSTRUCTION OF NEW JOHN F. KENNEDY HIGH SCHOOL FINANCE,
DEMOLITION, DESIGN, BUILD, MAINTAIN AND LEASEBACK (FDDDBML)**

**SUPPLEMENT TO
FINAL CONTRACT
TECHNICAL SPECIFICATIONS**

PROJECT NO. 700-5-1020-L-

TAM

**FELIX P. CAMACHO
Governor of Guam**

Prepared by:

**Department of Public Works
Government of Guam**

September 01, 2010

APPROVED BY:


ANDREW LEON GUERRERO

Department of Public Works

JOHNR. AHERN

President - CaPFA Capital Corp. 2010A

U1r!JMu
NERISSA B. UNDERWOOD, Ph.D.

Superintendent
Guam Department of Education

7

Jtt?PZ?/;C^{-y}

MIGUEL C. BORDA.t'LO

Vice President - International Bridge Corp.

John F. Kennedy High School - FDDBML Project

Items included in scope of work:

1. Full service cafeteria: includes full service kitchen and expanded building size to accommodate kitchen; kitchen to be used for on-site meal preparation as well as support to GCC foodservice classes. In addition, GPSS has indicated that the larger space could be used for study-hall or combined class activities when teachers are absent, using removable partitions. With regards to the use of a full-service kitchen, GPSS has indicated that they have retained their kitchen staff and currently use them during emergencies to handle food preparation at other facilities, and that they may be mobilized for duty at any time.
2. Increase gymnasium size: this item was intended to provide additional space within the gymnasium for a stage and additional athletic equipment storage. Storage space was required because the RFP requirement to have storage space underneath the bleachers would not have been possible with pull-out type bleachers needed to maximize floor space within the gymnasium for instructional use, as opposed to event use.
3. Upgrade sports/baseball fields, including lighting, dugouts and bullpen (fence/netting): this item was added to provide for improvement of the existing baseball fields which are only equipped with backstops. The original RFP did not detail any improvements to this substandard facility within the campus and GPSS requested that the facility be brought up to athletic standard for educational and interscholastic athletic use.
4. Renovate bathrooms and add locker rooms at football field: This item addresses a code issue which was not contained in the original RFP. The electrical panels are installed and operated in an unsafe environment (bathroom/shower room) which would be of concern with regard to building code requirements. This item would alleviate those concerns by providing renovations to the bathrooms to separate the electrical panels, and move locker areas to a new area to provide the needed space for such renovations. If the facility was left as is, the locker and showers could not be used by students or teams, and they would have to use facilities located at the main campus.
5. Modify football field lighting: This item provides for modifications to existing lighting, which is not performing currently to GPSS requirements. The proposed work include switching and lamp modifications will allow more flexibility in the use of the facility for practice and competitions, enabling reductions in GPSS annual energy costs.

6. Relocation of GCC classrooms (for preferred location of book storage): GPSS has indicated its preferred location for book storage facility is to be in the existing GCC classroom buildings. This item includes the work required to construct and relocate specialty classrooms for GCC to the lower campus (annex area) and convert the existing classrooms into the book storage facility.
7. Additional windows for clerestory at gymnasium: This item was requested by GPSS to maximize use of natural lighting within the gymnasium and reduce energy costs. It includes increasing the number of windows from what was proposed in the original design submitted with our response to the RFP.
8. Sliding glass doors for lower level classrooms: This item was a result of design coordination with GPSS for ground floor/ courtyard classrooms which may have outdoor teaching components. It includes the addition of sliding glass doors in lieu of one operable window to facilitate transit of students from inside the classroom to outdoors, and also for possible display of artwork, etc. Larger typhoon shutters would also be included.
9. Concrete benches for first floor under 2nd floor exterior walkway: The original proposal included outdoor courtyard seating along the circular concrete steps within the courtyard. GPSS requested additional concrete benches beneath the 2nd floor exterior walkways for shaded seating in addition to the above. This item includes labor and materials to construct and install pre-cast concrete benches for this purpose.
10. Design contingencies: This item includes additional design costs associated with the applicable items above.
11. SPED relocation and temporary offices: The original proposal calls for Special Education classrooms within the facility. Our proposal consolidated the SPED classrooms for design efficiency and cost savings. GPSS has indicated that the SPED classrooms should be interspersed throughout the facility in order to avoid any discrimination issues. This item provides for the relocation of the classrooms to various parts of the main campus, and the attendant extra costs for extending utilities to service these classrooms. This item also includes the costs for temporarily relocating the current SPED operations in the existing Annex building for the term of construction in order to undertake the required construction and renovation. GPSS has required that this temporary location be provided as SPED operations were not considered or addressed in the original RFP. It is the intent that GPSS would own this facility and it would be transported to a site of their choosing upon completion of the permanent facility.
12. Indirect Costs: this item covers extended overhead and indirect cost items for the anticipated construction period needed for these additional items beyond the original 9-months in the RFP.

EXHIBITB

ACQUISITION PRICE AND PROJECT COST BREAKDOWN

Total Hard Project Cost	\$ 45,200,000.00
Labor, Services and Subcontracts	\$ 13,902,000
Materials and Freight	\$ 18,475,000
Equipment	\$ 5,205,000
Design & General Expenses	\$ 1,311,000
~~Fee, Insurance, Bond and Taxes~~	~~\$ 6,307,000~~
Total Soft Project Cost	\$ 19,529,721.05
Capitalized Interest and Reserves	\$ 10,571,385.42
Bond, Finance, Legal and Consulting Costs	\$ 4,196,235.63
Const. Mgmt., Development and Builders Risk	\$ 4,547,100.00
~~Pre-Funded FY2011 Additional Rental~~	~~\$ 215,000.00~~
Total Project Cost	\$ 64,729,721.05

FW: SSHS Negotiation Meeting

Tina Garcia <cgarcia@investguam.com>

Thu, Jul 3, 2025 at 2:16 PM

To: Thuy Nguyen <tnguyen@ssfm.com>

Cc: DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "john.calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, "lester.carlson@bbmr.guam.gov" <lester.carlson@bbmr.guam.gov>, Carlos Bordallo <carlos.bordallo@investguam.com>, "tmb@guamlaw.net" <tmb@guamlaw.net>, "ccruz@traguam.com" <ccruz@traguam.com>, "Mmakio@traguam.com" <Mmakio@traguam.com>, "edward.birn@doa.guam.gov" <edward.birn@doa.guam.gov>, "tkeeler@oagguam.org" <tkeeler@oagguam.org>, "fnishihira@oagguam.org" <fnishihira@oagguam.org>, "donna.herrero@dpw.guam.gov" <donna.herrero@dpw.guam.gov>, John San Nicolas <jsannicolas@investguam.com>, Angelene Rios <angelene.rios@investguam.com>

Attached are copies of the JFK ground lease and the JFK lease agreement with GovGuam.

Again we would need to work directly with the selected developer to complete these documents. I will give a heads up to bond counsel that we are close to selection so they can plan documents accordingly.

Regards,

Tina Garcia

[Quoted text hidden]

2 attachments

 JFK Ground Lease.pdf
696K

 JFK Lease Agreement.pdf
14228K

NOTE: Two other attachments
are 118 and 82 pages let me know
if you want hard copy



Recording Requested By
and When Recorded Return To:

Orrick, Herrington & Sutcliffe LLP
405 Howard Street
San Francisco, CA 94105
Attention: Brooke Abola

State of Guam, Government of Guam
Department of Land Management Office of the Recorder
811461

File for Record in Instrument No.

On the Year 10 Month 9 Day 16 Time 11:57

Recording Fee

DE-OFFICIO

Receipt No.

Deputy Recorder

Sisa G. Manggar

GROUND LEASE

between

GOVERNMENT OF GUAM,

and

CAPFA CAPITAL CORP. 2010A,
a Florida not-for-profit corporation

Dated as of August 1, 2010

GROUND LEASE

THIS GROUND LEASE, dated as of August 1, 2010, by and between the GOVERNMENT OF GUAM (the "Ground Lessor"), as ground lessor, and CAPFA CAPITAL CORP. 2010A, a Florida not-for-profit corporation qualified to do business in Guam (the "Ground Lessee"), as ground lessee;

WITNESSETH:

WHEREAS, the Ground Lessor is the owner in fee of that certain real estate parcel located in Guam and described in Exhibit A (the "Site");

WHEREAS, the Ground Lessor is willing to lease the Site, and the Ground Lessee desires to hire the same from the Ground Lessor, upon the terms and conditions and for the purposes set forth in this lease (the "Ground Lease");

WHEREAS, the Ground Lessee desires to sublease the Site, and lease certain school facilities to be constructed and installed on the Site (collectively, the "Facilities") and certain equipment to be located primarily on the Site (the "Equipment," and, collectively with the Facilities and such subleasehold interest in the Site, the "Project") to the Department of Education, Government of Guam (the "Lessee"), and the Lessee desires to sublease and lease the same from the Ground Lessee, pursuant to and as further described in the Lease Agreement (the "Lease"), dated as of August 1, 2010, by and between the Ground Lessee, as lessor thereunder, and the Lessee, as lessee thereunder;

WHEREAS, the Ground Lessor and Ground Lessee intend that the leasing by the Ground Lessor to the Ground Lessee of the Site shall not effect or result in a merger of the Government of Guam's leasehold estate pursuant to the Lease and the Ground Lessor's fee estate as lessor under this Ground Lease, and the Ground Lessee shall continue to have and hold a leasehold estate in said Site pursuant to this Ground Lease throughout the term hereof and the term of the Lease; and

WHEREAS, all capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Lease;

NOW, THEREFORE, IT IS HEREBY MUTUALLY AGREED as follows:

SECTION 1. Site.

The Ground Lessor hereby leases to the Ground Lessee and the Ground Lessee hereby hires from the Ground Lessor, on the terms and conditions hereinafter set forth, the real property described in Exhibit A attached hereto and made a part hereof, subject, however, to any conditions, reservations, and easements of record as of the date hereof (herein called the "Site").

SECTION 2. Term.

The term of this Ground Lease shall commence on the Certificate Closing Date or upon the date of recordation of this Ground Lease in the Department of Land Management, whichever is later, and shall end at midnight on the date 30 years after such commencement, unless such term is extended or sooner terminated as hereinafter provided.

If on the date 30 years after the date of commencement of the term of this lease, the Certificates shall not be fully paid, then the term of this Ground Lease shall be extended until ten (10) days after the Certificates shall be fully paid, except that the term of this Ground Lease shall in no event be extended beyond the date which is 40 years after the date of commencement of the term of this Lease. If prior to the date 30 years after the date of commencement of the term of this Lease, the Certificates shall be fully paid, the term of this Ground Lease shall end ten (10) days after such payment in full or ten (10) days after written notice by the Ground Lessor to the Ground Lessee (if such payment in full has by then occurred), whichever is earlier.

SECTION 3. Rental.

The Ground Lessee shall pay to the Ground Lessor as and for rental hereunder the sum of One Dollar (\$1.00).

SECTION 4. Use of Site; Reletting of Site by Ground Lessee.

(a) For the term of the Lease, the Ground Lessee shall use the Site solely for the purpose of construction and financing of the Project and the Facilities thereon and leasing the Site, the Project and the Facilities to the Government of Guam pursuant to the Lease and for such purposes as may be incidental thereto.

(b) In the event that the Lease is terminated, the right of the Ground Lessee to sublease the Site (including in connection with any sale of the Ground Lessee's interest in the Facility) is subject to the following terms and conditions:

(i) the permitted use of the Site under the sublease shall be limited to purposes allowed by all land use and zoning laws;

(ii) the sublessee (including in that term any buyer taking subject to this Ground Lease) shall agree to indemnify and hold harmless the Government of Guam and the Ground Lessor against any and all claims, actions, suits, judgments, damages and liabilities arising out of the sublessee's use of the Site;

(iii) the sublease (including in that term any agreement of sale to a buyer taking subject to this Ground Lease) shall contain provisions requiring the sublessee to pay all taxes, to maintain the Project and to provide insurance covering such hazards and in such amounts as is commercially reasonable for similar buildings;

(iv) the sublease shall contain covenants of the sublessee regarding hazardous materials which are substantially the same as the covenants contained in Section 12.01 of the Lease;

(v) the sublease shall provide that the Ground Lessee shall have the right to terminate the sublease following a material breach by the sublessee of any of the terms and provisions required pursuant to clauses (i), (ii), (iii) or (iv) above; and

(vi) following a material breach by the sublessee of any of the terms and provisions of the sublease required pursuant to clauses (i) through (v) above, the sublease shall be subject to termination at the written direction of the Government of Guam.

SECTION 5. Owner in Fee.

The Ground Lessor covenants that it is the owner in fee of the Site, as described in Exhibit A hereto, subject to reversion to the United States in accordance with that certain Transfer dated February 26, 1952 from the United State to the Government of Guam. The Ground Lessor further covenants and agrees that if for any reason this covenant proves to be incorrect, the Ground Lessor will either institute eminent domain proceedings to condemn the property or institute a quiet title action to clarify the Ground Lessor's title, and will diligently pursue such action to completion.

SECTION 6. Assignments and Subleases.

The Ground Lessee shall not assign its rights under this Ground Lease or sublet the Site, except pursuant to the Trust Agreement, the Assignment Agreement and the Lease, unless either (i) the Ground Lessee shall have obtained the written consent of the Ground Lessor, or (ii) the Government of Guam shall be in default under the Lease or the Lease shall have been terminated pursuant to its provisions. Any assignment or sublease pursuant to clause (ii) of this Section shall be subject to the terms and conditions of Section 4 hereof.

CaPFA Capital Corp. 2010A shall have no liability for the Trustee's actions or the exercise by the Trustee of any rights under this Ground Lease. By its execution below, Ground Lessor expressly approves of the above-referenced Trust Agreement and Assignment Agreement.

SECTION 7. Right of Entry.

The Ground Lessor reserves the right for any of its duly authorized representatives to enter upon the Site at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

SECTION 8. Termination.

The Ground Lessee agrees, upon the termination of this Ground Lease, to quit and surrender the Site in the same good order and condition as the same were in at the time of commencement of the term hereunder, reasonable wear and tear excepted, and agrees that any permanent improvements and structures existing upon the Site at the time of the termination of this Ground Lease, including but not limited to the Project, shall remain thereon and title thereto shall vest in the Ground Lessor.

Upon the exercise of the option to purchase set forth in Section 14.04 of the Lease and upon payment of the Purchase Price required by said section, the term of this Ground Lease shall terminate.

SECTION 9. Default.

In the event the Ground Lessee shall be in default in the performance of any obligation on its part to be performed under the terms of this Ground Lease, which default continues for thirty (30) days following notice and demand for correction thereof to the Ground Lessee, the Ground Lessor may exercise any and all remedies granted by law, except that no merger of this Ground Lease and of the Lease shall be deemed to occur as a result thereof, provided, however, that the Ground Lessor shall have no power to terminate this Ground Lease or the rights of entry granted herein by reason of any default on the part of the Ground Lessee if such termination would affect or impair, other than as provided by Section 4 of this Ground Lease, the exercise of any rights or remedies assigned to the Trustee pursuant to the Assignment Agreement or any assignment or sublease of all or any part of the Site then in effect between the Ground Lessee and any assignee or subtenant of the Ground Lessee; and provided further, that so long as any Certificates are outstanding and unpaid in accordance with the terms of the Trust Agreement, the parties acknowledge and understand that the Rentals or any part thereof payable to the Trustee pursuant to the Trust Agreement (by the terms of the Lease or such other assignment or sublease) shall continue to be paid to the Trustee. So long as any such assignee or subtenant of the Ground Lessee shall duly perform the terms and conditions of this Ground Lease and of its then existing sublease (if any), such assignee or subtenant shall be deemed to be and shall become the tenant of the Ground Lessor hereunder and shall be entitled to all of the rights and privileges granted under any such assignment or sublease; provided further, however, that, so long as any Certificates are outstanding and unpaid in accordance with the terms of the Trust Agreement, the parties acknowledge and understand that the Rentals or any part thereof payable to the Trustee pursuant to the Trust Agreement (by the terms of such assignment or sublease) shall continue to be paid to the Trustee.

SECTION 10. Quiet Enjoyment.

The Ground Lessee at all times during the term of this Ground Lease, subject to the provisions of Section 9 hereof, shall peaceably and quietly have, hold and enjoy all of the Site.

SECTION 11. Taxes.

The Ground Lessee covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Site (including both land and improvements), if any.

SECTION 12. Eminent Domain.

In the event the whole or any part of the Site or the Project (including all or any part of the Project) is taken by eminent domain proceedings, the interest of the Ground Lessee shall be recognized and is hereby determined to be the amount of the then unpaid or outstanding Certificates attributable to such part of the Project and shall be paid to the Trustee to be applied as provided in the Lease and in the Trust Agreement.

SECTION 13. Partial Invalidity.

If any one or more of the terms, provisions, covenants or conditions of this Ground Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Ground Lease shall be affected thereby, and each provision of this Ground Lease shall be valid and enforceable to the fullest extent permitted by law.

SECTION 14. Notices.

All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by (i) United States registered or certified mail, return receipt requested, postage prepaid, or (ii) by overnight courier, addressed as set forth below, or to such other addresses as the respective parties may from time to time designate by notice in writing:

If to the Ground Lessee:

CaPFA Capital Corp. 2010A
99 Riverside Drive
Moore Haven, Florida 33471
Attention: President

with a copy to:
William L. Zvara, P.A.
4810 Arapahoe Avenue
Jacksonville, Florida 32210
Telephone: (904) 387-2266
Facsimile: (904) 387-9212

If to the Ground Lessor:

Government of Guam
Office of the Governor
P.O. box 2950
Hagatna, Guam 96932

Department of Administration
P O Box 884
Hagatna, Guam 96932
Attention: Lourdes M. Perez, Director
Telephone: (671) 475-1250/1234

Guam Economic Development Authority
590 South Marine Corps Drive
ITC Building, Suite 511
Tamuning, Guam 96913
Attention: Tony Blaz, Administrator
Telephone: (671) 647-4332
Facsimile: (671) 649-4146

SECTION 15. Section Headings.

All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Ground Lease.

SECTION 16. Applicable Law.

This Ground Lease shall be governed by and construed in accordance with the Organic Act of Guam and laws of Guam.

SECTION 17. Amendments.

This Lease may be amended in writing as may be mutually agreed by Ground Lessor and Ground Lessee, subject to any restrictions contained in the Trust Agreement, and subject to any applicable limitations of Guam law.

SECTION 18. Execution.

This Ground Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same lease. It is also agreed that separate counterparts of this Ground Lease may separately be executed by the Ground Lessor and the Ground Lessee, all with the same force and effect as though the same counterpart had been executed by both the Ground Lessor and the Ground Lessee.

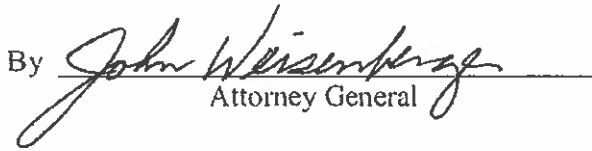
IN WITNESS WHEREOF, the Ground Lessor, by its duly authorized representative, has executed this Ground Lease as of the date first above written.



GOVERNMENT OF GUAM

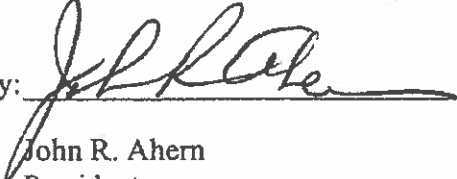
By 
Governor of Guam

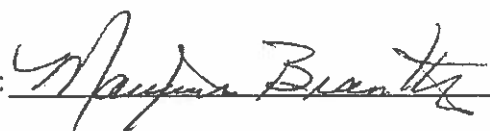
Approved as to form:

By 
Attorney General

IN WITNESS WHEREOF, the Ground Lessee, by its duly authorized representatives, has executed this Ground Lease as of the date first above written.

CAPFA CAPITAL CORP. 2010A

By: 
John R. Ahern
President

By: 
Maxine Brantley
Secretary

[ACKNOWLEDGMENTS ATTACHED]

Guam, USA)
) ss
CITY OF TAMUNING)

ON THIS 1ST day of September, 2010, before me, a Notary Public in and for Guam, USA, personally appeared Felix Perez Camacho, known to me to be the Governor of Guam, whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same of his own free act and deed on behalf of the Government of Guam for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

NOTARY PUBLIC
My commission expires:

ARLEEN ANN EVANGELISTA
NOTARY PUBLIC

In and for Guam, U.S.A.
My Commission Expires: May 07, 2011
ITC Bldg. Suite 511, 580 South Marine Corps Dr.
Tamuning, Guam 96913

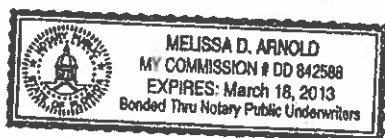


STATE OF FLORIDA

COUNTY OF GLADES

The foregoing instrument was acknowledged before me this 23 day of August, 2010, by John R. Ahern, acting as President for CaPFA Capital Corp. 2010A. Such person did not take an oath and: (notary must check applicable box)

☒ is/are personally known to me; or
☐ produced a current _____ driver's license as identification; or
☐ produced _____ as identification.



(SEAL)

NOTARY PUBLIC

Melissa D. Arnold
Commission expires: 3/18/2013

STATE OF FLORIDA

COUNTY OF GLADES

The foregoing instrument was acknowledged before me this 23 day of August, 2010, by Maxine Brantley, acting as Secretary for CaPFA Capital Corp. 2010A. Such person did not take an oath and: (notary must check applicable box)

☒ is/are personally known to me; or
☐ produced a current _____ driver's license as identification; or
☐ produced _____ as identification.



(SEAL)

NOTARY PUBLIC

Melissa D. Arnold
Commission expires: 3/18/2013

EXHIBIT A

Legal Description of Site

Parcel One:

Lot Number 5138-R3, Tamuning (formerly of Dededo), Guam, Suburban, as said Lot is described in that Real Estate Requirements for Tumon & Route No. 1, as shown on Drawing Number E6-65T633, dated 07 January 66 and filed in Survey Division at Land Management.

For informational purposes only, the above referenced map indicates the property contains an area of 41,496.26 $\pm$ square meters.

Last Certificate of Guaranteed Claim Number: 3001 — The United States of America (as to Basic Lot 5138; Estate Number 3922).

Parcel Two:

Lot Number 5139-R3, Tamuning (formerly of Dededo), Guam, Suburban, as said Lot is described in that Real Estate Requirements for Tumon & Route No. 1, as shown on Drawing Number E6-65T633, dated 07 January 66 and filed in Survey Division at Land Management.

For informational purposes only, the above referenced map indicates the property contains an area of 87,965-96 $\pm$ square meters.

Last Certificate of Guaranteed Claim Number: 3002 — The United States of America (as to Basic Lot 5139; Estate Number 3923).



Gmail

Donna Herrero <donna.herrero@dpw.guam.gov>

FW: SSHS Negotiation Meeting

Carlos Bordallo <carlos.bordallo@investguam.com>

Thu, Jul 3, 2025 at 2:35 PM

To: Tina Garcia <cgarcia@investguam.com>

Cc: Thuy Nguyen <tnguyen@ssfm.com>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "John.Calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>, "KESWANSON@GDOE.NET" <keswanson@gdoe.net>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, "LESTER.CARLSON@BBMR.GUAM.GOV" <lester.carlson@bbmr.guam.gov>, "tmb@guamlaw.net" <tmb@guamlaw.net>, "ccruz@traguam.com" <ccruz@traguam.com>, "Mmakio@traguam.com" <Mmakio@traguam.com>, "edward.birn@doa.guam.gov" <edward.birn@doa.guam.gov>, "tkeeler@oagguam.org" <tkeeler@oagguam.org>, "fnishihira@oagguam.org" <fnishihira@oagguam.org>, "donna.herrero@dpw.guam.gov" <donna.herrero@dpw.guam.gov>, John San Nicolas <jsannicolas@investguam.com>, Angelene Rios <angelene.rios@investguam.com>

Here's Insurance and Maintenance agreement for JFK.

On Thu, Jul 3, 2025 at 12:16 AM Tina Garcia <cgarcia@investguam.com> wrote:

[Quoted text hidden]



JFK Insurance & Maintenance Agreement.pdf

1161K

INSURANCE AND MAINTENANCE AGREEMENT

dated as of August 1, 2010,

by and among

CAPFA CAPITAL CORP. 2010A
a Florida not-for-profit corporation,
Lessor,

DEPARTMENT OF EDUCATION, GOVERNMENT OF GUAM,
Lessee,

INTERNATIONAL BRIDGE CORPORATION
an Ohio corporation,
Maintenance Contractor,

and

U.S. BANK NATIONAL ASSOCIATION,
Trustee

TABLE OF CONTENTS

	Page
ARTICLE I DEFINITIONS; TERM	1
1.1 Definitions.....	1
1.2 Term of Agreement.....	1
ARTICLE II DELEGATION OF INSURANCE AND MAINTENANCE RESPONSIBILITIES	2
2.1 Delegation	2
2.2 Powers of Maintenance Contractor.....	2
2.3 Obligations of Maintenance Contractor.....	3
2.4 Governmental Successor.....	3
ARTICLE III MAINTENANCE CONTRACTOR'S COMPENSATION, BUDGETING AND REIMBURSEMENT	3
3.1 Maintenance Contractor's Compensation.....	3
3.2 Preparation of Budget	3
3.3 Approval of Budget.....	4
3.4 Reduction of Services	4
3.5 Operation within Budget.....	4
3.6 Budget Overruns; Program Changes	5
3.7 Books	5
3.8 Right to Stop Performing Functions	5
3.9 Payment.....	5
ARTICLE IV INSURANCE.....	6
4.1 General.....	6
4.2 Deductibles and Co-Payments	6
4.3 Damage and Reconstruction	6
ARTICLE V MISCELLANEOUS	6
5.1 Breach	6
5.2 Enforcement Fees.....	7
5.3 Limited Liability	7
5.4 Amendment.....	7
5.5 Partial Invalidity.....	7
5.6 Entire Agreement	7

TABLE OF CONTENTS
(continued)

	Page
5.7 Applicable Law	7
5.8 Successors and Assigns.....	7

THIS INSURANCE AND MAINTENANCE AGREEMENT (this "Agreement") is entered into as of this first day of August, 2010, by and among CAPFA CAPITAL CORP. 2010A ("Lessor"), the DEPARTMENT OF EDUCATION, GOVERNMENT OF GUAM ("Lessee"), INTERNATIONAL BRIDGE CORPORATION, as initial maintenance contractor ("Maintenance Contractor"), and U.S. BANK NATIONAL ASSOCIATION, as trustee pursuant to the Trust Agreement (as defined herein) (the "Trustee").

WITNESSETH:

WHEREAS, Lessor and Lessee have entered into a Lease Agreement, dated as of August 1, 2010 (the "Lease Agreement");

WHEREAS, pursuant to the Lease, Lessor will construct a high school (the "Facility") and lease the Facility to Lessee;

WHEREAS, under the Lease Agreement, Lessor has undertaken certain obligations with respect to the insurance and capital maintenance of the Facility, and Lessor and Lessee wish to contract with Maintenance Contractor to fully perform such obligations;

WHEREAS, Maintenance Contractor, in consideration of the compensation herein provided, is prepared to perform the required services and fully and timely perform and discharge such obligations;

WHEREAS, this Agreement, together with the Project Development Agreement, dated as of August 1, 2010, by and between Lessor and International Bridge Corporation, as developer, constitutes the "Contract" as that term is defined in Chapter 58A of Title 5 of the Guam Code Annotated; and

WHEREAS, Lessee has agreed to make annual rental payments to Lessor, and Lessor has assigned these payments to the Trustee, as Trustee under the Trust Agreement, dated as of August 1, 2010 (the "Trust Agreement"), by and between Lessor and Trustee, pursuant to which the Trustee has executed and delivered the CaPFA Capital Corp. 2010A Certificates of Participation (Department of Education--John F. Kennedy High School Project), Series 2010A (the "Certificates") in order to finance the Facility;

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS; TERM

1.1 Definitions. All capitalized terms used and not defined herein shall have the meaning ascribed thereto in the Lease Agreement.

1.2 Term of Agreement. The rights and duties of Maintenance Contractor under this Agreement shall commence upon the issuance by the Department of the certificate of occupancy with respect to the Facility, and shall end upon the expiration or termination of the Lease Agreement. The obligations of Lessor to make the payments and reimbursements set forth

herein begin when the rights and duties of Maintenance Contractor begin, but will survive the termination of the Lease Agreement, provided that no additional charges will accrue hereunder (other than interest and, if applicable, default and collection fees) after the termination of the Lease Agreement.

ARTICLE II

DELEGATION OF INSURANCE AND CAPITAL MAINTENANCE RESPONSIBILITIES

2.1 **Delegation.** Lessor hereby delegates to Maintenance Contractor its duties to provide for the capital maintenance and insurance of the Site and the Facility and the payment of taxes with respect thereto, pursuant to Articles VI, VII and VIII of the Lease Agreement to the extent herein provided. Lessee hereby consents to such delegation. In consideration of the payments and reimbursements herein provided, Maintenance Contractor hereby accepts such delegation.

2.2 **Powers of Maintenance Contractor.** Maintenance Contractor shall have all the powers necessary to carry out its duties and responsibilities under this Agreement, including but not limited to the following:

(a) To engage the services of contractors or other employees or agents and to pay to said persons a reasonable compensation therefor.

(b) To insure, repair, perform capital maintenance on, and otherwise deal in and with, real and personal property of every kind and character that was constructed or installed by Lessor, located on the Site or used in connection with the Facility in accordance with the Scope of Work in Exhibit A.

(c) To deal in and with the Facility including but not limited to buildings and other structures; classrooms; gymnasiums; tennis, volleyball and basketball courts; soccer, softball, baseball and football fields; playgrounds and other athletic facilities; cafeterias; offices; language laboratories; scientific laboratories, equipment and safety devices; conference rooms; roads, walkways, streets, and pedestrian paths; parks, open spaces, gardens, common areas and public areas; amphitheaters and other public entertainment areas; utility lines and systems; outdoor lighting systems; landscaping, including without limitation plants, trees, shrubs, and grass; and such improvements and equipment as may be appropriate for use in connection with Maintenance Contractor's duties under this Agreement.

(d) Subject to applicable law, to delegate by written agreement to one or more contractors any or all of Maintenance Contractor's powers, duties and responsibilities referred to in this Agreement, provided, that no such delegation shall relieve Maintenance Contractor of its duties and responsibilities hereunder.

(e) To pay all costs imposed by, associated with, or incurred as a result of federal or Guam laws, rules, or regulations, including without limitation taxes (if any), costs of studies, consultants' fees and costs, and performance costs.

(f) To do everything necessary, suitable, convenient, or desirable for the accomplishment of any of the purposes, the attainment of any of the objects, or the furtherance of any of the powers set forth in this Agreement, either alone or in connection with other corporations, firms, or individuals, and either as principal or agent, and to do every act or thing incidental or appurtenant to, or growing out of, or connected with any of the aforesaid objects, purposes, or powers.

2.3 Obligations of Maintenance Contractor. To fulfill the duties accepted by it pursuant to Section 2.1, Maintenance Contractor shall:

(a) from and after the issuance of an occupancy permit for the Facility, provide for the capital maintenance, repair, and replacement of the Facility as set forth in the Scope of Work attached hereto as Exhibit A;

(b) from and after the issuance of an occupancy permit for the Facility, obtain insurance for the Facility of the type and in the coverage amounts set forth in Section 7.01(b) of the Lease Agreement and Article IV;

(c) rebuild and repair the Facility following damage or destruction thereof or a permanent taking by the power of, or a power in the nature of, eminent domain or by an action or deed in lieu of condemnation, as set forth in Article IV; and

(d) prepare, adopt, amend and disseminate Budgets from time to time as set forth in Article III.

Maintenance Contractor shall not be obligated to provide routine maintenance, security services, custodial services, waste collection, or landscaping services to the Site.

2.4 Governmental Successor. Maintenance Contractor may, in its discretion, turn over any of its powers and duties hereunder to a governmental entity that is willing to accept and assume the same under the terms and conditions of this Agreement; provided that Maintenance Contractor shall provide Trustee with written notice of such successor.

ARTICLE III

MAINTENANCE CONTRACTOR'S COMPENSATION, BUDGETING AND REIMBURSEMENT

3.1 Maintenance Contractor's Compensation. Maintenance Contractor shall be entitled to reimbursement for all expenditures made hereunder and compensation for its services as set forth in the annual budget as defined in 3.2. Notwithstanding any other provision of this Agreement, such compensation shall include, and Lessor shall be obligated to pay Maintenance Contractor, reimbursement to Maintenance Contractor of all insurance premiums payable pursuant to Section 2.3(b) and all expenses incurred pursuant to Section 2.3(c). Notwithstanding any other provision of this Agreement, Maintenance Contractor shall have no obligation to perform any obligation hereunder if it has not been paid compensation as provided for herein. Without limiting the generality of the foregoing, Maintenance Contractor shall have no obligation to make any payment described in Sections 2.3(b) or 2.3(c) if it is not assured of

reimbursement therefor. In any given lease year, Lessor will not be required to reimburse Maintenance Contractor for costs, including emergency expenditures as described in Section 3.5, if sufficient funds for such reimbursement are not available in either the Insurance and Maintenance Fund, or the Capital Replacement Reserve, as the case may be. Lessor shall take actions as described in this Article III, to include any valid and unreimbursed costs of the Maintenance Contractor in the subsequent year's budget.

3.2 Preparation of Budget. For each Term, commencing with the Term beginning on December 2, 2012, Maintenance Contractor shall, not later than sixty (60) days prior to the beginning of the Fiscal Year in which such Term commences, prepare a Budget for such Term (including a reasonable allowance for contingencies) (the "Budget"). The Budget shall set forth a detailed estimate of all costs to be incurred with respect to this Agreement and a schedule of cash advances to be made by Maintenance Contractor. The Budget shall also provide for up to \$389,500 in each year to be deposited to the Capital Replacement Reserve (the balance of which is not to exceed \$1,947,000). In addition, the Budget shall provide for a \$60,000 allotment in each year for unscheduled repairs, including, for example, repairs needed as a result of vandalism. The Budget for the Initial Term has been approved by Maintenance Contractor, Lessor and Lessee and is attached hereto as Exhibit C.

3.3 Approval of Budget. Maintenance Contractor shall submit the proposed Budget to Lessor and Lessee for approval. Lessor and Lessee shall each be deemed to have approved the Budget unless, within 30 days after the date the proposed Budget is submitted, Lessor or Lessee provides to Maintenance Contractor with a written list of specific items in the proposed Budget to which such party objects together with its reasons for objecting. If either such party objects for any reason, including inability to pay any required Additional Rental in the amount budgeted for the Fiscal Year, Maintenance Contractor shall prepare and submit to Lessor and Lessee a revised Budget within 15 days of receipt of the objection. If Lessor, Lessee and Maintenance Contractor are unable to agree on the Budget for any year, the dispute shall be resolved as set forth on Exhibit B. Lessee's approval of a Budget shall constitute agreement to pay Additional Rental from Available Funds in such additional amount as shall be sufficient, together with the originally scheduled Additional Rental and available amounts on deposit in the Insurance and Maintenance Fund (or the Capital Replacement Reserve, as applicable) under the Trust Agreement to pay the amounts provided in such Budget; provided, however, that expenditures from the Capital Replacement Reserve shall be subject to Lessee approval (by written approval of the Superintendent of the Department of Education or another person designated in writing by the Superintendent). In the absence of an Event of Default under the Lease, Lessor's approval of Budgets shall be based solely on the sufficiency of amounts available under the Trust Agreement to pay the amounts provided in such Budget. When each annual Budget has been approved or deemed approved pursuant hereto, the Maintenance Contractor shall promptly submit a copy of the Budget to the Trustee.

3.4 Reduction of Services. If Lessor or Lessee objects to the proposed Budget because of an inability to pay for all budgeted services, Maintenance Contractor shall prepare a revised Budget in which total costs for the Fiscal Year do not exceed the \$1,568,000 originally scheduled Additional Rental and available amounts on deposit in the Insurance and Maintenance Fund (or the Capital Replacement Reserve, as applicable) or such larger amount as shall be approved by the Lessor and Lessee. Maintenance Contractor shall consult with Lessee

concerning which services, if any, to reduce or eliminate in the revised Budget. If this Section 3.4 is applicable due to an objection by Lessor or Lessee, Maintenance Contractor may provide in the revised Budget for the reduction or elimination of any of the services otherwise required to be provided by Maintenance Contractor under this Agreement. Maintenance Contractor shall submit a revised Budget to Lessor and Lessee within 10 days of the date Lessor or Lessee submits its objections to the proposed Budget. Unless Lessor or Lessee notifies Maintenance Contractor in writing that such party objects to the revised Budget within 10 days of the date the revised Budget is submitted, Lessor and Lessee each shall be deemed to have approved the revised Budget. If Lessor or Lessee objects to the revised Budget, then either Lessor or Lessee may terminate this Agreement with 30 days' written notice to the Maintenance Contractor and the Trustee. Any revised Budget approved or deemed approved pursuant hereto shall be submitted promptly in writing to the Trustee.

3.5 Operation within Budget. Operations shall be conducted, expenses shall be incurred and assets shall be acquired only pursuant to approved Budgets, provided, however, that in case of emergency, Maintenance Contractor may take any reasonable action it deems necessary to protect life, limb or property, to protect the Project or to comply with law or government regulation the noncompliance with which would have a material adverse effect on the Project or the parties hereto. Maintenance Contractor shall promptly notify Lessor and Lessee in writing of any such emergency expenditure, and Maintenance Contractor shall be reimbursed for such emergency expenditure, but only from amounts available for such purpose in the Insurance and Maintenance Fund or the Capital Replacement Reserve, as applicable. If the moneys in the Insurance and Maintenance Fund or the Capital Replacement Reserve, as applicable, shall be insufficient to cover such emergency expenditure, Lessor shall request in writing that such amounts be paid to Lessor by Lessee from Available Funds as Additional Rentals pursuant to Section 4.01(c) of the Lease Agreement, and a copy of such request shall be provided to the Trustee. Notwithstanding any other provision of this Agreement, Maintenance Contractor shall have no obligation to perform any service that is not set forth in the approved Budget.

3.6 Budget Overruns; Program Changes. Upon the occurrence of unexpected events, Maintenance Contractor may, but shall not be required to unless it is assured of reimbursement, make such reasonable expenditures in excess of the adopted Budget as are necessary to carry out its duties hereunder. Maintenance Contractor shall submit any proposed material departure from an adopted Budget to Lessor and Lessee for approval. Lessor and Lessee shall each be deemed to have approved such departure from the adopted Budget unless within 10 days either Lessor or Lessee objects to the proposed change in writing to Maintenance Contractor. Maintenance Contractor shall not exceed an adopted Budget by more than 10%, unless directly caused by an emergency expenditure or unless authorized by Lessor and Lessee. Budget overruns of 10% or less shall be paid, but only from amounts available for such purpose in the Insurance and Maintenance Fund, or the Capital Replacement Reserve, as applicable. Any departure from the adopted Budget approved or deemed approved pursuant hereto shall be submitted promptly in writing to the Trustee.

3.7 Books. Maintenance Contractor shall keep and maintain separate records and accounts of all expenditures. Lessor, Lessee and Trustee may examine such records during

normal business hours on reasonable notice. The Trustee shall have no duty to examine such records.

3.8 Right to Stop Performing Functions. Maintenance Contractor has the right to stop performing any of its obligations hereunder if Lessor fails to reimburse or pay Maintenance Contractor, or to cause Maintenance Contractor to be reimbursed or paid, in a timely fashion as provided in the approved Budget from resources made available under the Lease Agreement and the Trust Agreement. Maintenance Contractor may also cease, either temporarily or permanently, to perform its duties if Lessor or Lessee materially impairs Maintenance Contractor's ability to perform, or if such performance is impaired by government action, labor dispute, typhoon, earthquake, flood, or other natural disaster or other event of force majeure. Upon any such cessation of performance by Maintenance Contractor, Maintenance Contractor shall provide written notice to the Trustee, Lessor and Lessee.

3.9 Payment. At any time and from time to time, if amounts in the Insurance and Maintenance Fund, or the Capital Replacement Reserve, as applicable, are insufficient to satisfy the obligations of Lessor to fully pay amounts owed to Maintenance Contractor hereunder, Lessor shall request that such amounts be paid to Lessor by Lessee as Additional Rentals pursuant to Section 4.01(c) of the Lease Agreement. Notwithstanding any other provision of this Agreement, the parties hereby acknowledge and agree that no obligation assumed by or imposed upon the Maintenance Contractor hereunder shall require the performance of any act by the Maintenance Contractor except to the extent, if any, that the cost and expense of such performance can be paid from the accounts held for such purpose under the Trust Agreement.

ARTICLE IV

INSURANCE

4.1 General. During the term of this Agreement Maintenance Contractor shall, at Lessor's sole cost and expense, arrange for, obtain and maintain in full force and effect policies of insurance set forth in and as required by Section 7.01(b) of the Lease Agreement. All premiums for such insurance shall be paid by Lessor to the respective insurance companies upon invoices submitted to the Lessor by the Maintenance Contractor, but only from amounts available for such purpose in the Insurance and Maintenance Fund at least 30 days in advance of the date they are due to the respective insurers. Maintenance Contractor shall give Lessor, Lessee and Trustee 30 days' written notice of any increase in any premium prior to the date Lessor must pay such premium. Lessee and Trustee (at the expense of Lessee) shall cooperate fully with Maintenance Contractor and provide such information and execute such documents as may be necessary or convenient in obtaining such insurance.

4.2 Deductibles and Co-Payments. In the event of the occurrence of any loss with respect to the Facility, the Sites or otherwise hereunder that is not fully insured, Lessor shall promptly, upon written demand by Maintenance Contractor to Lessor and Lessee with a copy to Trustee, pay or cause to be paid to Maintenance Contractor or any other proper payee any deductible or co-payment that is a prerequisite to the insurer's payment of the proceeds of the applicable insurance policy, but only from amounts available for such purpose in the Insurance and Maintenance Fund.

4.3 Damage and Reconstruction. In the event any Facility insured hereunder is damaged by fire or other casualty, the proceeds payable under the insurance policies shall be payable as provided in the Lease and the Trust Agreement. The Net Proceeds of fire and extended coverage insurance shall be deposited as provided in Article X of the Lease. After consultation with the Maintenance Contractor and the Lessee, Lessor shall instruct Maintenance Contractor as to the nature of the repair, reconstruction or replacement, if any, of damaged property, and Maintenance Contractor shall provide a proposed Budget for the requested repair, reconstruction or replacement using the procedure described in Section 3.4, with a copy to the Trustee.

ARTICLE V

MISCELLANEOUS

5.1 Breach. In the event of breach or threatened breach of this Agreement, any party may invoke the dispute settlement procedures set forth in Exhibit B. Except as otherwise provided herein, no party shall be relieved from its responsibilities hereunder unless the dispute resolution procedures are followed to their conclusion.

5.2 Enforcement Fees. If court proceedings are instituted in connection with the rights of enforcement and remedies provided in this Agreement, the prevailing party shall be entitled to recover its costs and expenses in connection therewith, including reasonable attorneys' fees.

5.3 Limited Liability. Maintenance Contractor shall not be liable to any person for any action or for any failure to act with respect to any matter if the action taken or failure to act was in good faith and without malice. Lessor shall indemnify, defend, release and hold harmless Maintenance Contractor from any loss, liability, claim or expense in such connection, but only from amounts available for such purpose in the Insurance and Maintenance Fund.

5.4 Amendment. This Agreement may only be amended, changed, modified, altered or terminated by an agreement in writing, signed by each of the Lessor, the Lessee, the Maintenance Contractor and the Trustee. The Trustee shall execute such agreement in writing only if there has been delivered to the Trustee an Opinion of Counsel addressed to the Trustee to the effect that such amendment, change, modification, alteration or termination (1) will not, in and of itself, materially adversely affect the interests of the Holders, and (2) is authorized or permitted by this Trust Agreement and the Lease.

5.5 Partial Invalidity. The invalidity or unenforceability of any term or provision of this Agreement by the application of such term or provision to any person or circumstance shall not impair or affect the remainder of this Agreement, and its application to other persons and circumstances and the remaining terms and provisions hereof shall not be invalidated but shall remain in full force and effect.

5.6 Entire Agreement. This Agreement supersedes any and all prior agreements or understandings between the parties with respect to the subject matter of this Agreement.

5.7 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the Territory of Guam.

5.8 Successors and Assigns. This Agreement shall inure to the benefit of and be binding on the successors and permitted assigns of the parties hereto. Under the terms of the Lease, Lessor may assign this Agreement to Trustee on the Certificate Closing Date pursuant to that certain Assignment and Security Agreement, dated as of August 1, 2010, by and between Lessor and Trustee. Following such assignment, Lessor may not assign this Agreement without the prior written consent of Maintenance Contractor, which consent shall not be unreasonably withheld. Maintenance Contractor may not assign this Agreement except to an affiliate or with the prior written consent of Lessor and Lessee, which consent shall not be unreasonably withheld. Trustee may assign this Agreement to its successor or assign pursuant to the terms of the Trust Agreement. Lessor, Trustee and Maintenance Contractor shall provide the other parties hereto with written notice of any such assignment.

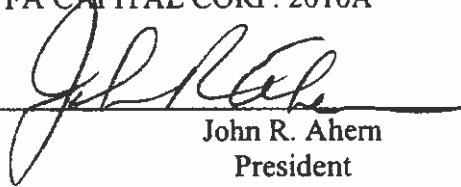
5.9 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Lessor, by its duly authorized representative, has executed this Insurance and Maintenance Agreement as of the date first above written.

LESSOR:

CAPFA CAPITAL CORP. 2010A

By: _____



John R. Ahern
President

IN WITNESS WHEREOF, the Lessee, by its duly authorized representative, has executed this Insurance and Maintenance Agreement as of the date first above written.

LESSEE:

DEPARTMENT OF EDUCATION, GOVERNMENT
OF GUAM

By: 
Nerissa B. Underwood, Ph.D.
Superintendent of Department of Education

APPROVED AS TO FORM
AND LEGALITY:

Attorney General of Guam

(SEAL)

By: _____
Michael W. Cruz
Acting Governor of Guam

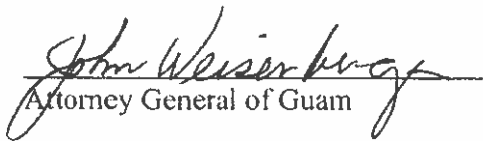
IN WITNESS WHEREOF, the Lessee, by its duly authorized representative, has executed this Insurance and Maintenance Agreement as of the date first above written.

LESSEE:

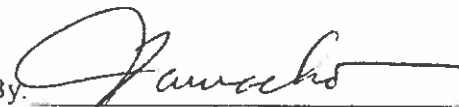
DEPARTMENT OF EDUCATION, GOVERNMENT
OF GUAM

By: _____
Nerissa B. Underwood, Ph.D.
Superintendent of Department of Education

APPROVED AS TO FORM
AND LEGALITY:


Attorney General of Guam

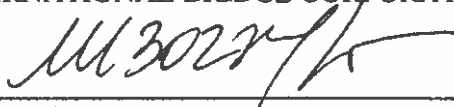
(SEAL)

By:  _____
Felix Perez Camacho
Governor of Guam

IN WITNESS WHEREOF, the Maintenance Contractor, by its duly authorized representative, has executed this Insurance and Maintenance Agreement as of the date first above written.

MAINTENANCE CONTRACTOR:

INTERNATIONAL BRIDGE CORPORATION

By: 

Name: MIGUEL C. BORDALLO

Title: VICE PRESIDENT

IN WITNESS WHEREOF, the Trustee, by its duly authorized representative, has executed this Insurance and Maintenance Agreement as of the date first above written.

TRUSTEE:

U.S. BANK NATIONAL ASSOCIATION,
as trustee for the Certificates

By:

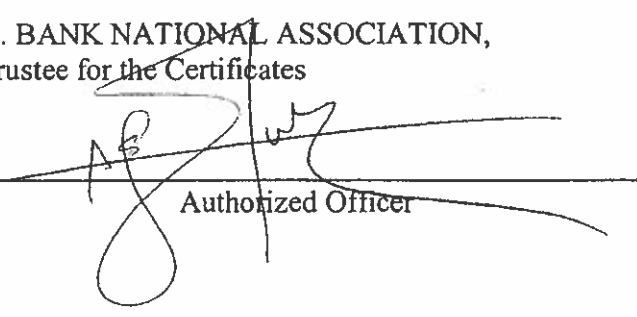

Authorized Officer

EXHIBIT A

to

Insurance and Maintenance Agreement

dated as of August 1, 2010

by and among

CaPFA Capital Corp. 2010A, Lessor,

Department of Education, Government of Guam, Lessee,

International Bridge Corporation, Maintenance Contractor

and

U.S. Bank National Association, Trustee

Work Scope

30 Year Maintenance Program			Type	
Final as of Sep 2, 2010			Unscheduled	Capital
Typical School Facility Components for Maintenance		Frequency		
1	Paving			
1.1	Asphalt - repair/seal of cracks	As required (per budget)	x	
1.2	Concrete Slabs on Grade and Elevated Slabs - repair cracks	As required (per budget)	x	
2	Structural			
2.1	Structural Damage Assessments	Seismic events	x	
2.2	Foundation Repairs	As required	x	
2.3	Repair of Structural Elements (incl. Crack Repairs)	As required	x	
2.4	Replacement of Structural Elements	As required	x	
2.5	Upgrading of Structural Elements	As required	x	
3	Wall Systems			
3.1	Doors including hardware	As required		x
3.2	Window Assemblies (including Aluminum Sash)	As required	x	x
3.3	Indoor Gym Bleachers that pull out from wall	n/a		
3.4	Restroom Partitions (attached to wall)	n/a		
4	Floor Covering			
4.1	Carpeting	Daily		
4.2	Resilient Tile Flooring	Daily / Weekly		
4.3	Sports Flooring	Daily / weekly		

30 Year Maintenance Program			Type	
Final as of Sep 2, 2010			Unscheduled	Capital
Typical School Facility Components for Maintenance		Frequency		
5	Painting			
5.1	Interior of classrooms, library, Offices, hallways, cafeteria, Restrooms, Gymnasium and Athletic Manager's Office, Covered Walkways, Laboratories and other Indoor and Outdoor Spaces.	As required / 5-years	x	x
5.2	Touch-up painting of walls	Monthly		
5.3	Exterior masonry, metal surfaces and trim	As required / 5-years	x	x
6	Roofing			
6.1	Large Sections or Whole Buildings of Roofing Systems including Water and Thermal Proofing	As required / 5-years	x	x
6.2	Flashings, Gutters, and Downspouts	As required (per budget)	x	
6.3	Ceiling Tiles	As required (per budget)	x	
7	Electrical			
7.1	Main Electrical Riser, Connections and Conduits within the Boundaries	As required (per budget)	x	
7.2	Panels and Boards	As required (per budget)	x	
7.3	Signal Systems, including Fire Alarm System and Public Address	Per Mfr		
7.4	Main Power Distribution System	As required (per budget)	x	
7.5	Interior and Exterior Power Distribution Systems	As required (per budget)	x	
7.6	Interior and Exterior Lighting Systems including Interior and Exterior Incandescent and Florescent Lighting and Fixtures	Monthly		
7.7	Equipment Connections	As required (per budget)	x	
7.8	Conduits, Conductors and Cables	As required (per budget)	x	
7.9	Preventive Maintenance and Repair of Stand By Generator and Transfer Switch	Per Mfr		
8	Plumbing			
8.1	Main Water Supply Pipe Connections and Piping Within Boundaries	As required (per budget)	x	
8.2	Underground Water Distribution Systems	As required (per budget)	x	
8.3	Sewer piping, manholes within boundaries	As required (per budget)	x	
8.4	Interior Water Supply	As required (per budget)	x	
8.5	Interior and Exterior Plumbing, Connections, Piping and Fixtures, including heaters	As required / Per Mfr	x	x
9	Air Conditioning/Ventilation/Heating			
9.1	Air Conditioning Systems			

30 Year Maintenance Program			Type	
Final as of Sep 2, 2010			Unscheduled	Capital
Typical School Facility Components for Maintenance	Frequency			
9.1.1	1.a Central Systems	wk, mo, qrtr, 5-yr		x
9.1.2	1.b Individual Units	wk, mo, qrtr, 5-yr		x
9.2	2. Ventilation Systems			
9.2.1	2.a Toilet and Bath Fan Exhaust Systems	wk, mo, qrtr, 5-yr		x
9.2.2	2.b Cafeteria and Kitchen Fan Exhaust Systems	wk, mo, qrtr, 5-yr		x
9.1.3	2.c Construction and Automotive Workshops Fume Exhaust Systems	As required (per budget)	x	x
10	Fire Protection System			
10.1	Testing and Certifying of Fire Protection System	Annually		
10.2	Maintenance of Fire Protection Riser and System	As required (per budget)	x	
10.3	Maintenance of Fire Alarm System	see Section 7		
10.4	Recharge and Replacement of Fire Extinguishers	As requested (per budget)	x	
11	Telecom and Internet			
11.1	Security and Closed TV Circuits	As required (per budget)	x	
11.2	Telecommunication Conduits / wiring	As required (per budget)	x	
11.3	Public Address	As required (per budget)	x	
12	Landscaping and Lawns - Equipment Only; Operation by others			
12.1	Grass Cutting (Riding Mowers: 2 each; Bush-Cutters: 6 each)	Equipment only		x
12.2	Walkway edging (Edgers: 4 each)	Equipment only		x
12.3	Tree Trimming / Hedging (Chain saws: 2 each; Hedgers: 4 each)	Equipment only		x
13	Custodial and Waste Collection			
13.1	Garbage collection from classrooms, offices, restrooms and other building areas	Daily		
13.2	Site cleanup (hallways, walkways, parking lots, etc.)	Daily		
13.3	Waste removal by commercial hauler	2 x weekly		
13.4	Floor polishing / waxing / sealing	Quarterly		
13.5	Restroom cleaning (Sweeping, mopping, wipedown of surfaces)	Daily		
13.6	Restroom flushing and rinsing	Weekly		
13.7	Flushing exterior walkways / pressure washing	Bi-weekly / Quarterly		

EXHIBIT B

Procedures for Settling Disputes

TO THE EXTENT PERMITTED BY LAW, INCLUDING BUT NOT LIMITED TO CHAPTER 6 OF TITLE 5 OF THE GUAM CODE ANNOTATED, IN ANY CASE IN WHICH THERE IS A DISPUTE BETWEEN THE PARTIES HERETO WITH RESPECT TO MATTERS UNDER THIS AGREEMENT, THE PROCEDURE FOR RESOLUTION OF THAT DISPUTE SHALL BE AS FOLLOWS:

THE AGGRIEVED PARTY OR PARTIES SHALL NOTIFY THE OTHER PARTY OR PARTIES OF THE GRIEVANCE IN WRITING. WHEN SUCH A NOTICE IS RECEIVED BY A PARTY, SUCH PARTY SHALL PROMPTLY INVESTIGATE, INSPECT, MEET, DISCUSS OR TAKE SUCH OTHER ACTION AS IS REASONABLY APPROPRIATE UNDER THE CIRCUMSTANCES TO ATTEMPT TO RESOLVE THE DISPUTE IN GOOD FAITH. APPROPRIATE ACTION SHALL INCLUDE, WITHOUT LIMITATION, PROMPT COMMUNICATION WITH THE AGGRIEVED PARTY OR PARTIES AND A PROPOSED COURSE OF ACTION TO RESOLVE THE PROBLEM. IF THE PARTIES ARE UNABLE TO RESOLVE THE PROBLEM WITHIN A REASONABLE PERIOD (NOT TO EXCEED THIRTY (30) DAYS AFTER THE NOTICE OF THE DISPUTE), THE MATTER SHALL BE SUBMITTED TO BINDING ARBITRATION.

ANY DISPUTE SUBMITTED TO ARBITRATION SHALL BE SETTLED BY ARBITRATION AT A MUTUALLY CONVENIENT LOCATION IN THE CITY OF HAGÄTÑA, GUAM, DESIGNATED BY THE ARBITRATOR, BEFORE A SINGLE ARBITRATOR IN ACCORDANCE WITH THE ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION, AND JUDGMENT UPON THE AWARD RENDERED IN SUCH ARBITRATION MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. WHEN RESOLVING A DISPUTE, THE ARBITRATOR SHALL APPLY THE PERTINENT PROVISIONS OF THIS AGREEMENT AND THE LAWS OF GUAM AND SHALL GIVE EFFECT TO STATUTES OF LIMITATIONS IN DETERMINING ANY CLAIM.

ANY ARBITRATOR DESIGNATED SHALL HAVE NOT LESS THAN TEN (10) YEARS EXPERIENCE IN LEGAL MATTERS PERTAINING TO THE INTERPRETATION AND IMPLEMENTATION OF THE LAWS OF GUAM RELATING TO COMMERCIAL REAL ESTATE TRANSACTIONS. DISCOVERY REQUESTS SHALL BE DETERMINED BY THE ARBITRATOR IN LIGHT OF THE PARTIES' DESIRE TO PROCEED INFORMALLY, AT MINIMAL EXPENSE.

ANY AND ALL FEES AND EXPENSES INCURRED BY THE PREVAILING PARTY IN THE ARBITRATION AS DETERMINED BY THE ARBITRATOR, INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND COSTS, SHALL BE PAID BY THE NON-PREVAILING PARTY. THE PREVAILING PARTY SHALL BE DETERMINED BY THE ARBITRATOR, BASED UPON AN ASSESSMENT OF WHICH

PARTY'S MAJOR ARGUMENTS MADE OR POSITIONS TAKEN IN THE PROCEEDINGS COULD FAIRLY BE SAID TO HAVE PREVAILED OVER THE OTHER PARTY'S MAJOR ARGUMENTS OR POSITIONS ON MAJOR DISPUTED ISSUES IN THE ARBITRATOR'S DECISION. IF THE PARTY WHICH SHALL HAVE COMMENCED OR INSTITUTED THE ACTION, SUIT OR PROCEEDING SHALL DISMISS OR DISCONTINUE IT WITHOUT THE CONCURRENCE OF THE OTHER PARTY, SUCH OTHER PARTY SHALL BE DEEMED THE PREVAILING PARTY. AS USED IN THIS AGREEMENT, THE TERM "ATTORNEYS' FEES" INCLUDES, WITHOUT LIMITATION, ALL ATTORNEYS' AND PARALEGALS' FEES AND EXPENSES INCURRED IN CONNECTION WITH THE DISPUTE WHICH IS THE SUBJECT OF THE ARBITRATION PROCEEDING, INCLUDING, ATTEMPTING TO RESOLVE THE DISPUTE WITHOUT ARBITRATION, PREPARING FOR THE ARBITRATION, CONDUCTING THE ARBITRATION AND DEFENDING ANY REVIEW OF THE ARBITRATOR'S DECISION.

NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT ANY PARTY TO THIS AGREEMENT MAY INITIATE AND MAINTAIN AN ACTION FOR JUDICIAL RELIEF FOR THE PURPOSE OF SEEKING A PROVISIONAL OR ANCILLARY REMEDY OR CLEARING TITLE TO ANY PARCEL OF ANY NOTICE OF LIS PENDENS OR OTHER ENCUMBRANCE UPON TITLE.

NOTICE: BY EXECUTING THIS AGREEMENT, EACH PARTY HERETO IS AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THIS ARBITRATION OF DISPUTES PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY GUAM LAW AND IS GIVING UP ANY RIGHTS SUCH PARTY MAY POSSESS TO HAVE THE DISPUTE LITIGATED IN COURT AND BY JURY TRIAL, AND ANY OTHER RIGHTS TO DISCOVERY AND APPEAL. IF AN PARTY REFUSES TO SUBMIT TO ARBITRATION, SUCH PARTY MAY, TO THE EXTENT PERMITTED BY LAW, BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF APPLICABLE GUAM LAW.

End of Exhibit

EXHIBIT C

Budget for Initial Term of Lease

Management Fee	\$	70,000
Insurance Premiums		161,000
Initial Maintenance Costs		<u>20,000</u>
TOTAL	\$	251,000

Invitation to Negotiate

10 messages

Donna Herrero <donna.herrero@dpw.guam.gov>

Mon, Jul 7, 2025 at 12:24 PM

To: ho.eun@coretechintl.com

Cc: Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>

Good afternoon Mr. Eun,

Hope this email finds you well. Please find the attached letter regarding a meeting scheduled for July 9, 2025 at 300pm. Please acknowledge receipt of this email and attachment. Should you have any questions or concerns please do not hesitate to contact me.

Respectfully,
Donna Herrero,
Private Secretary
Department of Public Works
(671)647-5055

 **dir25-1120.pdf**
25K**Ho Eun** <ho.eun@coretechintl.com>

Mon, Jul 7, 2025 at 1:33 PM

To: Donna Herrero <donna.herrero@dpw.guam.gov>

Cc: Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>

Thank you, Donna.

I confirm receipt of your email and attachment.

I look forward to seeing you there.

Best,

Ho

[Quoted text hidden]

[Quoted text hidden]

This message was sent from outside the company. Please do not click links or open attachments unless you recognize the source of this email and know the content is safe.

"Disclaimer: The content of this message is confidential and intended only for the use of the individual or entity to which it is addressed. If you have received it by mistake, please inform us by an email reply and then delete the message. It is prohibited to copy, forward, or in any way reveal the contents of this message to anyone. The integrity and security of this email cannot be guaranteed over the Internet. Therefore, the sender will not be held liable for any damage caused by the message."

Donna Herrero <donna.herrero@dpw.guam.gov>

Mon, Jul 7, 2025 at 1:36 PM

To: Ho Eun <ho.eun@coretechintl.com>

Cc: Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>

Good afternoon Mr. Eun,

Thank you for acknowledging receipt of my email. I also sent out a google invite that you can accept.

Respectfully,
Donna Herrero,

Private Secretary
Department of Public Works
(671)647-5055

[Quoted text hidden]

Ho Eun <ho.eun@coretechintl.com>
To: Donna Herrero <donna.herrero@dpw.guam.gov>
Cc: Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>

Mon, Jul 7, 2025 at 1:38 PM

I accepted your invitation and plan to attend with two of my staff.

Jong Won, VP of Preconstruction.
Alon Elamparo, Chief Estimator
[Quoted text hidden]

Donna Herrero <donna.herrero@dpw.guam.gov>
To: Ho Eun <ho.eun@coretechintl.com>
Cc: Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>

Mon, Jul 7, 2025 at 1:46 PM

Hi Eun,

Will inform the Director.

Donna Herrero,
Private Secretary
Department of Public Works
(671)647-5055

[Quoted text hidden]

Ho Eun <ho.eun@coretechintl.com>
To: Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>
Cc: Jong Won <jong.won@coretechintl.com>, Alon Elamparo <alon.elamparo@coretechintl.com>

Mon, Jul 14, 2025 at 6:45 PM

Dear Director,

Thank you for your time last week. Please take a look at the following value engineering suggestion to meet the budget requirements. Please let me know if you have any questions, and we will be ready with the details.

New SSHS VE Summary

Date: 7/15/2025

No	Description	Amount	Remark
1	VE#01: Size of Classroom (from 117,032 Sq-ft to 94,673 Sq-ft)	\$ (9,796,201.55)	
2	VE#02: Hallway & Corridor Width	\$ (2,248,557.65)	Design Changes

3	VE#03: DPW Building Permit & Review Fees	\$ (758,626.69)	
4	VE#04: Rainwater Catchment System	\$ (1,773,539.00)	
5	VE#05: Photovoltaic System	\$ (460,913.00)	
6	VE#06: Lighting Pole at Track & Field	\$ (990,000.00)	
7	VE#07-1: Domestic Water Pipe Material	\$ (150,000.00)	Design Changes
	VE#07-2: Fire Sprinkler Branch Lines	\$ (100,000.00)	Design Changes
8	VE#08: Reusable FF&E from Existing SSHS	\$ (1,702,289.76)	
9	VE#09: HVAC Roof Enclosure	\$ (250,000.00)	
10	VE#10: Downsizing Auditorium	\$ (3,737,382.95)	
11	VE#11 Number of Classrooms (from 112 to 81 classrooms)	\$ (7,229,435.40)	
	Total Estimated VE Amount (A)	\$ (29,196,946.00)	

Total Proposed Cost without VE (B)

\$ 195,561,946.00

Total Proposed Net Project Cost (A+B)

\$ 166,365,000.00

Thank you and best regards,

Ho

486-5000 cel.

[Quoted text hidden]

Vince Arriola <vince.arriola@dpw.guam.gov>
To: Joseph W Duenas <jduenas@ssfm.com>

Tue, Jul 15, 2025 at 8:26 AM

Good morning Mr. Duenas,

Per Director Please see the email below and attachment. He wanted me to forward to you.

Donna

Vincent P. Arriola

Director, Department of Public Works

542 North Marine Corp Drive,

Tamuning, Guam 96913

(671) 646-3131

[Quoted text hidden]

Joseph W Duenas <jduenas@ssfm.com>
To: Vince Arriola <vince.arriola@dpw.guam.gov>
Cc: DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>

Tue, Jul 15, 2025 at 8:55 AM

Received. Thanks Donna!

Joseph W. Duenas, ENV SP | Pacific Area Manager



Innovate | Adapt | Sustain

215 Rojas Street, Suite 213 | Harmon, Guam 96913
T 671.646.7736 | F 671.300.7738
jduenas@ssfm.com | www.ssfm.com

"Do not go where the path may lead, go instead where there is no path and leave a trail." – Ralph Waldo Emerson

From: donna.herrero@dpw.guam.gov <donna.herrero@dpw.guam.gov> **On Behalf Of** Vince Arriola
Sent: Tuesday, July 15, 2025 8:26 AM

To: Joseph W Duenas <jduenas@ssfm.com>
Subject: Fwd: Invitation to Negotiate

Email received from **EXTERNAL** sender. Confirm the content is safe prior to opening attachments or links.

[Quoted text hidden]

NOTICE: This communication and any attachments ("this message") may contain confidential information for the sole use of the intended recipient(s). Any unauthorized use, disclosure, viewing, copying, alteration, dissemination or distribution of, or reliance on this message is strictly prohibited. If you have received this message in error, or you are not an authorized recipient, please notify the sender immediately by replying to this message, delete this message and all copies from your e-mail system and destroy any printed copies.

Vince Arriola <vince.arriola@dpw.guam.gov>
To: Joseph W Duenas <jduenas@ssfm.com>
Cc: DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>

Tue, Jul 15, 2025 at 9:54 AM

Thank you.

Donna

Vincent P. Arriola

Director, Department of Public Works

542 North Marine Corp Drive,

Tamuning, Guam 96913

(671) 646-3131

[Quoted text hidden]

Ho Eun <ho.eun@coretechintl.com>
To: Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>
Cc: Jong Won <jong.won@coretechintl.com>, Alon Elamparo <alon.elamparo@coretechintl.com>

Tue, Jul 15, 2025 at 2:18 PM

Dear Director,

Please see attached the SSHS Financing, as requested during the meeting last week.

Best regards,

Ho

From: Ho Eun

Sent: Monday, July 14, 2025 6:46 PM

To: Vince Arriola <vince.arriola@dpw.guam.gov>; Linda Ibanez <linda.ibanez@dpw.guam.gov>

Cc: Jong Won <jong.won@coretechintl.com>; Alon Elamparo <alon.elamparo@coretechintl.com>

Subject: RE: Invitation to Negotiate

Dear Director,

[Quoted text hidden]



SSHS_Financing.docx

44K



The Honorable
LOURDES A. LEON GUERRERO
Maga' Håga · Governor

The Honorable
JOSHUA F. TENORIO
Sigundo Maga' Låhi · Lieutenant Governor



Director
LINDA J. IBANEZ
Deputy Director
ERNEST G. CANDOLETA, JR
Deputy Director

July 7, 2025

Mr. Ho Eun
Chairman
Core Tech International Corp.
388 S Marine Corps Dr, Suite 400
Tamuning, Guam 96913

SUBJECT: INVITATION TO NEGOTIATE
New Simon Sanchez High School (FDDBLM)
Project No. 730-5-1059-L-YIG

Dear Mr. Ho,

Buenas yan Hafa Adai! The Department of Public Works (DPW), the Guam Department of Education (GDOE), and the various government stakeholders have been meeting to discuss your proposal for the above subject project.

I am kindly requesting your presence to begin negotiations on Wednesday, 3:00pm, at the DPW Director's Office located in Upper Tumon. The intent of our first meeting is to discuss and seek clarification on your price proposal.

Please contact Donna Herrero at 646-3131 to confirm your participation. I look forward to seeing you.

Sincerely,


VINCENT P. ARRIOLA
Director

Justification for Core Tech as Financing Entity for SSHS Project

Legal Foundation

5 GCA § 58D104(a) mandates that the procurement for the new Simon Sanchez High School must include financing:

"... the GDOE, through the Department of Public Works (DPW), **shall** issue a solicitation in compliance with the Guam Procurement Law, for the following services with regard to the new Simon Sanchez High School: (1) **financing**..."

As well, 5 GCA § 58D102(b)(1) defines the "Contract" awarded pursuant to the procurement under the law to include the financing.

DPW RFP No. 730-5-1059-L-YIG, issued on March 28, 2025, governs and supersedes any prior procurement efforts, including those by GEDA. This is due to:

1. Its issuance being later in time, and
2. Its alignment with 5 GCA Chapter 58D.

Under GEDA RFP 2024-005 (issued September 24, 2024; awarded October 24, 2024), Section 3.9 explicitly states that GEDA is "**in no way**" obligated "to award and execute a contract." This further reinforces that DPW's procurement takes precedence and that the GEDA award conflicts with 5 GCA Chapter 58D.

RFP-Specific Financing Requirements

DPW RFP No. 730-5-1059-L-YIG, Section VII, Question 4 (page 5), and the follow-up in-person interview, focused extensively on the financing plan.

The Core Tech team's proposal includes a financing structure in cooperation with GEDA, GovGuam, DPW, and GDOE, demonstrating full alignment with the RFP's intent.

Compliance with § 58D108

§ 58D108. Financing Requirements.

To minimize the cost to the government of Guam, financing utilized by **the Contractor to fund the construction of and FF&E services** for the new Simon Sanchez High School shall be through tax-exempt obligations, or other financial instruments; provided, that such financing is available at an interest rate of no more than eight-and-a-half percent (8.5%).

The contractor may use an alternative method of financing, including, but not limited to, a short-term debt, mortgage, loan, federally guaranteed loan, or loan by an instrumentality of the United States of America if such financing will better serve the needs of the people of Guam, subject to approval by *I Liheslaturan Guåhan*.

Core Tech's financing plan complies with 5 GCA § 58D108, which requires:

- Use of tax-exempt obligations or other financial instruments with interest rates not exceeding 8.5%.

- Alternative financing methods (e.g., short-term debt, federally guaranteed loans) are permitted only with legislative approval.

Core Tech's plan:

- Utilizes tax-exempt obligations.
- Does not require legislative approval, as no alternative financing is proposed.
- Aligns with the statutory language: "financing utilized by the Contractor," affirming that the Contractor (Core Tech) is the financing entity.

Precedent and Integration

Core Tech proposes a financing process modeled after the JFK High School project, where:

- **GEDA, GovGuam, DPW, and GDOE are fully integrated into all aspects of the financing process, including:**
 - Financing calls
 - Document development
 - Rating agency presentations
 - Bond marketing and investor relations
 - Bond sale execution

Underwriter and Legal Counsel

Underwriter: Barclays

- Chosen for its extensive experience in Guam, including:
 - Tiyan High School
 - Southern High School
 - Co-manager for JFK High School refinancing
- Barclays was explicitly included in Core Tech's proposal.
- GEDA and GovGuam are familiar with Barclays, while the underwriters selected under GEDA RFP 2024-005 lack experience with Guam high schools or leases.

Bond Counsel:

- Core Tech initially proposed Kutak Rock LLP and Koegen Edwards PC as co-bond counsel for cost efficiency.
- For expediency and Guam-specific expertise, **Core Tech is willing to use Orrick, Herrington & Sutcliffe LLP as bond and disclosure counsel.**
- In this structure:
 - Koegen Edwards PC (Roy Koegen) would serve as underwriter's counsel.
 - Kutak Rock LLP would not participate.

Legal Authority and Issuer Selection

Under Guam law, none of GEDA, GovGuam, GDOE, or DPW has the authority to serve as the actual issuer of the financing.

A conduit issuer—as used for JFK and Tiyan—is required.

It is unclear if GEDA has the legal authority to select the underwriter for the issuer's bonds unilaterally.

Core Tech proposes to collaborate with GEDA, DPW, and GovGuam to select the issuer.

Summary

Core Tech proposes to work collaboratively with GEDA and other GovGuam agencies under a financing process and structure substantially identical to the one GEDA desires and otherwise contemplates (including with Orrick), the primary exception being that Core Tech, as Contractor, selects the bond underwriter in compliance with and pursuant to 5 GCA Chapter 58D and DPW RFP No. 730-5-1059-L-YIG.

REQUEST FOR PROPOSALS

FOR

**NEW SIMON SANCHEZ HIGH SCHOOL:
FINANCE, DEMOLITION, DESIGN, BUILD, LEASE/LEASEBACK &
INSURE/CAPITAL MAINTENANCE
(FDDBLM)**

**AS AUTHORIZED BY THE "MA KAHAT ACT OF 2013" AND ALL
SUBSEQUENT/RELATIVE PUBLIC LAWS AS APPROPRIATE**

PROJECT No. 730-5-1059-L-YIG

**LOURDES A. LEON GUERRERO
Governor of Guam**

and

**JOSHUA F. TENORIO
Lt. Governor of Guam**

PREPARED BY:



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

REQUEST FOR PROPOSALS

**NEW SIMON SANCHEZ HIGH SCHOOL:
FINANCE, DEMOLITION, DESIGN, BUILD, LEASE/LEASEBACK AND
INSURE/CAPITAL MAINTENANCE
(FDDBLM)**

PROJECT NO. 730-5-1059-L-YIG

LOURDES A. LEON GUERRERO
Governor of Guam

and

JOSHUA F. TENORIO
Lt. Governor of Guam

PREPARED BY:

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

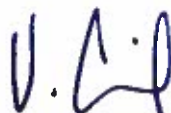
2025

RECOMMEND APPROVAL:


JOHN F. CALANAYAN
Engineer Supervisor
Department of Public Works

Date: 3/21/25

APPROVED BY:


VINCENT P. ARRIOLA
Director
Department of Public Works

Date: 3-21-25



The Honorable
LOURDES A. LEON GUERRERO
Maga' Håga · Governor

The Honorable
JOSHUA F. TENORIO
Sigundo Maga' Låhi · Lieutenant Governor



Director
LINDA J. IBANEZ
Deputy Director

REQUEST FOR PROPOSAL

The Governor of Guam, Lourdes A. Leon Guerrero, and Lt. Governor Joshua F. Tenorio, through the Director of the Department of Public Works (DPW), invite sealed proposals for the New Simon Sanchez High School – Finance, Demolition, Design, Build, Lease/Leaseback, and Insure/Capital Maintenance (FDDBLM), Project No. 730-5-1059-L-YIG.

RFP documents will be available starting Friday, March 28, 2025, at the Contract Administration Technical Services Office, Ground Floor, TMC Building, DPW for a non-refundable fee of \$25.00. Payment must be made at the Treasurer of Guam, located at DPW, and a receipt must be presented to obtain the documents. Upon obtaining the RFP, Proposers must complete and return the Acknowledgment of Receipt Form (Attachment 7) to DPW. Failure to submit this form will result in the Proposer's disqualification as being non-responsive.

A mandatory in-person pre-proposal conference will be held on Friday, April 4, 2025, at 9:00 a.m. in the Guam Economic Development Authority (GEDA) Conference Room, located on the 5th floor of the ITC Building. A mandatory site visit will follow at 2 p.m. at the old Simon Sanchez High School to allow Proposers to familiarize themselves with the project site.

Sealed proposals must be submitted to the Contracts Administration and Technical Services Section, Division of Capital Improvement Projects, Ground Floor, TMC Building, DPW by 4:00 p.m., Friday, May 23, 2025. Proposals will not be accepted without proof of payment.

DPW affirms that all minority business enterprises will have full opportunity to submit proposals and will not be discriminated against based on race, color, or national origin in consideration for an award. The Government of Guam reserves the right to reject any or all proposals and waive any irregularities in the best interest of the government.

VINCENT P. ARRIOLA
Director

Project Name: RFP FOR NEW SIMON SANCHEZ HIGH SCHOOL: FINANCE.
DEMOLITION. DESIGN. BUILD. LEASE/LEASEBACK & INSURE/CAPITAL MAINTENANCE
Project No.: 730-5-1059-L-YIG

NEW SIMON SANCHEZ HIGH SCHOOL (FDDBLM)

RFP TIMELINES

Project No. 730-5-1059-L-YIG

Friday, March 28, 2025	AVAILABILITY OF RFP DOCUMENTS
Friday, April 4, 2025, 9 AM	MANDATORY PRE-PROPOSAL CONFERENCE. MANDATORY SITE VISIT TO FOLLOW AT 2 PM
Friday, April 18, 2025, 4 PM	LAST DAY TO SUBMIT WRITTEN QUESTIONS AND/OR CLARIFICATIONS
Wednesday, April 30, 2025, 4 PM	ANTICIPATED RESPONSE/REPLIES TO QUESTIONS/CLARIFICATIONS
Friday, May 23, 2025, 4 PM	RFP SUBMITTAL DUE DATE (Submit to DPW, TMC Building, CIP Contract Section)
Wed-Thursday, June 4-5, 2025	ANTICIPATED PRESENTATION & INTERVIEW DATE
Friday, June 20, 2025	ANTICIPATED SELECTION NOTICE

NEW SIMON SANCHEZ HIGH SCHOOL (FDDBLM)

TABLE OF CONTENTS

Project No. 730-5-1059-L-YIG

<u>Contents</u>	<u>Page</u>
I. PROJECT OVERVIEW	1
II. TERM AND TIME OF PERFORMANCE.....	1
III. SCOPE OF SERVICES	2
IV. COMMUNICATION REGARDING THE RFP.....	2
V. PROPOSAL PACKAGE REQUIREMENTS.....	2
VI. PROPOSAL SUBMITTAL	2
VII. INSTRUCTIONS FOR SUBMITTING A PROPOSAL	2
VIII. TERMS OF PAYMENT.....	7
IX. AVAILABILITY	8
X. AMENDMENTS	8
XI. PRE-PROPOSAL CONFERENCE	9
XII. PRE-PROPOSAL QUESTIONS	9
XIII. EXPLANATION TO PROPOSERS.....	9
XIV. DPW's ANSWERS.....	9
XV. WITHDRAWAL OF PROPOSALS	9
XVI. ALTERNATE OR MULTIPLE PROPOSALS NOT ACCEPTED.....	10
XVII. NO LATE PROPOSALS	10
XVIII. PROHIBITION AGAINST EMPLOYMENT OF SEX OFFENDERS.....	10
XIX. EQUAL OPPORTUNITY	10
XX. RECEIPT/OPENING OF PROPOSALS	11
XXI. CLASSIFICATION OF PROPOSALS AS RESPONSIVE OR NON-RESPONSIVE	11
XXII. DETERMINATION OF RESPONSIBILITY	11
XXIII. COMPLETENESS OF PROPOSALS	11
XXIV. FAILURE TO COMPLY WITH INSTRUCTIONS.....	11
XXV. DPW RIGHTS RESERVED.....	12
XXVI. NON-DISCLOSURE OF DATA.....	12
XXVII. REJECTION OF PROPOSAL OFFER.....	12
XXVIII. CANCELLATION OF RFP SOLICITATION	12
XXIX. DEBARMENT.....	13
XXX. PERFORMANCE AND PAYMENT BOND	13
XXXI. INDEMNIFICATION.....	13
XXXII. RFP ATTACHMENTS & LEGAL REQUIREMENTS	13
XXXIII. OPENING OF PROPOSALS	15
XXXIV. EVALUATION OF PROPOSALS AND AWARD OF CONTRACT	15
XXXV. EVALUATION CRITERIA	16
XXXVI. EVALUATION, RATING AND SELECTION TABLE.....	16
XXXVII. INDIVIDUAL EVALUATION FORM.....	17
XXXVIII. SUMMARY EVALUATION FORM.....	18
XXXIX. TERM SHEET AND PRICE PROPOSAL SUBMITTAL	18
XL. NEGOTIATION AND AWARD OF CONTRACT	18
XLI. SUCCESSFUL NEGOTIATION OF CONTRACT WITH QUALIFIED PROPOSER.....	18
XLII. FAILURE TO NEGOTIATE CONTRACT WITH BEST QUALIFIED PROPOSER	18
XLIII. NOTICE OF AWARD.....	19
XLIV. AWARDED OF CONTRACT	19
XLV. COMMENCEMENT OF WORK.....	19
XLVI. DEFINITIONS.....	19

Attachments

ATTACHMENT A: FINANCING SCOPE OF WORK

ATTACHMENT B: DESIGN/CONSTRUCTION AND INSURANCE/CAPITAL MAINTENANCE
SCOPE OF WORK

Required Forms

ATTACHMENT 1: AFFIDAVIT OF DISCLOSING OWNERSHIP AND COMMISSIONS

ATTACHMENT 2: AFFIDAVIT OF NON-COLLUSION

ATTACHMENT 3: AFFIDAVIT re NO GRATUITIES OR KICKBACKS

ATTACHMENT 4: AFFIDAVIT re CONTINGENT FEES

ATTACHMENT 5: AFFIDAVIT re ETHICAL STANDARDS

ATTACHMENT 6: DECLARATION re COMPLIANCE WITH U.S DOL WAGE DETERMINATION

ATTACHMENT 7: ACKNOWLEDGEMENT OF RECEIPT FORM

ATTACHMENT 8: DPW CHECKLIST OF RESPONSIVENESS

ATTACHMENT 9: PRICE PROPOSAL & ADDENDA ACKNOWLEDGEMENT OF RECEIPT FORM

I. PROJECT OVERVIEW

The Governor of Guam, through the Department of Public Works (DPW) and with the assistance of the Guam Economic Development Authority (GEDA), issues this Request for Proposal (RFP) for the financing, demolition, design, build, lease/leaseback, and insure/capital maintenance ("FDDBLM") of a new Simon Sanchez High School in Yigo.

The Government of Guam (the "Lessee"), acting through DPW, seeks to procure the new facility through a municipal lease/leaseback arrangement in compliance with the *MA KAHAT ACT OF 2013*, Public Law 37-22, and all applicable public laws, including but not limited to Public Law 20-27, Chapter 8, Title 1 of the Guam Code Annotated, relating to Arts in Public Buildings and Facilities.

Under this RFP, the Government of Guam is authorized to lease school property to the successful Proposer to facilitate project financing, demolition, design, construction, FF&E services, and insurance and maintenance services. Upon completion, the Government of Guam will lease back the facility for a mutually agreed term necessary to amortize the associated costs. The leaseback period shall not exceed 30 years from the scheduled completion date. It may be an annually renewable lease with automatic renewal provisions contingent on available pledged or reserved revenue under §58D109 of Chapter 58 of Title 5 Guam Code Annotated. The leaseback shall not be considered "public indebtedness" under 48 U.S.C. § 1432a, §11 of the Organic Act of Guam, or Guam law. Any lease term extensions will be subject to and not exceed the statutory limit under Guam law.

Proposals must comply with all Government of Guam requirements outlined in this RFP and, where silent, Guam Procurement Law, Rules, and Regulations. The RFP details the required scope of services and proposal submission instructions.

Eligible Proposers include developers, contractors, and finance companies legally operating under U.S. state or territorial laws and subject to Guam licensing regulations. Information on licensing is available from the Director of Revenue and Taxation. Special-purpose company proposals may also be considered.

The successful Proposer will serve as the primary lessor of the new Simon Sanchez High School and must submit all required proposal documents within the timelines specified in this RFP.

II. TERM AND TIME OF PERFORMANCE

The term of this solicitation is comprised of two sections: 1) Financing and Construction not to exceed seven-hundred and thirty (730) days from the issuance of Notice to Proceed, and 2) The negotiated Lease/Leaseback Capital Maintenance period not to exceed thirty (30) years.

III. SCOPE OF SERVICES

The Proposer shall be responsible for the scope of work, services and responsibilities in this RFP and the requirements outlined in the Financing Scope of Work (Attachment A) and the Design/Construction and Insurance/Capital Maintenance Scope of Work (Attachment B).

IV. COMMUNICATION REGARDING THE RFP

Any correspondence or communication by a potential Proposer must be made in writing via email addressed to the sole point of contact John F. Calanayan, Engineer Supervisor at john.calanayan@dpw.guam.gov or by hand delivery at the Contract Administration Technical Services Office, Ground Floor, TMC Building. All written communications must reference: **NEW SIMON SANCHEZ HIGH SCHOOL: FDDBLM Project No. 730-5-1059-L-YIG** in the subject or reference line.

V. PROPOSAL PACKAGE REQUIREMENTS

Each Proposal Package will consist of the Proposer's Submittal with all the required forms/addenda, complete with original signatures and notarizations where necessary. The Proposal Package will also contain a **separate and sealed envelope** marked **"Term Sheet and Price Proposal"** for negotiations.

VI. PROPOSAL SUBMITTAL

The Proposal shall be submitted in a sealed envelope or box that is clearly marked **"NEW SIMON SANCHEZ HIGH SCHOOL FDDBLM Project No. 730-5-1059-L-YIG"**. It must include one (1) original with all the required forms listed in Section XXXI- RFP ATTACHMENTS AND LEGAL REQUIREMENTS complete with original signatures and notarizations where necessary, six (6) copies, and two (2) electronic copies (CD or USB flash drive) containing the complete technical submittal and one (1) separate and sealed individual Term Sheet and an individual Price Proposal.

VII. INSTRUCTIONS FOR SUBMITTING A PROPOSAL

1. Format

Submission must be in 8.5 X 11-inch format with font no less than 12-point font size. Each submittal shall not contain more than forty (40) pages, excluding front and back covers, tabs, certificates of insurance, detailed schedule charts, and required forms. Attachments not part of the forty (40) pages should be tabbed and labeled accordingly.

Each RFP Packet shall include a description of the type, technical experience, background, qualifications, and expertise of the Proposer. The description shall show that the firm possesses the demonstrated skills and professional experience to perform the general functions of the Project and fulfill the government's goals and vision for the Project. Submittals shall describe in detail the Proposer's approach to the Project. Creative methodology, and/or technology that the Proposer uses or unique resources that the Proposer can offer to the Project is encouraged.

2. Contents

Respondents shall comply with the following requirements for its RFP Packet:

Section 1: Executive Summary (max. 1 page)-

This should be an overview of the entire RFP Packet with a description of the general approach and/or methodology they will use to meet the goals and fulfill the general functions set forth in the RFP.

Section 2: Table of Contents. Include clearly identifying the written material by section and page number.

Section 3: Cover Letter (max. 1 page)

Each proposal shall include a cover letter signed by a person within the firm authorized to make representations on behalf of the firm and to bind the firm. The cover letter shall include the following information:

- a) The Proposer's contact person's name, phone number, and email address relative to the proposal.
- b) The Proposer's principal place of business and the location of the office proposing/sponsoring the work relative to this proposal.
- c) You must also indicate whether you are operating as an individual proprietorship, partnership, corporation, or joint venture.
- d) A brief statement acknowledging the firm's understanding of the scope of work.
- e) A positive commitment to perform the services described, with the personnel specified in the submission, ***within the budgetary parameters of the "MA KAHAT ACT OF 2013" and any subsequent/relevant public laws.***
- f) An acknowledgement that all addenda were received (list each addendum number and date in the letter).

Section 4- Personnel Experience and Qualifications

- a) A brief history of the Proposer. Please include any former names of the Proposer and the number of years the Proposer has participated in development or similar construction projects as a developer and/or general contractor under each name. List any reasons for change of name or corporate structure.
- b) Identify the overall project coordinator or manager who will serve as the single point of contact and liaison between DPW's Construction Manager and the Proposer for all work under the contract. Explain why this person has been selected as the project coordinator/manager. The manager candidate may be subject to DPW approval.
- c) Organizational Charts for Proposer. This shall include two (2) charts: 1. A chart of all corporate entities on the Proposers team, and 2. A chart of all key personnel, with their titles and specific task assignments for the Project.

- d) Resumes of personnel involved with the Project shall be included, including their school construction experience. Include A&E personnel. The evaluation will consider the entire team. Therefore, no changes in the Proposer's composition will be allowed without written approval by DPW.
- e) Provide a description of the Proposer's technical competence and ability to draw upon multi-disciplinary staff to address the services required under the RFP.

Section 5- Approach and Capacity of Proposer

Detailed description of the Proposer's plan, methods, and ability for carrying out the Project, including:

3. Construction and Insurance/Capital Maintenance

- a) Provide a statement regarding the Proposer's availability and resources.
- b) Location of nearest office and main office, if different.
- c) The technical and managerial approach to the Proposer's partnership with the Government of Guam (DPW, GEDA, GDOE).
- d) How the Proposer plans to ensure the project remains within the budgetary ceilings and parameters set by Guam law for Simon Sanchez High School, including strategies for cost control and efficient resource allocation.
- e) How the Proposer plans to perform the required services with its resources and current workload; and how the Proposer plans to incorporate skilled and trained workforce into the Project. **Include a Critical Path Method (CPM) schedule and/or chart as an attachment to the proposal.**
- f) How the Proposer plans to rapidly mobilize and execute an accelerated financing, demolition, design, and construction schedule to meet the project's expedited construction timeline. Describe any concurrent strategies to streamline mobilization, expedite demolition and accelerate project completion.
- g) How the Proposer plans to incorporate design and construction innovations that enhance the expedited construction schedule and cost efficiency, ensuring the Government of Guam achieves the highest economic value throughout the design, construction, and insurance/capital maintenance period. Describe any innovative design approaches or technologies to help reduce operational costs for GDOE and the Government of Guam during the insurance and capital maintenance phase.
- h) How the Proposer will incorporate **Attachment B** and the government's design references into the design and construction process **to ensure key stakeholder feedback is effectively integrated into the final build.**
- i) How the Proposer intends to use resilient building materials and systems that will allow the Government of Guam to use the facility as an emergency shelter during a super-typhoon and quickly bring the facility back online after a storm.

- j) How the Proposer plans to incorporate local subcontracting teams into the Project, if applicable.
- k) How the Proposer plans to incorporate construction means, methods, and quality control into the Project.
- l) Detailed discussion on costs related to fees, general conditions, insurance, supervision, and management of all portions of the scope of work.
- m) Provide a statement of financial resources, bonding capacity and insurance coverage.
- n) Certificates of Insurance identifying the firm's current insurance coverage.
- o) Copy of the Contractor's License.
- p) Provide name and license of Proposer's Architectural/Engineering Design Team.
- q) Provide all required attachments in this RFP in an appendix not counted toward the forty (40) pages.

4. Financing

The Proposer shall work with the Guam Economic Development Authority (GEDA) to finance the new Simon Sanchez High School construction. Include the following information related to financing:

- a) Proposer's proposed structure in detail, provisions for extension of maturity, roll-over, or any other similar occurrence.
- b) Provide a sealed Term Sheet or similar format outlining the terms and conditions of the proposed lease/leaseback agreement.
- c) Discuss the estimated timeline for the issuance of this lease/leaseback and describe your firm's ability to conduct this transaction in a timely. Please feel free to outline certain variables such as a credit committee, and their effects, if any, on the terms and conditions of the financing.
- d) Please include your firm's latest audited financials for three (3) years.
- e) Please describe any other terms and conditions your firm requires regarding this financing.
- f) Indicate the principal personnel that would be available to GEDA and the government and describe their experience and responsibilities for this financing.
- g) Ability of Proposer 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.
- h) Ability of Proposer to allow the purchase of the leased school facility by Lessee at any time during the lease period. Please provide details on the pre-payment arrangement scenario.

Section 6- Experience on Similar Projects

Description of the Proposer's experience to the area of building public schools or similar construction in size, price, and scope. Please provide a list of completed or ongoing projects the Proposer has been involved with where the total project contracts are similar in size, price, and scope. Within that list:

- a) Identify the method (e.g., leaseback, bid-build, etc.) by which each project was constructed. For leaseback projects, include the total cost of each project and the breakdown of the total cost by preconstruction services and construction services. Provide some examples of its experience in a municipal leaseback project.
- b) Include a discussion of the Proposer's experience with projects performed adjacent to an occupied building and/or campus.
- c) Discuss the Proposer's experience with projects performed in tropical environments.
- d) Identify whether the project is completed or ongoing.
- e) Identify if any of the projects had phased completion.
- f) For the projects listed above, be sure to include the following information:
 - i. Project name and Description.
 - ii. Firm's role.
 - iii. Award and completion dates.
 - iv. Project initial contract price and final contract price.
 - v. Construction cost.
 - vi. Staffing, including Proposer's team members, subcontractors and consultants.
 - vii. Relationships with Owner/Client during the project.
 - viii. References- Provide the owner's contact name, telephone number, and email address.
 - ix. Discussion of claims, demands, and/or litigation arising from the project and involving the Proposer, and the resolution.
 - x. List projects that the Proposer has completed that had some or all of the following obstacles, including the creative solutions from the Proposer on how these obstacles were overcome: 1. A very aggressive schedule, 2. Significant budgetary Restrictions, 3. Be prepared to expand on what you did to accommodate the project's complexity; and the clients' needs, minimizing inconvenience; and maximizing safety.

Section 7- Performance Issues

Provide a claims statement for all resolved or ongoing claims. Submit a statement indicating any and all lawsuits or claims in which the Proposer or its personnel instigated a claim and/or litigation regarding construction projects within the past five (5) years and indicating any claims in which claims and/or litigation have been pursued against the Proposer or its personnel. For each listed claim and/or litigation

state the issues in the claim and/or litigation, the status of the claim/litigation, the names of the parties involved, and the outcome, if any.

The proposer's claims statements MUST include resolved and ongoing claims. Proposer's claims statement MUST include claims history of Proposer and its personnel, as well as Associated Firms. "Associated Firms" are businesses, corporations, companies, partnerships, or other entities associated with the Proposer and/or its personnel (e.g., firm name changes, association as previous owner, general partner, limited partner, or other officer).

The proposer must hold a Contractor's License, which is current, valid and in good standing with the Guam Contractor's Licensing Board. Include a copy of your contractor license and statement on whether the license has been revoked or suspended in the last five (5) years.

If any of the following have occurred, please describe in detail the circumstances of each occurrence.

- a) Failure to enter into contract or professional services agreement once selected.
- b) Withdrawal of a proposal or bid because of an error.
- c) Termination or failure to complete a contract.
- d) Debarment by any municipal, county, territory, state, federal state, federal, or local agency.
- e) Involvement in litigation, arbitration, or mediation, whether concluded or ongoing.
- f) Conviction of the Proposer or its principals in violating any territory, state, or federal antitrust laws by bid or proposal rigging, collusion, or restrictive competition between bidders or proposers, or conviction of any local, state or federal law related to bidding or performance of services.
- g) Knowing concealment of a deficiency in the performance of a prior contract.
- h) Falsifying information or submitting deceptive or fraudulent statements in connection with a contract.
- i) Willful disregard for applicable rules, laws, or regulations.
- j) Failure to disclose information regarding any of the above may indicate an unsatisfactory performance record. Information regarding any of the above may be considered in determining the suitability of Proposer to perform the services needed. Accordingly, the proposer may describe mitigating factors as a part of any of the above.

VIII. TERMS OF PAYMENT

1. The Government of Guam shall pay the Proposer on an annual basis for all lease payments due in accordance with the terms of the contract, consistent with the "MA KĀHAT ACT OF 2013" AND ANY SUBSEQUENT/RELEVANT PUBLIC LAWS.

2. All payments shall be made in accordance with, subject to, applicable provisions of §22505 of Chapter 22 of Title 5 of the Guam Code Annotated.
3. The Developer, Contractor or Finance Company shall submit one (1) annual invoice, in original form, for lease payments due. The Government of Guam shall have thirty (30) calendar days after receipt of the invoice to make payment.
4. Non-Appropriation Clause: In event that sufficient funds (a) are not appropriated by the I Liheslaturan Guahan 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 occurs, I Liheslaturan Guahan shall not be obligated to make payments of the Base Rentals and Additional Rentals provided for herein beyond the last day of the Renewal Term during which such Event of non-appropriation occurs, except for the Government of Guam's obligation to pay Rentals which are payable prior to the termination of the Lease.
5. If the Government fails to perform as lessee under the leaseback period or decides not to appropriate leaseback payments GDOE shall vacate the facility and the lessor may take possession of the Simon Sanchez High School, investors and/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 of Guam is entitled to repossession of the site together with all improvements on the site, free and clear of any interest to the investors or a trustee on their behalf.
6. To expedite the construction schedule, the Government of Guam may issue 1) A separate Notice to Proceed for the Demolition and Clearing, covered by local funds, along with 2) the Notice of Award. The contractor must submit a separate invoice for Demolition and Clearing, which will be paid 30 days after receipt of invoice.

IX. AVAILABILITY

This Request for Proposals ("RFP") may be picked up at the Contract Administration Technical Services, Ground Floor, TMC Building, Department of Public Work, Monday through Friday, excluding holidays, between 8:00 a.m. and 5:00 p.m., beginning March 28, 2025. Upon obtaining this RFP, prospective Proposers must sign in in the Proposers Register in order to receive any addenda or other notices related to this RFP. Failure by prospective Proposers to sign and register may result in the prospective Proposer not receiving notices or addenda from DPW regarding this RFP.

X. 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 addenda 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 Proposers who have signed in the Proposers Register Form.

XI. PRE-PROPOSAL CONFERENCE

Pre-proposal conferences are "*Mandatory*" as stated on the RFP Timelines. The pre-proposal conference shall be attended by an in-person representative of the Proposer. It will be conducted only to explain the procurement requirements for this Request for Proposals. DPW will notify all Proposers in writing via an addendum to this RFP of any substantive clarification provided in response to any inquiry raised during the pre-proposal conference. A Proposer who does not attend the pre-proposal conference will not be considered and disqualified.

XII. PRE-PROPOSAL QUESTIONS

Proposers 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 sole point of contact John Calanayan john.calanayan@dpw.guam.gov on or before the deadline set forth in the RFP Timelines. Each question must provide clear reference to the section, page, and item of this RFP in question. Questions received after the deadline shall not be considered.

XIII. EXPLANATION TO PROPOSERS

No oral explanation in regard to the meaning of any part of this RFP will be made, and no oral instructions will be given, before the award of the contract. Discrepancies, omissions, or doubts as to the meaning of the specification shall be communicated in writing to the sole point of contact at DPW. Questions about any part of this RFP shall be communicated in writing to the sole point of contact at the Department of Public Works for interpretation before the deadline. Proposers should act promptly and allow sufficient time for a written reply to reach them before the submission of their proposal. Interpretation, if required, shall be made in the form of an amendment to the RFP which will be forwarded to all Proposers, and its receipt by the Proposer must be acknowledged.

XIV. DPW's ANSWERS

DPW's response will be by written addendum. Any other form of interpretation, correction, or change to this RFP will not be binding with the DPW. Any written addendum will be forwarded to all entities or individuals who have picked up an RFP and are included on the Register of Proposals Form. **All addenda shall form a part of the RFP documents and must be acknowledged upon receipt. Failure to acknowledge receipt of each addendum may be grounds for disqualification.**

XV. WITHDRAWAL OF PROPOSALS

Proposals may be withdrawn on written request received from the Proposer(s) prior to the time fixed for opening. Negligence on the part of the Proposer in preparing the proposal confers no right for the withdrawal of the proposal after it has been opened.

XVI. ALTERNATE OR MULTIPLE PROPOSALS NOT ACCEPTED

Alternate or multiple proposals will not be accepted. Any Proposer submitting alternate, multiple, or otherwise altered proposals will be deemed nonresponsive and disqualified from this solicitation.

XVII. NO LATE PROPOSALS

Proposals must be received at the DPW TMC Building, CIP Contract Section, by the Proposal Due Date set forth in the RFP Timelines. **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 Proposer's sole risk to assure delivery at the DPW TMC Building, CIP Contract Section receptionist's desk by the designated time.

XVIII. PROHIBITION AGAINST EMPLOYMENT OF SEX OFFENDERS

Pursuant to 5 G.C.A. § 5253,

1. 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.
2. 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.

XIX. EQUAL OPPORTUNITY

1. The DPW 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 ensure 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.

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

XX. RECEIPT/OPENING OF PROPOSALS

Proposals and modifications will 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 will be prepared. Proposals and modifications will be shown only to government personnel having a legitimate interest in them. The Register of Proposals will be opened to public inspection only after award.

XXI. CLASSIFICATION OF PROPOSALS AS RESPONSIVE OR NON-RESPONSIVE

All proposals will initially be classified as either "responsive" or "non-responsive" (*see RFP Attachment 8*). 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.

XXII. DETERMINATION OF RESPONSIBILITY

The procurement officer will determine whether a Proposer has met the standards of responsibility, per Guam procurement law. 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 a Proposer is found non-responsible, the determination must be in writing, made a part of the procurement file and mailed to the affected Proposer.

XXIII. COMPLETENESS OF PROPOSALS

Selection and award will be based on the information contained in the Proposer'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 Proposers outside the formal response or subsequent discussion/negotiation will not be considered, will have no bearing on any award, and may result in the Proposer being disqualified from further consideration.

XXIV. FAILURE TO COMPLY WITH INSTRUCTIONS

Proposers 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.

XXV. 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:

1. Cancel or terminate this RFP as provided in the Guam Procurement Regulations;
2. 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;
3. Waive any undesirable, inconsequential, or inconsistent provisions of this RFP which would not have significant impact on any proposal;
4. Waive any minor informalities in proposals received, or have them corrected by the Proposer in accordance with applicable regulations;
5. Not award if it is in the best interest of DPW or the government of Guam not to proceed with contract execution; or
6. If awarded, terminate any contract if DPW determines adequate funds are not available.

XXVI. NON-DISCLOSURE OF DATA

In accordance with Guam Procurement Regulations § 3114(h) (2), Proposers may identify trade secrets and other proprietary data contained in their proposals. If the Proposer 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 Proposer in writing what portion of the proposal will be disclosed and that, unless the Proposer withdraws the proposal or protests under 5 G.C.A. Chapter 5 Article 9, the proposal will be so disclosed.

XXVII. REJECTION OF PROPOSAL OFFER.

The Department of Public Works shall have the prerogative to reject any proposals in whole or in part if a determination is made that such rejection is in DPW's interest or in the best interest of the Territory of Guam as provided for in the regulations 2 GAR, Div. 4 §3115(e)(2).

XXVIII. CANCELLATION OF RFP SOLICITATION

Prior to the date deadline set for proposals, this solicitation may be canceled in whole or in part when the Director of Public Works or his designee determines in writing that there are cogent and compelling reasons to believe that the cancellation of the solicitation is in the Department of Public Works best interest, in accordance with the

Procurement Rules and Regulations; as provided for in the regulations 5 GCA §5225; 2 GAR, Div. 4 §3115(c).

XXIX. DEBARMENT

The Proposer 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 a Proposer cannot certify this statement, attach a written explanation for review by the DPW.

XXX. PERFORMANCE AND PAYMENT BOND

The successful bidder must deliver to the Owner an executed performance and payment bond (forms enclosed) in an amount at least equal to one hundred percent (100%) of the accepted bid as security for the faithful performance of the contract and security for the payment of all persons performing labor and furnishing materials in connection with this contract. The sureties of all bonds shall be such surety company or companies as are approved by the Owner and as are authorized to transact business in Guam. The bonds must be approved by the Owner prior to execution of the formal contract.

XXXI. INDEMNIFICATION

The Proposer shall indemnify the Government of Guam, DPW, GDOE, GEDA and their Consultants from any liability arising from the implementation of the Proposer's proposal.

XXXII. RFP ATTACHMENTS & LEGAL REQUIREMENTS

The following are RFP Attachments and are made part of this RFP:

1. **Financing Scope of Work** (*reference RFP ATTACHMENT A*).
2. **Design/Construction & Insurance/Capital Maintenance Scope of Work** (*reference RFP ATTACHMENT B*).
3. **Affidavit Disclosing Ownership and Commissions** per 5 G.C.A. § 5233 (*reference: RFP ATTACHMENT I*). 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 that 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 Proposer 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. See RFP Legal Form: Affidavit re Disclosing Ownership (Major Shareholders) & Commissions; AG Procurement Form 002.

4. **Affidavit of Non-Collusion** per 2 GAR Division 4 § 3126(b) (reference *RFP ATTACHMENT 2*). By submitting an offer, the Proposer certifies that the price submitted was independently arrived at without collusion. See RFP Legal Form: Affidavit re Non-Collusion; AG Procurement Form 003.
5. **Affidavit Re No Gratuities or Kickbacks** per 2 GAR Division 4 § 11107(e) (reference *RFP ATTACHMENT 3*). The bidder, Proposer, 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. See RFP Legal Form: Affidavit Re No Gratuities or Kickbacks; AG Procurement Form 004.
6. **Affidavit Re Contingent Fees** per 2 GAR § 11108 (reference: *RFP ATTACHMENT 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. See RFP Legal Form: Affidavit Re Contingent Fees; AG Procurement Form 007.
7. **Affidavit Re Ethical Standards** per 2 GAR § 11103 (reference: *RFP ATTACHMENT 5*). The bidder, Proposer, 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. See RFP Legal Form: Re Ethical Standards; AG Procurement Form 005.
8. **DECLARATION RE COMPLIANCE WITH U.S. DOL WAGE DETERMINATION** (reference: *RFP ATTACHMENT 6*).
9. **ACKNOWLEDGEMENT OF RECEIPT FORM** (reference: *RFP ATTACHMENT 7*).

10. **DPW CHECKLIST OF RESPOSIVENESS** (*reference: RFP ATTACHMENT 8*).

11. **PRICE PROPOSAL FORM** (*reference: RFP ATTACHMENT 9*).

XXXIII. OPENING OF PROPOSALS

Proposals will not be opened publicly and will be opened in the presence of two or more DPW officials. Proposals will be checked for compliance with the mandatory requirements of the RFP. Failure to comply with any mandatory requirements may cause disqualification.

XXXIV. EVALUATION OF PROPOSALS AND AWARD OF CONTRACT

Proposals will be evaluated and ranked by the criteria provided in this RFP by a committee established by the **"MA KĀHAT ACT of 2013"** and any subsequent/relevant Public Laws. The Evaluation Committee includes:

- ✓ 1. GDOE Superintendent as the Chairperson
- ✓ 2. DPW Director or Deputy Director
- ✓ 3. DPW Building Permits Administrator
- 4. Director of Land Management or Guam Chief Planner
- ✓ 5. Administrator of Guam Economic Development Authority or Deputy Administrator
- 6. Principal of Simon Sanchez High School or his/her designee

Evaluation Process

- 1. Due to the complexity and diversity of the scope of services required in this RFP (finance, demolition, design, build, lease/leaseback, insurance and capital maintenance), DPW intends to convene the Evaluation Committee with subject matter experts (SMEs), to provide technical clarifications in specific areas. SMEs will not participate in scoring but may provide input to assist the committee in evaluating.
- 2. Each member of the Evaluation Committee will evaluate each proposal based on the qualifications outlined in Section XXXIV. Evaluation, Rating and Selection Table. The sealed Term Sheet and Price Proposal will not be used as the basis of the evaluation.
- 3. Each member of the Evaluation Committee will evaluate each proposal and rank each proposal based on the assigned points for each criterion (i.e., the Proposer with the greatest total points will be ranked the highest and the Proposer with the least number of points will be ranked the lowest).
- 4. Interviews will be conducted with the Proposers by the Evaluation Committee. After the interviews, each member of the Evaluation Committee will submit their Individual Evaluation Forms, which will be used as the basis of selection. The Evaluation Committee will conduct interviews with a minimum of the top three (3) qualified Proposers and will notify the Proposers with a date and time. The Proposer

must appear in person. Each Proposer will have thirty (30) minutes to make a presentation and thirty (30) minutes to answer questions. Proposers will be notified of the location of the interviews at a future date.

5. Tie Breaker Procedure: If two (2) or more Proposers' ranks are equal, the Chairperson will evaluate the proposals to break the tie.
6. The Evaluation Committee will prepare a report determining the best qualified Proposer with ranking order of preference, submit it to the DPW Director, and recommend the number one ranked Proposer for the first opportunity to negotiate a contract.
7. The DPW Director will review the report from the Evaluation Committee and will approve or disapprove the recommendation as deemed to be the best qualified to provide the required services and that is in the best interest of the Government. Failure to comply with any mandatory requirements may disqualify a proposal.
8. The Government will enter negotiations with the best qualified Proposer, at which time their sealed individual Term Sheet and individual Price Proposal will be opened for negotiation.

XXXV. EVALUATION CRITERIA

The evaluation will follow the criteria outlined in the Evaluation, Rating and Selection Table outlined in the section that follows. Proposers are requested to submit proposals, which are complete and unambiguous without the need for additional explanation or information. DPW may make a final determination as to whether a proposal is acceptable or unacceptable solely on the basis of the proposal as submitted and proceed with proposal evaluation without requesting further information from any Proposers.

XXXVI. EVALUATION, RATING AND SELECTION TABLE

In the evaluation, rating and selection of proposals, the evaluation factors and their relative importance follow. All proposals submitted will be evaluated by the Evaluation Committee and will be rated using the criteria provided in this RFP including the following:

EVALUATION CRITERIA	MAX SCORE	SCORE
<u>Proposal Plan</u> <u>Overall</u> proposal approach. A plan giving as much detail as practical on how the services will be performed. <i>(Refer to VII. INSTRUCTIONS FOR SUBMITTING A PROPOSAL, 2 Entire Contents section.)</i>	15	
<u>Personnel Experience and Qualifications</u> Specialized experience and qualifications of personnel to perform the required services. <i>(Refer to VII. INSTRUCTIONS FOR SUBMITTING A PROPOSAL, 2. Contents, Section 4, Personnel Experience and Qualifications)</i>	20	

EVALUATION CRITERIA	MAX SCORE	SCORE
<u>Capacity of Proposer</u> The Proposer's ability to perform the required services with its current resources and workload to meet the expected project outcome. (Refer to VII. INSTRUCTIONS FOR SUBMITTING A PROPOSAL; 2. Contents, Section 5 Approach and Capacity of Proposer).	30	
<u>Proposer's Experience on Similar Projects</u> The Proposer's specialized and extensive experience in projects similar in scope and nature in managing a project of this magnitude and is familiar with the tropical environment and unique logistical challenges. (Refer to VII. INSTRUCTIONS FOR SUBMITTING A PROPOSAL, 2. Contents, Section 6 Experience on Similar Projects).	25	
<u>Performance Issues</u> Proposer's performance issues related to past or present contracts and/or ongoing procurement. (Refer to VII. INSTRUCTIONS FOR SUBMITTING A PROPOSAL, 2. Contents, Section 7 Performance Issues). *Note Proposers with the least amount of issues should score higher.	10	
TOTAL POINTS	100	

XXXVII. INDIVIDUAL EVALUATION FORM

Evaluation Criteria	Evaluation Points	Remarks
Proposal Plan		
Capacity of Proposer		
Personnel Experience and Qualifications		
Proposer's Experience on Similar Projects		
Performance Issues		
Total		

XXXVIII. SUMMARY EVALUATION FORM

Criteria	Evaluators Points						Total Points	Remarks
Proposal Plan								
Capacity of Proposer								
Personnel Experience and Qualifications								
Proposer's Experience on Similar Projects								
Performance Issues								
Total								

XXXIX. TERM SHEET AND PRICE PROPOSAL SUBMITTAL

The Term Sheet and Price Proposal will be unsealed from the Highest Ranked Proposer prior to Negotiations and must be within the budgetary ceiling outlined within the "MA KĀHAT ACT OF 2013" AND ANY SUBSEQUENT Public Laws as relevant.

XL. NEGOTIATION AND AWARD OF CONTRACT

DPW, GEDA, and GDOE will negotiate a final contract with the best-qualified Proposer for the required services to ensure that the final contract meets the government's project objectives, financial interest and is consistent with the budgetary parameters outlined in Guam public law.

Contract negotiations will be directed towards:

1. Ensuring that the Proposer has a clear understanding of the scope of work, specifically, the essential requirements involved in providing the required services;
2. Agreeing upon final terms and compensation, which are fair and reasonable, taking into account the estimated cost of the project, the project schedule, funding parameters defined by law, the required services and the scope, complexity, and nature of such services.

XLI. SUCCESSFUL NEGOTIATION OF CONTRACT WITH QUALIFIED PROPOSER

If compensation, contract requirements, and contract documents can be agreed upon with the best-qualified Proposer, the contract will be awarded to the Proposer.

XLII. FAILURE TO NEGOTIATE CONTRACT WITH BEST QUALIFIED PROPOSER

If compensation, contract requirements, or contract documents cannot be agreed upon with the best qualified Proposer, a written record stating the reasons therefore shall be placed in the file and the Department of Public Works will advise such Proposer of the termination of negotiations which shall be confirmed by written notice. Upon failure to

negotiate a contract with the best-qualified Proposer, the Department of Public Works will enter negotiations with the next most qualified Proposer. If negotiations again fail, negotiations will be terminated as provided in this Section and commence with next most qualified Proposer.

XLIII. NOTICE OF AWARD

The Department of Public Works will notify all Proposers of the status of the RFP and intent to award. Written notice of award will be public information and made a part of the contract file.

XLIV. AWARDING OF CONTRACT

The Department of Public Works will negotiate a contract with the best qualified Proposer for the required services. If compensation, contract requirements, and contract documents can be agreed upon with the Proposer, a contract will be awarded to this Proposer.

XLV. COMMENCEMENT OF WORK

DPW will issue a Notice to Proceed (NTP) for services for the project upon approval of Contract Agreement. A separate NTP for demolition and clearing may be issued earlier to expedite the construction schedule.

XLVI. DEFINITIONS

- **Request for Proposals (RFP)** shall mean the invitation to invite proposals for the construction of the new Simon Sanchez High School. Proposal includes: Financing; Demolition of the existing facility; Design, Build, Lease/Leaseback, Insure the facility; operate and maintain the new facility for no more than 30 years.
- **Owner** shall mean the Guam Department of Education and the Governor of Guam, and/or his/her authorized representatives.
- **Contracting Officer** as used herein means the Director of Public Works of the Government of Guam and shall include his authorized representatives.
- **Critical Path Method (CPM)** shall mean the schedule that integrates the sequence of activities, task dependencies, durations, and critical milestones required for the financing, design, and construction of the New Simon Sanchez High School FDDBML Project. The CPM Schedule must be developed in accordance with contractual requirements, financial milestones, and performance obligations, ensuring completion within the 730-day period specified in the RFP. The 30-year leaseback period is excluded from the scheduling requirements.
- **Proposer** shall mean any developer, contractor, and finance companies legally operating under the US State or Territorial Laws and subject to Guam licensing regulations.
- **MA KĀHAT ACT OF 2013** shall mean Chapter 58D of Title 5, Guam Code Annotated.

- **FF&E** shall mean fixtures, furniture, and equipment for the new Simon Sanchez High School.
- **FF&E Services** shall mean the financing, procurement, storage, and installation of the FF&E.
- **Term Sheet** shall mean a formal document submitted by the Proposer that outlines the preliminary financial and contractual terms of the proposed financing arrangement for the project. This document provides a high-level summary of the financing structure, repayment mechanisms, risk allocation, and compliance with the requirements outlined in Attachment A—Financing Scope of Work of the RFP.
- **Price Proposal** shall mean the completed Price Proposal and Addenda Acknowledgment of Receipt Form
- **Notice** as used herein shall mean and include all written notice demands, instructions, claims, approvals and disapprovals required to obtain compliance with contract requirements. Any written notice by either party to the contract shall be sufficiently given if delivered to or at the last known business address of the person, firm, or corporation constituting the other party to the contract, or to his, their, or its duly authorized agent, representative, or officers, or when enclosed in a postage prepaid envelope addressed to such last known business address and deposited in a United States mail box. The Contractor must provide and maintain a post office address within the Territory of Guam and file the same with the Contracting Officer.
- **Responsiveness** as used herein shall mean all items listed on RFP Attachment A.
- **Responsibility** as used herein is defined by Section XXII. Determination of Responsibility and Guam Procurement law.
- **Debarment** as used herein is defined by Section XXIX Debarment and may be extended to subcontractors of the Proposer.
- **Critical Path Method (CPM)** is the construction schedule which networks techniques used for planning, scheduling, and controlling large complex projects.
- **Evaluation Committee** shall include the GDOE Superintendent as Chairperson, and the following five (5) members DPW Director or Deputy Director, DPW Building Permit Administrator, Director of Land Management or Guam Chief Planner, GEDA Administrator or Deputy Administrator, and Principal of Simon Sanchez High School.
- **Liquidated Damages** are contracted for damages before a contract breach that enforces an estimate of harm that would be hard to calculate with certainty. The Government reserves the right to negotiate the amount of Liquidated Damages provision with the Successful Proposer.



Vince Arriola <vince.arriola@dpw.guam.gov>

SSHS DRAFT CONTRACTS- STATUS UPDATE

Joseph W Duenas <jduenas@ssfm.com>

Tue, Jul 8, 2025 at 10:39 AM

To: "Terrence M. Brooks" <TMB@guamlaw.net>

Cc: Tina Garcia <cgarcia@investguam.com>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "John.Calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Carla Benita Masnayon <cdmasnayon@gdoe.net>, "lester.carlson@bbmr.guam.gov" <lester.carlson@bbmr.guam.gov>, "ccruz@traguam.com" <ccruz@traguam.com>, "Mmakio@traguam.com" <mmakio@traguam.com>, "tkeeler@oagguam.org" <tkeeler@oagguam.org>, "fnishihira@oagguam.org" <fnishihira@oagguam.org>, Carlos Bordallo <carlos.bordallo@investguam.com>

Hi Attorney Brooks,

I just wanted to provide you an update on where we are with the SSHS Contracts.

There were four contracts (JFK) provided to us after our meeting last week at GEDA:

1. JFK Lease Agreement (P3 Agreement)
2. JFK Project Development Agreement
3. JFK Land Lease
4. JFK Insurance and Maintenance Agreement

At present, SSFM is revising the documents in MS Word format for SSHS with construction and operations & maintenance (O&M) input. O&M input has come from a meeting earlier this week with SSHS Administrators (Carla).

Once we complete the four DRAFT documents, we will send them over to you for GEDA review, which might include:

- Updating the financing language consistent with SSHS P3 Law (Ma Kahat Act) and updated information provided by GEDA.
- Preliminary legal review.

Once you've completed your DRAFT documents, we can circulate the contracts for additional internal review to ensure we've captured everything.

We anticipate sending you the four revised DRAFT contracts before the end of the week.

Thanks,

Joe

82 83

Joseph W. Duenas, ENV SP | Pacific Area Manager



Innovate | Adapt | Sustain

215 Rojas Street, Suite 213 | Harmon, Guam 96913
T 671.646.7736 | F 671.300.7738
jduenas@ssfm.com | www.ssfm.com

"Do not go where the path may lead, go instead where there is no path and leave a trail." – Ralph Waldo Emerson

From: Terrence M. Brooks <TMB@guamlaw.net>

Sent: Saturday, July 5, 2025 11:47 AM

To: Carlos Bordallo <carlos.bordallo@investguam.com>

Cc: Tina Garcia <cgarcia@investguam.com>; Thuy Nguyen <tnguyen@ssfm.com>; DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>; Vince Arriola <vince.arriola@dpw.guam.gov>; Linda Ibanez <linda.ibanez@dpw.guam.gov>; john.calanayan@dpw.guam.gov; keswanson@gdoe.net; Carla Benita Masnayon <cdmasnayon@gdoe.net>; lester.carlson@bbmr.guam.gov; ccruz@traguam.com; Mmakio@traguam.com; edward.birn@doa.guam.gov; tkeeler@oagguam.org; fnishihira@oagguam.org; donna.herrero@dpw.guam.gov; John San Nicolas <jsannicolas@investguam.com>; Angelene Rios <angelene.rios@investguam.com>

Subject: Re: FW: SSHS Negotiation Meeting

Email received from **EXTERNAL** sender. Confirm the content is safe prior to opening attachments or links.

All:

The JFK Project Development Agreement applies in situations where the developer obtains its own financing. The financing company in this agreement is named the owner.

The Biolab contract was a construction contract, not a lease and lease-back situation.

If the SSHS project is going to be a straight lease and lease-back with bond financing, we will need an entirely different agreement. Has GovGuam entered into any development agreements utilizing a lease and lease-back arrangement, and paid for them using bonds obtained through GEDA? If so, can we get a copy of that type of agreement?

Thank you.

Terry Brooks

From: Carlos Bordallo <carlos.bordallo@investguam.com>

Sent: Thursday, July 3, 2025 4:55:57 PM

To: Terrence M. Brooks

Cc: Tina Garcia; Thuy Nguyen; DPW SSHS CM Team; Vince Arriola; Linda Ibanez; john.calanayan@dpw.guam.gov; keswanson@gdoe.net; Carla Benita Masnayan; lester.carlson@bbmr.guam.gov; ccruz@traguam.com; Mmakio@traguam.com; edward.birn@doa.guam.gov; tkeeler@oagguam.org; fnishihira@oagguam.org; donna.herrero@dpw.guam.gov; John San Nicolas; Angelene Rios

Subject: Re: FW: SSHS Negotiation Meeting

Take a look at 3.2 (c). Talks about liquidated damages.

On Thu, Jul 3, 2025 at 2:23 AM Terrence M. Brooks <TMB@guamlaw.net> wrote:

All:

Attached is a Word version of the JFK project development agreement. It's very comprehensive, but may include items that are beyond the scope of SSHS. It contains a Construction Contract, which is an exhibit.

I've tried to correct the typos that occurred in converting from pdf to Word, but have otherwise left it as is.

Terry Brooks

From: Tina Garcia <cgarcia@investguam.com>

Sent: Thursday, July 3, 2025 2:24:26 PM

To: Thuy Nguyen

Cc: DPW SSHS CM Team; Vince Arriola; Linda Ibanez; john.calanayan@dpw.guam.gov; keswanson@gdoe.net; Carla Benita Masnayan; lester.carlson@bbmr.guam.gov; Carlos Bordallo; Terrence M. Brooks; ccruz@traguam.com; Mmakio@traguam.com; edward.birn@doa.guam.gov; tkeeler@oagguam.org; fnishihira@oagguam.org; donna.herrero@dpw.guam.gov; John San Nicolas; Angelene Rios

Subject: Re: FW: SSHS Negotiation Meeting

See attached as per our discussion.

On Thu, Jul 3, 2025 at 12:16 AM Tina Garcia <cgarcia@investguam.com> wrote:

Attached are copies of the JFK ground lease and the JFK lease agreement with GovGuam.

Again we would need to work directly with the selected developer to complete these documents. I will give a heads up to bond counsel that we are close to selection so they can plan documents accordingly.

Regards,

Tina Garcia

On Mon, Jun 30, 2025 at 11:30 PM Thuy Nguyen <tnguyen@ssfm.com> wrote:

NOTE: Meeting time has changed to 2:00 PM, Thursday, July 3rd at GEDA Conference Room, 5th floor ITC Building.

-----Original Appointment-----

From: Alvin Bejosa <abejosa@ssfm.com>

Sent: Monday, June 30, 2025 11:29 AM

To: Alvin Bejosa; DPW SSHS CM Team; Vincent P. Arriola; Linda Ibanez; John F. Calanayan; K. Erik Swanson PhD; Carla Masnayan; Lester Carlson; Tina Garcia; Carlos Bordallo (carlos.bordallo@investguam.com); tmb@guamlaw.net; Cedric Cruz; Michael Makio; edward.birn@doa.guam.gov; Tom Keeler; fnishihira@oagguam.org

Cc: Donna Herrero; Glenn Leon Guerrero; Connie Garrido; Joseph W Duenas; Gerard E. Bautista

Subject: SSHS Negotiation Meeting

When: Thursday, July 3, 2025 2:00 PM-4:00 PM (UTC+10:00) Guam, Port Moresby.

Where: GEDA Conference Room, 5th Floor

CORRECTION: Time Change to Chamorro Standard Time (ChST)

You are invited to a scheduled Zoom meeting.

Topic: SSHS Negotiation Meeting

Time: Jul 3, 2025 10:00 AM Guam, Port Moresby

Join Zoom Meeting

<https://us06web.zoom.us/j/81196966011?pwd=aujSbNEkovLBw3eDwEcHmsoYxKao6O.1>

Meeting ID: 811 9696 6011

Passcode: 860095

One tap mobile

+16699006833,,81196966011#,,,,*860095# US (San Jose)

+16892781000,,81196966011#,,,,*860095# US

Dial by your location

- +1 669 900 6833 US (San Jose)
- +1 689 278 1000 US
- +1 719 359 4580 US
- +1 253 205 0468 US
- +1 253 215 8782 US (Tacoma)
- +1 301 715 8592 US (Washington DC)
- +1 305 224 1968 US
- +1 309 205 3325 US
- +1 312 626 6799 US (Chicago)
- +1 346 248 7799 US (Houston)
- +1 360 209 5623 US
- +1 386 347 5053 US
- +1 408 638 0968 US (San Jose)
- +1 507 473 4847 US
- +1 564 217 2000 US
- +1 646 876 9923 US (New York)
- +1 646 931 3860 US
- +1 669 444 9171 US

Meeting ID: 811 9696 6011

Passcode: 860095

NOTICE: This communication and any attachments ("this message") may contain confidential information for the sole use of the intended recipient(s). Any unauthorized use, disclosure, viewing, copying, alteration, dissemination or distribution of, or reliance on this message is strictly prohibited. If you have received this message in error, or you are not an authorized recipient, please notify the sender immediately by replying to this message, delete this message and all copies from your e-mail system and destroy any printed copies.



**SSHS NEGOTIATION MEETING #1
DPW, GDOE, CORE TECH
AGENDA**

Wednesday, July 9, 2025, 3:00 p.m.
DPW DIRECTOR'S OFFICE

I. CALL TO ORDER

II. NEW BUSINESS

A. Term Sheet- Review & Discuss

B. Public Law and RFP Requirements

- i. Project Cost- Cannot \$166M Price Ceiling (Construction, Financing, and FF&E)
- ii. RFP Requirement (2,000 students)

III. OPEN DISCUSSION

\$166,365,000

IV. NEXT STEPS

V. ADJOURN

*CT Financing -vs- GEDA Financing
Debt Service - \$16,377,125*



**SSHS NEGOTIATION MEETING #1
DPW, GDOE, CORE TECH
AGENDA**

Wednesday, July 9, 2025, 3:00 p.m.
DPW DIRECTOR'S OFFICE

I. CALL TO ORDER

II. NEW BUSINESS

A. Term Sheet- Review & Discuss

B. Public Law and RFP Requirements

- i. Project Cost- Cannot \$166M Price Ceiling (Construction, Financing, and FF&E)
- ii. RFP Requirement (2,000 students)

III. OPEN DISCUSSION

IV. NEXT STEPS

V. ADJOURN

July 9, 2025

John F. Calanayan
Engineer Supervisor
Department of Public Works
Government of Guam
542 North Marine Corps Drive
Tamuning, Guam 96913

Received by:
JFC
7/9/25 @ 3:00 PM

Subject: New Simon Sanchez High School: Finance, Design, Build, Leaseback & Maintenance

Project No.: 730-5-1059-L-YIG

Dear Mr. Calanayan,

Core Tech will complete all the project scopes identified in the bid, with the following clarifications:

Part 1. Financing

a) Section 58D108. Financing.

Please remove "The principal amount of financing authorized under this section shall not exceed One Hundred Sixty-six Million Three Hundred Sixty-five Thousand Dollars (\$166,365,000).

b) Conflict between Section 58D111. Maintenance Fund and Response to RFI on Addendum 1

Section 58D111 states that:

5 **§ 58D111. Maintenance Fund.**

6 The contract and the leaseback shall provide that all maintenance of the new
7 Simon Sanchez High School not described in § 58D110 be performed by the
8 Contractor as a separate cost, the terms of which, and the manner for establishing
9 the amount of payment, shall be determined as a part of the contract; provided,
10 however, that the contract may, at the discretion of the GDOE, provide that
11 maintenance with respect to equipment (including collateral equipment), onsite
12 utilities, offsite utilities, access roads and other similar improvements need not be
13 performed by the Contractor.

This section conflicts with the response to RFI 21b. which states that:

- b. *Please confirm that the \$166,365,000 cap on the principal amount of the financing and the \$16,377,125 cap on the annual pledge/reservation for payments under the Lease (as reflected in Sec 58D108 of the Public Law) only relates to costs to be paid under the Base Rental Payments and does not include the ongoing costs of Insurance, Maintenance & Capital Maintenance during the leaseback period that may be paid under an "Additional Rent" structure in the Lease and that these Additional Rent expenses will be funded through annual Legislative appropriations designated for these specific costs (consistent with the previous school financings on island)*

Response: No. All Cost, including Insurance, Maintenance and Capital Maintenance are included in the annual pledge/reservation for payments.

We believe that the public law prevails in this section.

- c) Through the RFI process, DPW confirms that two years of annual payments of \$16,377,125.00 during construction may be available to pay the contractor, similar to the 4 Northern Schools.

- c. *Please confirm that the \$16,377,125 annual pledge/reservation for payments under the contract/lease will be available to the project during the pre-development, construction and leaseback period as shown in Sec 58D109(c) (i.e., for a slightly longer period than the 30-year leaseback period, and commencing before Project completion and acceptance) with funding for the expenses covered under the Additional Rent will commence upon project completion and occupancy of the facility by GDOE.*

Response: The annual pledge/reservation for payment will be available, subject to negotiation.

Part 2. Insurance and Maintenance

- a) Below is the breakdown of the annual insurance cost:

Regular Insurance	\$ 436,350
Typhoon Insurance	<u>\$1,663,650</u>
Total	<u>\$2,100,000</u>

The Government has the option to retain the typhoon insurance policy, as it may not be mandatory, provided that we comply with the law that the insurance and maintenance are appropriate and are not part of the \$16.3 million annual payment for SSHS construction.

Part 3. Value Engineering

Our price proposal incorporates several design changes, as outlined below:

- a) Adoption of standard hallway clearance (corridor width) based on the DoDEA Education Facility Specifications, which are more stringent than the requirements of IBC and NFPA 101.
- b) Use of CPVC piping materials for interior domestic water lines, in compliance with the IBC.
- c) Use of CPVC piping materials for wet-pipe fire sprinkler branch lines, as per NFPA 13.

For your information, the Adoption of standard hallway clearance (corridor width) based on the DoDEA Education Facility Specifications is more stringent than the requirements of the International Building Code (IBC) and National Fire Protection Association (NFPA) 101.

If DPW decides to build as is, the cost impact will be \$2,567,504.20, which will increase our proposed cost to \$198,129,450.20. On the other hand, DPW has the option to remove some of the scope through value engineering, which will save the government an estimated \$30,588,985.29, thereby decreasing our proposed cost to \$164,972,960.71.

New SSHS VE Summary

Date: 5/23/2025

No	Description	Amount
1	VE#01: Number of Classrooms (Total accommodations capacity: from 2,875 down to 2,000 Pax)	\$ (14,205,206.40)
2	VE#03: DPW Building Permit & Review Fees	\$ (758,626.69)
3	VE#04: Rainwater Catchment System	\$ (1,773,539.00)
4	VE#05: Photovoltaic System	\$ (460,913.00)
5	VE#06: Lighting Pole at Track & Field	\$ (990,000.00)
6	VE#08: Reusable FF&E from Existing SSHS	\$ (1,472,463.20)
7	VE#09: HVAC Roof Enclosure	\$ (250,000.00)
8	VE#10: Auditorium	\$ (10,678,237.00)
Total Estimated VE Amount (A)		\$ (30,588,985.29)

We are at your service to discuss the above items anytime at your convenience.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to be 'Ho Eun', with a long horizontal stroke extending to the right.

Ho Eun

Chairman

Core Tech International

Email: ho.eun@coretechintl.com

Phone: (671) 486-5000



The Honorable
LOURDES A. LEON GUERRERO
Maga' Håga • Governor

The Honorable
JOSHUA F. TENORIO
Sigundo Maga' Låhi • Lieutenant Governor



VINCENT P. ARRIOLA
Director
LINDA J. IBANEZ
Deputy Director
ERNEST G. CANDOLETA, JR.
Deputy Director

Edward Birn
DOA

Documents
(Confidential docs)

Print: James U
Signature: James U
Date: _____

839am

RECEIVED

JUL 11 2025

**Department of Administration
Director's Office**

CONFIDENTIAL

*Consolidated Financial Statements and Supplementary
Information*

Core Tech International Corporation and Subsidiaries

*Years ended December 31, 2023 and 2022
with Report of Independent Auditors*

RECEIVED

JUL 11 2025

Department of Administration
Director's Office





Gmail

Vince Arriola <vince.arriola@dpw.guam.gov>

Invitation to Negotiate

Ho Eun <ho.eun@coretechintl.com>

To: Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez

Cc: Jong Won <jong.won@coretechintl.com>, Alon Elamparo <

Mon, Jul 14, 2025 at 6:45 PM

Dear Director,

Thank you for your time last week. Please take a look at the f
requirements. Please let me know if you have any questions,

estion to meet the budget
ails.

New SSHS VE Summary

7/15/2025

FROM
CORETECH
Hold for
Thursday
Note.

No	Description	Amount	Remark
1	VE#01: Size of Classroom (from 117,032 Sq-ft to 94,673 Sq-ft)	\$ (9,796,201.55)	
2	VE#02: Hallway & Corridor Width	\$ (2,248,557.65)	Design Changes
3	VE#03: DPW Building Permit & Review Fees	\$ (758,626.69)	
4	VE#04: Rainwater Catchment System	\$ (1,773,539.00)	
5	VE#05: Photovoltaic System	\$ (460,913.00)	
6	VE#06: Lighting Pole at Track & Field	\$ (990,000.00)	
7	VE#07-1: Domestic Water Pipe Material	\$ (150,000.00)	Design Changes
	VE#07-2: Fire Sprinkler Branch Lines	\$ (100,000.00)	Design Changes
8	VE#08: Reusable FF&E from Existing SSHS	\$ (1,702,289.76)	
9	VE#09: HVAC Roof Enclosure	\$ (250,000.00)	
10	VE#10: Downsizing Auditorium	\$ (3,737,382.95)	
11	VE#11 Number of Classrooms (from 112 to 81 classrooms)	\$ (7,229,435.40)	

	Total Estimated VE Amount (A)	\$ (29,196,946.00)	

Total Proposed Cost without VE (B) \$ 195,561,946.00

Total Proposed Net Project Cost (A+B) \$ 166,365,000.00

Thank you and best regards,

Ho

486-5000 cel.

[Quoted text hidden]

Design Build of 20 Temporary school facilities				July 14,2025						
Task	duration	start	finish	Jul	Aug	Sept	Oct	Nov	Dec	
Section 106 SHPO	5	14-Jul	1-Sep							
Gov review of RFP	3	9-Jul	11-Jul							
Property use for GDOE		9-Jul	8-Aug							
Property survey of points		23-Jul	1-Aug							
DPW needs MOU and funding in order to start any activity		9-Jul	18-Jul							
Issue IFB Solicitation	26	21-Jul	15-Aug							
pre-bid conf	1	28-Jul								
Evaluation & Award	55	18-Aug	10-Oct							
a. Bid Evaluation	3	18-Aug	20-Aug							
b Bid protest period	15	4-Aug	1-Sep							
c. Issue Intend of Award	12	1-Sep	12-Sep							
d. Contract Approvals	35	12-Sep	10-Oct-25							
Contractor can proceed with the needed design at their risks	40	1-Sep	10-Oct-25							
NTP issued for materials and clearing	1	10-Oct								
Contractor to obtain clearing permit From GEPA	15	10-Oct	15-Oct-25							
Construction permit Gov agen	30	1-Oct	31-Oct							
Issue Building permit	1	31-Oct								
Issue NTP for construction	60	31-Oct	Dec 30, 2025							

Once the ITA is issued contractor can take the risk to start the design
 We don't need to submit a NOI to USEPA we are clearing less than an acre

We need survey done ASAP to mark off property line and to indicate the boundaries

1. ~~B~~MOU - GDOE + DPW - DOE
2. Fencing - Acct Number - DOE + DOA
3. Fuel Scope
4. GFD - No Sprinkler
 - No Alarm
 - Just Extinguisher
 - Evacuation Plan
5. Main Specs for Building Standards
 - Walkways
 - Doors
 - Classroom Size - 900 sq. ft.
6. Fencing? - Included, Gate at FBLG
7. FFE? → Included → Lighting → Absent
8. Parking Area - Storm Drain Plan
9. Parking - at FBLG
10. Busing - Traffic Plan
 - Admission
 - Fire Trucks) Absent



Vince Arriola <vince.arriola@dpw.guam.gov>

DPW SSHS: Wednesday Meeting with the Director

Thuy Nguyen <tnguyen@ssfm.com>

Tue, Jul 15, 2025 at 11:59 AM

To: Vince Arriola <vince.arriola@dpw.guam.gov>, Joseph W Duenas <jduenas@ssfm.com>, Glenn Leon Guerrero <gguerrero@ssfm.com>, "Gerard E. Bautista" <gbautista@ssfm.com>

Cc: "John.Calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Donna Herrero <donna.herrero@dpw.guam.gov>, Alvin Bejosa <abejosa@ssfm.com>

Hello,

I'm sending this to notify of SSFM meeting with Director Arriola at his office, scheduled for Wednesday, July 16, 2025, at 10:30 am.

Best regards,

Thuy Nguyen

NOTICE: This communication and any attachments ("this message") may contain confidential information for the sole use of the intended recipient(s). Any unauthorized use, disclosure, viewing, copying, alteration, dissemination or distribution of, or reliance on this message is strictly prohibited. If you have received this message in error, or you are not an authorized recipient, please notify the sender immediately by replying to this message, delete this message and all copies from your e-mail system and destroy any printed copies.

 **invite.ics**
4K

Invitation to Negotiate

Ho Eun <ho.eun@coretechintl.com>

Tue, Jul 15, 2025 at 2:18 PM

To: Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>

Cc: Jong Won <jong.won@coretechintl.com>, Alon Elamparo <alon.elamparo@coretechintl.com>

Dear Director,

Please see attached the SSHS Financing, as requested during the meeting last week.

Best regards,

Ho

From: Ho Eun

Sent: Monday, July 14, 2025 6:46 PM

To: Vince Arriola <vince.arriola@dpw.guam.gov>; Linda Ibanez <linda.ibanez@dpw.guam.gov>

Cc: Jong Won <jong.won@coretechintl.com>; Alon Elamparo <alon.elamparo@coretechintl.com>

Subject: RE: Invitation to Negotiate

Dear Director,

[Quoted text hidden]



SSHS_Financing.docx

44K

Justification for Core Tech as Financing Entity for SSHS Project

Legal Foundation

5 GCA § 58D104(a) mandates that the procurement for the new Simon Sanchez High School must include financing:

"... the GDOE, through the Department of Public Works (DPW), **shall** issue a solicitation in compliance with the Guam Procurement Law, for the following services with regard to the new Simon Sanchez High School: (1) **financing**..."

As well, 5 GCA § 58D102(b)(1) defines the "Contract" awarded pursuant to the procurement under the law to include the financing.

DPW RFP No. 730-5-1059-L-YIG, issued on March 28, 2025, governs and supersedes any prior procurement efforts, including those by GEDA. This is due to:

1. Its issuance being later in time, and
2. Its alignment with 5 GCA Chapter 58D.

Under GEDA RFP 2024-005 (issued September 24, 2024; awarded October 24, 2024), Section 3.9 explicitly states that GEDA is "**in no way**" obligated "to award and execute a contract." This further reinforces that DPW's procurement takes precedence and that the GEDA award conflicts with 5 GCA Chapter 58D.

RFP-Specific Financing Requirements

DPW RFP No. 730-5-1059-L-YIG, Section VII, Question 4 (page 5), and the follow-up in-person interview, focused extensively on the financing plan.

The Core Tech team's proposal includes a financing structure in cooperation with GEDA, GovGuam, DPW, and GDOE, demonstrating full alignment with the RFP's intent.

Compliance with § 58D108

§ 58D108. Financing Requirements.

To minimize the cost to the government of Guam, financing utilized by **the Contractor to fund the construction of and FF&E services** for the new Simon Sanchez High School shall be through tax-exempt obligations, or other financial instruments; provided, that such financing is available at an interest rate of no more than eight-and-a-half percent (8.5%).

The contractor may use an alternative method of financing, including, but not limited to, a short-term debt, mortgage, loan, federally guaranteed loan, or loan by an instrumentality of the United States of America if such financing will better serve the needs of the people of Guam, subject to approval by *I Liheslaturan Guåhan*.

Core Tech's financing plan complies with 5 GCA § 58D108, which requires:

- Use of tax-exempt obligations or other financial instruments with interest rates not exceeding 8.5%.

- Alternative financing methods (e.g., short-term debt, federally guaranteed loans) are permitted only with legislative approval.

Core Tech's plan:

- Utilizes tax-exempt obligations.
- Does not require legislative approval, as no alternative financing is proposed.
- Aligns with the statutory language: "financing utilized by the Contractor," affirming that the Contractor (Core Tech) is the financing entity.

Precedent and Integration

Core Tech proposes a financing process modeled after the JFK High School project, where:

- GEDA, GovGuam, DPW, and GDOE are fully integrated into all aspects of the financing process, including:

- Financing calls
- Document development
- Rating agency presentations
- Bond marketing and investor relations
- Bond sale execution

Underwriter and Legal Counsel

Underwriter: Barclays

- Chosen for its extensive experience in Guam, including:
 - Tiyan High School
 - Southern High School
 - Co-manager for JFK High School refinancing
- Barclays was explicitly included in Core Tech's proposal.
- GEDA and GovGuam are familiar with Barclays, while the underwriters selected under GEDA RFP 2024-005 lack experience with Guam high schools or leases.

Bond Counsel:

- Core Tech initially proposed Kutak Rock LLP and Koegen Edwards PC as co-bond counsel for cost efficiency.
- For expediency and Guam-specific expertise, **Core Tech is willing to use Orrick, Herrington & Sutcliffe LLP as bond and disclosure counsel.**
- In this structure:
 - Koegen Edwards PC (Roy Koegen) would serve as underwriter's counsel.
 - Kutak Rock LLP would not participate.

Legal Authority and Issuer Selection

Under Guam law, none of GEDA, GovGuam, GDOE, or DPW has the authority to serve as the actual issuer of the financing.

A conduit issuer—as used for JFK and Tiyan—is required.

It is unclear if GEDA has the legal authority to select the underwriter for the issuer's bonds unilaterally.

Core Tech proposes to collaborate with GEDA, DPW, and GovGuam to select the issuer.

Summary

Core Tech proposes to work collaboratively with GEDA and other GovGuam agencies under a financing process and structure substantially identical to the one GEDA desires and otherwise contemplates (including with Orrick), the primary exception being that Core Tech, as Contractor, selects the bond underwriter in compliance with and pursuant to 5 GCA Chapter 58D and DPW RFP No. 730-5-1059-L-YIG.



Vince Arriola <vince.arriola@dpw.guam.gov>

Fwd: CONFIDENTIAL Invitation

CORETECH

Joseph W Duenas <jduenas@ssfm.com>
To: Tina Garcia <cgarcia@investguam.com>
"lester.carlson@bbmr.guam.gov" <lester.ca
Cc: Vince Arriola <vince.arriola@dpw.guam
"john.calanayan@dpw.guam.gov" <john.ca
<DPWSSHSCMTeam@ssfm.onmicrosoft.u

Wed, Jul 16, 2025 at 8:37 AM

llo@investguam.com>,

z@dpw.guam.gov>,
SSHSCM Team

Hi Tina and Carlos,

I did an A.I. legal analysis of Core Tech's financing paper. Please note the A.I. analysis below:

Here is a legal and technical analysis of Core Tech's justification memo based on the Makahat Act (5 GCA Chapter 58D), the DPW RFP No. 730-5-1059-L-YIG, GEDA RFP 2024-005, and GEDA's enabling statute:

KEY CLAIMS IN CORE TECH'S JUSTIFICATION — WITH ANALYSIS

1. Claim: 5 GCA § 58D104(a) mandates that the procurement must include financing.

☒ Accurate — but incomplete.

- **Correct:** The Makahat Act (5 GCA § 58D104(a)) **does** require the RFP to include financing.
- **Omission:** Nowhere does it say the **contractor must act as the financing issuer or lead**. The law allows for *inclusion* of financing services, but does not prescribe the *structure* or designate the *party* who must lead or originate financing.

Key Distinction: Inclusion of financing ≠ contractor must be the financing entity.

2. Claim: The DPW RFP supersedes GEDA's award and procurement.

☒ Misleading and partially incorrect.

- While the **DPW RFP is the latest solicitation** and **statutorily compliant**, it does **not necessarily nullify** GEDA RFP 2024-005 unless formally rescinded or made incompatible.
- **Section 3.9 of GEDA RFP 2024-005** states it is non-binding—but that's standard boilerplate language. It **does not invalidate** GEDA's role or award **unless overridden by legal or executive action**.
- **5 GCA Chapter 58D** designates **DPW as the procuring agency**, but **GEDA remains the designated public finance authority** under its own enabling statute (12 GCA § 50103), unless a different issuer is explicitly empowered.

Conclusion: DPW's RFP governs the procurement, but **GEDA's statutory role in public financing remains valid**.

3. Claim: Core Tech's proposal aligns with § 58D108 on financing (tax-exempt, ≤8.5%).

☒ Mostly accurate, but misleading on authority.

- § 58D108 defines **limits and standards** on financing (e.g., tax-exempt, ≤8.5% interest), which Core Tech claims it satisfies.

- However, § 58D108 **does not grant Core Tech exclusive authority** to act as issuer or select underwriters.

Core Tech is *permitted* to offer financing, but the **government (not the contractor)** must ultimately decide the best financing structure.

4. Claim: The contractor must be the financing entity (“financing utilized by the contractor”).

✗ Incorrect interpretation.

- The phrase “**financing utilized by the contractor**” (in § 58D108) refers to the financing **used to execute the contract**, not **necessarily originated or led** by the contractor.
- This does **not mean the contractor is required to issue or arrange financing directly**. Rather, it could include *financing provided by GovGuam and made available to the contractor*.

Core Tech is stretching the meaning of the statute to justify control of the financing process.

5. Claim: A conduit issuer is required; GEDA cannot unilaterally select an underwriter.

✗ Questionable — depends on legal interpretation of enabling acts.

- GEDA's enabling legislation (12 GCA § 50103) gives it broad authority to finance public infrastructure, including as a **conduit issuer**. This was the case with JFK and other school projects.
- GEDA, not Core Tech, has the legal and fiduciary obligation to ensure **fair, transparent, and lowest-cost public financing**.
- Core Tech's claim that GEDA lacks authority to select underwriters unilaterally is **not supported by statute**. GEDA **routinely does so** under its procurement powers.

6. Claim: Core Tech should select the underwriter because of experience with Guam projects.

⚠ Subjective and legally irrelevant.

- While Barclays has Guam experience, **underwriter selection must be based on competitive procurement** or government oversight — not contractor preference.
- **Allowing the contractor to select the underwriter introduces conflict of interest**, especially in a public financing context.
- GEDA's selection of underwriters through RFP 2024-005 (even if not finalized) is a **valid government function** under its authority.

CROSS-CHECKED CONCLUSIONS

Point	Core Tech's Claim	Legal/Statutory Status	Verdict
1	Financing must be included per 58D104(a)	True	☒ Accurate
2	DPW RFP supersedes GEDA RFP	Partially true	☐ Misleading
3	Core Tech's financing meets § 58D108	Partially true	☐ Narrow interpretation
4	Contractor must act as financing entity	Not supported by statute	☒ Incorrect
5	GEDA lacks unilateral underwriter authority	Not supported by law	☒ Unfounded

Point	Core Tech's Claim	Legal/Statutory Status	Verdict
6	Core Tech should select underwriter	Subjective preference	⚠ Inappropriate

🕒 RECOMMENDATIONS TO DPW/GEDA

1. **Retain control of financing selection** under GEDA's enabling statute and to protect public interest.
2. **Reject any attempt by the proposer to unilaterally choose underwriters or counsel**, even if "collaborative," unless it follows GEDA procurement law.
3. **Clarify in the final contract** that financing is *subject to government approval*, not proposer determination.
4. **Consider legislative clarification or AG opinion** on issuer authority and underwriter selection to avoid prolonged dispute.

Thanks,

Joe

Joseph W. Duenas, ENV SP | Pacific Area Manager



Innovate | Adapt | Sustain

215 Rojas Street, Suite 213 | Harmon, Guam 96913
T 671.646.7736 | F 671.300.7738
jduenas@ssfm.com | www.ssfm.com

"Do not go where the path may lead, go instead where there is no path and leave a trail." – Ralph Waldo Emerson

From: Joseph W Duenas <jduenas@ssfm.com>
Sent: Tuesday, July 15, 2025 4:16 PM
To: Tina Garcia <cgarcia@investguam.com>; Carlos Bordallo <carlos.bordallo@investguam.com>; lester.carlson@bbmr.guam.gov
Cc: 'Vince Arriola' <vince.arriola@dpw.guam.gov>; Linda Ibanez <linda.ibanez@dpw.guam.gov>; john.calanayan@dpw.guam.gov; DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>
Subject: FW: CONFIDENTIAL Invitation to Negotiate
Importance: High

Hi Tina & Carlos,

As discussed in our Weekly SSHS Negotiation Committee Meeting last week, DPW requested that Core Tech provide a paper in writing of their financing proposal and interpretation of the law/ RFP.

Attached you will find their paper for discussion.

Thank you!

Joe

Joseph W. Duenas, ENV SP | Pacific Area Manager



Innovate | Adapt | Sustain

215 Rojas Street, Suite 213 | Harmon, Guam 96913
T 671.646.7736 | F 671.300.7738
jduenas@ssfm.com | www.ssfm.com

"Do not go where the path may lead, go instead where there is no path and leave a trail." – Ralph Waldo Emerson

From: donna.herrero@dpw.guam.gov <donna.herrero@dpw.guam.gov> **On Behalf Of** Vince Arriola
Sent: Tuesday, July 15, 2025 3:36 PM
To: Joseph W Duenas <jduenas@ssfm.com>
Subject: Fwd: CONFIDENTIAL Invitation to Negotiate

Email received from **EXTERNAL** sender. Confirm the content is safe prior to opening attachments or links.

Hi Mr. Duenas,

Please see email below and attachment that Director wanted me to send to you. Please acknowledge receipt.

Thank you,

Donna

Vincent P. Arriola

Director, Department of Public Works

542 North Marine Corp Drive,

Tamuning, Guam 96913

(671) 646-3131

----- Forwarded message -----

From: **Ho Eun** <ho.eun@coretechintl.com>

Date: Tue, Jul 15, 2025 at 2:18 PM

Subject: RE: Invitation to Negotiate

To: Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>

Cc: Jong Won <jong.won@coretechintl.com>, Alon Elamparo <alon.elamparo@coretechintl.com>

Dear Director,

Please see attached the SSHS Financing, as requested during the meeting last week.

Best regards,

Ho

From: Ho Eun

Sent: Monday, July 14, 2025 6:46 PM

To: Vince Arriola <vince.arriola@dpw.guam.gov>; Linda Ibanez <linda.ibanez@dpw.guam.gov>

Cc: Jong Won <jong.won@coretechintl.com>; Alon Elamparo <alon.elamparo@coretechintl.com>

Subject: RE: Invitation to Negotiate

Dear Director,

Thank you for your time last week. Please take a look at the following value engineering suggestion to meet the budget requirements. Please let me know if you have any questions, and we will be ready with the details.

No	Description	Amount	Remark
1	VE#01: Size of Classroom (from 117,032 Sq-ft to 94,673 Sq-ft)	\$ (9,796,201.55)	
2	VE#02: Hallway & Corridor Width	\$ (2,248,557.65)	Design Changes
3	VE#03: DPW Building Permit & Review Fees	\$ (758,626.69)	
4	VE#04: Rainwater Catchment System	\$ (1,773,539.00)	
5	VE#05: Photovoltaic System	\$ (460,913.00)	
6	VE#06: Lighting Pole at Track & Field	\$ (990,000.00)	
7	VE#07-1: Domestic Water Pipe Material	\$ (150,000.00)	Design Changes
	VE#07-2: Fire Sprinkler Branch Lines	\$ (100,000.00)	Design Changes
8	VE#08: Reusable FF&E from Existing SSHS	\$ (1,702,289.76)	
9	VE#09: HVAC Roof Enclosure	\$ (250,000.00)	
10	VE#10: Downsizing Auditorium	\$ (3,737,382.95)	
11	VE#11 Number of Classrooms (from 112 to 81 classrooms)	\$ (7,229,435.40)	
	Total Estimated VE Amount (A)	\$ (29,196,946.00)	

Total Proposed Cost without VE (B) \$ 195,561,946.00

Total Proposed Net Project Cost (A+B) \$ 166,365,000.00

Thank you and best regards,

Ho

486-5000 cel.

From: Donna Herrero <donna.herrero@dpw.guam.gov>
Sent: Monday, July 7, 2025 1:47 PM
To: Ho Eun <ho.eun@coretechintl.com>
Cc: Vince Arriola <vince.arriola@dpw.guam.gov>; Linda Ibanez <linda.ibanez@dpw.guam.gov>
Subject: Re: Invitation to Negotiate

Hi Eun,

Will inform the Director.

Donna Herrero,
Private Secretary
Department of Public Works
(671)647-5055

On Mon, Jul 7, 2025 at 1:38 PM Ho Eun <ho.eun@coretechintl.com> wrote:

I accepted your invitation and plan to attend with two of my staff.

Jong Won, VP of Preconstruction.
Alon Elamparo, Chief Estimator

Best,

Ho

----- Original message -----

From: Donna Herrero <donna.herrero@dpw.guam.gov>
Date: 7/7/25 1:34 PM (GMT+10:00)
To: Ho Eun <ho.eun@coretechintl.com>
Cc: Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>
Subject: Re: Invitation to Negotiate

Good afternoon Mr. Eun,

Thank you for acknowledging receipt of my email. I also sent out a google invite that you can accept.

Respectfully,

Donna Herrero,

Private Secretary

Department of Public Works

(671)647-5055

On Mon, Jul 7, 2025 at 1:33 PM Ho Eun <ho.eun@coretechintl.com> wrote:

Thank you, Donna.

I confirm receipt of your email and attachment.

I look forward to seeing you there.

Best,

Ho

----- Original message -----

From: Donna Herrero <donna.herrero@dpw.guam.gov>

Date: 7/7/25 12:22 PM (GMT+10:00)

To: Ho Eun <ho.eun@coretechintl.com>

Cc: Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>

Subject: Invitation to Negotiate

Good afternoon Mr. Eun,

Hope this email finds you well. Please find the attached letter regarding a meeting scheduled for July 9, 2025 at 300pm. Please acknowledge receipt of this email and attachment. Should you have any questions or concerns please do not hesitate to contact me.

Respectfully,

Donna Herrero,

Private Secretary

Department of Public Works

(671)647-5055

This message was sent from outside the company. Please do not click links or open attachments unless you recognize the source of this email and know the content is safe.

"Disclaimer: The content of this message is confidential and intended only for the use of the individual or entity to which it is addressed. If you have received it by mistake, please inform us by an email reply and then delete the message. It is prohibited to copy, forward, or in any way reveal the contents of this message to anyone. The integrity and security of this email cannot be guaranteed over the Internet. Therefore, the sender will not be held liable for any damage caused by the message."

This message was sent from outside the company. Please do not click links or open attachments unless you recognize the source of this email and know the content is safe.

This message was sent from outside the company. Please do not click links or open attachments unless you recognize the source of this email and know the content is safe.

NOTICE: This communication and any attachments ("this message") may contain confidential information for the sole use of the intended recipient(s). Any unauthorized use, disclosure, viewing, copying, alteration, dissemination or distribution of, or reliance on this message is strictly prohibited. If you have received this message in error, or you are not an authorized recipient, please notify the sender immediately by replying to this message, delete this message and all copies from your e-mail system and destroy any printed copies.



SSHS_Financing.docx

44K

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

ACKNOWLEDGEMENT OF RECEIPT FORM

DEPARTMENT OF PUBLIC WORKS

Please acknowledge receipt of

Project No. 730-5-1059-L-YIG

Construction of Simon Sanchez High School

Name of Prospective Proposer	Core Tech International Corporation
Name of person receiving RFP	
Signature	
Date	
Time	
Contact Person regarding RFP	Ho Eun
Company/Firm	Core Tech International Corporation
Title	Chairman
E-mail Address	ho.eun@coretechintl.com
Contact Number	671-473-5000
Fax Number	671-473-5500
Address	388 S. Marine Corps Drive, Suite 400, Tamuning, Guam 96913

4/24/15
11:26 AM
my
LH

PRICE PROPOSAL & ADDENDA ACKNOWLEDGEMENT OF RECEIPT FORM

Date: May 23, 2025

To: Director of Public Works
Government of Guam
542 North Marine Drive
Tamuning, GU 96913

Gentlemen:

The undersigned (hereafter called the Bidder), **Core Tech International Corporation**

(Corporation, Partnership or Individual)

an organized and/or licensed to do business under the laws of Guam, hereby proposes and agrees to furnish all the necessary labor, materials, equipment, tools and services necessary for the **"New Simon Sanchez High School: FDDBLM, Project No. 730-5-1059-L-YIG"** all in accordance with the drawings, specifications and other RFP documents prepared by the Department of Public Works for the sum of:

One Hundred Sixty-Six Million Three Hundred Sixty-Five Thousand Dollars

(\$ 166,365,000) plus any and all sums to be added and/or deducted resulting from all extra and/or omitted work in accordance with the unit and/or lump sum prices stated in the itemized price proposal form attached hereto exclusive to annual maintenance and insurance cost. The annual insurance and maintenance costs are excluded from this sum.

The undersigned has examined the location of the proposed work, the drawings, specifications and other contract documents and is familiar with the local conditions at the place where the work is to be performed.

The Proposal Guaranty attached, without endorsement, in the sum of not less than fifteen percent (15%) of the total amount of the price proposal but shall not exceed \$3 million, is furnished to the Government as a guarantee that the contract will be executed and a performance and payment bond furnished within fifteen (15) calendar days after the acceptance of the price proposal of the undersigned. In the event that the undersigned Proposer shall fail to execute the contract and furnish a satisfactory performance and payment bond under the conditions and within the time specified in this price proposal, the Proposal Guaranty shall be forfeited as liquidated damages for the delay and additional work and costs caused thereby in obtaining another Proposer, said being beforehand determined as being reasonable and containing no penalties.

If written notice of the acceptance of this price proposal is mailed, telegraphed or delivered to the undersigned within sixty (60) days after the opening thereof, the undersigned agrees to execute the form of agreement included as one of the contract documents, and to furnish a performance and payment bond in an amount equal to one hundred percent (100%) of the contract amount within fifteen (15) calendar days after receipt of such notice.

W
✓ 6/24/25
11:25 am

Project Scope Construction Costs:

Item	Cost
General Requirements for Design and Construction	\$18,357,102
Site Development and Sports Facilities	\$34,038,594
Administration Building, Main Entrance, Covered Walkways, and Courtyard	\$16,474,872
A-wing Classroom Building	\$28,695,394
Gymnasium Building	\$12,493,554
B-wing Classroom Building	\$19,191,889
Cafeteria Building	\$8,545,605
JROTC Classroom Building & Multipurpose Space	\$8,063,217
C-wing Classroom Building	\$16,536,146
FF&E (excluding Auditorium & Credit Recovery Buildings)	\$12,862,252
Auditorium Building including FF&E, Audio Visual, and Theater Systems	\$10,678,237
Photovoltaic System	\$460,913
Rainwater Catchment System	\$1,773,539
Landscaping Plants, Irrigation, and Site Furnishing	\$1,863,656
Credit Recovery Building including FF&E	\$5,526,976
TOTAL	\$195,561,946
Less value engineering and cost savings selections by GovGuam	~~\$29,196,946~~
Total Proposed Net Project Cost	\$166,365,000

Annual Insurance, Maintenance & Operating Costs

Item	Cost
Annual Insurance Premium	\$2,313,669
Annual Grounds and Custodial Costs	\$135,000
Annual Maintenance Costs	\$1,496,667
Annual Capital Maintenance Fund	\$385,000
TOTAL	\$4,330,336
Less reduction in scope of insurance coverage consistent with market	~~\$533,211~~
Total Proposed Net Annual Costs	\$3,797,125

Our proposed Price & Annual Insurance and Maintenance Costs will not exceed the maximum financing amount or the maximum annual appropriations authorized in Sections 58D108 & 58D109 of the "MA KAHAT ACT OF 2013" as required in the RFP

6/14/25
11:45 am
JL

	ADDENDUM NO.	DATED
1	Addendum #1	April 30, 2025
2		
3		
4		

The undersigned understands that the Government reserves the right to reject any or all price proposals or to waive any informality or technicality in any price proposals in the interest of the Government.

Core Tech International Corporation
(CONTRACTOR)
Ho Eun 
(BY) (Name and Signature)
Chairman
(TITLE)
388 S. Marine Corps Drive, Suite 400, Tamuning, Guam 96913
(BUSINESS ADDRESS)

4/24/25
10:25 am

**Simon Sanchez High School
PROPOSED TERM SHEET**

**Note to Proposer. There are two options for financing- 1. Government Financing and 2. Alternative Method of Financing (Proposer's financing). Based on the financing you are proposing for this project (Government Financing or Alternative Method Financing), fill out one of the two categories below.*

Option 1: Government Financing

If you are using the Government Financing Option, please provide the following information:

1. Proposed Additional Rental to cover maintenance and insurance as per the RFP
\$3,797,125
2. Proposed Annual Developer Cost \$0
3. Other Costs/Fees \$0

Option 2: Alternative Method of Financing (Funds must be delivered within 90 days)

If you are using the Alternative Method of Financing, check the box/s that apply below.

- ☐ Short-term debt
- ☐ Mortgage
- ☐ Loan
- ☐ Federally guaranteed loan
- ☐ Other Financing _____
- ☐ Letter of Credit

Please provide alternative financing details below:

- 1) Financing Narrative to include examples of successful execution with previous lease financings (1 page max)
- 2) Interest Rate
- 3) Financing Agreement form (loan agreement)
- 4) Financing calendar of events
- 5) Proposed Annual Debt Payment
- 6) Proposed Additional Rental to cover maintenance and insurance as per the RFP
- 7) Proposed Annual Developer Cost
- 8) Other Costs/Fees

***Subject to Negotiations**

6/24/26 by [signature]
11:25 a [signature]

(ACTION REQUIRED) SSHS 250716 DRAFT Letter DPW to Core Tech for Negotiation Meeting #2

1 message

Joseph W Duenas <jduenas@ssfm.com>

Wed, Jul 16, 2025 at 3:02 PM

To: Vince Arriola <vince.arriola@dpw.guam.gov>, Donna Herrero <donna.herrero@dpw.guam.gov>

Cc: DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, Ernie Galito Atkins Kroll Galito <ernie.galito@akguam.com>, "john.calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, "tkeeler@oagguam.org" <tkeeler@oagguam.org>

Hi Director Arriola- Attached you will find a DRAFT letter from DPW to Core Tech inviting him to SSHS Negotiation Meeting #2 schedule for this Friday, 8:3am, at the GEDA Conference Room. I assume DPW will make any final revisions and send the letter to Core Tech. It is recommended that the final letter be placed in the DPW procurement file.

Hi Donna- At Director Arriola's request in today's SSHS meeting, he would like to meet with Eun Ho from Core Tech to go over his revised construction and financing papers sent earlier this week. Upon Director Arriola's signature, please send to Eun Ho at Core Tech, and confirm his participation. Let me know if you have any questions.

Thank you!

Joe

Joseph W. Duenas, ENV SP | Pacific Area Manager

**Innovate | Adapt | Sustain**

215 Rojas Street, Suite 213 | Harmon, Guam 96913

T 671.646.7736 | F 671.300.7738

jduenas@ssfm.com | www.ssfm.com

"Do not go where the path may lead, go instead where there is no path and leave a trail." – Ralph Waldo Emerson

NOTICE: This communication and any attachments ("this message") may contain confidential information for the sole use of the intended recipient(s). Any unauthorized use, disclosure, viewing, copying, alteration, dissemination or distribution of, or

reliance on this message is strictly prohibited. If you have received this message in error, or you are not an authorized recipient, please notify the sender immediately by replying to this message, delete this message and all copies from your e-mail system and destroy any printed copies.



250716 DRAFT Letter DPW to Coretech Negotiations.docx
118K



The Honorable
LOURDES A. LEON GUERRERO
Maga' Håga · Governor

The Honorable
JOSHUA F. TENORIO
Sigundo Maga' Låhi · Lieutenant Governor



Director
LINDA J. IBANEZ

Deputy Director
ERNEST G. CANDOLETA, JR
Deputy Director

July 16, 2025

Mr. Ho Eun
Chairman
Core Tech International Corp.
388 S Marine Corps Dr, Suite 400
Tamuning, Guam 96913

SUBJECT: NEGOTIATION MEETING #2
New Simon Sanchez High School (FDDBLM)
Project No. 730-5-1059-L-YIG

Dear Mr. Ho,

Buenas yan Hafa Adai! The Department of Public Works (DPW), the Guam Department of Education (GDOE), the Guam Economic Development Authority (GEDA) and the various government stakeholders have been meeting to discuss your proposal for the above subject project.

I am kindly requesting your presence for our **Negotiation Meeting #2** on Friday, July 18th, 2025, at 8:30am, at the Guam Economic and Development Authority (GEDA) Conference Room on the 5th floor of the ITC Building in Tamuning.

The intent of this second meeting is to discuss the construction and financing papers provided to DPW this week.

Please contact Donna Herrero at 671-646-3131 to confirm your participation. I look forward to seeing you.

Sincerely,

VINCENT P. ARRIOLA
Director

SSHS REVISED CONTRACTS

1 message

Joseph W Duenas <jduenas@ssfm.com>

Wed, Jul 16, 2025 at 3:40 PM

To: "Terrence M. Brooks" <TMB@guamlaw.net>, Lester Carlson <lester.carlson@bbmr.guam.gov>

Cc: "John Y. Wang" <jwang@orrick.com>, Christina Garcia <cgarcia@investguam.com>, Glenn Leon Guerrero <gguerrero@ssfm.com>, Edward <edward.birn@doa.guam.gov>, Christine Rankin <crankin@orrick.com>, Lester Carlson <lester.carlson@bbmr.guam.gov>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "John.Calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>

Hi Attorney Brooks,

Attached you will find four revised contracts/ agreements from SSFM for the SSHS P3 Project:

1. Lease Agreement
2. Project Development Agreement
3. Insurance & Maintenance Agreement
4. Land Lease

SSFM has reviewed the contracts through a construction, design, and maintenance lens. We included the Simon Sanchez Principal in the Insurance & Maintenance Agreement review. Our comments and suggestions are included in the documents via "track changes."

Some consideration for GEDA's attorneys as they perform the prefinal redraft:

1. Structure and LDs

Consider merging the Lease Agreement, Project Development Agreement, and Insurance & Maintenance Agreement into one document. The contract templates were used for the JFK High School P3 Developer who had a separate Contractor and different insurance and maintenance company. In this particular case, the Simon Sanchez High School Developer, Contractor, and Insurance & Maintenance Company are the same entity- Core Tech International. The current setup as separate agreements (Ground Lease, Lease, Development Agreement, O&M) creates risk when it comes to enforcing Liquidated Damages (LDs). There's no integrated mechanism to tie LDs across contracts, which could limit our ability to hold the developer accountable for delays or performance failures.

2. Missing LDs in the Insurance & Maintenance Agreement

The Insurance & Maintenance Agreement doesn't include any LD provisions. We should build in enforceable LDs tied to performance failures and ensure those are referenced back to the Lease to close the loop.

3. Formatting and Cleanup

The documents still need final formatting—defined terms aren't always consistent, section references don't align, and some placeholders remain.

It would be ideal if we could have a redraft of the agreement/s prepared at the soonest for another review, with the understanding that we will need to fill in the blanks after further discussions with Core Tech and financing terms materialize.

We appreciate GEDA's expeditious, thorough review and redraft of the documents. Should there be any questions/ clarifications, please let me know.

Thanks,

Joe

Joseph W. Duenas, ENV SP | Pacific Area Manager



Innovate | Adapt | Sustain

215 Rojas Street, Suite 213 | Harmon, Guam 96913
T 671.646.7736 | F 671.300.7738
jduenas@ssfm.com | www.ssfm.com

"Do not go where the path may lead, go instead where there is no path and leave a trail." – Ralph Waldo Emerson

From: Joseph W Duenas <jduenas@ssfm.com>
Sent: Tuesday, July 15, 2025 9:08 AM
To: Terrence M. Brooks <TMB@guamlaw.net>; Lester Carlson <lester.carlson@bbmr.guam.gov>
Cc: John Y. Wang <jwang@orrick.com>; Christina Garcia <cgarcia@investguam.com>; Glenn Leon Guerrero <gguerrero@ssfm.com>; Edward <edward.birn@doa.guam.gov>; Christine Rankin <crankin@orrick.com>; Lester Carlson <lester.carlson@bbmr.guam.gov>
Subject: Re: SSHS

Hi Terry,

We will have our revised/ markups to the four Agreements by the end of the day.

Thanks,

Joe

Joseph W. Duenas, ENV SP | Pacific Area Manager



Innovate | Adapt | Sustain

215 Rojas Street, Suite 213 | Harmon, Guam 96913
T 671.646.7736 | F 671.300.7738
jduenas@ssfm.com | www.ssfm.com

From: Terrence M. Brooks <TMB@guamlaw.net>
Sent: Tuesday, July 15, 2025 8:59:38 AM
To: Lester Carlson <lester.carlson@bbmr.guam.gov>
Cc: John Y. Wang <jwang@orrick.com>; Christina Garcia <cgarcia@investguam.com>; Glenn Leon Guerrero <gguerrero@ssfm.com>; Joseph W Duenas <jduenas@ssfm.com>; Edward <edward.birn@doa.guam.gov>; Christine Rankin <crankin@orrick.com>; Lester Carlson <lester.carlson@bbmr.guam.gov>
Subject: Re: SSHS

Email received from **EXTERNAL** sender. Confirm the content is safe prior to opening attachments or links.

I am very relieved. We will work on the drafts and have Orrick polish them up.

Terry Brooks

Sent from my mobile phone

On Jul 15, 2025, at 8:49 AM, Lester Carlson <lester.carlson@bbmr.guam.gov> wrote:

I have no problem with Orrick holding the pen, I think Terry would be relieved that Orrick is taking the lead on this.

Copying Terry, Glenn, Tina Edward and Joe for situational awareness

On Tue, Jul 15, 2025 at 12:57 AM Wang, John Y. <jwang@orrick.com> wrote:

Les:

Can you clarify something for us? Will Orrick have the "pen" on the documents? Or will GEDA or someone else? Not clear on the creation of documents process.

Thanks!

John

John Y. Wang

Partner

Orrick

The Orrick Building
405 Howard Street
San Francisco, CA 94105-2669

<image001.jpg>

T +1-415-773-5993
jwang@orrick.com

<image002.png>

From: Lester Carlson <Les:lester.carlson@bbmr.guam.gov>

Sent: Sunday, July 13, 2025 3:06 AM

To: Wang, John Y. <jwang@orrick.com>; Terry Brooks <tmb@guamlaw.net>; Glenn Leon Guerrero <gguerrero@ssfm.com>; Lester Carlson <lester.carlson@bbmr.guam.gov>

Subject: Fwd: SSHS

[EXTERNAL]

Adding John Wang

Lester L Carlson, Jr

Director

Bureau of Budget and Management Research

Alternate Governor's Authorized Representative (AGAR)

Begin forwarded message:

From: Lester Carlson <lestercarlson671@gmail.com>
Date: July 13, 2025 at 7:43:17 PM GMT+10
To: Terry Brooks <tmb@guamlaw.net>, Glenn Leon Guerrero <gguerrero@ssfm.com>, Lester Carlson <lester.carlson@bbmr.guam.gov>
Subject: SSHA

Terry and Glenn

The \$166 M is debt service AND INSURANCE AND MAINTANENCE

NOTE ANNUAL DEBT SERVICE IS JUST OVER \$13 M after year 3, so the difference of \$3.3M is Insurance and maintenance

<Simon Sanchez Lease Revenue Bond - Conduit Issuer (2.27.23).pdf>

Lester Carlson

NOTICE TO RECIPIENT | This e-mail is meant for only the intended recipient of the transmission, and may be a communication privileged by law. If you received this e-mail in error, any review, use, dissemination, distribution, or copying of this e-mail is strictly prohibited. Please notify us immediately of the error by return e-mail and please delete this message from your system. Thank you in advance for your cooperation.

For more information about Orrick, please visit <http://www.orrick.com>.

In the course of our business relationship, we may collect, store and transfer information about you. Please see our privacy policy at <https://www.orrick.com/Privacy-Policy> to learn about how we use this information.

NOTICE: This communication and any attachments ("this message") may contain confidential information for the sole use of the intended recipient(s). Any unauthorized use, disclosure, viewing, copying, alteration, dissemination or distribution of, or reliance on this message is strictly prohibited. If you have received this message in error, or you are not an authorized recipient, please notify the sender immediately by replying to this message, delete this message and all copies from your e-mail system and destroy any printed copies.

4 attachments



250714 JDuenas GB GLG esh SSHA Lease Agreement DRAFT test copy.docx
129K



250714 JDuenasGB GLG esh PROJECT DEVELOPMENT AGREEMENT DRAFT.docx
73K



250715 JDuenas GB GLG esh SSHA Insurance and Maintenance Agreement DRAFT.docx
128K



250714 JDuenas GB GLG esh SSHA Ground Lease DRAFT.docx
521K

PUBLIC-PRIVATE PARTNERSHIP AGREEMENT
(For the Demolition, Design Build, Lease/ Leaseback, Insure/ Capital Maintenance-
FDDBLM of the New Simon Sanchez High School Project)

Dated as of (Insert Date)

Between

CORE TECH INTERNATIONAL CORPORATION,
a Guam corporation

as THE LESSOR

and

DEPARTMENT OF EDUCATION,
GOVERNMENT OF GUAM

as THE LESSEE

[This Lease Agreement and all right, title and interest of the CORE TECH INTERNATIONAL CORPORATION in any rents, revenues and receipts derived hereunder are subject to assignment to a trustee under a trust agreement under which Certificates are to be issued, either secured by or representing a fractional undivided interest in, Base Rental payments to be made under this Lease Agreement.]

LEASE AGREEMENT

THIS LEASE AGREEMENT, dated as of (INSERT DATE) (this "Lease"), by and between CORE TECH INTERNATIONAL CORPORATION (CTI), a Guam corporation qualified to do business in Guam (the "Lessor") and the DEPARTMENT OF EDUCATION, GOVERNMENT OF GUAM (the "Lessee");

W I T N E S S E T H:

WHEREAS, the Government of Guam (the "Ground Lessor" under the Ground Lease and the "Lessee" hereunder) and CORE TECH INTERNATIONAL CORPORATION (the "Ground Lessee" under the Ground Lease and the "Lessor" hereunder) will execute a Ground Lease (the "Ground Lease") concurrently herewith, under which that certain real estate parcel located in Guam and described in Exhibit A (the "Site") will be leased by the Ground Lessor to the Ground Lessee; and

WHEREAS, the Lessee desires to sublease the Site, and lease certain school facilities, comprised of a high school and certain related facilities to be constructed or renovated by Lessor on the Site (the "Facility"), and certain equipment, to be acquired and installed by the Lessor on the Site (the "Equipment" and collectively with the Facility and the sub leasehold interest in the Site, the "Project"), all as described in Exhibit B; and

WHEREAS, the Lessor is willing to sublease the Site, and lease the Facility and the Equipment, to the Lessee, and the Lessee desires to sublease and lease the same from the Lessor, upon the terms and conditions and for the purposes set forth herein; and

WHEREAS, the Lessor has determined that the Project will promote the social welfare of Guam by constructing public educational facilities and leasing them to the Government of Guam and providing for their maintenance during the term of this Lease; and

WHEREAS, the Lessor is empowered to enter into this Lease pursuant to applicable law, including particularly 5 GCA 58D103(a)&(b);

NOW, THEREFORE, for and in consideration of the mutual promises and agreements herein contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions

Article, Section, Exhibit and Schedule references herein shall, unless otherwise indicated, be to the respective articles and sections of and exhibits and schedules to this Lease. In addition, the following terms shall have the following meanings for all purposes of this Lease:

“Acquisition Contract” means any acquisition contract or contracts between the Lessor and any vendor regarding acquisition of the Equipment, a copy of which is or will be on file with the Lessor.

“Additional Rentals” means the amount or amounts payable by the Lessee to the Lessor or the Trustee pursuant to Section 4.01(b).

“Assignment Agreement” means an assignment agreement, to be entered into between the Lessor and the Trustee concurrently with the execution and delivery of the Certificates, whereby the Lessor will assign its interest in this Lease to the Trustee for the purpose of the execution and delivery of the Certificates.

“Authorized Lessee Representative” means the person or persons at the time designated, by written certificate furnished to the Lessor, as the person or persons authorized to act on behalf of the Lessee. Such certificate shall contain the specimen signature of such person or persons, shall be signed on behalf of the Lessee by the Governor, and may designate an alternate or alternates. An Authorized Lessee Representative may, but need not be, the Superintendent or another employee of the Lessee.

“Authorized Lessor Representative” means the President of the Lessor, any Vice President of the Lessor, or such other person or persons at the time designated, by written certificate furnished to the Lessee, as the person or persons authorized to act on behalf of the Lessor. Such certificate shall contain the specimen signature of such person or persons, shall be signed on behalf of the Lessor by an authorized officer, and may designate an alternate or alternates.

“Available Funds” means, collectively, any amounts appropriated by the Guam Legislature for the purpose of making payments of Base Rentals and Additional Rentals hereunder, and any amounts held in the Capitalized Interest Account, the Holding Fund and the other funds and accounts (other than the Rebate Fund) established pursuant to the Trust Agreement and available to pay amounts due under this Lease.

"Base Rentals" means the amount or amounts payable by the Lessee pursuant to Section 4.01(a).

"Capital Replacement Reserve" means the fund by that name established pursuant to the Trust Agreement.

"Capitalized Interest Account" means the account by that name established pursuant to the Trust Agreement.

"Capitalized Interest Period" means the time period during which proceeds of the Certificates are available to pay the interest component of the Base Rental payments.

"Certificate Closing Date" means the date of the execution and delivery of the Certificates by the Trustee under and pursuant to the Trust Agreement.

"Certificate Payment Fund" means the fund by that name established pursuant to the Trust Agreement.

"Certificates" means bonds, notes, certificates of participation or other obligations issued under the Trust Agreement and secured by or, to the extent they are certificates of participation, representing fractional undivided interests in, Base Rental payments to be made under this Lease.

"Code" means the Internal Revenue Code of 1986 and the regulations issued thereunder, and any successor to the Internal Revenue Code of 1986.

"Completion Certificate" means a certificate, as further described in the Trust Agreement, signed by the Lessor and approved by construction monitors of the Lessor and the Lessee, and provided to the Trustee upon completion of the Project.

"Construction Contract" means the Project Development Agreement, dated (Insert Date), between the Government of Guam, the Guam Department of Education ("Lessee") and CORE TECH INTERNATIONAL CORP and its affiliates if applicable, ("Contractor") as it may be amended or supplemented from time to time, and any other fixed price or guaranteed maximum price construction contract or contracts regarding construction of the Facility, a copy of each of which is or will be on file with the Lessor.

"Default Rate" means twelve percent (12%) per annum, provided, that the Default Rate shall not exceed the Maximum Lawful Rate.

"Department" means the Guam Department of Public Works. _____

"Effective Date" means the date set forth in Section 17.04.

"Equipment" has the meaning specified in the recitals hereto.

"Event of Default" means one or more of the events described in Section 16.01.

"Event of Non appropriation" has the meaning specified in Section 4.09(a).

"Facility" has the meaning specified in the recitals hereto.

"Fiscal Year" means the one-year period ending on each September 30.

"Governor" means the Governor of Guam.

"Ground Lease" has the meaning specified in the recitals hereto.

"Ground Lessee" has the meaning specified in the recitals hereto.

"Ground Lessor" has the meaning specified in the recitals hereto.

"Initial Term" has the meaning specified in Section 3.01.

"Insurance and Maintenance Fund" means the fund by that name established pursuant to the terms of the Trust Agreement.

"Lease" means this Lease, including the Exhibits and Schedules hereto, and any amendments and supplements hereto as permitted herein and in the Trust Agreement.

"Legislature" means the Guam Legislature.

"Lessee" means the Department of Education, Government of Guam, or any entity succeeding to its rights and obligations under this Lease.

"Lessor" means Core Tech International Corporation, a Guam corporation qualified to do business in Guam, or any entity succeeding to the rights, duties or functions of the Lessor hereunder, including, after the Certificate Closing Date and to the extent provided in the Assignment Agreement, the Trustee.

"Maintenance Agreement" means the Insurance and Maintenance Agreement, dated as of (Insert Date), by and among the Government of Guam and the Lessor/Contractor the Maintenance Contractor and the Trustee, and any other agreement for substantially the same services with respect to the Project.

"Maintenance Contractor" means Core Tech International Corporation as the Maintenance Contractor under the Maintenance and Insurance Agreement, or any successor contractor providing substantially the same services with respect to the Project.

"Maximum Lawful Rate" means the maximum rate of interest on the relevant obligation permitted by applicable law.

"Net Proceeds" means the amount remaining from the gross proceeds of any insurance claim or condemnation award made in connection with the Project, after deducting all expenses (including reasonable attorneys' fees) incurred in the collection of such claim or award.

"Notice to Proceed" means a written notice to the Lessor to proceed with the demolition and/or construction of the Project.

"Outstanding," when used with respect to the Certificates and whether or not capitalized, has the meaning ascribed to said term in the Trust Agreement.

"Owner," when used with respect to the Certificates, means any person who shall be the registered owner of any outstanding Certificate, as shown on the registration books of the Trustee.

"Permitted Encumbrances" means, as of any particular time, (i) liens for general ad valorem taxes, special taxes and assessments, if any, not then delinquent, or which the Lessee may, pursuant to the provisions of Section 8.01, permit to remain unpaid; (ii) the Ground Lease, this Lease, the Trust Agreement and the Assignment Agreement, as such may be amended from time to time, and any financing statements naming the Lessor or the Lessee as debtor and naming the Lessor or the Trustee as secured party now or hereafter filed to perfect the security interests granted by the Trust Agreement or the Assignment Agreement; (iii) utility, access, and other easements and rights-of-way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the date of recordation of this Lease or a short form hereof; (iv) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law; (v) such other easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions, or restrictions as may be consented to by the parties hereto or their successors or assigns; and (vi) such defects, irregularities, encumbrances and clouds on title as may be consented to by the parties hereto or their successors or assigns.

"Plans and Specifications" means the final plans, technical specifications and estimates prepared by the Lessor for and showing the Project, including design analysis and computation sheets, a schedule, and a maintenance and custodial plan, as amended from time to time pursuant to change orders agreed upon by the Lessor and the Lessee pursuant to Section 5.02.

"Project" means, collectively, the Facility, the Equipment and the Lessor's leasehold interest in the Site.

"Project Costs" means all costs of payment of, or reimbursement for, planning, design, engineering, construction, testing, acquisition, installation and financing and refinancing of the Facility and Equipment, including but not limited to, architect, engineering and installation management costs; administrative costs and capital expenditures relating to installation and financing payments; the interest component of Base Rental payments due and payable by the Lessee during the Capitalized Interest Period; leasehold and leasehold

improvement acquisition costs: sales tax; transfer tax; costs of accounting, feasibility, environmental and other reports; inspection costs; permit fees; filing and recording costs; financing costs and discounts; legal fees and charges; financial and other professional consultant fees; insurance policy premiums; construction monitor fees and expenses; and other charges and fees in connection with the foregoing. For purposes of this Lease, "Project Costs" also includes the items defined as "Costs of Delivery" in the Trust Agreement.

"Project Development Agreement" means the Project Development Agreement, dated as of (Insert Date), by and between CORE TECH INTERNATAIONAL CORPORATION and the Government of Guam and Guam Department of Education.

"Project Documents" means, collectively and as may be amended from time to time:

- i. the Request for Proposal for the New Simon Sanchez High School FDDBLM, issued March 28, 2025, including all Attachments and Addenda (together with any negotiated exceptions, as set forth in [Exhibit ___] or as otherwise agreed in writing), which shall govern in the event of any conflict with any other Project Document unless expressly stated otherwise;
- ii. the Plans and Specifications, including changes (if any) as permitted by Section 5.02;
- iii. all necessary permits for construction of the Facility, including any building permits;
- iv. the Project Development Agreement;
- v. the Acquisition Contract, if any;
- vi. policies of title, casualty, public liability, and workers' compensation insurance, or certificates thereof, as required by this Lease with respect to the Project;
- vii. any performance and payment bonds or other assurance of payment and performance acceptable to Lessee;
- viii. the executed contract with the architect hired by the Lessor in connection with the preparation of the Plans and Specifications;
- ix. any legally required environmental assessments or approvals;
- x. the executed contract(s) with each engineer hired by the Lessor in connection with the preparation of the Plans and Specifications or the construction of the Project or both; and
- xi. any and all other documents executed by or furnished to the Lessee in connection with the construction, acquisition, and equipping of the Project.

"Project Fund" means the fund by that name established pursuant to the terms of the Trust Agreement.

"Purchase Price" means, as of any date of calculation, the amount set forth in Schedule II hereto and made a part hereof, which the Lessee may pay as of such date to the Lessor in order to purchase the Project.

"Rebate Fund" means the fund by that name established pursuant to the Trust Agreement.

"Redemption Fund" means the fund by that name established pursuant to the terms of the Trust Agreement.

“Renewal Term” has the meaning specified in Section 3.01.

“Rentals” means the total amount of the Base Rentals and the Additional Rentals payable during the Initial Term and each Renewal Term hereunder.

“RFP” means the Request for Request For Proposal for the New Simon Sanchez High School FDDBLM issued March 28, 2025 including all Attachments and Addenda.

“Site” has the meaning specified in the recitals hereto.

“Special Counsel” means a firm of attorneys selected by the Lessee and that is nationally recognized for its expertise with respect to the law of tax-exempt governmental finance.

“Tax Certificate” means a certificate or certificates of the Lessee and/or the Lessor delivered on the Certificate Closing Date concerning such matters as may be appropriate in the opinion of Special Counsel to support Special Counsel's opinion that the interest component of Base Rental payments hereunder is excludable from the gross income for federal income tax purposes of the holders of the Certificates.

“Term” means, as applicable, the Initial Term or a Renewal Term.

“Term of the Lease” or “term of this Lease” has the meaning specified in Sections 3.01 and 3.02.

“Trust Agreement” means a trust agreement or other such agreement between the Lessor, as trustor, and the Trustee, and any amendments and supplements thereto as therein permitted, pursuant to which the Certificates are to be issued.

“Trustee” means the trustee under the Trust Agreement.

ARTICLE II

DEMISE

Section 2.01. Demise of the Project; Purpose.

The Lessor does hereby rent, lease and demise to the Lessee, and the Lessee does hereby take, accept and lease from the Lessor, the Project, subject to Permitted Encumbrances, on the terms and conditions and for the purposes herein set forth, together with all easements, rights, and appurtenances in connection therewith or thereto belonging, to have and to hold during the Initial Term and each Renewal Term of this Lease.

ARTICLE III

TERM OF THE LEASE

Section 3.01. Commencement of the Term of the Lease.

- (a) The initial term of this Lease for which Base Rental payments are due shall be Thirty (30) years and commence as of the earlier of _____, or the date of substantial completion of the Project, and shall expire at midnight on _____. (the "Term"). The Lessor shall provide the Trustee with written notice of the commencement of the Initial Term, which notice shall be executed by both Construction Monitors indicating their approval. So long as Available Funds are sufficient to make the Base Rental and Additional Rental payments each year, the term of this Lease shall automatically be renewed for additional and consecutive one-year renewal terms beginning on _____ and ending on _____ of each successive year, respectively, through and including _____ (each, a "Renewal Term"). The terms and conditions of this Lease during any Renewal Term shall be the same as the terms and conditions during the Initial Term, except that the Base Rentals may be revised as provided in the Trust Agreement or Sections 4.07 or 14.02 of this Lease.
- (b) If _____, the Certificates shall not be fully paid, then the term of this Lease shall be extended for additional and consecutive one-year Renewal Terms beginning on (insert date) and ending on (insert date) of each successive year, respectively, except for the last such renewal term, which shall commence on (insert date) and end on the date that is ten days after all Certificates shall be fully paid, except that the term of this Lease shall not exceed (insert date). If prior to (insert date), all Certificates shall be fully paid, or provision therefor made, the term of this Lease shall end ten days after such payment or provision therefor or ten days after written notice by the Authorized Lessee Representative to the Lessor, whichever is earlier.

Section 3.02. Expiration or Termination of the Term of the Lease.

The term of this Lease will expire or terminate, as appropriate, as to the Lessee as described in Section 3.03 upon the first to occur of any of the following events: (a) the expiration of the Initial Term or any Renewal Term during which there occurs an Event or Non - appropriation which is not thereafter waived by the Lessor; (b) an Event of Default and a termination of the term of this Lease by the Lessor as herein provided; (c) _____; or (d) upon the expiration of any extension period(s) provided pursuant to Section 14.02.

Section 3.03. Effect on the Lessee of Expiration or Termination of the Term of the Lease.

The expiration or termination of this Lease as to the Lessee pursuant to Section 3.01 shall terminate the obligations of the Lessee hereunder (except to the extent that the Lessee shall have incurred any obligation to pay Rentals from moneys theretofore appropriated and available for such purpose through the last day of the portion of the Renewal Term during which the Lessee continues or continued to occupy the Project) and shall terminate the Lessee's rights of use and occupancy of the Project; provided, however, that all other terms of this Lease and the Trust Agreement, including the

obligation of the Lessee not to interfere with the Lessor's rights under the Ground Lease, and also including all obligations of the Trustee with respect to the holders of the Certificates and the receipt and disbursement of funds, shall be continuing until the lien of the Trust Agreement is discharged, as provided in the Trust Agreement. The termination or expiration of the term of this Lease as to the Lessee pursuant to Section 3.02, in and of itself, shall not discharge the lien of the Trust Agreement. Nothing herein shall be construed to terminate the obligations of the Trustee provided in Section 16.02 upon the expiration or termination of the term of this Lease as to the Lessee as provided in Section 3.02.

Section 3.04. Effect of Discharge of the Trust Agreement.

After the execution and delivery of the Certificates, if and when:

- (a) there shall have been deposited with the Trustee at or prior to any date when the Lessee may exercise its option to purchase the Project, in trust for the benefit of the Owners of the Certificates and irrevocably appropriated and set aside to the payment of the Base Rentals or Purchase Price, sufficient moneys and Permitted Investments of the appropriate type, as further specified in the Trust Agreement, the principal of and interest on which when due will provide money sufficient to pay all principal, premium, if any, and interest of the Base Rentals represented by the Certificates to the due date of the Base Rentals or date when the Lessee may exercise its option to purchase the Project, as the case may be; and
- (b) an agreement shall have been entered into with the Trustee for the payment of its fees and expenses so long as any of the Certificates shall remain unpaid;

then and in that event the right, title and interest of the Lessor herein and the obligations of the Lessee hereunder shall thereupon cease, terminate, become void and be completely discharged and satisfied (except for the right of the Lessor and the obligation of the Lessee to have such moneys and such Permitted Investments applied to the payment of the Base Rentals or Purchase Price) and the Lessor's interest in and title to the Project shall be transferred and conveyed to the Lessee.

ARTICLE IV

RENTALS PAYABLE

Section 4.01. Rentals Payable.

The Lessee shall pay the Base Rentals and the Additional Rentals as described herein, in the amounts, at the times and in the manner set forth herein, said amounts constituting in the aggregate the total of the annual Rentals payable under this Lease, as follows:

- (a) Base Rentals. On _____, and on (insert date) and (insert date) of each year thereafter, the Lessee shall pay to the Lessor as provided in Section 4.06 the Base Rental payments, comprised of both a principal component and an interest component (calculated on the basis of a year of 360 days consisting of twelve 30-day months), each such Base Rental payment to be made in the amount set forth in Schedule I attached hereto and incorporated herewith.

During the Capitalized Interest Period, the Base Rental Payments shall be payable only from amounts made available for that purpose from the proceeds of the Certificates, and, after the end of the Capitalized Interest Period, the Base Rental Payments shall be payable only from Available Funds. The interest components of the Base Rental payments shall be paid by the Lessee as, and shall constitute interest paid on, the principal components of the Base Rental payments to be paid by the Lessee hereunder.

- (b) Additional Rentals. On the date of commencement of the first Initial Term hereof, the Lessee shall pay to the Lessor, but only from Available Funds, an Additional Rental payment in the amount of (insert spelled out amount) (\$ Insert dollar amount). On the date of commencement of the second Initial Term hereof, the Lessee shall pay to the Lessor as provided in Section 4.06, but only from Available Funds, an Additional Rental payment in the amount of (insert amount) Commencing on (insert date), and on October 15 of each year thereafter, the Lessee shall pay to the Lessor as provided in Section 4.06, but only from Available Funds, an Additional Rental payment in the amount of (insert amount) The parties hereby acknowledge and agree that such amount may be amended for the Initial Terms and any Renewal Term pursuant to subsection (c) below. The Lessor shall apply such Additional Rentals to meet, or to cause to be met, its obligations under Articles VI, VII and VIII in the order of priority specified in subsection (d) below. On or before the Certificate Closing Date, the Lessee and the Lessor shall enter into the Maintenance Agreement with the Maintenance Contractor and the Trustee, providing, among other things, that the Maintenance Contractor shall perform the Lessor's obligations under Articles VI, VII and VIII.
- (c) Amendments to Additional Rentals. The amount due hereunder as Additional Rental shall be adjusted as provided below to reflect increases in or the additional imposition of the following costs borne by the Lessor:
- (i) any amount owing to the Trustee for services under the Trust Agreement;
 - (ii) the costs of any taxes and governmental charges and assessments as required under Article VIII that are, or that would if unpaid become, a lien on the Project;
 - (iii) the costs of insurance as required under Article VII;
 - (iv) deposits into the Capital Replacement Reserve (with aggregate deposits not to exceed (insert amount) in a given Term), representing costs incurred by Lessor or its Maintenance Contractor for the capital maintenance, repair and replacement with respect to the Project as required under Article VI;
 - (v) the costs of any other taxes and governmental charges and assessments as required under Article VIII, including but not limited to the Guam business privilege tax;
 - (vi) any amount of interest required to be paid on any of the foregoing items as a result of the Lessee's failure to pay any such items when due, as required by Section 4.06; and

- (vii) any other fees, costs, levies, charges, taxes, assessments or expenses that the Lessor is required to pay in connection with this Lease, the Maintenance Agreement, the Project Documents, the Trust Agreement, the Certificates or the Project, including any sums incurred under Section 17.13.

If and to the extent that the parties agree that the amount required to pay or reimburse such costs for the Initial Terms or any Renewal Term exceeds the Additional Rental amount described in Section 4.01(b) for such term, then the Additional Rental for such term shall be increased by the amount approved by the Lessee; provided, however, that the Lessee shall not be Obligated to pay a Rental in any year that exceeds the Available Funds in such year.

- (d) Priority of Parent of Expenses by Lessor; Limited Liability of Lessor. The Lessor shall use and apply Additional Rental payments to pay expenses in the order of priority listed in subsection (c) above, provided, however, that no obligation assumed by or imposed upon the Lessor hereunder shall require the performance of any act by the Lessor except to the extent, if any, that the cost and expense of such performance is provided for or paid by the Lessee hereunder as Additional Rentals paid from Available Funds.
- (e) Transfer of Annual Base Rentals to Trustee. On or before (insert day) of each year, commencing with (insert day), Lessee shall transfer to the Trustee Available Funds in an amount equal to the aggregate Base Rental payments (net of amounts held therefor in the Capitalized Interest Account and available for transfer therefrom to the Interest Fund on the applicable date or dates) coming due on the next succeeding (insert date) and (insert date), for deposit in the Base Rental Holding Fund established and held by the Trustee pursuant to the Trust Agreement.
- (f) Invoices. The Lessor shall provide the Lessee and the Department with a written invoice for each such Base Rental payment and Additional Rental payment at least thirty (30) days prior to the date on which it is due and payable pursuant to this Section 4.01.

Section 4.02. Consideration.

The payments of Base Rentals and Additional Rentals hereunder for the Initial Term and each Renewal Term during the term of this Lease shall constitute the total Rentals for said Term and shall be paid by the Lessee for and in consideration of the right of use and occupancy of the Project, and the continued quiet use and enjoyment of the Project for and during said Term. The parties hereto have agreed and determined that the aggregate of such total Rentals for all Terms represents the fair rental value of the Project for all Terms. In making such determination, consideration has been given to the costs of financing the acquisition and construction of the Site and the Facility, the uses and purposes which will be served by the Project, and the benefits therefrom which will accrue to the parties to this Lease and the general public by reason of the Project. The Rentals due during any Fiscal Year will be in consideration of the right of use and occupancy of the Project by the Lessee during such Fiscal Year.

Section 4.03. Pledge; Covenant to Deposit.

- (a) The Lessee hereby pledges for the payment of the Base Rental payments and Additional Rental payments, in accordance with their terms and in that order of priority, all of the Lessee's right, title and interest in all moneys and securities in the funds and accounts held under the Trust Agreement, subject in all cases to the provisions of the Trust Agreement permitting the application thereof for or to the purposes and on the terms and conditions set forth in the Trust Agreement.
- (b) During the term of this Lease, the Lessee covenants and agrees (i) that, after the end of the Capitalized Interest Period, it will deposit with the Trustee, to the extent available and appropriated by the Legislature, sufficient Available Funds, together with any additional amount approved by the Legislature, to pay the Rentals for the Project during the next succeeding Renewal Term, and (ii) to take such further action (or cause the same to be taken) as may be necessary or desirable to assure the availability of moneys appropriated to pay such Rentals for each such Renewal Term. Any such distribution may be made in advance of the due date of the Rentals with respect to which it is paid.
- (c) The Lessee currently intends to pay the Rentals for the Initial Term and each Renewal Term. The Lessee reasonably believes that proceeds of the Certificates or Available Funds, as applicable, in an amount sufficient to pay all Rentals during the Initial Term and each Renewal Term, can be obtained. The Lessee hereby covenants to take the actions required to include the amounts needed to pay the Rentals due hereunder in each fiscal period in the Governor's budget request to the Legislature for each fiscal period for adoption in accordance with applicable provisions of Guam law; provided that, it is understood that the Legislature shall not be obligated to adopt such budget or to appropriate or otherwise make available the Available Funds.

Section 4.04. Limitations on Liability

- (a) Nothing herein shall be construed to require the Government of Guam or the Legislature to appropriate any money to pay any Rentals hereunder. If the Lessee fails to pay any portion of the Rentals due hereunder or if an Event of Default or an Event of Non appropriation occurs hereunder, the Lessee will quit and vacate the Project in accordance with Section 4.09(b), and its obligation to pay Rentals and the other obligations of the Lessee hereunder shall thereupon cease, it being understood between the parties that neither the Government of Guam nor any political subdivision thereof, except the Lessee as provided herein, is obligated to pay any Rentals due to the Lessor hereunder; provided, however, that, in the case of an Event of Non appropriation, the Lessee shall in no event be required to vacate the Project earlier than the expiration of the last Renewal Term for which the Lessee has paid or appropriated moneys sufficient to pay all Rentals due for such term of this Lease; and provided further, however, that the Lessee shall continue to be obligated to pay Rentals theretofore appropriated and paid when due and available for such purpose through the last day of the portion of the Renewal Term or prior Renewal Term during which the Lessee occupies or continues to occupy the Project. Should the Lessee fail to pay any portion of the required Rentals and then fail to quit and vacate the Project in accordance with Section 4.09(b), the Trustee in accordance with the Trust Agreement may immediately bring legal action to evict the Lessee from the Project (but

not for money damages except as hereinafter provided), and exercise its remedies with regard to the Project in accordance with the Trust Agreement and the Assignment Agreement. No judgment may be entered against the Lessee or the Government of Guam, the Lessor, or any political subdivision of the Government of Guam for failure to pay any Rentals hereunder, except to the extent that the Lessee has theretofore incurred liability to pay any such Rentals through its actual use and occupancy of the Project or through its lawful appropriations of, and payment when due of, Rentals relating to such use.

- (b) The Rentals constitute current expenses of the Lessee, and the Lessee's obligations hereunder are from year to year only and do not constitute a mandatory payment obligation of the Lessee in any ensuing Fiscal Year beyond the current Fiscal Year other than from the amounts pledged under Section 4.03(a). No provision hereof shall be construed or interpreted as creating a general obligation or other indebtedness of the Lessee, the Lessor, the Government of Guam, or any political subdivision of the Government of Guam, within the meaning of any Organic Act or statutory debt limitation. Neither the execution, delivery, and performance of this Lease nor the execution and delivery of the Certificates directly or indirectly obligates the Lessee to make any payments hereunder beyond those appropriated for the Lessee's then current Fiscal Year. This Lease shall not create an immediate or accelerated obligation for any aggregate payment which may become due during the remainder of the Term of this Lease. This Lease, including the obligation of the Lessee to pay the principal and interest components of Base Rental payments, shall not be an obligation for which the full faith and credit of the Lessee is pledged. The Owners of the Certificates shall have no claim or lien on any revenues or other moneys of the Lessee or the Lessor, except Available Funds.
- (c) The Lessee currently intends to pay the Rentals for the Initial Term and each Renewal Term. The Lessee reasonably believes that Available Funds in an amount sufficient to pay all Rentals during the Initial Term and each Renewal Term can be obtained. The Lessee intends that amounts sufficient to make such payments, and to maintain the balance in the Certificate Reserve Fund at the Certificate Reserve Fund Requirement and to pay any Additional Rentals, be included in the Governor's budget request to the Legislature for each fiscal period for adoption in accordance with applicable provisions of Guam law; provided that, it is understood that the Legislature shall not be obligated to adopt such budget or to appropriate or otherwise make available the Available Revenues.
- (d) No obligation assumed by or imposed upon the Lessor hereunder shall require the performance of any act by the Lessor except to the extent, if any, that the cost and expense of such performance may be provided for from the proceeds of the sale of the Certificates or paid by the Lessee hereunder as Additional Rentals or from Available Funds.

Section 4.05. Rentals To Be Assigned; Unconditional Obligation from Available Funds.

It is understood and agreed that the obligation of the Lessee hereunder to pay all Rentals payable hereunder are to be absolutely, unconditionally and irrevocably assigned to the Trustee on the Certificate Closing Date pursuant to the Trust Agreement and the Assignment Agreement. The Lessee assents to such assignment, and hereby agrees that its obligation to pay the Base Rentals and the Additional Rentals from Available Funds shall be absolute and unconditional and, except as expressly herein provided, shall not be subject to any defense or any right of setoff, counterclaim or recoupment

arising out of any breach by the Lessor of any obligation to the Lessee, whether hereunder or otherwise, or out of any indebtedness or liability at any time owing to the Lessee by the Lessor or by the failure of the completion of the Project. Notwithstanding any dispute between the Lessee and the Lessor hereunder, the Lessee shall pay all Rentals when due (but only from Available Funds) and shall not withhold payment of any Rentals pending the final resolution of such dispute. In the event of a determination that the Lessee was not liable for payment of such Rentals or any portion thereof, said payments or excess of payments, as the case may be, shall be credited against subsequent payments of Rentals due hereunder.

Section 4.06. Payment.

Each payment of Base Rentals and Additional Rentals shall be paid in lawful money of the United States of America, by wire transfer to the Trustee at the designated corporate trust office of the Trustee or at such other place or places as may be set forth in the Trust Agreement. Each payment of Base Rentals and Additional Rentals which is not paid when due shall bear interest at the Default Rate from the date on which the payment becomes due until the same is paid.

Section 4.07. Adjustment of Base Rental Upon Failure to Vacate

In the event the Lessee fails to vacate the Project when required to do so under Section 3.03 or Section 4.09, then the hold-over Base Rental for any period following the required date to vacate shall be computed at an annual rate of _____ (_____) per year. Such rental shall be prorated over the hold-over period, provided that the Lessee shall be treated as holding over for the entire month if the Lessee holds over for any day of such month. The holdover rent is not an alternate performance option and the demand by the Lessor or payment by the Lessee of such holdover rent shall not limit or impair any other remedy of the Lessor hereunder.

Section 4.08. Payment to Trustee and Application of Rentals

All Rentals shall be paid directly to the Trustee for application in accordance with the Trust Agreement.

Section 4.09. Nonappropriation; Vacating the Project.

- (a) In the event that sufficient monies (i) are not appropriated on or prior to the beginning of each Term for the payment of the Base Rentals and Additional Rentals payable during such period (net of amounts held therefor in the Capitalized Interest Account), and (ii) are otherwise not legally available for such purpose, then an event of nonappropriation (an "Event of Nonappropriation") shall be deemed to have occurred, and the Authorized Lessee Representative shall immediately provide written notice thereof to the Lessor and the Trustee. The Authorized Lessor Representative may waive any Event of Nonappropriation which is cured by the Lessee within a reasonable time if, in the Lessor's judgment, such waiver is in the best interests of the holders of the Certificates. If an Event of Nonappropriation shall occur, the Lessee shall not be obligated to make payment of the Base Rentals or Additional Rentals provided for herein beyond the last day of the Term during which such Event of Nonappropriation occurs, except for the Lessee's obligation to pay Base Rentals and Additional Rentals which are payable prior to the termination of this Lease; provided, however, that if an Event of Nonappropriation occurs and the Lessee continues to occupy the

Project beyond the then-current Term, the Lessee shall continue to be liable for the portion of the Base Rentals and Additional Rentals which would have been payable during such additional Term equal to the portion of such Term (or prior Term if the Lessee's occupancy lasts beyond a single hold-over Term) during which the Lessee continues to occupy the Project, subject to the availability of sufficient Available Funds for such purpose. Upon the occurrence of an Event of Nonappropriation, the Lessee may terminate its obligations under this Lease, without penalty, effective at the end of the then-current Term and the Lessor may terminate this Lease or the Lessee's possessory rights hereunder, or both. Such termination shall not be considered or treated as a default under this Lease or any other document. If this Lease is terminated under this Section, the Lessee agrees to surrender the Project to the Lessor, to cease use of the Project and not to interfere with the Lessor's rights under the Ground Lease. The Trustee shall, upon the occurrence of an Event of Nonappropriation and a foreclosure of the lien of the Trust Agreement and the Assignment Agreement, be entitled (subject to the limitations imposed on the Trustee pursuant to Section 16.02) to re-enter the Project, to take possession of the Project as trustee for the benefit of the holders of the Certificates, assign its interest in all or a portion of the Project (including the Facility and Equipment) and/or this Lease, re-let any of the Facility, the Equipment and/or the Lessor's leasehold interest in the Site to a new sublessee and to sell or relet all or any portion of the Project, subject in all such cases to the provisions of the Ground Lease. In such event, the Lessor shall also be permitted to condition its actions on performance or other actions by the Lessee, and is authorized to terminate this Lease or the Ground Lease, or subject to the agreement of the Lessee, to cancel, modify or amend this Lease or the Ground Lease.

- (b) The parties hereto agree that, upon the occurrence of an Event of Nonappropriation or an Event of Default, the Lessee shall have all responsibility for vacating the Site and the Facility and surrendering the Equipment. Upon an Event of Default, the Lessee shall vacate the Site and the Facility and surrender the Equipment immediately. Upon an Event of Nonappropriation, the Lessee shall vacate the Site and the Facility and surrender the Equipment prior to the expiration of the then current Term.

Section 4.10. Advances by the Trustee.

If the Lessee fails to pay any Rentals required by this Lease, the Trustee may (but shall be under no obligation to) pay such Rentals, which Rentals, together with interest thereon at the Default Rate, are to be reimbursed to the Trustee by the Lessee within fifteen (15) days of the rendering of any bill or statement to the Lessee therefor; provided, however, that nothing herein shall be construed to obligate the Lessee to pay such Rentals from any funds other than Available Funds.

Section 4.11. Lease Not to Constitute "True" Lease.

It is the intention of the parties hereto that this Lease not constitute a "true" lease for federal income tax purposes and, therefore, it is the intention of the parties hereto that the Lessee be considered the owner of the Project for federal income tax purposes, but not for Guam law purposes relating to title and other matters as herein provided. To the extent lawfully permissible, the Lessee, and not the Lessor, is considered the owner of the Project for liability and insurance purposes.

ARTICLE V

ACQUISITION, CONSTRUCTION AND FINANCING OF THE PROJECT

Section 5.01. Acquisition and Construction of the Project.

- (a) The Lessor has a leasehold interest in the Site pursuant to the Ground Lease. Lessor shall enter into the Project Development Agreement and, pursuant to the Project Development Agreement, shall cause the Facility to be constructed on the Site and shall acquire and install the Equipment in accordance with the applicable Project Documents. The Lessor shall provide the Lessee and Trustee with a copy of all written notices pursuant to the Project Development Agreement.
- (b) The Project Development Agreement shall constitute a Construction Contract for the construction of the Facility on the Site. The Lessee shall require Core Tech International Corporation to provide a faithful performance bond and a separate labor and material payment bond, or other assurance of payment and performance acceptable to Lessee, as appropriate; provided, however, that if such bonds are not available at reasonable cost on the open market from reputable providers, alternative forms of security may be required by the Lessor if such alternatives shall have been approved in writing by the Lessee. The Net Proceeds from any such bond shall be transferred to the Lessor for deposit and application as provided in Section 5.05(h). Such bonds shall be assigned to the Trustee upon occurrence of an Event of Default, shall be executed by a corporate surety licensed to transact business in Guam and acceptable to the Lessor, and shall be in an amount equal to the contract price for such contractor's Construction Contract. If, at any time during the construction of the Facility, the surety on such bond shall be disqualified from doing business in Guam, or shall otherwise become incapable of performing its obligations under such bond, an alternate surety acceptable to the Lessor shall be selected. In the event of any change order in accordance with Section 5.02, the amounts of such bonds pertaining thereto shall be increased to include the cost of any additional work or materials or fixtures to be incorporated in the Facility or any additional Equipment.
- (c) If an Event of Nonappropriation or an Event of Default shall occur prior to the delivery of the Completion Certificate pursuant to the Trust Agreement, the moneys remaining in the Project Fund may be utilized by the Lessor to complete construction of the Facility or to prepay Certificates, or upon termination of the term of this Lease, may be disbursed as provided in the Trust Agreement.
- (d) The Lessor hereby covenants, and the Lessee consents to the extent permitted by applicable law, to make certain design changes in the Project (so long as such changes do not cause the Project to be used for purposes other than lawful governmental purposes of the Lessee) in accordance with the Project Development Agreement to the extent necessary to complete the Project with moneys then available for such purposes in the Project Fund established in the Trust Agreement.
- (e) The Lessor shall enter into each Construction Contract and any Acquisition Contract to do all things necessary for the completion of the Project and shall use its best efforts to cause the Project to be completed by the date (insert date) from the Effective Date, or such later date to which the parties agree, including pursuant to any agreed-upon change orders to the Plans and Specifications pursuant to Section 5.02, subject to any applicable provision of the Trust Agreement; but if for any reason a Completion Certificate is not delivered by the applicable

date, there shall be no diminution to or postponement of the Rentals provided by Section 4.01 to be paid by the Lessee.

- (f) The Lessor and the Lessee each hereby agree that, in order to effectuate the purposes of this Lease, it will make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions with any other persons, firms or corporations, and in general do all things legally permissible which may be requisite or proper, all for completing the Project as herein provided.

Section 5.02. Changes in Project.

Changes in the scope and character of the Project, including change orders to the Plans and Specifications for the Project, may be ordered by agreement between the Lessor and Lessee in accordance with Section 5.03(b), the Project Development Agreement and the Trust Agreement, provided that, if any such change would result in non-governmental ownership or non-governmental use of any portion of the Project, the Lessee shall provide an opinion of Bond Counsel to the effect that such change will not cause the interest component of the Base Rental payments to be included in the gross income of the holders of Certificates for federal income tax purposes, and provided, further, that unless sufficient additional funds are provided therefor, the cost of the Project (exclusive of construction monitoring and initial developer fees) shall not exceed \$(insert amount), and (b) the cost of the changes shall not exceed the amount then available therefor in the Project Fund and provided, further, that no such change shall be permitted if it materially adversely affects the interests of Holders of the Certificates. In the event that there is a change in the scope and character of the Project, the Lessee shall be liable for all costs associated therewith. In addition, the parties shall amend the description of the Project contained in Exhibits A and B and the exhibits to the Project Development Agreement as appropriate to reflect such changes. Changes to the Project may only be made with the prior written approval of an Authorized Lessee Representative, which approval shall not be unreasonably withheld. Any change to the Plans and Specifications pursuant to a change order agreed upon by the Lessor and the Lessee that results in additional time being required to complete the Project shall automatically cause a corresponding extension in the required date of completion for the Project contained in Section 5.01(e).

Section 5.03. Required Provisions of Construction Contract; Right to Inspect Project Documents; Insurance During Construction Period.

- (a) Each Construction Contract or Acquisition Contract shall provide that, following an Event of Default or damage to, or destruction or condemnation of, the Project as described in Article X hereof, the Lessor may terminate such Construction Contract or Acquisition Contract, and the contractor/vendor shall then be entitled to payment only from amounts available therefor in the Project Fund and only for work done or Equipment delivered prior to such termination.
- (b) The Lessor shall have and keep on file and available for inspection by the Lessee copies of the Project Documents throughout the term of this Lease, or as soon after the commencement of the term of this Lease as such Project Documents shall become available to the Lessee. Neither the Project Documents nor any change or amendments thereto shall: (a) cause the Project to be used for any purpose prohibited by this Lease or by the Organic Act and laws of Guam; (b) result in a

material reduction in the fair rental value of the Project as contemplated by Section 4.02 hereof, or (c) adversely affect the ability of the Lessee to meet its obligations hereunder.

All Project Documents shall include and comply with the Construction Management requirements outlined in the "Request for Proposal for the New Simon Sanchez High School FDDBLM issued March 28, 2025, including all attachments and addenda", which govern the standards for DPW CM oversight, reporting, quality control, scheduling, and project coordination. In the event of conflict or silence in this Lease or the Project Documents regarding construction management obligations, the referenced RFP requirements shall prevail.

- (c) The Lessor shall procure, insure and maintain, at its own cost and expense for the duration of the Construction Contract. Standard form comprehensive general public liability and property damage insurance shall be in the amount required by Article VII hereof.
- (d) The Lessor shall provide at its own cost and expense, during the term of its Construction Contract and until the Facility is accepted and insured in accordance with the Project Development Agreement, standard builder's risk insurance upon the Facility to be constructed, in whole or in part, by such general contractor. The policy may have a deductible clause in such amount as may be approved in accordance with the Project Development Agreement. Such insurance coverage shall be in an amount at least equal to the total contract price for such general contractor's work. In the event of any change order resulting in the performance of additional work in connection with the construction of such Facility, the amount of such insurance shall be increased to include the cost of such additional work.
- (e) Each vendor retained in connection with the acquisition of the Equipment shall be required to procure and maintain, at its own cost and expense, during the term of its Acquisition Contract and until the Equipment is insured by the Lessor, standard insurance upon the Equipment to be acquired, in whole or in part, by such vendor. The policy may have a deductible clause in such amount as may be approved in accordance with the Project Development Agreement. Such insurance coverage shall be in an amount at least equal to the full value of the Equipment. In the event of any change order resulting in the performance of additional work in connection with the acquisition of the Equipment, the amount of such insurance shall be increased to include the cost of such additional work.
- (f) The risk of loss under any and all deductibles in any policy provided by a general contractor shall be assumed by and shall be the responsibility of the general contractor. Each insurer providing the insurance described in Sections 5.03(c) and (d) above must waive its rights of subrogation against the Lessee and the Lessor and their respective officers, directors, elected or appointed officials and employees, and shall further require that none of such insurance will be materially reduced, restricted, limited, changed or cancelled without at least thirty (30) days prior written notice to the Trustee, the Lessor and the Lessee. The Lessor and, after the execution and delivery of the Certificates, the Trustee, shall be listed as an additional insured and mortgagee (using a "New York mortgagee" clause), respectively, under each policy required by Sections 5.03(c) and (d) above.
- (g) Each contractor and subcontractor for the Project shall procure and maintain workers' compensation insurance as required by applicable law.

- (h) The Net Proceeds of any performance or payment bond or other insurance required hereunder are to be paid into the Insurance and Maintenance Fund to be applied as provided in Section 10.01, and while any Certificates are outstanding, as provided in the Trust Agreement.

Section 5.04. Government Remedies for Lessor Default.

In the event that the Lessor fails to perform in accordance with this Lease, the Project Development Agreement, or any related Project Documents, the Government of Guam, as Lessee, shall have the right to pursue all remedies available at law or in equity, including but not limited to:

- (a) Issuing written notice of default and requiring the Lessor to cure any failure or deficiency within a reasonable period as specified by the Lessee;
- (b) Withholding Rental Payments to the extent permitted by law and applicable contract provisions, pending correction of non-conforming or incomplete work;
- (c) Drawing on performance bonds, payment bonds, insurance proceeds, or other security posted by the Lessor in connection with the Project;
- (d) Seeking specific performance, damages, or termination as permitted under the Lease, the Trust Agreement, or the Maintenance Agreement;
- (e) Directing that any Net Proceeds recovered through enforcement or settlement of claims arising from the Lessor's non-performance, including under warranties, insurance, or bonds, shall be deposited into the Insurance and Maintenance Fund or applied in accordance with Section 10.01 and the Trust Agreement, if Certificates remain outstanding.

All such remedies shall be exercised in consultation with the Lessee's Construction Manager, and nothing herein shall limit the Government's rights to separately pursue claims or enforcement actions arising out of breach, negligence, or noncompliance by the Lessor or its subcontractors.

Section 5.05. Disbursements from the Project Fund.

The Lessor shall use and disburse the funds on deposit in the Project Fund to pay or reimburse Project Costs; provided, however, that any such disbursement shall be made only after satisfaction of the conditions for any such disbursement as provided in the Trust Agreement, including the delivery of written requisitions countersigned by the Lessee's Construction Monitor (and, in the case of the final disbursement, the Lessor's Construction Monitor) in accordance with the Trust Agreement.

ARTICLE VI

MAINTENANCE

Section 6.01. Maintenance.

- (a) The Lessor shall be responsible for the capital maintenance of the Project and all improvements thereon. The Lessee shall be responsible for routine maintenance of the Project and all improvements thereon and shall maintain the Project in good order, condition and repair, ordinary wear and tear excepted, including but not limited to the provision of security services, custodial services, waste collection, and landscaping services. The Lessee shall be responsible for the connection of light and heating, the selection of utility, telephone, cable and internet service providers where applicable, and the payment of all utilities, including without limitation, power, gas, water, sewer, light, heating, telephone and cable.
- (b) To fulfill the Lessor's duties under this Article VI, Article VII and Article VIII and a portion of the Lessee's duties under said Articles, the parties shall enter into the Insurance and Maintenance Agreement ("Maintenance Agreement") with the Maintenance Contractor and the Trustee on or before the Certificate Closing Date. The parties hereby agree that Core Tech International Corporation shall be appointed as the initial Maintenance Contractor under the Maintenance Agreement. Any assignment or delegation of all or substantially all of the Maintenance Contractor's duties and obligations under the Maintenance Agreement shall be subject to the reasonable approval of the Lessee. The Maintenance Contractor shall be paid all fees, costs and reimbursements, but only from amounts available for such purpose in the Insurance and Maintenance Fund or the Capital Replacement Reserve, as applicable. Notwithstanding any other provision of this Lease, neither the Trustee nor any Owner of any Certificates shall have any obligation to incur any expense of any kind or character in connection with the management, operation, rehabilitation or maintenance of the Project during the term of this Lease.
- (c) If the Lessee determines that Maintenance Contractor has failed to provide the services required under the Maintenance Agreement or otherwise has breached said agreements then the Lessee shall have the right to exercise the rights and remedies provided in the Maintenance Agreement, including the right to replace the Maintenance Contractor, but shall not be excused from any obligations under this Lease or have any right to offset against any of the Lessee's obligations hereunder any claims under the Maintenance Agreement or have any other rights or claims hereunder based on any default by Maintenance Contractor under the Maintenance Agreement.
- (d) The Lessee shall keep the Project and any and all improvements thereto free and clear of all liens, charges and encumbrances, except for the Permitted Encumbrances and those caused or consented to by the Lessor in accordance with the Trust Agreement.

Section 6.03. Loss and Damage.

All of the Lessee's personal property of any kind that may be on or about the Project or placed in the custody of any of the Lessee's employees or agents shall be held at the sole risk of the Lessee, and the Lessor shall have no liability to the Lessee for any theft or loss thereof or damage thereto from any cause whatsoever.

Section 6.04. Public Liability.

The Lessee has selected and has sole possession and control of the Project and, without waiving any immunity now or hereafter conferred by the law or the Organic Act of Guam, shall be

solely liable for all damages to persons and property suffered by anyone using the Project; and to the extent permitted by law, the Lessee shall hold the Lessor harmless with respect thereto and indemnify and defend the Lessor against all claims, demands, causes of action, and actions and other liability made or established in connection therewith in accordance with Section 17.13.

ARTICLE VII

INSURANCE PROVISIONS

Section 7.01. Insurance.

(a) After the Lessee takes occupancy of the Project, the Lessor shall, in accordance with the Maintenance Agreement, but solely from amounts available for such purpose in the Insurance and Maintenance Fund, at all times maintain or cause to be maintained with responsible insurers that are, at the time of obtaining each policy and on each policy renewal date, rated in an investment grade category (BBB- or equivalent and higher) by one or more nationally-recognized rating agencies, all such insurance on the Project (valued as defined below) which is required under the Trust Agreement or is customarily maintained with respect to properties of like character against accident to, loss of or damage to such properties. Notwithstanding the generality of the foregoing, the Lessor shall not be required to maintain or cause to be maintained any insurance which is not available from reputable insurers in the open market or more insurance than is specifically referred to below. Any policies maintained by the Lessor pursuant to this Article VII shall name the Lessee as an additional insured. The Maintenance Agreement shall provide that Maintenance Contractor, as agent of the Lessor, but at the Lessor's sole cost and expense, shall obtain and maintain such insurance, but the Lessee shall cooperate fully with Maintenance Contractor and provide such information and execute such documents as may be necessary or convenient in obtaining such insurance.

(b) Subject to the preceding paragraph (a), the Lessor shall:

(i) Keep or cause to be kept a policy or policies of insurance against loss or damage to the Project resulting from fire, lightning, vandalism, malicious mischief, riot and civil commotion and such perils ordinarily defined as "extended coverage" and other perils as the Lessee may agree should be insured against in forms and in amounts which the Lessor shall deem advisable or necessary to protect its interests. Such insurance may be carried in conjunction with any other fire and extended coverage insurance carried or required to be carried by the Lessor. Such insurance shall be maintained in an amount not less than the full insurable value of the Project, subject to deductible conditions acceptable to the Lessor. The term "full insurable value" as used in this subsection means an amount at least equal to the lesser of (i) the then-current replacement value of the Facility, or (ii) the aggregate principal amount represented by the then-outstanding Certificates plus one-half of the aggregate interest represented by the then-outstanding Certificates and payable during the next Fiscal Year. Said "full insurable value" shall be determined from time to time but not less frequently than once in every twelve (12) months.

(ii) Maintain or cause to be maintained public liability insurance against claims for bodily injury or death, or damage to property occurring upon, in or about the Facility for the

Site, such insurance to afford protection to a limit of not less than \$300,000 for a single occurrence. Such insurance shall be maintained in sound insurance companies that comply with statutory insurance requirements. Such insurance may be carried in conjunction with any other liability insurance coverage carried or required to be carried by the Lessee.

(iii) Maintain or cause to be maintained earthquake and windstorm insurance for the Project.

(iv) Maintain or cause to be maintained flood insurance for any portion of the Project located in a flood plain.

All Insurance herein provided for shall be affected under policies issued by insurers of recognized responsibility, licensed or permitted to do business in Guam, that are, at the time of obtaining each policy and on each policy renewal date, rated in an investment grade category (BBB- or equivalent and higher) by one or more nationally-recognized rating agencies, except as otherwise hereinafter provided. As an alternative to the requirement of subsections (i), (ii), (iii) and (iv), the Lessee may insure such property to the same extent under a blanket insurance policy or policies which cover not only such property but other properties.

All policies or certificates issued by the respective insurers for insurance shall provide that such policies or certificates shall not be cancelled or materially changed without at least thirty (30) days prior written notice to the Lessor. All policies or certificates issued by the respective insurers for insurance shall also require the insurer to give the Lessor notice of the non-payment of the premium and shall give the Lessor a reasonable opportunity to cure such non-payment. Certificates of insurance listing such policies shall be deposited with the Trustee together with appropriate evidence of payment of the premiums therefor, and, at least thirty (30) days prior to expiration dates of expiring policies or contracts held by the Trustee, copies of renewal or new policies or contracts or certificates shall be deposited with the Lessor together with evidence of payment of premiums therefor.

All policies of insurance shall provide that the Lessee is an additional insured, provided, that all policies of insurance (except the policy of public liability specified in Section 7.01(b)(ii)) shall also provide that the proceeds thereof shall be payable to the Lessor. The Net Proceeds of fire and extended coverage insurance shall be deposited into the Insurance and Maintenance Fund under the Trust Agreement to be applied to rebuild and repair the Facility or into the Redemption Fund under the Trust Agreement to be applied to prepay outstanding Certificates as provided in Article X, as determined by the Lessee in consultation with the Lessor.

- (c) The Lessor shall file, or cause to be filed, with the Trustee annually within one hundred twenty (120) days after the close of each calendar year a written statement of the Lessee containing a summary of all insurance policies then in effect with respect to the Project and stating that the insurance carried by the Lessor satisfies the requirements of this Section 7.01.

ARTICLE VIII

TAXES

Section 8.01. Taxes.

- (a) The Lessor and the Lessee understand and agree that the Project constitutes property that is free and exempt from all taxation; provided, however, that the Lessor agrees, to the extent legally permissible, to cooperate with the Lessee, upon written request by the Lessee, to contest any proposed tax or assessment, or to take steps necessary to recover any tax or assessment paid. The Lessee agrees to reimburse the Lessor for any and all costs and expenses thus incurred by the Lessor.
- (b) Notwithstanding Section 8.01(a), in the event that the Project or any portion thereof shall, for any reason, be deemed subject to taxation, assessments or charges lawfully made by any governmental body which may be secured by a lien against the Project, an Additional Rental shall be paid by the Lessee equal to the amount of all such taxes, assessments, utility charges and governmental charges then due. With respect to special assessments or other governmental charges which may be lawfully paid in installments over a period of years, the Lessee shall be obligated to provide for Additional Rentals only for such installments as are required to be paid during any Renewal Term of this Lease. Neither the Lessor nor the Lessee shall allow any liens for taxes, assessments or governmental charges to exist with respect to the Project or any portion thereof (including, without limitation, any taxes levied upon the Project or any portion thereof which, if not paid, will become a charge on the Rentals and receipts from the Project or any portion thereof prior to or on a parity with the charge thereon and the pledge and assignment thereof to be created and made in the Trust Agreement), or any interest therein (including the interest of the Lessor) or the Rentals and revenues derived therefrom or hereunder.

ARTICLE IX

ALTERATIONS, ADDITIONS AND IMPROVEMENTS

Section 9.01, Alterations, Additions and Improvements.

The Lessee shall have the right, at its sole cost and expense, during the term of this Lease to make any alterations, additions or improvements of any kind, structural or otherwise, as it shall deem necessary or desirable, on or to any portion of the Project; provided, however, that no such alteration, addition, or improvement shall materially reduce or otherwise adversely affect the value of the Project or the fair rental value thereof or materially alter or change the character or use of the Project or impair the exclusion of the interest component of the Base Rentals from gross income for federal income tax purposes; and provided further, that, to the extent applicable, each such alteration, addition and improvement shall be designed by a licensed architect or engineer and proper permits obtained therefor.

Section 9.02. Title to Alterations, Additions, and Improvements.

Except as provided in Section 9.03, all such alterations, additions, and improvements shall, to the extent legally permissible, be subject hereto and to the Trust Agreement and to the Assignment Agreement and become the property of the Lessor as a part of the Project.

Section 9.03. Lessee's Equipment.

- (a) All of the Lessee's equipment and other personal property installed or placed by the Lessee in or on the Facility which is not a fixture under applicable law or which is not paid for with the proceeds of the sale of the Certificates shall remain the sole property of the Lessee in which neither the Lessor nor the Trustee shall have any interest, and may be modified or removed at any time by the Lessee and shall not be subject to the lien of the Trust Agreement or the Assignment Agreement.
- (b) If after the occurrence or an Event of Nonappropriation or an Event of Default, the Lessee moves out or is dispossessed and fails to remove any of its non- Project property at the time of such moving out or dispossession, then and in that event, the Trustee shall have the option either to regard such property as abandoned by the Lessee, In which case such property shall become the property of the Lessor subject to the Trust Agreement, or shall have the right to demand that the Lessee remove such property from the Facility, and in the event of failure of the Lessee to comply with said demand, the Trustee shall have the right to remove, sell or destroy such property at the Lessee's expense.

ARTICLE X

EMINENT DOMAIN; CONDEMNATION

Section 10.01. Damage, Destruction and Condemnation.

- (a) If, during the term of this Lease, (i) the Project or any portion thereof shall be destroyed, in whole or in part, or damaged by fire or other casualty or event; or (ii) title to, or the temporary or permanent use of, the Project or any portion thereof or the estate of the Lessee, the Lessor, or the Trustee in the Project or any portion thereof shall be taken under the exercise Of the power of eminent domain by any federal governmental body or by any person, firm or corporation acting under federal governmental authority; or (iii) a material defect in construction of the Project shall become apparent; or (iv) title to or the use of all or any portion of the Project shall be lost by reason of a defect in title; then, subject to Sections 4.09(a) and 10.01(c), the Lessee shall continue to pay Base Rentals and Additional Rentals in accordance with the terms of this Lease, and shall take such action as it shall deem necessary or appropriate to repair and replace the Project, regardless of whether the Project has been completed and accepted by the Lessee in accordance with Section 2.3 of the Project Development Agreement and Section 3.03 of the Trust Agreement.
- (b) The Lessor shall cause the Net Proceeds of any insurance policies received by the Lessor, performance bonds or condemnation awards with respect to the Project, or Net Proceeds received by the Lessor as a consequence of defaults under construction contracts for the Project, to be deposited into the Insurance and Maintenance Fund to be applied as provided herein and in the Trust Agreement, and so long as no Event of Default or Event of Nonappropriation exists, all Net Proceeds so deposited shall be applied to the prompt repair, restoration, modification, improvement or replacement of the Project by the Lessee, except as otherwise provided in this Section 10.01. The balance of any Net Proceeds remaining after the repair, restoration, modification, improvement or replacement has been completed are to be deposited into the

Project Fund if received prior to the Completion Date or, if received thereafter, are to be deposited into the Certificate Payment Fund.

- (c) If such Net Proceeds shall be insufficient to pay in full the cost of any such repair, restoration, modification, improvement or replacement, the Lessee shall, within ninety (90) days after the occurrence of the event giving rise to such Net Proceeds, either:
 - (i) commence and thereafter complete the work and pay any cost in excess of the Net Proceeds, in which case the Lessee agrees that it will not be entitled to any reimbursement therefor from the Trustee or the holders of the Certificates, nor shall it be entitled to any diminution of the Base Rentals or Additional Rentals; or
 - (ii) discharge its obligation to repair or replace the Project by causing such Net Proceeds to be deposited into the Redemption Fund for the purpose of causing the mandatory prepayment of the Certificates in accordance with the Trust Agreement. If such Net Proceeds are sufficient, together with other funds available for such purpose under the Trust Agreement, to prepay all outstanding Certificates upon such deposit, this Lease shall no longer apply to the Project, and all obligations of the Lessee with respect to the Project shall terminate.
- (d) The Lessee hereby agrees that any repair, restoration, modification, improvement, or replacement paid for in whole or in part out of such Net Proceeds shall be the property of the Lessor subject to the Trust Agreement, and will be undertaken by the Lessee, as the agent for and on behalf of the Lessor, and shall constitute a part of the Project subject to this Lease.
- (e) The Lessee hereby agrees to file a written certificate with the Trustee, within ninety (90) days after the occurrence of the event giving rise to such Net Proceeds, directing the application and disbursements of such Net Proceeds.
- (f) The Lessee hereby covenants and agrees, to the extent it may lawfully do so, that so long as any of the Certificates remain outstanding and unpaid, the Lessee will not exercise the power of condemnation with respect to any portion of the Project. The Lessee shall further covenant and agree, to the extent it may lawfully do so, that if the foregoing covenant is determined to be unenforceable for any reason, or if the Lessee should fail or refuse to abide thereby and the Lessee condemns any portion of the Project, the appraised value of the Project shall not be less than the greater of: (i) the principal and interest components of the Certificates outstanding at the time if such Certificates are then subject to prepayment, or (ii) if such Certificates are not then subject to prepayment, the amount necessary to defease such Certificates to the first available prepayment date in accordance with the provisions of the Trust Agreement.
- (g) Alternatively, if the Net Proceeds of such insurance together with any other moneys then available for the purpose are at least sufficient to prepay an aggregate principal amount represented by Outstanding Certificates equal to the amount of Outstanding Certificates attributable to the portion or item of the Project so destroyed or damaged (determined by reference to the proportion which the acquisition cost of such portion or item of the Project bears to the acquisition, construction and installation cost of the entire Project), the Lessee may, at its option, elect not to repair, reconstruct or replace the damaged or destroyed or condemned portion

or item of the Project and thereupon shall cause said proceeds to be used for the prepayment of Outstanding Certificates pursuant to the relevant provisions of the Trust Agreement.

ARTICLE XI

ASSIGNMENTS

Section 11.01. Assignments by Lessee.

Neither this Lease nor any interest of the Lessee herein shall, at any time after the date hereof, be mortgaged, pledged, assigned or transferred by the Lessee by voluntary act, except as specifically provided herein. The Lessee shall at all times remain liable for the performance of the covenants and conditions on its part to be performed, notwithstanding any assignment, transfer or sublet which may be made. The Lessee shall not assign any Construction Contract or Acquisition Contract with respect to the Project or release any components of the Project without the consent of the Lessor.

Section 11.02. Assignments by Lessor.

(a) Except as provided below, the Lessor may not assign its rights, title and interest in this Lease or sell its interests in the Project without: (i) the prior written consent of an Authorized Lessee Representative and the Trustee and (ii) first obtaining an opinion of nationally recognized bond counsel to the effect that such assignment or sale will not affect the exclusion of the interest component of the Distributions from the gross income of the recipients thereof for federal income tax purposes. To enable the Trustee, together with the Lessor, to execute and deliver the Certificates for the purpose of financing the acquisition, construction and installation of the Project, the Lessor shall, on the Certificate Closing Date, enter into an Assignment Agreement assigning this Lease (except any notice, reimbursement and indemnification provisions hereof relating to the Lessor) and irrevocably, absolutely and unconditionally assigning all of the Lessor's rights, title and interest in and to the Base Rentals, and all of the Lessor's right to receive Base Rentals, and all of the Lessor's security interest in the Available Funds to the Trustee to be applied pursuant to the Trust Agreement and the Assignment Agreement. In addition, said Assignment Agreement shall provide for the absolute and irrevocable grant, transfer, assignment and conveyance by the Lessor of:

- (1) all rights, title and interests of the Lessor under the Ground Lease;
- (2) all rights of the Lessor to occupy the Facility for the term of the Ground Lease;
- (3) all rights, title and interests of the Lessor under this Lease, including without limitation the following:
 - (a) all of the Lessor's rights, title and interest in and to Additional Rentals, all of the Lessor's rights to receive Additional Rentals;

- (b) all of the Lessor's rights, if any, to receive any other rents, profits, products, benefits and proceeds from the Project, including, without limitation, the proceeds of any title insurance policies;
 - (c) all of the Lessor's rights and powers to take any actions under or with respect to the Ground Lease, this Lease or the Project Documents, including, without limitation, any rights of the Lessor to:
 - (i) terminate this Lease and/or the Lessee's possessory rights under this Lease,
 - (ii) re-enter the Project and eject all parties in possession thereto, including without limitation the Lessee, from the Project,
 - (iii) use its best efforts to sell its interests in the Project or any portion thereof, including without limitation: (i) assign the Lessor's interests in the Project (including the Facility and Equipment) and/or the Lease, and (ii) re-let any of the Facility, the Equipment and/or the Lessor's leasehold interest in any of the Site to a new sublessee,
 - (iv) grant or withhold consents or approvals,
 - (v) require performance or other action,
 - (vi) negotiate and/or compromise claims,
 - (vii) assert, enforce or waive rights and/or benefits, and
 - (viii) terminate, cancel, modify, or amend the Ground Lease and/or this Lease;
 - (d) any of the Lessor's right of access to the Site provided in the Ground Lease or the Lease; and
 - (e) any and all other rights and remedies Of the Lessor in the Ground Lease and this Lease (except any reimbursement and indemnification provisions of this Lease for the benefit of the Lessor); and
- (4) all of the proceeds of the foregoing, including, without limitation, investments and investment income (except as excluded above).

The Lessee hereby consents to such assignment by the Lessor. Except as otherwise expressly provided herein or in the Trust Agreement or the Assignment Agreement, no Owner of any Certificate shall be bound or obligated to perform or see to the performance of any duty, covenant, condition or warranty (expressed or implied) made by the Lessor or required to be observed or performed by the Lessor under any of the terms hereof. The Trustee shall not be bound or obligated to expend its own moneys to perform or see to the performance of any duty,

covenant, condition or warranty (expressed or implied) made by the Lessor or required to be observed or performed by the Lessor under any of the terms hereof.

- (b) Except as otherwise provided in the Lease or the Trust Agreement, the Lessor shall not assign any Construction Contract or Acquisition Contract with respect to the Project or release any components of the Project without the written consent of an Authorized Lessee Representative.

Section 11.03. Approval and Replacement of the Trustee.

The initial Trustee shall be selected by the Lessee, subject to the reasonable approval of the Lessor. After the Certificate Closing Date, the Trustee may be replaced with a successor from time to time pursuant to the Trust Agreement, so long as such successor entity is qualified to act as Trustee in accordance with the applicable provisions of the Trust Agreement. In any such event, the Trustee being replaced shall cooperate in executing any instruments of conveyance reasonably necessary to convey any and all right, title and interest of the Trustee in, to and under this Lease, the Assignment Agreement, the Ground Lease and the Trust Agreement to such successor entity.

Section 11.04. Subordination and Attornment.

- (a) Except as otherwise specifically provided in Section 14.03, the Lessee's interest in the Project and its interest as the Lessee hereunder shall at all times be subject and subordinate to the lien of the Trust Agreement and to all the terms, conditions and provisions thereof, whether now existing or hereafter created and without the need for any further act or agreement by the Lessee; provided, however, that so long as the Lessee continues to perform all of its obligations under this Lease, this Lease shall remain in full force and effect notwithstanding such subordination or default by the Lessor in connection with said lien of the Trust Agreement and the Lessee shall not be disturbed by the Lessor in its possession of the Project during the term of this Lease or in the enjoyment of its rights hereunder. The Lessee shall not subordinate its interests hereunder or in the Project to any other lien or encumbrance without the prior written consent of the Trustee. Any such unauthorized subordination by the Lessee shall be void and of no force or effect whatsoever.
- (b) In the event of any sale, assignment, or transfer of the Lessor's interest under this Lease or in the Project, including any such disposition resulting from the Lessor's default under the said lien, the Lessee shall attorn to the Lessor's successor and shall recognize such successor as the Lessor under this Lease, said attornment to be effective and self-operative without the execution of any other instruments on the part of either party hereto immediately upon such successor's succeeding to the interest of the Lessor hereunder, and this Lease shall continue in accordance with its terms between the Lessee, as the Lessee, and such successor, as the Lessor.

Section 11.05. Prohibited Transfers Void.

Any assignment, transfer, or sublease of all or any part of this Lease or the Project made by the Lessee in contravention of the terms hereof or of the Trust Agreement or Assignment Agreement shall be null and void.

ARTICLE XII

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 12.01. Representations, Covenants, and Warranties of the Lessee.

The Lessee hereby represents, covenants, and warrants for the benefit of the Lessor and the Trustee as follows:

- (a) The Lessee has the power and authority to enter into this Lease and to carry out its obligations hereunder. The Lessee has been duly authorized to execute and deliver this Lease, and agrees that it will do or cause to be done all things necessary and legally permissible to preserve and keep in full force and effect its existence.
- (b) The execution of this Lease does not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, bond, note, declaration, agreement or other instrument to which the Lessee is a party or is otherwise subject.
- (c) This Lease is the valid obligation of the Lessee, subject to bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against the Lessee.
- (d) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending with respect to which service or written notice on the Lessee has been perfected or given, wherein any unfavorable decision, ruling or finding would materially adversely affect the Lessee's ability to enter into this Lease or carry out its obligations hereunder. All authorizations, consents and approvals of governmental bodies or agencies required to be obtained by the Lessee in connection with the execution and delivery by the Lessee of this Lease or in connection with the carrying out by the Lessee of its obligations under this Lease have been obtained.
- (e) None of the Government of Guam, the Lessee nor any employee of the Lessee has any direct or indirect pecuniary interest in, or will receive or has agreed to receive any compensation with respect to, any contract, lease, purchase, sale, or employment made or to be made in connection with the proposed transaction contemplated by the performance of this Lease and the Trust Agreement.
- (f) The payment of the Rentals hereunder or any portion thereof is not secured by any interest in property used or to be used in a trade or business or in payments in respect of such property or (ii) derived from payments in respect of property, or borrowed money, used or to be used in a trade or business, within the meaning of Section 141(a) of the Code.
- (g) The entering into and performance of this Lease will not violate any judgment, order, law or regulation applicable to the Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance upon any assets of the Lessee or on the Project pursuant to, any Trust Agreement, mortgage, deed of trust, bank

loan or credit agreement or other instrument to which the Lessee is a party or by which it or its assets may be bound, except as herein provided.

- (h) All requirements have been met and procedures required of the Lessee have occurred necessary for the Lease to be the valid obligations of the Lessee, and the Lessee has complied or will comply with such public bidding requirements as may be applicable to this Lease and the construction by the Lessee (in its capacity as agent for the Lessor) of the Project.
- (i) During the term hereof, the Project will be used by the Lessee, by other departments and agencies of the Lessee, or by other public bodies consistent with the permissible scope of the Lessee's or such other public bodies' authority for the purpose of performing one or more essential governmental or proprietary functions.
- (j) The Lessee reasonably believes that moneys will be available for the payment of all Rentals payable from (insert date) through (insert date).
- (k) The Project is essential to the proper, efficient and economic operation of the Lessee, and serves an essential governmental function of the Lessee.
- (l) All necessary approvals have been obtained or shall be obtained by the Lessee to build the Facility on the Site.
- (m) No hazardous substances regulated under federal, state, or local laws or regulations have been, are, or will be, utilized, discarded, dumped or stored at the Site. If the Lessee utilizes, disposes, dumps or stores hazardous substances at the Site, or permits another to do so or learns that another has done so, the Lessee will immediately notify the Trustee and the Lessor, will immediately notify the U.S. Environmental Protection Agency and/or the Guam Environmental Protection Agency as required by 42 U.S.C. § 9603 and Section 32119 of Title 10 of the Guam Code Annotated and will consult with an environmental engineer regarding the proper disposal or cleanup of such substances. The Lessee will also undertake and provide for the cleanup of any such substances in accordance with all applicable federal, state and local laws and regulations. The Lessee hereby acknowledges that all cleanup costs will be paid by the Lessee in accordance with Section 4.01(b) and (c).
- (n) The Lessee shall comply with all applicable laws, rules, regulations, orders, directions and requirements of all governmental departments, bodies, bureaus, agencies and officers and with all reasonable rules, directions, requirements and recommendations of fire insurance rating organizations for the area in which the Project is situated, pertaining to the Project or the use and occupancy thereof. The Lessee shall not do or suffer to be done, or keep or suffer to be kept anything in, upon or about the Project which will contravene any policies insuring against loss or damage by fire or other hazards, including, but not limited to, public liability insurance.
- (o) The Lessee will keep the Project and all parts thereof free from all claims, demands, encumbrances and other liens of whatever nature or character, and free from any claim or liability which might hinder the Lessee in utilizing the Project, as and to the extent provided in the Lease. The Lessee will promptly take such action from time to time as may be necessary or

proper to remedy or cure any cloud upon or defect in the title to the Project or any part thereof, whether now existing or hereafter developing.

- (p) The Lessee shall at all times do and perform all acts and things permitted by law and the Lease and the Trust Agreement that are necessary or desirable in order to assure that interest represented by the Certificates will be excluded from gross income for federal income tax purposes and shall take no action that would result in such interest not being so excluded. Without limiting the generality of the foregoing, the Lessee specifically covenants under the Tax Certificate and the Trust Agreement to comply with the provisions and procedures of the Tax Certificate to be executed on the date of delivery of the Certificates. This covenant shall survive payment in full or defeasance of the Certificates.

Section 12.02. Representations, Covenants, and Warranties of the Lessor.

The Lessor, under current law and interpretations thereof, represents, covenants, and warrants for the benefit of the Lessee and the Trustee as follows:

- (a) The Lessor has the power and authority to enter into the transactions contemplated by this Lease and to carry out its obligations hereunder. The Lessor has been duly authorized to execute and deliver this Lease, and agrees that it will cause to be done all things necessary and legally permissible to preserve and keep in full force and effect its existence.
- (b) The Lessor is not subject to any legal or contractual limitation or provision of any nature whatsoever which in any way limits, restricts or prevents the Lessor from entering into this Lease or performing any of its obligations hereunder, except to the extent that such performance may be limited by bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.
- (c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending with respect to which service or written notice on the Lessor has been perfected or given, wherein any unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Lease or any other agreement or instrument to which the Lessor is a party and which is used or contemplated for use in the consummation of the transactions contemplated by this Lease. All authorizations, consents and approvals of governmental bodies or agencies required to be obtained by the Lessor in connection with the execution and delivery by the Lessor of this Lease or in connection with the carrying out by the Lessor of its obligations under this Lease have been obtained.
- (d) The Facility will be located on the Site. The Lessor has or will have a valid leasehold interest extending at least as long as the term of this Lease, subject to Permitted Encumbrances in the Site prior to the expenditure of Certificate proceeds on such Site. The Lessor and the Lessee understand and agree that the Lessor shall have all right, title and interest in and to the Project, subject to the Trust Agreement, and the annually renewable leasehold interest of the Lessee and its option to purchase the Project hereunder.

- (e) The Lessor hereby represents and acknowledges that immediately upon execution and delivery of the Certificates, it will assign its rights under this Lease, including but not limited to the right to receive Rentals, to the Trustee for the benefit of the Owners of the Certificates pursuant to Section 4.05, and the Lessee hereby acknowledges and agrees to such assignment. The Lessor will not assign the Rentals, will not pledge any of its other rights hereunder and will not mortgage or encumber the Project except as is permitted under the terms of the Trust Agreement and the Assignment Agreement. All property and moneys received by the Lessor from the Lessee will, so long as no Event of Nonappropriation or Event of Default has occurred and is then continuing, be applied for the benefit of the Lessee, and all property and moneys received by the Lessor hereunder and under the Trust Agreement for any Owners of the Certificates will be applied for the benefit of such Owners.

ARTICLE XIII

AMENDMENTS

Section 13.01. Amendments, Changes, and Modifications.

This lease may be amended in writing as may be mutually agreed by the Lessor and the Lessee, subject to any restrictions contained in the Trust Agreement and in the Guam Code Annotated.

ARTICLE XIV

TITLE AND OPTION TO PURCHASE PROJECT

Section 14.01. Vesting of Title.

- (a) Title to all real property or interests therein, buildings, fixtures, equipment, and other personal property which is purchased or financed from moneys deposited in the Project Fund will be held in the name of the Lessor, subject to this Lease, and the Trust Agreement and the Assignment Agreement; provided that the Lessor's interest in the Site will be held under and limited to the interest granted the Lessor pursuant to the Ground Lease.
- (b) All of the Lessor's right, title and interest in the Project shall be transferred to the Lessee upon payment of all Base Rentals and all Additional Rentals for the term of the Lease as provided in Section 3.02(d) and under Section 14.02, if extended, all amounts due the Trustee, and \$100 to the Lessor, representing the residual value of the Lessor in the Project.

Section 14.02. Extension.

In the event the Lessee is unable to pay any portion of the Rentals, the Lessee may request an extension of this Lease pursuant to the terms of this Section 14.02. The Lessor shall have no legal, equitable, fiduciary or other obligation to grant such request. If the Lessor grants such request, the Lessor will provide such funding to the Lessee as it may determine. This Lease shall become

extendible for additional Renewal Terms, with Base Rentals as set forth by the Lessor in order to recover such advances, allowance for the time value of money and further allowance for risk and costs of obtaining financing. Additional Rentals for such Renewal Terms shall be as provided hereunder or, after the execution and delivery of the Certificates, under the Maintenance Agreement. Pursuant to the Ground Lease, the term of the Ground Lease for the Site shall extend automatically for a term or terms identical to such Renewal Terms.

Section 14.03. Relative Position of Purchase Option and the Trust Agreement.

The option granted to the Lessee by Section 14.04 shall be and remain prior and superior to the Trust Agreement and may be exercised whether or not an Event of Nonappropriation or an Event of Default shall have occurred and be continuing hereunder; provided, however, that no such event will result in nonfulfillment of any condition to the right of the Lessee to obtain a conveyance of the Project by making the payments required hereunder.

Section 14.04. Option to Purchase Entire Project.

The Lessee shall have, and is hereby granted, an option to purchase the Project, but only if the Lessee purchases the entire Project in a single transaction. The option may be exercised on any date during the term of this Lease, commencing (insert date), by providing the Lessor written notice of the exercise of the option at least sixty (60) days prior to the exercise date. The Purchase Price for the Project on any exercise date shall be the Principal Component amount set forth on Schedule II with respect to such exercise date, plus the related accrued but unpaid Interest Component to the date of such exercise. Upon the exercise date the Lessee shall deliver the Purchase Price to the Trustee. Any Base Rentals on deposit with the Trustee on the exercise date may be used for the purpose of payment of the Purchase Price.

Upon receipt by the Trustee of the Purchase Price and the payment by the Lessee of all amounts coming due hereunder prior to the exercise date, the Lessor's interest in the Project shall be transferred to the Lessee free and clear of any encumbrances on the Project arising under the Trust Agreement.

Section 14.05. Conveyance on Purchase.

The Lessor shall, upon receipt of the Purchase Price pursuant to Section 14.04, deliver to the Lessee the following:

- (a) if at the time the Trust Agreement has not been satisfied in full, a release by the Trustee from the lien or security interest of the Trust Agreement and the Assignment Agreement in the property with respect to which such purchase is being consummated; and
- (b) documents conveying to the Lessee, by reconveyance or quitclaim, good and marketable fee simple title in and to the property with respect to which such purchase is being consummated, as such property then exists, subject to any and all Permitted Encumbrances then on the property, other than the Trust Agreement and the Assignment Agreement.

ARTICLE XV

RIGHT OF ENTRY; LIENS; QUIET ENJOYMENT

Section 15.01. Right of Entry.

The Lessor and its designated representatives shall have the right to enter upon the Project during reasonable business hours (and in emergencies at all times): (a) to inspect the same, (b) for any purpose connected with the Lessor's rights or obligations under this Lease, or (c) for all other lawful purposes.

Section 15.02. Liens.

Except for payments made or required to be made under the Trust Agreement, the Lessee shall pay or cause to be paid, when due, all sums of money that may become due for, or purporting to be for, any labor, services, materials, supplies or equipment alleged to have been furnished in, upon or about the Project and which may be secured by any mechanics', materialmen's or other lien against the Project, or the Lessor's interest therein, and shall cause each such lien to be fully discharged and released; provided, however, that if the Lessee desires to contest any such lien, this may be done, and if such lien shall be reduced to final judgment and such judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed and said stay thereafter expires, then and in any such event the Lessee shall forthwith pay and discharge said judgment.

Section 15.03. Covenant of Quiet Enjoyment

So long as no Event of Default or Event of Nonappropriation shall exist, the parties hereto mutually covenant and agree that the Lessee, by keeping and performing the covenants and agreements herein contained, shall at all times during the term hereof, peaceably and quietly, have, hold and enjoy the Project.

ARTICLE XXII

EVENTS OF DEFAULT; REMEDIES

Section 16.01. Events of Default Defined.

Any of the following shall be an "Event of Default" under this Lease:

- (a) Failure by the Lessee to pay any Base Rentals required to be paid under Section 4.01(a) on the due dates therefor; or
- (b) Failure by the Lessee to pay any Additional Rentals during the term of this Lease for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied shall be received by the Lessee from the Trustee; or

- (c) Failure by the Lessee to vacate the Project by the expiration of the Initial Term or Renewal Term during which an Event of Nonappropriation occurs; or
- (d) Failure by the Lessee to observe and perform any covenant, condition or agreement herein on its part to be observed or performed, other than as referred to in Sections 16.01(a), 16.01(b), and 16.01(c), for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, shall have been given to the Lessee by the Trustee, unless the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period, the Trustee will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Lessee within the applicable period and diligently pursued until the default is corrected. Notwithstanding the foregoing, a breach of covenant contained in Section 12.01(o) shall not constitute an Event of Default; or
- (e) The Lessee shall file a petition in bankruptcy or be adjudicated a bankrupt or insolvent, or shall make an assignment for the benefit of its creditors, or shall consent to the appointment of a receiver of itself or of its property, or shall institute proceedings for its reorganization or proceedings instituted by others for its reorganization shall not be dismissed within sixty (60) days after the institution thereof; or
- (f) A receiver or liquidator of the Lessee or of any substantial portion of its property shall be appointed and the order appointing such receiver or liquidator shall not be vacated within sixty (60) days after the entry thereof.

The foregoing provisions of this Section 16.01 are subject to the following limitations: (i) the obligations of the Lessee to make payments of the Base Rentals and the Additional Rentals shall be subject to the provisions of Section 4.09 of this Lease with respect to an Event of Nonappropriation; and (ii) if, by reason of Force Majeure (as such term is hereinafter defined), the Lessee shall be unable in whole or in part to carry out any agreement on its part herein contained, other than the obligations of the Lessee contained in Article IV, the Lessee shall not be deemed in default during the continuance of such inability. The Lessee agrees, however, to remedy with all reasonable dispatch the cause or causes preventing the Lessee from carrying out its obligations hereunder. As used herein the term "Force Majeure" means, without limitation, the following: acts of God; strikes; lookouts or other industrial disturbances; acts of public enemies; orders of any kind of the government of the United States of America or any of its departments, agencies or officials, or any civil or military authority; insurrections; riots; epidemics; pandemics; landslides; lightning; earthquakes; fire; storms; floods; washouts; droughts; arrests; restraints of government and people; civil disturbances; explosions; partial or entire failure or unavailability of utilities; or any other cause or event not reasonably within the control of the Lessee.

Section 16.02. Remedies; Distribution of Funds Upon Termination of Lease Upon Default or Nonappropriation.

- (a) Upon the occurrence and continuance of any Event of Default, the Lessor or, after the execution and delivery of the Certificates, the Trustee shall give notice to the Lessee to vacate the Project

immediately and shall have the right, without any further demand or notice to the Lessee, to take any action at law or in equity deemed necessary or desirable to enforce its rights with respect to the Project. In addition, upon the occurrence and continuance of any Event of Default hereunder and in each case subject to the provisions of the Ground Lease, the Trustee shall have the right, without any further demand or notice to the Lessee, to terminate this Lease and/or the Lessee's possessory rights hereunder (with or without terminating this Lease except as to the Lessee), re-enter the Project and eject all parties in possession thereof (including without limitation the Lessee) therefrom, and use its best efforts to sell the Lessor's interests in the Project or any portion thereof including without limitation to assign the Lessor's interests in the Project (including the Facility and Equipment) and/or this Lease, and re-let any of the Facility, the Equipment and/or the Lessor's leasehold interest in the Site to a new sublessees and to terminate the Ground Lease and/or this Lease or, subject to the agreement of the Ground Lessor, cancel, amend or modify the Ground Lease and/or this Lease, subject to the Trustee's giving preference to those buyers whose use or ownership would preserve the exclusion of the interest component of the Base Rentals from gross income for federal income tax purposes so long as such preferred reletting or sale is under the best terms and conditions for Certificate Owners.

- (b) Upon the termination of the term of this Lease by reason of an Event of Nonappropriation, a taking of the entire Project by federal eminent domain or an Event of Default, all moneys then held in any fund or account under the Trust Agreement shall be held by the Trustee for the benefit of the holders of the Certificates. The Net Proceeds received on such reletting or sale and such other moneys shall be applied from time to time as in accordance with the applicable section of the Trust Agreement. In the event that such Net Proceeds and other moneys exceed the amount required to prepay the Certificates then outstanding at 100% of the principal amount thereof plus accrued interest to the prepayment date, the excess moneys, if any, following payment of all amounts due the Trustee, are to be paid to the Lessee to the extent and as provided in the Trust Agreement. The obligations of the Trustee with respect to the holders of the Certificates and the receipt and disbursement of funds shall be continuing until the lien of the Trust Agreement is discharged as provided in the Trust Agreement.
- (c) The Trustee shall be entitled to sell the Lessor's interests in the Project including without limitation the Facility or the Equipment or any portion thereof as provided herein and in the Assignment Agreement after the occurrence of an Event of Nonappropriation or an Event of Default; provided, however, that any such sale of the Lessor's interests in the Project shall be subject to the Ground Lease.

Section 16.03. Surrender of Project.

Upon the occurrence and continuance of any Event of Default or Event of Nonappropriation as described in Section 4.09(b), the Lessee shall quit and surrender the Project to the Trustee in the same condition in which it existed at the time of the initial use and occupancy thereof by the Lessee, ordinary wear and tear excepted.

Section 16.04. Limitations on Remedies.

With the sole exception of the obligation of the Lessee to pay Base Rentals and Additional Rentals attributable to the Initial Term or any Renewal Term or portion thereof during which the

Lessee shall actually use and occupy the Project, no judgment requiring the payment of money may be entered against the Lessee by reason of any Event of Default or an Event of Nonappropriation under this Lease. In the event the term of this Lease is terminated as a result of an Event of Default, a taking of the entire Project by federal eminent domain or an Event of Nonappropriation, no deficiency judgment may be entered against the Lessee, except as otherwise expressly herein provided with respect to the Lessee's actual use and occupancy of the Project.

Section 16.05. Remedies Cumulative.

The rights and remedies given or reserved herein to the Lessor and the Trustee are and shall be deemed to be cumulative, and the exercise of any shall not be deemed to be an election excluding the exercise at any other time of a different or inconsistent right or remedy or the maintenance of any action either at law or in equity.

Section 16.06. Waiver.

The delay or failure of the Lessor or the Trustee at any time to insist in any one or more instances upon a strict performance of any covenant of this Lease or to exercise any right, remedy, power or option herein granted or established by law, shall not be construed as an impairment of or a waiver or a relinquishment for the future of such covenant, right, remedy, power, or option, but the same shall continue and remain in full force and effect, and if any breach shall occur and afterwards be compromised, settled or adjusted, this Lease shall continue in full force and effect as if no breach had occurred unless otherwise agreed. The receipt and acceptance by the Lessor or the Trustee of any Rentals, in whole or in part with knowledge of the breach of any term, covenant or condition hereof, shall not be deemed a waiver of such breach, and no waiver of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Lessor and the Trustee.

Section 16.07. Curing the Lessee's Breach.

If the Lessee shall default in the observance or performance of any term or covenant on the Lessee's part to be observed or performed under or by virtue of any of the terms of this Lease, the Trustee may (but shall not be obligated to do so) immediately, or at any time thereafter and without notice, and to the extent permitted by law, perform or cause to be performed the same for the account of the Lessee, and any sums paid or obligations incurred in connection therewith shall be deemed to be Additional Rentals hereunder and shall be paid, together with interest thereon at the Default Rate, by the Lessee to the Trustee for appropriate disbursement within fifteen (15) days of the rendering of any bill or statement to the Lessee therefor; provided, however, that nothing herein shall be construed to obligate the Lessee to pay any such Additional Rentals from any funds other than moneys legally available and appropriated for such purpose, including moneys on deposit in the Insurance and Maintenance Fund.

ARTICLE XVII

MISCELLANEOUS

Section 17.01. Notices.

All notices, statements, demands, requests, consents, approvals, authorizations, offers, agreements, appointments or designations hereunder by either party to the other shall be in writing and delivered personally and shall be sufficiently given and served upon the other party, if sent by United States registered or certified mail, return receipt requested, postage prepaid and addressed as follows, or transmitted by express courier delivery with delivery confirmation or by means of facsimile or electronic mail (in the case of an addressee whose facsimile number or electronic mail address is supplied) provided that receipt of the transmission is confirmed in writing (which confirmation may also be transmitted by electronic means) to the following address, or such other address as is designated by any party hereto by written notice to the other parties given pursuant to the provisions of this Section 17.01:

If to the Lessor:

Core Tech International Corporation
388 S. Marine Corps Drive, Suite 400
Tamuning, Guam 96913
Attention: Ho Eun, Chairman

If to the Lessee:

The Honorable Lourdes Leon Guerrero, Governor of Guam
Ricardo J. Bordallo Governor's Complex
513 West Marine Corps Drive
Hagatna, Guam 96910
Telephone: (671) 472-8931
Facsimile: (671) 477-4826

Department of Administration
P.O. Box 7420
Tamuning, Guam 96931
Attention: Edward Birn, Director
Telephone: (671) 475-1101/1250

Department of Education
501 Mariner Avenue
Barrigada, Guam 96913
Attention: K. Erik Swanson, Ph.D., Superintendent
Telephone: (671) 300-1536
Facsimile: (671) 472-5003

Guam Economic Development Authority
590 South Marine Corps Drive
ITC Building, Suite 511
Tamuning, Guam 96913
Attention: Christina D. Garcia, CEO/ Administrator
Telephone: (671) 647-4332
Facsimile: (671) 649-4146

During the construction of the Project:

Department of Public Works
542 North Marine Drive
Tamuning, Guam 96913
Attention: Vincent P. Arriola, Director
Telephone: (671) 646-3131
Facsimile: (671) 649-6178

If to the Trustee:

To such address as is provided by the Trustee in the Trust Agreement.

Section 17.02. Governing Law.

This Lease is made in Guam under the Organic Act of Guam and laws of Guam and is to be so construed.

Section 17.03. The Lessee's Obligation to Operate.

The Lessee shall be obligated to use and operate the Project so as to afford to the public the benefits contemplated by this Lease and to permit the Lessor and the Trustee to carry out their respective covenants to the holders of the Certificates.

Section 17.04. Effective Date.

This Lease shall take effect on the date of its execution and delivery (the "Effective Date").

Section 17.05. Execution in Counterparts.

This Lease may be simultaneously executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but all together shall constitute but one and the same Lease, and it is also understood and agreed that separate counterparts of this Lease may be separately executed by the Lessor and the Lessee, all with the same full force and effect as though the same counterpart had been executed simultaneously by both the Lessor and the Lessee; provided, however, that for purposes of perfecting a security interest in this Lease by the Trustee under Division 9 of the Guam Uniform Commercial Code, only the counterpart delivered, pledged, and assigned to the Trustee shall be deemed the original.

Section 17.06. Severability.

If any one or more of the terms, provisions, promises, covenants or conditions of this Lease, or the application thereof to any person or circumstance, shall to any extent be adjudged invalid, unenforceable (either independently or in the context of this Lease), void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants and conditions of this Lease, and the application thereof to other persons or circumstances, shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

Section 17.07. Successors and Assigns; Third Party Beneficiaries.

- (a) This Lease and the covenants, conditions, and agreements herein contained shall be binding upon and inure to the benefit of the permitted successors and assigns of the parties hereto.
- (b) This Lease is executed in part to induce the purchase by others of the Certificates, and for the further securing of the Certificates, and, accordingly, as long as any Certificates are outstanding, all respective covenants and agreements of the parties herein contained are hereby declared to be for the benefit of the holders from time to time of the Certificates, but may be enforced by or on behalf of such holders only in accordance with the provisions of the Trust Agreement. This Lease shall not be deemed to create any right in any person who is not a party (other than the permitted successors and assigns of a party) and shall not be construed in any respect to be a contract in whole or in part for the benefit of any third party (other than the permitted successors and assigns of a party hereto), except in each case the holders from time to time of the Certificates, the Trustee.

Section 17.08. Limitation of Warranty.

The Lessor makes no warranties except those warranties or representations expressly made by the Lessor in this Lease or other documents related to the execution and delivery of the Certificates. The Lessor makes no warranty, either express or implied, as to the Project or that the Project will be suitable for the purposes or needs of the Lessee.

Section 17.09. Captions and Headings.

The captions and headings used throughout this Lease are for convenience of reference only, and the words contained therein shall not be deemed to affect the meaning of any provision or the scope or intent of this Lease, nor in any way affect this Lease.

Section 17.10. "Net Lease."

This Lease shall be deemed and construed to be a "net lease," and the Lessee hereby agrees that the Rentals provided for herein shall be an absolute net return to the Lessor free and clear of any expenses, charges, or setoffs whatsoever, except as otherwise specifically provided herein.

Section 17.11. Provision for Payment.

Any payment or prepayment by the Lessee shall be deemed made if sufficient direct obligations of the United States of America (verified by an opinion of a certified public accountant or firm thereof) shall have been deposited with the Trustee as provided in Article X of the Trust Agreement; provided, that notice of the exercise of the Lessee's right of prepayment shall have been duly given in case of any prepayment as provided in the Trust Agreement. Such obligations shall be sufficient only if they are not redeemable at the option of the Lessor prior to maturity and if they mature and bear interest at such times and in such amounts as will assure sufficient cash to pay such payment or prepayment when due without rendering the portion of any payment or prepayment hereunder which is allocable to interest includible in the gross income of the holders of Certificates for federal income tax purposes.

Section 17.12. Reporting Requirements.

The Lessee agrees to provide to the Lessor not more than ninety (90) days after the end of each Fiscal Year of the Lessee the information requested by the Lessor to make any annual reports required by Guam law or State of Florida law.

Section 17.13. Trustee and Lessor Indemnification.

To the extent permitted by law, the Lessee hereby agrees to protect, indemnify, pay and save the Trustee and, with respect to matters arising after the Certificate Closing Date, the Lessor harmless from and against any and all claims, demands, liabilities, damages, losses, costs, charges and expenses (including reasonable attorneys' fees) that the Trustee or the Lessor may, other than as result of the negligence or willful misconduct of the Trustee or the Lessor, as the case may be, incur or be subject to as a consequence, direct or indirect, of: (i) the operation of the Project, (ii) the consummation of the transactions contemplated by this Lease, the Trust Agreement, the Assignment Agreement, the Project Documents and the Certificates, (iii) any breach by any party of any representation or warranty, covenant, term or condition in, or the occurrence of any default under this Lease, the Trust Agreement, or the Assignment Agreement, including the settlement or defense of any claims or liabilities arising as a result of any such breach or default, or (iv) the involvement in any legal suit, investigation, proceeding, inquiry or action as to which the Trustee is involved as a consequence, direct or indirect, of its holding or owning of any Certificate, the holding of Owning of any Certificate by its nominee, or any other event or transaction contemplated by any of the foregoing. The Lessee further agrees to perform its obligations to indemnify the Trustee to the extent and as provided in the Trust Agreement.

Section 17.14. Lessee's Acknowledgment of Obligations under Trust Agreement.

The Lessee agrees to perform all of the obligations required of it by the Trust Agreement.

Section 17.15. No Liability of Directors, Members, Officers, Attorneys and Employees of Lessor.

No recourse shall be had for the enforcement of (a) any obligation, covenant, promise or agreement of the Lessor contained in this Lease, the Certificates, the Trust Agreement, the Project Documents or the Assignment Agreement, (b) any claim based hereon or thereon or (c) or otherwise in respect hereof, against any director, member, officer, attorney, or employee, as such, in his individual capacity, past, present or future, of the Lessor or any successor corporation whether by virtue of any constitutional provision, statute or rule or law, or by the enforcement of any assessment or penalty or otherwise; and no personal liability whatsoever shall attach to, or be incurred by, any director, member, officer, attorney or employee as such, past, present or future, of the Lessor or of any successor corporation, either directly or through the Lessor or any successor corporation, under or by reason of any of the obligations, covenants, promises or agreements of the Lessor, whether contained in this Lease, the Certificates, the Trust Agreement or the Assignment Agreement or to be implied here from or therefrom, as being supplemental hereto, and all personal liability of that character against very such director, member, officer, attorney and employee is, by the execution of this Lease, and the Trust Agreement and as a condition of, and as part of the consideration for, the

execution thereof, expressly waived and released by the Lessee and the Lessor. "the absence of liability of directors, members, officers, attorneys and employees of the Lessor under the provisions contained in this Section shall survive the termination of this Lease, the Certificates, the Trust Agreement the Assignment Agreement.

Section 17.16. Limitation of Lessor's Liability.

Any obligation of the Lessor created by, arising out of, or entered into in contemplation of this Lease, including the Certificates, shall not impose a debt or pecuniary liability upon the Lessor. Any such obligation shall be payable solely out of the revenues and any other moneys derived hereunder and under the Trust Agreement, except (as provided in the Trust Agreement and in this Lease) to the extent it shall be paid out of moneys attributable to the proceeds of the Certificates or the income from the temporary investment thereof.

The principal of, premium, if any, and interest on the Certificates shall be payable solely from the funds pledged for their payment in accordance with the Trust Agreement. No breach of such pledge, obligation or agreement may impose any pecuniary liability upon the Lessor or constitute a charge upon the general credit of the Lessor.

Neither the execution and delivery of the Certificates nor the delivery of this Lease shall directly, indirectly or contingently represent or constitute a debt or pledge of the faith and credit of the Lessor, or obligate the Lessor to levy any form of taxation or to make any appropriation therefore. Nothing in the Certificates, the Trust Agreement, this Lease or the proceedings of the Lessor authorizing the Certificates shall be construed to authorize the Lessor to create a recourse debt of the Lessor.

Section 17.17. Certain Rights of Lessor.

- (1) Notwithstanding any other provision in this Lease, the Trust Agreement or any other instrument related to the execution and delivery of the Certificates, the Lessor shall not be required to take any action unless the cost of such action has been paid by the Lessee or otherwise satisfied. No provision of this Lease shall require the Lessor to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured.
- (2) The Lessor may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by the Lessor hereunder in good faith and in reliance thereon.

Section 17.18. Continuing Disclosure.

The Lessee hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking. Notwithstanding any other provision of this Lease, failure of the Lessee to comply with the Continuing Disclosure Undertaking shall not be considered an Event of Default under this Lease; however, the Trustee may (and, at the request of

any Participating Underwriter or the Holders of at least 25% aggregate principal amount in outstanding Certificates, shall, upon being satisfactorily indemnified) or any Certificate holder or Beneficial Owner may, take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Lessee to comply with its obligations under the Continuing Disclosure Undertaking. For purposes of this Section, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Certificates (including persons holding Certificates through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Certificates for federal income tax purposes.

IN WITNESS WHEREOF, the Lessor, by its duly authorized representatives, has executed this Lease Agreement as of the date first above written.

THE LESSOR:

CORE TECH INTERNATIONAL
CORPORATION

(SEAL)

By: _____
Ho Eun, Chairman

APPROVED AS TO FORM AND LEGALITY:

Douglas B. Moylan
Attorney General of Guam

By: _____
Lourdes Aflague Leon Guerrero, Governor
of Guam

IN WITNESS WHEREOF, the Lessee, by its duly authorized representative, has executed this Lease Agreement as of the date first above written.

THE LESSEE:
DEPARTMENT OF EDUCATION,
GOVERNMENT OF GUAM

(SEAL)

By:
K. Erik Swanson, Ph.D., Superintendent

APPROVED AS TO FORM AND LEGALITY:

Douglas B. Moylan
Attorney General of Guam

By: _____
Lourdes Aflague Leon Guerrero
Governor of GUA

EXHIBIT A

to

Lease Agreement between
CORE TECH INTERNATIONAL CORPORATION and the Government of Guam,
dated as of (insert date)

Legal Description of Site

Parcel One:

Lot Number 5138-R3, Tamuning (formerly of Dededo), Guam, Suburban, as said Lot is described in that Real Estate Requirements for Tumon & Route No. 1, as shown on Drawing Number E6-65T633, dated 07 January 66 and filed in Survey Division at Land Management.

For international purposes only, the above referenced map indicates the property contains an area of 41,496.26 ± square meters.

Last Certificate of Guaranteed Claim Number: 3001 — The United States of America (as to Basic Lot 5138; Estate Number 3922).

Parcel Two:

Lot Number 5139-R3, Tamuning (formerly of Dededo), Guam, Suburban, as said Lot is described in that Real Estate Requirements for Tumon & Route No. 1, as shown on Drawing Number E6-65T633, dated 07 January 66 and filed in Survey Division at Land Management.

For informational purposes only, the above referenced map indicates the property contains an area of 87,965-96 ± square meters.

Last Certificate of Guaranteed Claim Number: 3002 — The United States of America (as to Basic Lot 5139; Estate Number 3923).

EXHIBIT A

to

Lease Agreement between
CORE TECH INTERNATIONAL CORPORATION and the Government of Guam,
dated as of August 1, 2010

Description of Facility and Equipment

PROJECT DEVELOPMENT AGREEMENT

THIS PROJECT DEVELOPMENT AGREEMENT is made as of the (Insert first Day) of August 1, 2010 (Insert Date), by and between CORE TECH INTERNATIONAL CORP. (CTI), a Guam corporation ("Contractor"), and GOVERNMENT OF GUAM ("Owner").

WITNESSETH:

WHEREAS, Contractor ("Ground Lessee") and Owner, the Government of Guam, ("Ground Lessor") have entered a Ground Lease (the "Ground Lease") dated as of (insert date) between the Government of Guam and Contractor, is ground-leasing one site (the "Site") from the Government of Guam; and, pursuant to the Lease, ~~Owner~~ Contractor is obligated to design, construct, and install on the Site a high school (the "Facility" or the "Project"), and to lease to Lessee the Site, the Facility and certain equipment to be located on the Site (the work scope and project description being more particularly described in Exhibit A attached hereto);

WHEREAS, Owner desires to engage Contractor to design, construct and install such Facility and Contractor is willing to accept such engagement pursuant to the terms set forth herein and to provide design-build and demolition services.; and

WHEREAS, Contractor ("Lessor") and the Government of Guam, through the Guam Department of Education ("Lessee"), have entered into a Lease Back Agreement dated as of _____, (the "Lease");

WHEREAS, this Agreement, together with the Ground Lease, the Lease, and the Insurance and Maintenance Agreement, dated as of _____, by and between Owner and Core Tech International Corp., as maintenance contractor, constitutes the "Contract" as that term is defined in Chapter 58D of Title 5 of the Guam Code Annotated;

NOW, THEREFORE, for and in consideration of the premises and of the covenants hereinafter contained, and other valuable consideration, Owner hereby engages Contractor as developer for the Project, and Contractor hereby accepts such engagement, subject to and in accordance with the following:

ARTICLE I DEFINITIONS

Section 1.1. *Definitions.* Capitalized words and terms used in this Agreement that are defined in the Lease shall have the meanings given them in the Lease. In addition to the words and terms defined elsewhere, herein, the following words and terms shall have the meanings set forth below.

"*Acquisition Price*" means the total amount to be paid to Contractor for the design and construction of the Project, exclusive of construction monitoring and initial development fees, which amount shall equal \$ (insert amount), and shall be payable in accordance with Section 2.3 and Exhibit B attached hereto and hereby incorporated herein by reference.

"Actual Costs" means the Costs of the Project actually and necessarily incurred by Contractor.

"Agreement" means this Project Development Agreement and any amendments or supplements hereto, including the Exhibits attached hereto.

"Certificate Documents" means the Financing Documents, as defined in the Trust Agreement, and each of the other documents executed in connection with the closing of the Certificates.

"Certificate Financing" means the financing for the Project, which consists of the execution and delivery of the Certificates pursuant to the Trust Agreement.

"Certificates" means the Core Tech International Corporation Certificates of Participation (Department of Education—Simon Sanchez High School Project), Series (insert series number)

"Completion Date" means that certain completion date set forth in Section 5.01(e) of the Lease, or such later date as may be agreed to by Owner and Contractor and pursuant to the provisions of Section 5.02 of the Lease.

"Contractor" means the entity, and the subcontractors and suppliers of Contractor, who furnish construction services to the Project.

"Costs of the Project" means the costs necessarily incurred in the design and construction of the Project, as more fully described in Section 2.7.

"Department" means Guam Department of Public Works.

"Facility" has the meaning set forth in the preambles.

"Final Completion" means the final completion of the demolition, acquisition, construction, rehabilitation and installation of the Project, including all punch list items, in accordance with Section 2.3 of this Agreement and Section 3.03 of the Trust Agreement.

"Final Plans" means the 100% complete and final plans, technical specifications and estimates for the Project, including design analysis and computation sheets, a schedule, and a maintenance and custodial plan, as prepared by or under the direction of the Project Architect, subject to change orders as contemplated herein.

"Lessee" means the Department of Education, Government of Guam.

"Owner" means the Government of Guam.

"Program" means the Work set forth in the *Request For Proposal for the New Simon Sanchez High School FDDBLM issued March 28, 2025 including all Attachments and Addenda*. (add negotiated exceptions to RFP here or in a referenced attachment)

"Project" has the meaning set forth in the preambles and means the Site, and the Facility, including all buildings to be constructed thereon and all other improvements, tenements and appurtenances thereunto belonging or in any wise appertaining.

"*Project Architect*" means ~~Developer's~~ Contractor's Architect.

"*Project Cost Breakdown*" means the Cost Breakdown attached hereto as Exhibit B.

"Site" has the meaning set forth in the preambles.

"Soft Costs" means the reasonable and customary architectural and engineering fees, development fees, construction management fees, program management fees, FF&E coordination fees, legal fees, insurance premiums, construction completion bond and labor and material bond premiums for the Project and ~~Developer's~~ Contractor's reasonable and customary out-of-pocket expenses resulting from construction of the Project, and similar costs and expenses, which are necessary or appropriate in the development and construction of a school building or project similar to the Project, but excluding all hard construction costs.

"Substantial Completion" means that the Project has been "substantially completed" as evidenced by the Department issuing to the Developer, the Owner and the Lessee a certificate of occupancy with respect to the Project.

"*Trust Agreement*" means that certain Trust Agreement, dated as of (insert date), between Core Tech International Corporation and the Trustee relating to the Certificate Financing.

"Trustee" means (insert Trustee name), as Trustee under the Trust Agreement.

"*Work*" means and comprises the completed design, demolition, acquisition, construction, rehabilitation and installation required by this Agreement and includes all labor, materials and Soft Costs necessary to produce the Project in accordance with the Lease and the Program ~~Materials~~, and all materials and equipment incorporated or to be incorporated in such construction.

ARTICLE II DESIGN AND CONSTRUCTION OF PROJECT

Section 2.1. *Design and Development.* Contractor shall proceed with the demolition, design, acquisition, construction, rehabilitation and installation of the Project, all in accordance with the Program, so that Substantial Completion occurs on or prior to the Completion Date and Final Completion occurs on or before the date that is sixty (60) days after the Completion Date. Contractor agrees to cause labor, materials, equipment and supplies to be furnished in such quantities, and cause its Contractors to work their forces in such hours, as will be necessary to complete the design, demolition, acquisition, construction, rehabilitation, and installation of the Project as agreed to herein. Contractor hereby subordinates all of Contractor's title, interest, and rights in the Project, including mechanics' and materialmen's lien rights, without limitation, to the interests of Trustee under the Certificate Documents. Without limiting the generality of the foregoing, Contractor shall be responsible for all of the Costs of the Project, provided Contractor is paid as provided herein.

Section 2.2. *Contractor's Duties.*

- (a) Contractor covenants with Owner to furnish its best skill, judgment and efficient business administration and to use its best efforts to cause the Project Architect and its Contractors at all times to provide an adequate supply of workers and materials to be furnished; and to perform the Work in accordance with industry standards of care and consistent with the interests of Contractor and Owner.
- (b) Contractor will pay or cause to be paid, all sales, use, gross receipts and similar taxes that are related to the Work provided by Contractor, that have been legally enacted at the time of execution of this Agreement and for which Contractor is liable.
- (c) Contractor shall at all times cause the Site to be kept free from the accumulation of waste material or rubbish caused by the operations of its Contractors, including green waste from clearing of vegetation on sites and debris from demolition of buildings and construction. At the completion of the Work and prior to Substantial Completion, Contractor shall cause the removal of all waste material and rubbish from and around the Project, as well as all tools, construction equipment, machinery and surplus material, and shall recycle or reuse waste material whenever practicable.
- (d) Contractor will give or cause to be given all notices and comply with all laws and ordinances legally enacted and in effect which govern the proper execution of the Work.
- (e) Contractor shall take or cause its subcontractors to take necessary precautions for the safety of their respective employees performing the Work, and shall comply and cause compliance by any Contractors with all applicable provisions of federal, Guam and municipal safety laws to prevent accidents or injury to persons on, about or adjacent to the Project. Contractor shall erect Materials or cause to be erected and properly maintain or cause to be maintained, at all times, as required by the conditions and progress of Work, necessary safeguards for the protection of workers and the public.
- (f) Contractor shall pay or cause to be paid all royalties and license fees for materials, methods and systems incorporated in the Work. Contractor shall defend or cause to be defended all suits or claims for infringement of any patent rights and shall hold Owner harmless from loss on account thereof.
- (g) Contractor warrants to Owner that all materials and equipment furnished under this Agreement will be new, unless otherwise specified, and that all Work will be of good quality, free from improper workmanship and defective materials and in substantial conformity with the ~~Final Plans and the Program Materials~~ Program. Contractor agrees to correct all Work performed by it under this Agreement that proves to be defective in material and workmanship within a period of one year from the date of Final Completion.
- (h) Contractor shall secure or cause to be secured required certificates of inspection, testing or approval and deliver them or cause them to be delivered to Owner.

- (i) Contractor shall collect or cause to be collected all written warranties and equipment manuals and deliver them to Owner, who shall, in turn, provide copies to Lessee.
- (j) Contractor shall cause the Project Architect to complete the Final Plans, all in a manner consistent with and meeting the requirements of the ~~Program Materials, Request for Propoal and Programming Document.~~Program.
- (k) Without limiting any of the specific obligations of Contractor set forth herein, Contractor agrees to perform on behalf of Owner all obligations of Owner under the Certificate Documents and any other documents relating to the Certificate Financing regarding the design, demolition, acquisition, construction, rehabilitation and installation of the Project, including, but not limited to, the compliance with all obligations of Owner under the Certificate Documents for obtaining disbursements thereunder, and with all indemnification agreements of Owner related to the design, demolition, acquisition, construction, rehabilitation and installation of the Project set forth in the Certificate Documents or other documents relating to the Certificate Financing.
- (l) Should a typhoon warning be issued, Contractor shall secure or cause to be secured the site and take or cause to be taken every practicable precaution to minimize damage and/or danger to the Work, to persons and to adjacent property. These precautions shall include closing all openings, removing all loose materials, tools and equipment from exposed locations and removing or securing scaffolding and all other temporary work.
- (m) Without limiting any of the specific obligations of Contractor set forth herein, Contractor agrees to perform on behalf of Owner all obligations of Owner under the Lease regarding the design, demolition, acquisition, construction, rehabilitation and installation of the Project, including, but not limited to, the compliance with all indemnification agreements of Owner related to the design, demolition, acquisition, construction, rehabilitation and installation of the Project set forth in the Lease.

Section 2.3. *Completion; Payment to Contractor.* Contractor shall complete the Work on or before _____. ~~(insert date). Upon completion of the monthly progress of the Work described in the Program, Contractor shall be entitled to payment for the performance of the Work in the respective amounts shown in Exhibit B on a monthly basis upon submission of draw requests as set forth below, which amounts shall be equal in the aggregate to the Acquisition Price~~compliance with the Makahat Act. The payment for the last phase of the Work to be completed shall be payable upon Final Completion of the Project and shall be in an amount equal to the remaining unpaid portion of the Acquisition Price. Final Completion shall be evidenced by the issuance by the Project Architect and the Department, in its capacity as Lessee's construction monitor, of a written certificate of final completion and the satisfaction of all requirements under the Certificate Documents and the Lease for final completion of the Project, the final disbursement of funds for the Project, and the final payment of all retainage amounts to the Contractors.

Without limiting the foregoing, Final Completion of the Project shall not be considered to have occurred until Contractor shall have delivered to Owner and to Lessee copies of all warranties

and operating instructions for installed components of the Facility, a complete operations manual for the Facility and a complete set of as-built drawings of the Facility, to include all shop drawings and change orders.

Owner and Contractor hereby acknowledge that payment of the Acquisition Price to Contractor is to be made from proceeds of the Certificate Financing in the following manner:

- (a) In connection with any requested payment of a portion of the Acquisition Price, Contractor shall deliver to Owner (i) a request for disbursement in form reasonably acceptable to Owner and containing a certification by Contractor as to the portion of the Project completed, in sufficient detail in order to allow Owner to verify the sufficiency and adequacy of all costs and expenses incurred, (ii) customary lien waivers and releases from all Contractors, suppliers, mechanics and others for whom payment is being requested, and (iii) such other materials as are required under the Certificate Documents or by any parties thereunder to obtain a release in favor of Owner of proceeds of the Certificates in the amount set forth in such disbursement request (any such request and other materials being referred to herein as a "Disbursement Request").
- (b) Within five (5) days after Owner's receipt of a complete Disbursement Request satisfactory to Owner, Owner shall submit (or shall direct Contractor to submit) a corresponding request for disbursement under the Trust Agreement. Owner shall diligently seek to obtain such disbursement under the Trust Agreement, and shall instruct Trustee to make such disbursement directly to Contractor or other party entitled to payment as reflected on such Disbursement Request.
- (c) Contractor acknowledges and agrees that all amounts to be disbursed pursuant to Disbursement Request submitted by Contractor to Owner shall be used to pay for (i) amounts due to Contractors in connection with work performed on or with respect to the Project and (ii) other costs and expenses incurred by Contractor in performing each and every obligation of Contractor set forth in this Agreement, including, but not limited to, the cost of permits that Contractor is obligated to obtain hereunder in connection with the design, demolition, acquisition, construction, rehabilitation and installation of the Project.
- (d) Contractor and Owner shall comply with the requirements of Trustee and under the Certificate Documents with respect to the making of advances for the construction of the Project.

Section 2.4. *Construction Contracts, Other Agreements and Insurance.* All portions of the Work that Contractor does not personally perform shall be performed by qualified sub-contractors under construction contracts, acquisition contracts or by other appropriate agreements between Contractor, and a sub-contractor. All such contracts and agreements shall conform to the requirements of this Agreement, the Ground Lease, the Lease and the Trust Agreement and require that the Work thereunder be completed in accordance with the Program.

- (a) Each such contract or agreement shall provide that, following an event of default or damage to, or destruction or condemnation of, the Project as described in Section 10.01 of the Lease, Owner may terminate such contract or agreement, and the contractor or vendor thereunder

shall then be entitled to payment only from amounts available therefor in the Project Fund and only for work done or equipment delivered prior to such termination.

(b) Contractor shall have and keep on file and available for inspection by Owner and the Department copies of the Project Documents; throughout the term of this Agreement, or as soon after the commencement of the term of this Agreement as such Project Documents shall become available to Contractor. Neither the Project Documents nor any change or amendments thereto shall; (a) cause the Project to be used for any purpose prohibited by this Agreement, the Lease or by the Organic Act and laws of Guam; (b) result in a material reduction in the fair rental value of the Project as contemplated by Section 4.02 of the Lease; or (c) adversely affect the ability of Owner to meet its obligations under the Lease or any of the other Financing Documents.

(c) Each sub-contractor entering into such a construction contract shall be required to procure and maintain during the duration of such Contractor's construction contract, and until the Facility is insured by Owner or Lessee, standard form comprehensive bodily injury liability, property damage liability and fire insurance in the amount required by the Lease or in an amount acceptable to Owner. Contractor may provide such insurance for each Contractor. The cost of such insurance is included in the Acquisition Price.

(d) Each sub-contractor shall be required to procure and maintain, during the term of its construction contract, and until the Facility is insured by Owner or Lessee, standard builder's risk insurance upon the Facility or the portion thereof to be constructed by the Contractor, including, but not limited to, the insurance and payment and performance bonds (or other assurance) required by Section 2.4(c) and (g) and Section 2.5 hereof; provided, however, that, with respect to the structural portions of the Facility that are being rehabilitated, such insurance is only required to be procured or maintained covering the electrical, mechanical and architectural improvements being made to such structures. The policy may have a deductible clause in such amount as may be approved by Owner, but in no event shall such deductible amount exceed 5% of the Actual Cost of the Facility or relevant portion thereof, except for typhoon coverage which may have a higher deductible. Such insurance coverage shall be in an amount at least equal to the total contract price for such Contractor's work. In the event of any change order resulting in the performance of additional work by the Contractor, the amount of such insurance shall be increased to include the cost of such additional work. Contractor or ~~t~~The cost of any such insurance is included in the Acquisition Price.

(e) Each vendor retained in connection with the acquisition of equipment or fixtures for the Site shall be required to procure and maintain during the term of its acquisition contract and until such equipment is insured by Owner or Lessee, standard insurance upon the equipment to be acquired, in whole or in part, by such vendor. The policy may have a deductible clause in such amount as may be approved by Owner. Contractor may provide this insurance on behalf of the vendor. The cost of any such insurance is included in the Acquisition Price. In the event of any change order resulting in the performance of additional work in connection with the acquisition of the equipment, the amount of such insurance shall be increased to include the cost of such additional work.

(f) The risk of loss under any and all deductibles in any policy provided by the Contractor shall be assumed by such contractor and the payment of any such deductible shall be the responsibility of the Contractor, unless such policy is provided by Contractor, in which case Contractor, as applicable, shall be responsible for paying such deductible. Each insurer providing the insurance described in this Section 2.4 must waive its rights of subrogation against Owner and Lessee and their respective officers, directors, elected or appointed officials and employees. Each policy of insurance shall require that none of such insurance will be materially reduced, restricted, limited, changed or cancelled without at least thirty (30) days prior written notice to Owner and, if after the execution and delivery of the Certificates, Trustee. Owner and, after the execution and delivery of the Certificates, Trustee, shall be listed as an additional insured and mortgagee (using a "New York mortgagee type" clause), respectively, under each policy required by this Section 2.4.

(g) Each Contractor shall procure and maintain workers' compensation insurance as required by applicable law, or Contractor may elect to provide such insurance on behalf of the contractors. The cost of any such insurance is included in the Acquisition Price.

(h) Contractor shall require the Project Architect and any other architect Contractor retains with respect to the Project to procure and maintain errors and omissions insurance during the term of such architect's engagement for the performance of services with respect to the Project. Such policies shall include Owner, Contractor, and Trustee as additional named insureds, and shall include a provision prohibiting cancellation or termination without 30 days' prior notice by certified mail to Owner, Contractor, and Trustee. Contractor shall provide or cause to be provided to Owner and Trustee a certificate of insurance with respect to such insurance coverage in form acceptable to Owner and Trustee.

Section 2.5. *Insurance; Payment and Performance Bond.*

(a) Contractor shall procure and maintain, or cause their respective Contractors to procure and maintain, until Final Completion of the Project, standard all risk of loss builder's risk completed value insurance upon the Facility or relevant portion thereof constructed or to be constructed. Such policy shall contain a waiver of subrogation by the issuer of such policy with respect to Owner, Lessee and Trustee, and their officers, agents and employees while acting within the scope of their employment and a Standard New York mortgagee endorsement in the Trustee's favor. Contractor shall provide or cause to be provided a copy of such insurance policy or policies, or a certificate or certificates with respect thereto, to Owner, Lessee and Trustee. Such insurance coverage shall be in an amount equal to the amount drawn by Contractor. Such builder's risk completed value insurance policy shall be made payable to Owner, Lessee and Trustee. Contractor may elect to provide such insurance on behalf of the contractors. The cost of any such insurance is included in the Acquisition Price.

(b) Contractor shall cause to be procured and maintained, until Final Completion of the Project, payment and performance bonds for the Project in an amount equal to the initial deposit to the Construction Account.

Section 2.6. *Indemnification.*

(a) To the fullest extent permitted by law, Contractor shall indemnify and hold harmless Owner, Lessee, Department and Trustee and their assigns, agents, consultants and employees from and against all claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from the performance of the Work, provided that any such claim, damage, loss or expense (i) arises by way of any breach by Contractor of any of the provisions of this Agreement, or (ii) is caused in whole or in part by any negligent act or omission or willful misconduct of Contractor, anyone directly or indirectly employed by it (including, but not limited to, any Contractors or any agents or employees of Contractor) or anyone for whose acts it may be liable. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this Section.

(b) In any and all claims against Owner, Lessee, Department and Trustee or any of their assigns, agents or employees by any employee of Contractor, anyone directly or indirectly employed by it (including, but not limited to, any Contractors or any agents or employees of Contractor) or anyone for whose acts it may be liable, the indemnification obligation under this Section shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Contractor under workers' or workmen's compensation acts, disability benefits acts or other employee benefit acts.

Section 2.7. *Costs of the Project.* Provided Contractor is being paid as provided herein, Contractor agrees to be directly responsible for all of the Costs of the Project including:

- (a) all architectural, engineering and consulting fees and expenses incurred in designing and constructing the Project;
- (b) wages paid for labor in the direct employ of Contractor in the performance of the Work under applicable collective bargaining agreements, or under a salary or wage schedule agreed by Owner and Contractor, and including such welfare and other benefits, if any, as may be payable with respect thereto;
- (c) salaries paid to Contractor's project management employees overseeing development of the Project;
- (d) cost of all employee benefits and taxes for such items as unemployment compensation and Social Security, insofar as such cost is based on wages, salaries, or other remuneration paid to employees of Contractor and included in the Cost of the Project under (a), (b) and (c) above;
- (e) reasonable transportation, travel and lodging expenses of Contractor or its officers or employees incurred in discharge of duties connected with the Work;
- (f) cost of all materials, supplies and equipment incorporated in the Project, including amounts payable by Contractor under any acquisition contracts and costs of transportation and storage thereof;

- (g) payments made by Contractor to sub-contractors for work performed pursuant to a contract in furtherance of this Agreement;
- (h) cost, including transportation and maintenance, of all materials, supplies, equipment, temporary facilities and hand tools not owned by the workers, which are employed or consumed in the performance of the Work, and cost less salvage value on such items used, but not consumed, which remain the property of Contractor;
- (i) rental charges of all necessary machinery and equipment, exclusive of hand tools, used at the site of the Work, whether rented from Contractor or others, including installations, repairs and replacements, dismantling, removal, costs of lubrication, transportation and delivery costs thereof, at rental charges consistent with those prevailing in the area;
- (j) cost of the premiums for all insurance which Contractor is required to procure by this Agreement or is deemed necessary by Contractor;
- (k) sales, use, gross receipt or similar taxes related to the Project, imposed by any governmental authority, and for which Contractor is liable;
- (l) permit fees, licenses, tests, royalties, damages for infringement of patents and costs of defending suits therefor for which Contractor is responsible under Section 2.2(f);
- (m) losses, expenses or damages to the extent not compensated by insurance or otherwise (including deductibles payable by Contractor, if any, and settlement made with the written approval of Contractor, Owner and Trustee), and the cost of corrective work;
- (n) minor expenses such as, long distance telephone calls, telephone and internet service at the Project, expressage and similar petty cash items in connection with the Project;
- (o) costs of removal of all debris;
- (p) costs incurred due to an emergency affecting the safety of persons and property;
- (q) legal costs reasonably and properly resulting from performance of the Work;
- (r) all other costs directly or indirectly incurred in the performance of the Work;
- (s) all costs associated with the improvement of the Site and required utility infrastructure;
- (t) all costs associated with the connection and installation of water, sewer, power, telephone, cable and internet cables or lines; and
- (u) all other costs incurred for any category other than financing costs, costs of issuance and other cost attributed to the project that are specifically payable by Owner and contracted for by Owner, including title insurance, legal fees, underwriting fees, and third party construction monitoring.

Section 2.8. *Additional Duties of Contractor:*

- (a) Contractor shall work with the Owner's Construction Manager and Architect and furnish for the Site all necessary surveys and maps describing the physical characteristics, soil reports and subsurface investigations, legal limitations, utility locations, a legal description and title insurance if title insurance is requested by Owner.
- (b) Contractor shall work with the Owner's Construction Manager and Architect and secure and pay for necessary approvals, permits, easements, assessments, and charges required for the construction, use, or occupancy of permanent structures or for permanent changes in existing facilities.
- (c) Contractor shall work with the Owner's Construction Manager and Architect and will prepare and submit for Owner's approval an estimated progress schedule for the Work. This schedule shall indicate the dates for the starting and completion of the various stages of the design and construction. It shall be revised as required by the conditions of the Work and those conditions and events which are beyond Contractor's control.
- (d) If Contractor becomes aware of any fault or defect in the Facility, or nonconformance with the ~~Final Plans or the Program Materials~~Program, it shall give prompt written notice thereof to Owner.
- (e) Upon Final Completion of the Project, Contractor shall deliver to Trustee and Owner a final lien waiver and contractor's affidavit of each Contractor in statutory form sufficient to release and discharge all mechanics' and materialmen's liens on the Project.
- (f) Contractor shall use reasonable best efforts to ensure that the full and complete Costs of the Project are paid in a prompt manner.

Section 2.9. *Contractor's Guarantee.* If the aggregate costs and expenses for all items necessary for completion of the Project and the performance by Contractor of all obligations of Contractor hereunder (including, but not limited to, the design, development and construction of the Project) exceed, in the aggregate, the Acquisition Price, then Contractor shall be solely responsible for the payment of any amounts (the "Excess Amounts") in excess of the Acquisition Price, unless such excesses directly result from change orders to the Final Plans which are instituted or approved in writing in accordance with the requirements of Section 2.15 herein. Contractor shall pay all Excess Amounts on or prior to the date any such Excess Amounts are due and payable.

Section 2.10. *Warranty.* The Contractor warrants that the design and construction services shall be performed in accordance with contract requirements for a period of one year. Design and Construction works not conforming to the Contract requirements shall be corrected at no additional cost to the Owner.

Section 2.11. *Books, Records, Reports, Fiscal Matters.*

- (a) Books. Contractor shall maintain current and complete records and accounts of all transactions with respect to the Project and the development and construction of the Project. Such books of account shall be maintained at Contractor's office in Guam, and Owner and

Owner's construction manager, accountants and auditors shall have access to such books and accounts at all reasonable times. Contractor shall maintain said books and accounts in a safe manner and separate from any records not dealing directly with the Project. Such books and accounts shall be kept in accordance with sound accounting practices consistently applied, and otherwise in such manner as shall be reasonably required by Owner.

(b) Records. Contractor shall maintain, in a secure and safe manner, complete and identifiable records, files and correspondence on all matters pertaining to the Project and shall provide Owner's Construction Manager, upon request, with either the original or a copy of same.

(c) Reports. (a) Not later than the 20th day following each month during the term of this Agreement after commencement of Contractor's duties as set forth in this Agreement, Contractor shall furnish Owner's Construction Manager a report in triplicate containing (i) a statement of all disbursements made by Contractor in connection with the Project for the preceding month, prepared in such reasonable detail and form as shall be required by Owner, and (ii) a development status report detailing the status of development on the Project.

(d) Property of Contractor. All such books and records shall be and remain the property of Contractor, as appropriate; provided, however, that Owner shall at all reasonable times have access to such books and records for inspection, audit, copying, examination and transcription.

(e) Audit. Owner shall have the right, during normal business hours, to inspect and audit at any time, and from time to time, all of Contractor's files, books, records, costs and expenses pertaining to the development and construction of the Project.

Section 2.12. *Contractor's Efforts*. Contractor each shall furnish its reasonable skill and judgment in developing and constructing the Project and in advising Owner via the Owner's Construction Manager with respect to the Project. Contractor shall furnish efficient business administration and coordination and shall cause the Project to be completed in as expeditious and economical a manner as is practicable and consistent with the Plans. Contractor shall assure that the Project and all activities related thereto at all times fully comply with all applicable laws, statutes, rules and regulations. Contractor shall cause the Project to be completed in a lien-free manner, and shall promptly remove or cause to be removed by bonding or otherwise all liens filed against the Facility or the Site as a result of or related to the Project. Contractor shall be permitted to engage in other business activities, in the exercise of Contractor's sole discretion, during the term of this Agreement, provided that such other business activities do not materially interfere with Contractor's obligations and responsibilities under this Agreement. The parties hereto acknowledge that certain obligations of Contractor under this Agreement shall have been performed by Contractor prior to the execution and delivery of this Agreement, and that such prior performance shall not impact the rights and obligations of the parties hereunder.

Section 2.13. *Limitations On Contractor's Authority*. No authority granted to Contractor under this Agreement shall be exercised unless the exercise of authority is consistent with the terms of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, Contractor shall not have the authority to enter into any agreement or understanding in Owner's

name except for agreements or matters which (a) Contractor is specifically given the authority by Owner in writing, (b) are in writing, and (c) contain provisions in the forms of Sections 4.12 and 4.14 hereof.

Section 2.14. *Possible Assignment And Assumption.* Contractor shall cause each agreement entered into by Contractor hereunder in its own name to provide that such agreement may be assigned to Owner without the consent of any party and that if such agreement should be assumed by Owner, provisions in the form of Sections 4.12 and 4.14 shall thereafter apply.

Section 2.15. *Change Orders.* Contractor shall incorporate all changes to the Project that Owner is required to make under the terms of the Lease. In addition, Owner may but is in no way obligated to order other changes in the Work within the general scope of this Agreement consisting of additions, deletions or other revisions; provided, however, that any such other changes in the Work ordered by Owner which result in any change in the cost of the Work must be accompanied by an amendment to this Agreement adjusting the Acquisition Price, as reasonably agreed to by Owner and Contractor, to reflect such change in cost, and that any such other changes in the Work ordered by Owner which result in Substantial Completion occurring beyond the Completion Date must be accompanied by an amendment to this Agreement adjusting the Completion Date, as reasonably agreed to by Owner and Contractor, to reflect such change in completion. All changes in the Work shall be authorized by change order and shall be performed under the applicable conditions of this Agreement. Notwithstanding the foregoing, no change in the Work shall be made if such change would increase the Acquisition Price to an amount in excess of the amount deposited by Trustee in the Project Fund under the Trust Agreement upon the initial issuance of the Certificates.

Section 2.16. *Covenant Against Contingent Fees.* The Contractor warrants that he has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage or contingent fee. Breach of this warranty Covenant shall give the Owner the right to terminate the contract, or in its discretion, to deduct from the contract price or consideration the amount of such commission, percentage, brokerage or contingent fee. The warranty Covenant shall not apply to commission's payable by contractors upon contracts or sales secured or made through a bona-fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

ARTICLE III DEFAULT; TERMINATION

Section 3.1. *Defaults.* The following events shall be deemed to be events of default by Contractor under this Agreement:

- (a) Contractor shall fail to make any payments as required to be made by Contractor to third parties in the performance of its duties under this Agreement and such failure shall continue and remain uncured for fifteen (15) days after receipt of written notice of such failure from Owner.
- (b) Contractor shall fail to comply with any other term, provision, or covenant of this Agreement, and shall not cure such failure within twenty (20) days after receipt of written notice

from Owner, unless such failure cannot reasonably be cured within such twenty (20) day period, in which event it shall not be an event of default if Contractor promptly commences to cure such failure within such twenty (20) day period and diligently pursues such cure to completion without interruption.

(c) Any representation or warranty made by Contractor under this Agreement shall prove to be false, untrue or misleading in any material respect.

(d) The commencement of a bankruptcy or insolvency proceeding by Contractor, or the filing of a bankruptcy or insolvency proceeding against Contractor that continues undischarged for a period of ninety (90) days, under any federal or state bankruptcy or similar law.

(e) The entering of a judgment against Contractor in any legal or equitable suit or action, which, in the reasonable estimation of Owner, materially impacts Contractor's ability to perform all of its obligations under this Agreement, and such judgment shall have continued undischarged for a period of ninety (90) days.

Section 3.2. *Owner Remedies.* Upon the occurrence of any such events of default described in Section 3.1 above which are not cured within any applicable cure period given to Contractor, Owner shall have the option to pursue any one or more or all of the following remedies without notice or demand whatsoever, except as otherwise provided in Section 3.1 above:

(a) Owner at its option may, with ten (10) calendar days' notice to Contractor, terminate this Agreement in whole or in part, and Owner shall be entitled to pursue any rights or remedies at law or in equity as a result of such event of default. Upon such termination, Contractor shall not be entitled to receive any further payment with respect to the terminated portion of the Work until the Work is finished. If the unpaid balance of the compensation to be paid to Contractor hereunder shall exceed the expense of completing the Work (including compensation for additional managerial, administrative and inspection services and any liquidated damages for delay) as certified by Owner, such excess shall be paid to Contractor. If such expense shall exceed such unpaid balance, then Contractor shall be liable to Owner for such excess. If the Agreement is so terminated, Owner may take possession of and utilize in completing the Work such materials, supplies, plant and equipment as may be on the Site of the Work and necessary therefor.

(b) Owner at its option may maintain this Agreement in full force and effect, in which case Contractor and Owner shall perform all of their respective obligations hereunder, subject to Owner's right to elect to terminate this Agreement at any time, pursuant to the terms of

Section 3.2(a) hereof, provided any such event or events of default remain uncured.

(c) In the event that the Project is not completed by the Substantial Completion Date, the Contractor shall pay to Owner as fixed, agreed and liquidated damages, and not as a penalty. The parties agree to the following liquidated damages (LD) provisions:

1. Daily LD Rate

For each calendar day the Contractor fails to complete the Work beyond the Contract Completion Date (as adjusted by executed Change Orders), the Government shall assess and deduct from payments due an amount equal to the prorated portion of the annual lease payment, calculated as:

$$LD \text{ Amount per Day} = (\text{Annual Lease Payment}) \div 365$$

2. Genuine Estimate of Damages

The Parties acknowledge and agree that the exact amount of damages the Government would suffer as a result of delayed completion is difficult to quantify with precision. The daily LD amount specified herein represents a genuine, good-faith pre-estimate of actual damages, including but not limited to loss of educational use, extended oversight costs, and financing impacts. This clause shall not be construed as a penalty.

3. Determination of Delay

The Owner's Contracting Officer (CO) shall determine whether a delay has occurred and whether it is excusable or compensable. Unless and until a Change Order is executed granting an extension of time, all delay shall be deemed unexcused for purposes of liquidated damages.

4. Pending Claims Not a Defense

The Contractor's submission of a claim or request for time extension does not, by itself, suspend or negate the application of LDs. The Owner will continue to assess and deduct LDs unless and until an executed Change Order formally extends the Contract Time, or the Owner, at its sole discretion, agrees in writing to suspend LD enforcement pending final resolution.

5. Preservation of Rights

The Contractor may continue to assert its claims and preserve its rights under the contract dispute provisions. However, the Owner shall not be obligated to recognize claimed delays or defenses unless substantiated by an executed Change Order or final decision of the Contracting Officer.

(d) Owner may set off against or deduct from any sums payable by Owner to Contractor under this Agreement any amounts paid or incurred by Owner as a result of, or by reason of or in connection with such default.

(e) Pursuit by Owner of any of the foregoing remedies shall not preclude pursuit by Owner of any other remedies herein provided or any other remedies provided by law (all such remedies being cumulative), nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any amounts then due to Owner hereunder or of any amounts accruing to Owner by reason of the violation of any of the terms, provisions and covenants herein contained. No waiver by Owner of any violation or breach of any of the terms, provision or covenants herein contained shall be deemed or construed to constitute a waiver of any other violation or breach of any of the terms, provisions, or covenants herein contained. Forbearance by Owner in enforcing one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default or of Owner's right to enforce any such remedies with respect to any such default or any subsequent default. If, on account of any event of default of Contractor and Contractor's obligations under the terms and conditions of this Agreement, it shall become necessary or appropriate for Owner to employ or consult with an attorney concerning or to enforce or defend any of Owner's rights or remedies hereunder, Contractor agrees to pay the attorney's fees so incurred by Owner.

Section 3.3. *Expiration And Termination.*

(a) Contractor's Obligations. Without limiting any other provisions of this Agreement, upon the expiration or earlier termination of this Agreement and the Leases, Contractor shall immediately:

- (i) Account for and deliver to Owner all monies of Owner.
- (ii) Deliver to Owner as received any monies due Owner under this Agreement but received by Contractor after such expiration or termination.
- (iii) Deliver to Owner or such other person as Owner shall designate, all materials, supplies, equipment, keys, contracts, plans, documents, files, books and records pertaining to this Agreement and the development and construction of the Project.
- (iv) Assign all existing contracts relating to the development and construction of the Project to Owner or such other person as Owner shall designate.
- (v) Furnish all such information, take all such other action and cooperate with Owner as Owner shall reasonably require in order to effectuate an orderly and systematic termination of Contractor's services, duties, obligations and activities hereunder.

(b) Survival. Notwithstanding anything in this Agreement to the contrary, the provisions of this Section 3.3 shall survive any expiration or termination of this Agreement.

Section 3.4. *Owner Defaults.* An event of default by Owner under this Agreement shall be deemed to have occurred if Owner shall fail to comply with the provisions of Section 2.3 hereof, and shall not cure such failure within five (5) business days after receipt of written notice from Contractor, or otherwise fails to comply with any term, provision or covenant of this Agreement, and shall not cure such failure within twenty (20) days after receipt of written notice from Contractor, unless such failure cannot reasonably be cured within such twenty (20) day period, in

which event it shall not be an event of default if Owner promptly commences the cure of such failure within such twenty (20) day period, and diligently and without interruption pursues such cure to completion.

ARTICLE IV MISCELLANEOUS

Section 4.1. *Binding Agreement.* This Agreement shall be fully binding on all parties to the Agreement, and their respective successors and assigns, in accordance with its terms.

Section 4.2. *Assignment.* No party to this Agreement may assign its rights and obligations under this Agreement without the prior written consent of the other party except as expressly provided for herein. Notwithstanding anything herein to the contrary, the parties agree that without the consent of any other person, Owner may assign its rights and obligations hereunder to Trustee or other party in connection with the Certificate Financing. Contractor hereby consents to any such assignment.

Section 4.3. *Inspections.* The Department of Public Works will have a Construction Manager and Inspection team on site to ensure the Owner's interests are maintained. Contractor shall comply with all DPW Construction Management Requirements outlined the Program.

Section 4.4. *Governing Law.* This Agreement is made in Guam under the Organic Act of Guam and laws of Guam and is to be so construed.

Section 4.5. *Amendment.* This Agreement may be amended at any time by a writing which refers to this Agreement and is executed by all parties hereto, subject to any restrictions placed on Owner regarding amendment or modification hereof contained in the Trust Agreement.

Section 4.6. *Other Documents.* The parties agree to execute and record such other documents as maybe necessary for the implementation and consummation of this Agreement. Any approvals or consents required hereunder shall not be unreasonably withheld by the party from whom such approval or consent is sought.

Section 4.7. *Third Parties.* The parties hereto acknowledge that nothing herein expressed or implied in this Agreement is intended or shall be construed to confer upon or give any person or entity other than Contractor or Owner or assignees as permitted by Section 3.2 of this Agreement any rights or remedies under or by reason of this Agreement.

Section 4.8. *Rights and Remedies.* The duties and obligations imposed by this Agreement and the rights and remedies available hereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. Notwithstanding anything contained herein to the contrary, this Agreement shall in no way limit Contractor's rights against Owner as provided in any agreement between Contractor and Owner pertaining to the Project.

Section 4.9. *Exhibits.* The exhibits attached to and referred to herein are part of this Agreement for all purposes.

Section 4.10. *Time.* Time is of the essence in this Agreement.

Section 4.11. *Notices.* Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given and received four (4) business days after being deposited in a United States Post Office, certified or registered mail, postage prepaid, return receipt requested, or when actually received by a party to whom directed if delivered by hand or sent by facsimile (with the sender receiving confirmation of receipt and provided notice is also promptly sent by one of the other permitted means) or overnight courier. Notices shall be addressed to the party, to whom directed at the address set forth below or to such other address as such party from time to time may specify in writing.

Owner: Core Tech International Corporation
388 S. Marine Corps Drive, Suite 400
Tamuning, Guam 96913
Attention: Ho Eun, Chairman

Lessee: Guam Department of Education
501 Mariner Ave
Barrigada, Guam 96913
Attention: K. Erik Swanson, Ph.D., Superintendent
Telephone: (671) 300-1536
Facsimile: (671) 472-5003

With a copy to: Department of Administration
PO Box 7420
Tamuning, Guam 96931
Attention: Edward Birn , Director
Telephone: (671) 475-1101/1250

Guam Economic Development Authority
590 South Marine Corps Drive
ITC Building, Suite 511
Tamuning, Guam 96913
Attention: Christina D. Garcia, CEO | Administrator
Telephone: (671) 647-4332
Facsimile: (671) 649-4146

Department of Public Works
542 North Marine Drive
Tamuning, Guam 96913
Attention: Vincent P. Arriola, Director
Telephone: (671) 646-3131
Facsimile: (671) 649-6178

Trustee: (Insert Name)
(Addresss)
(Address)
Attention: (Insert Name)
Reference: (Certificate # Certificates of Participation

Contractor: Core Tech International Corporation
388 S. Marine Drive Corps Drive, Suite 400
Tamuning, Guam 96913
Attention: Ho Eun, Chairman

Section 4.12. *Waiver Of Subrogation*. Each party to this Agreement (the "Waiving Party") hereby waives any cause of action it might have against any other party hereto on account of any loss or damage that shall be covered by any insurance policy that covers the Project or any Site, and that names said Waiving Party as a party insured, to the extent of money actually paid to such Waiving Party under such insurance policy. Each party agrees that it will request its insurance carrier to endorse all applicable policies waiving the carrier's rights of recovery under subrogation or otherwise, consistent with the immediately preceding sentence.

Section 4.13. *Exculpation*. Owner's obligations hereunder shall be payable solely from the proceeds of the Certificates made available to Owner.

Section 4.14. *Waiver of Attorneys' Fees Statute*. The parties hereby agree that each party's obligations hereunder to pay attorneys' fees and expenses of another party, or to reimburse another party for such fees and expenses, shall extend only to such fees and expenses as are actually incurred by such other party.

Section 4.15. *Relationship of Parties*. The parties hereto acknowledge and agree that the relationship of Contractor to Owner is that of an independent contractor engaged for the purpose of developing the Project. Nothing in this Agreement shall create between Contractor and Owner the relationship of principal and agent (other than as expressly set forth herein), joint venturers, partners or any other similar or representative relationship, and Contractor shall not hold itself

out as an agent (except as expressly provided herein), representative, partner or joint venturer of Owner.

Section 4.16. *Counterparts*. This Project Development Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 4.17 *Disputes*.

1. The Owner and the Contractor agree to attempt resolution of all controversies/disputes which arise under, or are by virtue of, this procurement and any resulting contract through mutual agreement. If the controversy/dispute is not resolved by mutual agreement, then the Contractor shall request the Owner in writing to issue a final decision within sixty (60) days after receipt of the written request. If the Owner does not issue a written decision within sixty (60) days after written request for a final decision, or within such longer period as may be agreed upon by the parties, then the Contractor may proceed as though the Owner had issued a decision adverse to the Contractor.
2. The Owner shall immediately furnish a copy of the decision to the Contractor, by certified mail with a return receipt requested, or by any other method that provides evidence of receipt.
3. The Owner's decision shall be final and conclusive, unless fraudulent or unless the Contractor appeals the decision.
4. This subsection applies to appeals of the Owner's decision on a controversy/dispute. For money owed by or to the Owner under this contract, the Contractor shall appeal the decision in accordance with the Government Claims Act by initially filing a claim with the Office of the Attorney General no later than eighteen(18) months after the decision is rendered by the Government or from the date when a decision should have been rendered. For all other claims by or against the Owner arising under this contract, the Office of the Public auditor has jurisdiction over the appeal from the decision of the Government. Appeals to the Office of the Public Auditor must be made within sixty (60) days of the Government's decision or from the date the decision should have been made.
5. The Contractor shall exhaust all administrative remedies before filing an action in the Superior Court of Guam in accordance with applicable laws.
6. The Contractor shall comply with the Owner's decision and proceed diligently with performance of the contract pending final resolution by the Superior Court of Guam

of any controversy/dispute arising under, or by virtue of, the contract, except where the Contractor claims a material breach of the contract by the Owner. However, if the Owner determines in writing that continuation of services under the contract is essential to the public's health or safety, then the contractor shall proceed diligently with performance of the contract notwithstanding any claim of material breach by the Owner.

Section 4.18 Contract Binding. It is agreed that this contract and all of the Covenants hereof shall inure to the benefit of and be binding upon the Government and the Contractor respectively and his partners, successors, assignees and legal representatives. Neither the Government nor the Contractor shall have the right to assign, transfer or sublet his interests or obligations hereunder without written consent of the other party. It is hereby mutually agreed by and between the parties hereto that no mechanic, contractor, subcontractor, material man or other person can or will contract for or in any other manner have or acquire any lien upon the building or works covered by this contract, or the land upon which the same is situated.

Section 4.19 RESTRICTION ON SEX OFFENDERS: The Contractor warrants that no person in its employment who has been convicted of sex offense under the provisions of chapter 25 of Title 9 of the Guam Code Annotated, or of an offense defined in Article 2 of Chapter 28 of Title 9 of the Guam Code Annotated, or who has been convicted of an offense with the same elements as heretofore defined in any other jurisdiction, or who is listed on the Sex Offender Registry shall provide services on behalf of the Contractor while on government of Guam property, with exception of public highways. If any employee of the Contractor is providing services on government property and is convicted subsequent to an award of a contract, then the Contractor warrants that it will notify the Government of the conviction within twenty-four (24) hours of the conviction and will remove immediately such convicted person from providing services on government property. If the Contractor is found to be in violation of any of the provisions of this paragraph, then the Government will give notice to the Contractor to take corrective action. The Contractor shall take corrective action within twenty-four hours of notice from the Government, and the Contractor shall notify the Government when action has been taken. If the Contractor fails to take corrective steps within twenty-four (24) hours of notice from the Government, then the Government in its sole discretion may suspend temporarily any contract for services until corrective action has been taken.

Section 4.20 INDEMNITY. The Contractor agrees to save and hold harmless the Government, its officers, agents, representatives, successors and assigns and other governmental agencies from any and all suits or actions of every nature and kind, which may be brought for or on account of

any injury, death, or damage arising out of the acts or omissions of the Contractor, Contractor's subcontractors, officers, agents, servants or employees under this contract.

Section 4.21 CLAIMS AGAINST GOVERNMENT. The Contractor expressly recognizes that the Government Claims Act (Title 5 of the Guam Annotated, Chapter 6) applies with respect only to claims of money owed by or to the Contractor against the Government if the claim arises out of or in connection with this agreement. The Contractor also expressly recognizes that all other claims by the Contractor against the Government are subject to the Guam Procurement Law (Title 5 of the Guam Annotated, Chapter 5).

Section 4.22. CONSENT TO JURISDICTION. The Contractor hereby expressly consents to the jurisdiction of and the forum of the courts of Guam with respect to any and all claims which may arise by reason of this Agreement, except as otherwise may be provided by the Guam Procurement Law. The Contractor waives any and all rights it may otherwise have to contest the same or to proceed in a different jurisdiction or forum.

Section 4.23 MANDATORY REPRESENTATION BY CONTRACTOR REGARDING GENERAL ETHICAL STANDARDS (2 GAR Div. 4 11103 (b)). With respect to this Agreement and any other contract that the Contractor may have, or wish to enter into, with any Government of Guam agency, the Contractor represents that it has not knowingly influenced, and promises that it will not knowingly influence, any government employee to breach any of the ethical standards set forth in the Guam Procurement Law and in any of the Guam Procurement Regulations.

Section 4.24. MANDATORY REPRESENTATION BY THE CONTRACTOR REGARDING PROHIBITION AGAINST GRATUITIES AND KICKBACKS (2 GAR Div. 4 11107(e)) With respect to this Agreement and any other contract that the Contractor may have or wish to enter into with any Government of Guam agency, the Contractor represents that he has not violated, is not violating, and promises that it will not violate the prohibition against gratuities and kickbacks set forth in the Guam Procurement Regulations.

Section 4.25 COMPLIANCE TO PUBLIC LAW 24-100, PRODUCTS MANUFACTURED FROM RECYCLED GLASS. Pursuant to 5 G.C.A. Section 5218, any individual or company submitting a response to this solicitation shall include the purchase of available recycled glass pulverized on Guam or appropriate products manufactured therefrom. The contract awarded under this solicitation shall determine the suitable percentage of recycled glass to be used in the project and, as a condition of the award of the contract, shall require the Contractor to identify and certify in writing the percentage of recycled glass contained in the material offered. The acceptable percentage of recycled glass has been determined to be 0% for this project.

Section 4.26 SUPPLEMENTARY CONDITIONS:

General Obligations

The Contractor shall furnish all labor, materials, equipment, tools, and services necessary to complete the Project in a timely, workmanlike manner, strictly complying with all Contract Documents, RFP, CM Requirements, and applicable laws and regulations. The Contractor is responsible for all means, methods, sequencing, and scheduling of the Work.

Subcontractor Coordination and Liability

(a) Flow Down of Contract Terms

The Contractor shall require each subcontractor, at every tier, to be bound by all applicable provisions of this Contract (including the RFP, CM Requirements, General Conditions, Liquidated Damages, Claims/Disputes, Safety, Permits, Insurance, Bonds, Schedule, Quality Control, and Stop Work clauses), to the extent those provisions relate to their Work.

The Contractor shall provide both the Contracting Officer's office, via the Construction Manager (CM), and each subcontractor with complete copies of all Contract Documents affecting their Work before subcontract execution. Subcontract agreements must:

- preserve and protect the Government's rights;
- grant subcontractors the benefits of rights and remedies the Contractor has under the Contract;

- require the same flow down obligations to sub-subcontractors. Claims/Disputes, Safety, Permits, Insurance, Bonds, Schedule, and Quality Control—relative to their scope of Work.

(b) Prime Liability. The Contractor remains fully liable for all acts, omissions, and performance of its subcontractors, suppliers, or lower-tier entities.

Document Review & Reporting

The Contractor shall provide each subcontractor with the applicable Contract Documents and require prompt written notification to the Contracting Officer (via CM) of any discrepancies, whether design or contractual, before commencement of Work.

Payment Certifications & Lien Waivers

1. Annual Payment Trigger

The Government will make an annual payment to the Contractor, consistent with the Contract Documents and bond agreements. Upon receipt of each annual payment, the Contractor shall certify, via the Construction Manager (CM), that:

- All subcontractors and sub-subcontractors have been paid for Work performed up to the payment date.
- The Contractor has received unconditional lien waivers from each subcontractor and sub-subcontractor, fully releasing any lien rights for work through that date.

2. Timing and Compliance

- Certification and lien waivers must be submitted before or within 10 business days after the annual payment.

- The waivers must comply with Title 7 GCA Chapter 33 Guam mechanics' lien law (covering labor, services, and materials).

3. Government Rights

- The Government may withhold, offset, or suspend future payments until the Contractor submits valid certification and lien waivers.
- The Contractor is responsible for any claims or liens from subcontractors that could have been avoided by timely waiver collection.

4. Final Payment and Close-Out

Before final payment and project close-out, the Contractor must provide:

- A full lien waiver package covering all subcontract work.
- A final certification confirming lien-free status up to final completion.

Safety, Environmental & Quality Control

The Contractor and its subcontractors must adhere to all safety, environmental, and quality requirements specified in the Contract Documents and applicable regulations. All incidents, hazards, or non-compliant work must be reported immediately through CM to the Contracting Officer.

Schedule Coordination

The Contractor shall maintain and update the project schedule per CM Requirements, coordinate Work to prevent conflicts, and support smooth integration with other contractors as directed by the Contracting Officer.

Subcontractor Claims & Effect on Liquidated Damages

Claims for additional time, costs, or changes originating from subcontractors must be routed through the Contractor to the Contracting Officer via the CM. Submission of such claims does not suspend the application of Liquidated Damages or alter the contract schedule unless an executed Change Order is in place.

Stop-Work Orders

(a) Authority to Issue. The Contracting Officer may, by written order at any time, require the Contractor to stop all or part of the Work for up to 90 days (or longer by mutual written agreement), for reasons including:

- Non compliance with Contract Documents, safety issues, or regulatory violations;
- Government directed suspension.

(b) Contractor Obligations. Upon receipt of such order, the Contractor shall:

- Immediately suspend the designated Work;
- Take all reasonable steps to minimize incurrence of costs during suspension;
- Notify all affected Subcontractors and suppliers;
- Resume Work promptly only when directed in writing by the Contracting Officer.

(c) Equitable Adjustment. If the stop work order:

- Is lifted or expires, and
- Results in increased cost or time to perform,

then the Contractor shall be entitled to an equitable adjustment to the Contract Time and/or Contract Price—provided the Contractor submits a claim within **30 days** after suspension ends. Reasonable costs attributable to the suspension, including profit, are compensable.

(d) Termination Following Suspension. If the stop work order is cancelled and the work covered is terminated (for convenience or default), the Contractor shall be entitled to costs attributable to the stop work order per applicable termination provisions

Adoption of AIA Generation Conditions

To the extent the Contract Documents (including this Agreement, RFP, CM Requirements, and Supplemental Conditions) are silent or ambiguous on any term, obligation, right, remedy, or process, the provisions of AIA Document A201–2017, General Conditions of the Contract for Construction shall apply by reference, unless such application would conflict with Guam law, Government of Guam policy, or specific requirements set forth herein.

This adoption ensures that all standard industry-based procedures and interpretations—as coordinated within the AIA A201 document—fill any gaps in these Contract Documents. Where the AIA General Conditions are referred to herein, the term Contracting Officer shall be substituted for Architect or Owner as appropriate, and references to Owner shall be deemed references to the Government of Guam.

IN WITNESS WHEREOF, the Contractor, by its duly authorized representative, has executed this Project Development Agreement as of the date first above written.

CORE TECH INTERNATIONAL CORP.

By: _____

Title: Chairman

IN WITNESS WHEREOF, the Owner, by its duly authorized representative, has executed this Project Development Agreement as of the date first above written.

GOVERNMENT OF GUAM

By: _____

Title: Director, Department of Public Works

(EXHIBIT B should be renamed to Exhibit A throughout document with the financing breakdown. Original Exhibit A was the scoping but this is now defined in RFP.

INSURANCE AND MAINTENANCE AGREEMENT

dated as of ~~August 1, 2025~~ (insert date);

by and among

Core Tech International Corporation,
Lessor,

DEPARTMENT OF EDUCATION, GOVERNMENT OF GUAM,
Lessee,

Core Tech International Corporation,
Maintenance Contractor

and

US Bank Inc.

Trustee

Table of Contents

ARTICLE I	DEFINITIONS; TERM	<u>24</u>
1.1	Definitions.	<u>24</u>
1.2	Term of Agreement.	<u>24</u>
ARTICLE II	DELEGATION OF INSURANCE AND CAPITAL MAINTENANCE RESPONSIBILITIES	<u>2</u>
2.1	Delegation.	<u>2</u>
2.2	Powers of Maintenance Contractor.	<u>2</u>
2.3	Obligations of Maintenance Contractor.	<u>3</u>
2.4	Governmental Successor.	<u>43</u>
ARTICLE III	MAINTENANCE CONTRACTOR'S COMPENSATION, BUDGETING AND REIMBURSEMENT	<u>43</u>
3.1	Maintenance Contractor's Compensation.	<u>43</u>
3.2	Preparation of Budget.	<u>54</u>
3.3	Approval of Budget.	<u>54</u>
3.4	Reduction of Services.	<u>54</u>
3.5	Operation within Budget.	<u>65</u>
3.6	Budget Overruns; Program Changes.	<u>65</u>
3.7	Books.	<u>65</u>
3.8	Right to Stop Performing Functions.	<u>76</u>
3.9	Payment.	<u>76</u>
ARTICLE IV	INSURANCE	<u>76</u>
4.1	General.	<u>76</u>
4.2	Deductibles and Co-Payments.	<u>76</u>
4.3	Damage and Reconstruction.	<u>87</u>
ARTICLE V	MISCELLANEOUS	<u>87</u>

5.1 Breach.	<u>87</u>
5.2 Enforcement Fees.	<u>87</u>
5.3 Limited Liability.	<u>87</u>
5.4 Amendment.	<u>87</u>
5.5 Partial Invalidity.	<u>87</u>
5.6 Entire Agreement.	<u>98</u>
5.7 Applicable Law.	<u>98</u>
5.8 Successors and Assigns.	<u>98</u>
5.9 Counterparts.	<u>98</u>

THIS INSURANCE AND MAINTENANCE AGREEMENT (this "Agreement") is entered into as of this first day of August, 2025 (insert date), by and among ~~CAPFA CAPITAL CORP. 2010~~ CORE TECH INTERNATIONAL CORPORATION ("Lessor"), the DEPARTMENT OF EDUCATION, GOVERNMENT OF GUAM ("Lessee"), CORE TECH INTERNATIONAL CORPORATION, as maintenance contractor ("Maintenance Contractor"), and, as trustee pursuant to the Trust Agreement (as defined herein) (the "Trustee").

WITNESSETH:

WHEREAS, the Government of Guam ("Ground Lessor") entered a Ground Lease with CORE TECH INTERNATIONAL CORPORATION ("Ground Lessee"), dated (insert date) August, 2025.

WHEREAS, the Government of Guam (the "Ground Lessor" under the Ground Lease and the "Lessee" hereunder) and CORE TECH INTERNATIONAL CORPORATION (the "Ground Lessee" under the Ground Lease and the "Lessor" hereunder) will execute a Ground Lease (the "Ground Lease") concurrently herewith, under which that certain real estate parcel located in Guam and described in Exhibit A (the "Site") will be leased by the Ground Lessor to the Ground Lessee; and

WHEREAS, CORE TECH INTERNATIONAL CORPORATION, ("Lessor") and Lessee have entered into a Lease Agreement, dated as of (insert date) August 1, 2025 (the "Lease Agreement")

WHEREAS, pursuant to the Ground Lease, Ground Lessor will construct a high school (the "Facility") and lease the Facility back to Lessee;

~~WHEREAS, under the Lease Agreement, Lessor has undertaken certain obligations with respect to the insurance and capital maintenance of the Facility, and Lessor and Lessee wish to contract with Maintenance Contractor to fully perform such obligations;~~

WHEREAS, Lessor as the Maintenance Contractor, in consideration of the compensation herein provided, is prepared to perform the required services and fully and timely perform and discharge such obligations;

~~WHEREAS, this Agreement, together with the Project Development Agreement, dated as of August 1, 2010 2025, by and between Lessor and Core Tech International Corporation, as developer, constitutes the "Contract" as that term is defined in Chapter 58A of Title 5 of the Guam Code Annotated; and~~

WHEREAS, Lessee has agreed to make annual rental payments to Lessor, and Lessor ~~has assigned these payments to~~ will also serve as the Trustee, as Trustee ~~under the Trust Agreement, dated as of August 1, 2010 2025 (the "Trust Agreement"), by and between Lessor and Trustee, pursuant to which the Trustee has executed and delivered the CaPFA Capital Corp. 2010~~ CORE TECH INTERNATIONAL CORPORATION and possess Certificates of Participation (Department of Education—Simon Sanchez High School Project), Series 2xxxA (the "Certificates") in order to finance the Facility;

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS; TERM

1.1 Definitions.

All capitalized terms used and not defined herein shall have the meaning ascribed thereto in the Lease Agreement.

1.2 Term of Agreement.

The rights and duties of Maintenance Contractor under this Agreement shall commence upon the issuance ~~by the Department~~ of the certificate of occupancy with respect to the Facility and shall end upon the expiration or termination of the Lease Agreement. ~~The obligations of Lessor to make the payments and reimbursements set forth herein begin when the rights and duties of Maintenance Contractor begin, but will survive the termination of the Lease Agreement, provided that no additional charges will accrue hereunder (other than interest and, if applicable, default and collection fees) after the termination of the Lease Agreement.~~

1.3 Definition of Facility: buildings and other structures; classrooms; gymnasium; tennis, volleyball and basketball courts; soccer, softball, baseball and football track and fields; playgrounds and other athletic facilities; cafeterias; offices; laboratories, equipment and safety devices; conference rooms; roads, walkways, streets, and pedestrian paths; open spaces, gardens, common areas and public areas; auditorium and other public entertainment areas; utility lines and systems; outdoor lighting systems; landscaping, including without limitation plants, trees, shrubs, and grass;

ARTICLE II

~~DELEGATION OF INSURANCE AND CAPITAL MAINTENANCE~~

RESPONSIBILITIES

2.1 Acceptance of Responsibilities. In consideration of the payments and reimbursements herein provided, Maintenance Contractor accepts and shall diligently perform the duties, obligations, and responsibilities set forth in this contract. ~~Delegation.~~

~~Lessor hereby delegates to Maintenance Contractor its duties to provide for the capital maintenance and insurance of the Site and the Facility and the payment of taxes with respect thereto, pursuant to Articles VI, VII and VIII of the Lease Agreement to the extent herein provided. Lessee hereby consents to such delegation. In consideration of the payments and reimbursements herein provided, Maintenance Contractor hereby accepts such delegation.~~

2.2 Powers of Maintenance Contractor.

Maintenance Contractor shall have all the powers necessary to carry out its

duties and responsibilities under this Agreement, including but not limited to the following:

(a) To engage the services of contractors or other employees or agents and to pay to said persons a reasonable compensation therefor.

(b) To insure, repair, perform capital maintenance on, and otherwise deal in and with, real and personal property of every kind and character that was constructed or installed by Lessor, located on the Site or used in connection with the Facility in accordance with the Scope of Work in Exhibit A and any additional appurtenances approved by Lessee.

(c) To deal in and with the Facility including but not limited to: ~~buildings and other structures; classrooms; gymnasiums; tennis, volleyball and basketball courts; soccer, softball, baseball and football fields; playgrounds and other athletic facilities; cafeterias; offices; language laboratories; scientific laboratories; equipment and safety devices; conference rooms; roads, walkways, streets, and pedestrian paths; parks, open spaces, gardens, common areas and public areas; amphitheaters and other public entertainment areas; utility lines and systems; outdoor lighting systems; landscaping, including without limitation plants, trees, shrubs, and grass; and such improvements and equipment as may be appropriate for use in connection with Maintenance Contractor's duties under this Agreement.~~

(d) Subject to applicable law, to delegate by written agreement to one or more contractors any or all of Maintenance Contractor's powers, ~~duties and~~ duties and responsibilities referred to in this Agreement, provided, that no such delegation shall relieve Maintenance Contractor of its duties and responsibilities hereunder.

(e) To pay all costs imposed by, associated with, or incurred as a result of federal or Guam laws, rules, or regulations, including without limitation taxes (if any), costs of studies, consultants' fees and costs, and performance costs.

(f) To do everything necessary, suitable, convenient, or desirable for the accomplishment of any of the purposes, the attainment of any of the objects, or the furtherance of any of the powers set forth in this Agreement, either alone or in connection with other corporations, firms, or individuals, and either as principal or agent, and to do every act or thing incidental or appurtenant to, or growing out of, or connected with any of the aforesaid objects, purposes, or powers.

2.3 Obligations of Maintenance Contractor.

To fulfill the duties accepted by it pursuant to Section 2.1, Maintenance Contractor shall:

- (a) from and after the issuance of an occupancy permit for the Facility, provide for the capital maintenance, repair, and replacement of the Facility as set forth in the Scope of Work attached hereto as Exhibit A;
 - i. Maintain facility operability and ensure that the facility passes all governmental inspections
 - ii. Develop and implement Maintenance plan.
 - Schedule daily/ weekly/ monthly work plan
 - Includes preventative maintenance schedules for all facilities equipment and building systems
 - Include corrective maintenance schedules for all facilities equipment and building systems

- iii. Develop and implement SOP
 - Require appropriate staffing to keep school operational
- iv. ~~Develop~~ Develop and implement Facility Procedures for Emergency situations to include pre and post events
- v. ~~Meet with SSHS Principal or its designee Vice Principal of Facilities on a monthly basis~~
 - to review upcoming and previous Maintenance work plan and schedule
 - document and assess work performed to be used for annual budget

(b) from and after the issuance of an occupancy permit for the Facility, obtain insurance for the Facility of the type and in the coverage amounts set forth in Section 7.01(b) of the Lease Agreement and Article IV of this contract;

(c) rebuild and repair the Facility following damage or destruction thereof or a permanent taking by the power of, or a power in the nature of, eminent domain or by an action or deed in lieu of condemnation, as set forth in Article IV; and

(d) prepare, adopt, amend and disseminate Budgets from time to time as set forth in Article III.

Maintenance Contractor shall be obligated to provide routine maintenance, security services, custodial services, waste collection, ~~or~~ and landscaping services to the Site.

2.4 Governmental Successor.

Maintenance Contractor may, in its discretion, turn over any of its powers and duties hereunder to a governmental entity that is willing to accept and assume the same under the terms and conditions of this Agreement; provided that Maintenance Contractor shall provide Trustee with written notice of such successor.

ARTICLE III **MAINTENANCE CONTRACTOR'S COMPENSATION, BUDGETING AND REIMBURSEMENT**

3.1 Maintenance Contractor's Compensation.

Maintenance Contractor shall be entitled to reimbursement for all expenditures made hereunder and compensation for its services as set forth in the annual budget as defined in 3.2. Notwithstanding any other provision of this Agreement, such compensation shall include, ~~and Lessor shall be obligated to pay Maintenance Contractor,~~ reimbursement to Maintenance Contractor of all insurance premiums payable pursuant to Section 2.3(b) and all expenses incurred pursuant to Section 2.3(c). Notwithstanding any other provision of this Agreement, Maintenance Contractor shall have no obligation to perform any obligation hereunder if it has not been paid compensation as provided for herein. Without limiting the generality of the foregoing, Maintenance Contractor shall have no obligation to make any payment described in Sections 2.3(b) or 2.3(c) if it is not assured of reimbursement therefor. In any given lease year, ~~Lessor will not be required to~~ reimbursement to the Maintenance Contractor for costs, including emergency expenditures as described in Section 3.5, if sufficient funds for such

reimbursement are not available in either the Insurance and Maintenance Fund, or the Capital Replacement Reserve, as the case may be. Lessor shall take actions as described in this Article III, to include any valid and unreimbursed costs of the Maintenance Contractor in the subsequent year's budget.

3.2 Preparation of Budget.

For each Term, commencing with the Term beginning on December 2, 2027, Maintenance Contractor shall, not later than sixty (60) days prior to the beginning of the Fiscal Year in which such Term commences, prepare a Budget for such Term (including a reasonable allowance for contingencies) (the "Budget"). The Budget shall set forth a detailed estimate of all costs to be incurred with respect to this Agreement and a schedule of cash advances to be made by Maintenance Contractor. The Budget shall also provide for up to (insert correct number) \$389,500 in each year to be deposited to the Capital Replacement Reserve (the balance of which is not to exceed \$1,947,000). In addition, the Budget shall provide for a \$60,000 ~~100,000~~ (insert correct number) allotment in each year for unscheduled repairs, including, for example, repairs needed as a result of vandalism. The Budget for the Initial Term has been approved by Maintenance Contractor/ Lessor and Lessee and is attached hereto as Exhibit C.

3.3 Approval of Budget.

Maintenance Contractor shall submit the proposed Budget to ~~Lessor and~~ Lessee for approval. ~~Lessor and~~ Lessee shall ~~each~~ be deemed to have approved the Budget unless, within 30 days after the date the proposed Budget is submitted, ~~Lessor or~~ Lessee provides to Maintenance Contractor ~~with~~ a written list of specific items in the proposed Budget to which such party objects, together with its reasons for objecting. If either such party objects for any reason, including inability to pay any required Additional Rental in the amount budgeted for the Fiscal Year, Maintenance Contractor shall prepare and submit to ~~Lessor and~~ Lessee a revised Budget within 15 days of receipt of the objection. If ~~Lessor,~~ Lessee and Maintenance Contractor are unable to agree on the Budget for any year, the dispute shall be resolved as set forth on Exhibit B. Lessee's approval of a Budget shall constitute agreement to pay Additional Rental from Available Funds in such additional amount as shall be sufficient, together with the originally scheduled Additional Rental and available amounts on deposit in the Insurance and Maintenance Fund (or the Capital Replacement Reserve, as applicable) under the Trust Agreement to pay the amounts provided in such Budget; provided, however, that expenditures from the Capital Replacement Reserve shall be subject to Lessee approval (by written approval of the Superintendent of the Department of Education or another person designated in writing by the Superintendent). In the absence of an Event of Default under the Lease, Lessor's approval of Budgets shall be based solely on the sufficiency of amounts available under the Trust Agreement to pay the amounts provided in such Budget. When each annual Budget has been approved or deemed approved pursuant hereto, the Maintenance Contractor shall promptly submit a copy of the Budget to the Trustee.

3.4 Reduction of Services.

If ~~Lessor or~~ Lessee objects to the proposed Budget because of an inability to pay for all budgeted services, Maintenance Contractor shall prepare a revised Budget in which total costs for the Fiscal Year do not exceed the \$1,568,000 (insert correct amount) ~~originally~~ scheduled Additional Rental and available amounts on deposit in the Insurance and Maintenance Fund (or the Capital Replacement Reserve, as applicable) or such larger amount as shall be

approved by the Lessor and Lessee. Maintenance Contractor shall consult with Lessee concerning which services, if any, to reduce or eliminate in the revised Budget. If this Section 3.4 is applicable due to an objection by ~~Lessor or~~ Lessee, Maintenance Contractor may provide in the revised Budget for the reduction or elimination of any of the services otherwise required to be provided by Maintenance Contractor under this Agreement. Maintenance Contractor shall submit a revised Budget to ~~Lessor and~~ Lessee within 10 days of the date ~~Lessor or~~ Lessee submits its objections to the proposed Budget. Unless ~~Lessor or~~ Lessee notifies Maintenance Contractor in writing that such party objects to the revised Budget within 10 days of the date the revised Budget is submitted, ~~Lessor and~~ Lessee ~~each~~ shall be deemed to have approved the revised Budget. If ~~Lessor or~~ Lessee objects to the revised Budget, then ~~either Lessor or the~~ or the Lessee may terminate this Agreement with 30 days' written notice to the Maintenance Contractor and the Trustee. Any revised Budget approved or deemed approved pursuant hereto shall be submitted promptly in writing to the Trustee.

3.5 Operation within Budget.

Operations shall be conducted, expenses shall be incurred and assets shall be acquired only pursuant to approved Budgets, provided, however, that in case of emergency, Maintenance Contractor may take any reasonable action it deems necessary to protect life, limb or property, to protect the Project or to comply with law or government regulation the noncompliance with which would have a material adverse effect on the Project or the parties hereto. Maintenance Contractor shall promptly notify ~~Lessor and~~ Lessee in writing of any such emergency expenditure, and Maintenance Contractor shall be reimbursed for such emergency expenditure, but only from amounts available for such purpose in the Insurance and Maintenance Fund or the Capital Replacement Reserve, as applicable. If the moneys in the Insurance and Maintenance Fund or the Capital Replacement Reserve, as applicable, shall be insufficient to cover such emergency expenditure, Lessor shall request in writing that such amounts be paid to ~~Lessor by~~ Lessee from Available Funds as Additional Rentals pursuant to Section 4.01(c) of the Lease Agreement, and a copy of such request shall be provided to the Trustee. Notwithstanding any other provision of this Agreement, Maintenance Contractor shall have no obligation to perform any service that is not set forth in the approved Budget.

3.6 Budget Overruns; Program Changes.

Upon the occurrence of unexpected events, Maintenance Contractor may, but shall not be required to unless it is assured of reimbursement, make such reasonable expenditures in excess of the adopted Budget as are necessary to carry out its duties hereunder. Maintenance Contractor shall submit any proposed material departure from an adopted Budget to ~~Lessor and~~ Lessee for approval. ~~Lessor and~~ Lessee shall ~~each~~ be deemed to have approved such departure from the adopted Budget unless within ten (10) business days ~~either Lessor or~~ Lessee objects to the proposed change in writing to Maintenance Contractor. Maintenance Contractor shall not exceed an adopted Budget by more than 10%, unless directly caused by an emergency expenditure or unless authorized by ~~Lessor and~~ Lessee. Budget overruns of 10% or less shall be paid, but only from amounts available for such purpose in the Insurance and Maintenance Fund, or the Capital Replacement Reserve, as applicable. Any departure from the adopted Budget approved or deemed approved pursuant hereto shall be submitted promptly in writing to the Trustee.

3.7 Books.

Maintenance Contractor shall keep and maintain separate records and accounts of all

expenditures. ~~Lessor~~, Lessee and Trustee may examine such records during normal business hours on reasonable notice. The Trustee shall have no duty to examine such records.

3.8 Right to Stop Performing Functions.

Maintenance Contractor has the right to stop performing any of its obligations hereunder if Lessee fails to reimburse or pay Maintenance Contractor, or to cause Maintenance Contractor to fail to be reimbursed or paid, in a timely fashion as provided in the approved Budget from resources made available under the Lease Agreement and the Trust Agreement. – Maintenance Contractor may also cease, either temporarily or permanently, to perform its duties if ~~Lessor or~~ Lessee materially impairs Maintenance Contractor's ability to perform, or if such performance is impaired by government action, labor dispute, typhoon, earthquake, flood, or other natural disaster or other event of force majeure. Upon any such cessation of performance by Maintenance Contractor, Maintenance Contractor shall provide written notice to the Trustee, ~~Lessor~~ and Lessee.

3.9 Payment.

At any time and from time to time, if amounts in the Insurance and Maintenance Fund, or the Capital Replacement Reserve, as applicable, are insufficient to satisfy the obligations of Lessor to fully pay amounts owed to Maintenance Contractor hereunder, Lessor shall request that such amounts be paid to Lessor by Lessee as Additional Rentals pursuant to Section 4.01 (c) of the Lease Agreement. Notwithstanding any other provision of this Agreement, the parties hereby acknowledge and agree that no obligation assumed by or imposed upon the Maintenance Contractor hereunder shall require the performance of any act by the Maintenance Contractor except to the extent, if any, that the cost and expense of such performance can be paid from the accounts held for such purpose under the Trust Agreement.

ARTICLE IV INSURANCE

4.1 General.

During the term of this Agreement, Maintenance Contractor shall, ~~at Lessor's sole cost and expense,~~ arrange for, obtain and maintain in full force and effect policies of insurance set forth in and as required by Section 7.01 (b) of the Lease Agreement. All premiums for such insurance shall be paid by ~~Lessor~~ Maintenance Contractor to the respective insurance companies upon invoices submitted to the Lessor by the Maintenance Contractor ~~received~~ received, but only from amounts available for such purpose in the Insurance and Maintenance Fund at least 30 days in advance of the date they are due to the respective insurers. Maintenance Contractor shall give ~~Lessor, Lessee and Trustee~~ 30 days' written notice of any increase in any premium prior to the date ~~Lessor~~ Maintenance Contractor must pay such premium. Lessee and Trustee ~~(at the expense of Lessee)~~ shall cooperate fully with Maintenance Contractor and provide such information and execute such documents as may be necessary or convenient in obtaining such insurance.

4.2 Deductibles and Co-Payments.

~~In the event of the occurrence of any loss with respect to the Facility, the Sites or~~

~~otherwise hereunder that is not fully insured, Lessor Lessee shall promptly, upon written demand by Maintenance Contractor to Lessor and Lessee with a copy to Trustee, pay or cause to be paid to Maintenance Contractor or any other proper payee any deductible or co-payment that is a prerequisite to the insurer's payment of the proceeds of the applicable insurance policy, but only from amounts available for such purpose in the Insurance and Maintenance Fund. This section needs to be rewritten~~Deductibles
Deductibles and Co-Payments shall be paid from the Insurance and Maintenance Fund, or the Capital Replacement Reserve.

4.3 Damage and Reconstruction.

In the event any Facility insured hereunder is damaged by fire or other casualty, the proceeds payable under the insurance policies shall be payable as provided in the Lease and the Trust Agreement. The Net Proceeds of fire and extended coverage insurance shall be deposited as provided in Article X of the Lease. After consultation with the Maintenance Contractor, ~~and the Lessee, Lessor~~ shall instruct Maintenance Contractor as to the nature of the repair, reconstruction or replacement, if any, of damaged property, and Maintenance Contractor shall provide a proposed Budget for the requested repair, reconstruction or replacement using the procedure described in Section 3.4, with a copy to the Trustee.

ARTICLE V MISCELLANEOUS

5.1 Breach.

In the event of breach or threatened breach of this Agreement, any party may invoke the dispute settlement procedures set forth in Exhibit B. Except as otherwise provided herein, no party shall be relieved from its responsibilities hereunder unless the dispute resolution procedures are followed to their conclusion.

5.2 Enforcement Fees.

If court proceedings are instituted in connection with the rights of enforcement and remedies provided in this Agreement, the prevailing party shall be entitled to recover its costs and expenses in connection therewith, including reasonable attorneys' fees.

5.3 Limited Liability.

Maintenance Contractor shall not be liable to any person for any action or for any failure to act with respect to any matter if the action taken or failure to act was in good faith and without malice. ~~Lessor-Lessee~~ shall indemnify, defend, release and hold harmless Maintenance Contractor from any loss, liability, claim or expense in such connection, but only from amounts available for such purpose in the Insurance and Maintenance Fund.

5.4 Amendment.

This Agreement may only be amended, changed, modified, altered or terminated by an agreement in writing, signed by each of the ~~Lessor, the Lessee,~~ the Maintenance Contractor and the Trustee. The Trustee shall execute such agreement in writing only if there has been delivered to the Trustee an Opinion of Counsel addressed to the Trustee to the effect that such amendment,

change, modification, alteration or termination (1) will not, in and of itself, materially adversely affect the interests of the Holders, and (2) is authorized or permitted by this Trust Agreement and the Lease.

5.5 Partial Invalidity.

The invalidity or unenforceability of any term or provision of this Agreement by the application of such term or provision to any person or circumstance shall not impair or affect the remainder of this Agreement, and its application to other persons and circumstances and the remaining terms and provisions hereof shall not be invalidated but shall remain in full force and effect.

5.6 Entire Agreement.

This Agreement supersedes any and all prior agreements or understandings between the parties with respect to the subject matter of this Agreement.

5.7 Applicable Law.

This Agreement shall be governed by and construed in accordance with the laws of the Territory of Guam.

5.8 Successors and Assigns.

This Agreement shall inure to the benefit of and be binding on the successors and permitted assigns of the parties hereto. Under the terms of the Lease, Lessor may assign this Agreement to Trustee on the Certificate Closing Date pursuant to that certain Assignment and Security Agreement, dated as of ~~August 1, 2010~~ 2025 (insert date), by and between Lessor and Trustee. Following such assignment, Lessor may not assign this Agreement without the prior written consent of Maintenance Contractor, which consent shall not be unreasonably withheld. Maintenance Contractor may not assign this Agreement except to an affiliate or with the prior written consent of Lessor and Lessee, which consent shall not be unreasonably withheld. Trustee may assign this Agreement to its successor or assign pursuant to the terms of the Trust Agreement. Lessor, Trustee and Maintenance Contractor shall provide the other parties hereto with written notice of any such assignment.

5.9 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Lessor, by its duly authorized representative, has executed this Insurance and Maintenance Agreement as of the date first above written.

LESSOR:

CORE TECH INTERNATIONAL CORPORATION

By: _____

____ Ho Eun

____ Chairman

IN WITNESS WHEREOF, the Lessee, by its duly authorized representative, has executed this Insurance and Maintenance Agreement as of the date first above written.

LESSEE:

DEPARTMENT OF EDUCATION,
GOVERNMENT OF GUAM

By: _____

K. Erik Swanson Ph.D.

Superintendent of Department of Education

APPROVED AS TO FORM
AND LEGALITY:

Douglas B.K. Moylan
Attorney General of Guam

By: _____

Lourdes Aflague Leon Guerrero~~Lourdes Leon-
Guerrero~~

Governor of Guam

IN WITNESS WHEREOF, the Maintenance Contractor, by its duly authorized representative, has executed this Insurance and Maintenance Agreement as of the date first above written.

MAINTENANCE CONTRACTOR:

Core Tech Development International Corporation,

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, the Trustee, by its duly authorized representative, has executed this Insurance and Maintenance Agreement as of the date first above written.

TRUSTEE:

~~Core Tech International Corporation,~~US Bank Inc.

As trustee for the Certificates

Name: _____

By: _____

Authorized Officer

EXHIBIT A

to

Insurance and Maintenance Agreement
dated as of ~~August 1, 2010~~2025(insert date)

by and among

Core Tech International Corporation, Lessor,
Department of Education, Government of Guam, Lessee,
Core Tech ~~International Corporation Development~~, Maintenance Contractor
And ~~Trustee~~US Bank, Inc., Trustee

Work Scope

30 Year Maintenance Program			Type			
			Janitorial	Preventive	Unscheduled	Capital
	Typical School Facility Components for Maintenance	Frequency				
1	Paving					
1.1	Asphalt - repair/seal of cracks	As required			x	
1.2	Concrete Slabs on Grade and Elevated Slabs - repair cracks	As required			x	
2	Structural					
2.1	Structural Damage Assessments	As required			x	
2.2	Foundation Repairs	As required			x	
2.3	Repair of Structural Elements (incl. Crack Repairs)	As required			x	
2.4	Replacement of Structural Elements	As required			x	
2.5	Upgrading of Structural Elements	As required			x	
3	Wall Systems					
3.1	Doors including hardware	As required				x
3.2	Window Assemblies (including Aluminum Sash)	As required			x	x
3.3	Indoor Gym Bleachers that pull out from wall	As required		x		
3.4	Restroom Partitions (attached to wall)	As required			x	
4	Floor Covering					
4.1	Carpeting	Daily	x		x	x
4.2	Resilient Tile Flooring	Daily / weekly	x		x	x
4.3	Sports Flooring	Daily / weekly	x		x	x
5	Painting					
5.1	Interior of classrooms, library, Offices, hallways, cafeteria, Restrooms, Gymnasium and Athletic Manager's Office, Covered Walkways, Laboratories and other Indoor and Outdoor Spaces.	As required/5-yr			x	x
5.2	Touch-up painting of walls	Monthly	x			
5.3	Exterior masonry, metal surfaces and trim	As required/5-yr			x	x
6	Roofing					
6.1	Large Sections or Whole Buildings of Roofing Systems including Water and Thermal Proofing	As required/5-yr			x	x
6.2	Flashings, Gutters, and Downspouts	As required		x	x	
6.3	Ceiling Tiles	As required			x	
30 Year Maintenance Program			Janito	Preve	Unsch	Capita

	Typical School Facility Components for Maintenance	Frequency				
7	Electrical					
7.1	Main Electrical Riser, Connections and Conduits within the Boundaries	As required		x	x	
7.2	Panels and Boards	As required		x	x	
7.3	Signal Systems, including Fire Alarm System and Public Address	Per Mfr		x		
7.4	Main Power Distribution System	As required			x	
7.5	Interior and Exterior Power Distribution Systems	As required			x	
7.6	Interior and Exterior Lighting Systems including Interior and Exterior Incandescent and Fluorescent Lighting and Fixtures	Monthly/As Required	x	x		
7.7	Equipment Connections	As required			x	
7.8	Conduits, Conductors and Cables	As required			x	
7.9	Maintenance and Repair of Stand by Generator and Transfer Switch	Per Mfr/As required		x	x	
8	Plumbing					
8.1	Main Water Supply Pipe Connections and Piping Within Boundaries	As required			x	
8.2	Underground Water Distribution Systems	As required			x	
8.3	Sewer piping, manholes within boundaries	As required			x	
8.4	Interior Water Supply	As required			x	
8.5	Interior and Exterior Plumbing, Connections, Piping and Fixtures, including heaters	As required / Per Mfr		x	x	x
9	Air Conditioning/Ventilation/Heating					
9.1	Air Conditioning Systems					
9.1.1	1. a Central Systems	wk, mo, qrtr, 5-yr	x	x		x
9.1.2	1. b Individual Units	wk, mo, qrtr, 5-yr	x	x		x
9.2	2. Ventilation Systems					
9.2.1	2. a Toilet and Bath Fan Exhaust Systems	wk, mo, qrtr, 5-yr	x	x		x
9.2.2	2. b Cafeteria and Kitchen Fan Exhaust Systems	wk, mo, qrtr, 5-yr	x	x		x
9.2.3	2. c Construction and Automotive Workshops Fume Exhaust Systems	wk, mo, qrtr, 5-yr	x	x		x
10	Fire Protection System					
10.1	Testing and Certifying of Fire Protection System	Annually		x		
10.2	Maintenance of Fire Protection Riser and System	As required			x	
10.3	Maintenance of Fire Alarm System	see Section 7 Per Mfr		x	x	
10.4	Testing and Certifying of Kitchen Fire Protection System	Annually			x	
10.5	Certification-Inspection and Replacement of Fire Extinguishers	Annually/Monthly/As Required		x	x	x
11	Kitchen Equipment					
11.1	Kitchen Equipment Maintenance	Weekly/As Required			x	x
12	Telecom and Internet					
12.1	Telecommunication Conduits / wiring	As Required			x	
12.2	Public Address	Per Mfr		x		
13	Landscaping and Lawns					
13.1	Grass cutting and maintain all grounds including Sports field	Bi-weekly	x			
13.2	Walkway edging	Bi-weekly	x			
13.3	Tree Trimming / Hedging	Monthly	x			
13.4	Provide and maintain Necessary Lawn Care Equipment (1- Riding Mower, 4 Bush cutters, 2 push Mowers)	As Required		x		x
30 Year Maintenance Program			Janito	Type	Unscf	Capit

	Typical School Facility Components for Maintenance	Frequency			
14	Custodial and Waste Collection				
14.1	Garbage collection from classrooms, offices, restrooms and other building areas	Daily	x		
14.2	Site cleanup (hallways, walkways, parking lots, etc.)	Daily	x		
14.3	Waste removal by commercial hauler	Daily	x		
14.4	Classroom Floor polishing / waxing / sealing	~~Semi-Annually~~ Bi-Quarterly	x		
14.5	Restroom cleaning (Sweeping, mopping, wipe down of surfaces, Supply and replenishment of Paper Products, Soap)	Daily	x		
14.6	Restroom flushing and rinsing	Daily	x		
14.7	Classroom cleaning (Sweeping, mopping, wipe down of Student Desks, Cleaning of White boards)	Daily	x		
14.8	Cleaning of Windows and doors interior and exterior	Daily	x		
14.9	Flushing exterior walkways / pressure washing	Bi-weekly/ ~~Quarterly~~	x		
14.10	Pressure washing	Quarterly	x		
15	Pest Control				
15.1	Spraying for control of pests (Ants, Cockroaches and Rats)	~~As Required~~ Semi-Annually	x		
15.2	Control of Termites	~~Semi-Annually~~ ~~As Required~~	x		x
16	Elevator Maintenance				
16.1	Certification	~~Semi-Annually -~~ Annually		x	x
17	Campus Security				
17.1	On Site Security	As required 24/7	x		

EXHIBIT B

Procedures for Settling Disputes

TO THE EXTENT PERMITTED BY LAW, INCLUDING BUT NOT LIMITED TO CHAPTER 6 OF TITLE 5 OF THE GUAM CODE ANNOTATED, IN ANY CASE IN WHICH THERE IS A DISPUTE BETWEEN THE PARTIES HERETO WITH RESPECT TO MATTERS UNDER THIS AGREEMENT, THE PROCEDURE FOR RESOLUTION OF THAT DISPUTE SHALL BE AS FOLLOWS:

THE AGGRIEVED PARTY OR PARTIES SHALL NOTIFY THE OTHER PARTY OR PARTIES OF THE GRIEVANCE IN WRITING. WHEN SUCH A NOTICE IS RECEIVED BY A PARTY, SUCH PARTY SHALL PROMPTLY INVESTIGATE, INSPECT, MEET, DISCUSS OR TAKE SUCH OTHER ACTION IS REASONABLY APPROPRIATE UNDER THE CIRCUMSTANCES TO ATTEMPT TO RESOLVE THE DISPUTE IN GOOD FAITH. APPROPRIATE ACTION SHALL INCLUDE, WITHOUT LIMITATION, PROMPT COMMUNICATION WITH THE AGGRIEVED PARTY OR PARTIES AND A PROPOSED COURSE OF ACTION TO RESOLVE THE PROBLEM. IF THE PARTIES ARE UNABLE TO RESOLVE THE PROBLEM WITHIN A REASONABLE PERIOD (NOT TO EXCEED THIRTY (30) DAYS AFTER THE NOTICE OF THE DISPUTE), THE MATTER SHALL BE SUBMITTED TO BINDING ARBITRATION.

ANY DISPUTE SUBMITTED TO ARBITRATION SHALL BE SETTLED BY ARBITRATION AT A MUTUALLY CONVENIENT LOCATION IN THE CITY OF HAGATNA, GUAM, DESIGNATED BY THE ARBITRATOR, BEFORE A SINGLE ARBITRATOR IN ACCORDANCE WITH THE ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION, AND JUDGMENT UPON THE AWARD RENDERED IN SUCH ARBITRATION MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. WHEN RESOLVING A DISPUTE, THE ARBITRATOR SHALL APPLY THE PERTINENT PROVISIONS OF THIS AGREEMENT AND THE LAWS OF GUAM AND SHALL GIVE EFFECT TO STATUTES OF LIMITATIONS IN DETERMINING ANY CLAIM.

ANY ARBITRATOR DESIGNATED SHALL HAVE NOT LESS THAN TEN (10) YEARS EXPERIENCE IN LEGAL MATTERS PERTAINING TO THE INTERPRETATION AND IMPLEMENTATION OF THE LAWS OF GUAM RELATING TO COMMERCIAL REAL ESTATE TRANSACTIONS. DISCOVERY REQUESTS SHALL BE DETERMINED BY THE ARBITRATOR IN LIGHT OF THE PARTIES' DESIRE TO PROCEED INFORMALLY, AT MINIMAL EXPENSE.

ANY AND ALL FEES AND EXPENSES INCURRED BY THE PREVAILING PARTY IN THE ARBITRATION AS DETERMINED BY THE ARBITRATOR, INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND COSTS, SHALL BE PAID BY THE NON-PREVAILING PARTY. THE PREVAILING PARTY SHALL BE DETERMINED BY THE ARBITRATOR, BASED UPON AN ASSESSMENT OF WHICH

PARTY'S MAJOR ARGUMENTS MADE OR POSITIONS TAKEN IN THE PROCEEDINGS COULD FAIRLY BE SAID TO HAVE PREVAILED OVER THE OTHER PARTY'S MAJOR ARGUMENTS OR POSITIONS ON MAJOR DISPUTED ISSUES IN THE ARBITRATOR'S DECISION. IF THE PARTY WHICH SHALL HAVE COMMENCED OR INSTITUTED THE ACTION, SUIT OR PROCEEDING SHALL DISMISS OR DISCONTINUE IT WITHOUT THE CONCURRENCE OF THE OTHER PARTY, SUCH OTHER PARTY SHALL BE DEEMED THE PREVAILING PARTY. AS USED IN THIS AGREEMENT, THE TERM "ATTORNEYS' FEES" INCLUDES, WITHOUT LIMITATION, ALL ATTORNEYS' AND PARALEGALS' FEES AND EXPENSES INCURRED IN CONNECTION WITH THE DISPUTE WHICH IS THE SUBJECT OF THE ARBITRATION PROCEEDING, INCLUDING, ATTEMPTING TO RESOLVE THE DISPUTE WITHOUT ARBITRATION, PREPARING FOR THE ARBITRATION, CONDUCTING THE ARBITRATION AND DEFENDING ANY REVIEW OF THE ARBITRATOR'S DECISION.

NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT ANY PARTY TO THIS AGREEMENT MAY INITIATE AND MAINTAIN AN ACTION FOR JUDICIAL RELIEF FOR THE PURPOSE OF SEEKING A PROVISIONAL OR ANCILLARY REMEDY OR CLEARING TITLE TO ANY PARCEL OF ANY NOTICE OF LIS PENDENS OR OTHER ENCUMBRANCE UPON TITLE.

NOTICE: BY EXECUTING THIS AGREEMENT, EACH PARTY HERETO IS AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THIS ARBITRATION OF DISPUTES PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY GUAM LAW AND IS GIVING UP ANY RIGHTS SUCH PARTY MAY POSSESS TO HAVE THE DISPUTE LITIGATED IN COURT AND BY JURY TRIAL, AND ANY OTHER RIGHTS TO DISCOVERY AND APPEAL. IF AN PARTY REFUSES TO SUBMIT TO ARBITRATION, SUCH PARTY MAY, TO THE EXTENT PERMITTED BY LAW, BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF APPLICABLE GUAM LAW.

End of Exhibit

EXHIBIT C

Budget for Initial Term of Lease

Management Fee	\$	70,000
Insurance Premiums		161,000
Initial Maintenance Costs		<u>20 000</u>
TOTAL	\$	251,000
		<u>(insert correct amounts in all categories above based on final negotiations)</u>



State of Guam, Government of Guam
Department of Land Management Office of the Recorder
811461

Title for Record is Instrument No.

To:

On the Year 10 Month 9 Day 16 Time 11:51

Fee DE-OFFICIO Receipt No.

Deputy Recorder

Sisa Manggar

Recording Requested By
and When Recorded Return

Orrick, Herrington & Sutcliffe LLP
405 Howard Street

Recording

San Francisco, CA 94105

Attention: Brooke Abola

GROUND LEASE

between

GOVERNMENT OF GUAM,

and

CORE TECH INTERNATIONAL CORPORATION,

Dated as of August 1, 2025 (insert date)

GROUND LEASE

THIS GROUND LEASE, dated as of ~~August 1, 2025~~, (insert date) by and between the GOVERNMENT OF GUAM (the "Ground Lessor"), as ground lessor, and CORE TECH INTERNATIONAL CORPORATION, qualified to do business in Guam (the "Ground Lessee"), as ground lessee;

WITNESSETH:

WHEREAS, the Ground Lessor is the owner in fee of that certain real estate parcel located in Guam and described in Exhibit A (the "Site");

WHEREAS, the Ground Lessor is willing to lease the Site, and the Ground Lessee desires to hire the same from the Ground Lessor, upon the terms and conditions and for the purposes set forth in this lease (the "Ground Lease") and in the Project Development Agreement between the Government of Guam, the Department of Education and Core Tech International Corporation;

WHEREAS, the Ground Lessee desires to sublease the Site, and lease certain school facilities to be constructed and installed on the Site (collectively, the "Facilities") and certain equipment to be located primarily on the Site (the "Equipment," and, collectively with the Facilities and such ~~subleasehold~~sub leasehold interest in the Site, the "Project") to the Department of Education, Government of Guam (the "Lessee"), and the Lessee desires to sublease and lease the same from the Ground Lessee, pursuant to and as further described in the Lease Agreement (the "Lease"), dated as of ~~August 1, 2025~~(insert date), by and between the Ground Lessee, as lessor thereunder, and the Ground Lessee~~Lessor~~, as lessee thereunder;

WHEREAS, the Ground Lessor and Ground Lessee intend that the leasing by the Ground Lessor to the Ground Lessee of the Site shall not effect or result in a merger of the Government of Guam's leasehold estate pursuant to the Lease and the Ground Lessor's fee estate as lessor under this Ground Lease, and the Ground Lessee shall continue to have and hold a leasehold estate in said Site pursuant to this Ground Lease throughout the term hereof and the term of the Lease; and

WHEREAS, all capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Lease;

NOW, THEREFORE, IT IS HEREBY MUTUALLY AGREED as follows:

SECTION 1. Site.

The Ground Lessor hereby leases to the Ground Lessee and the Ground Lessee hereby hires from the Ground Lessor, on the terms and conditions hereinafter set forth, the real property described in Exhibit A attached hereto and made a part hereof, subject, however, to any conditions, reservations, and easements of record as of the date hereof (herein called the "Site").

SECTION 2. Term.

The term of this Ground Lease shall commence on the Certificate Closing Date or upon the date of recordation of this Ground Lease in the Department of Land Management, whichever is later, and shall end at midnight on the date 30 years after ~~such commencement~~ the scheduled completion date of Simon Sanchez High School, unless such term is extended or sooner terminated as hereinafter provided.

If on the date 30 years after the date of commencement of the term of this lease, the Certificates shall not be fully paid, then the term of this Ground Lease shall be extended until ten(10) days after the Certificates shall be fully paid, except that the term of this Ground Lease shall in no event be extended beyond the date which is 40 years after the scheduled completion date of Simon Sanchez High School ~~the date of commencement of the term of this Lease~~. If prior to the date 30 years after the date of commencement of the term of this Lease, the Certificates shall be fully paid, the term of this Ground Lease shall end ten (10) days after such payment in full or ten (10) days after written notice by the Ground Lessor to the Ground Lessee (if such payment in full has by then occurred), whichever is earlier.

SECTION 3. Rental.

The Ground Lessee shall pay to the Ground Lessor as and for rental hereunder the sum of One Dollar (\$1.00).

SECTION 4. Use of Site; Reletting of Site by Ground Lessee.

(a) For the term of the Lease, the Ground Lessee shall use the Site solely for the purpose of ~~construction~~ constructing and financing of the Project and the Facilities thereon and leasing the Site, the Project and the Facilities to the Government of Guam pursuant to the Lease and for such purposes as may be incidental thereto.

(b) Ground Lessee shall demolish the existing structure, and design, construct, furnish and install the new Simon Sanchez High School, (the "Project"), in strict accordance with the duties and requirements set forth in the Project Development Agreement entered on _____ between Core Tech International Corporation ("Contractor"), the Government of Guam ("Owner") and the Government of Guam, Department of Education ("Lessee")

(c) In the event that the Lease is terminated, the right of the Ground Lessee to sublease the Site (including in connection with any sale of the Ground Lessee's interest in the Facility) is subject to the following terms and conditions:

(i) the permitted use of the Site under the sublease shall be limited to purposes allowed by all land use and zoning laws;

(ii) the sublessee (including in that term any buyer taking subject to this Ground Lease) shall agree to indemnify and hold harmless the Government of Guam, ~~and the Ground Lessor,~~ against any and all claims,

actions, suits, judgments, damages and liabilities arising out of the sublessee's use of the Site;

(iii) the sublease (including in that term any agreement of sale to a buyer taking subject to this Ground Lease) shall contain provisions requiring the sublessee to pay all taxes, to maintain the Project and to provide insurance covering such hazards and in such amounts as is commercially reasonable for similar buildings;

(iv) the sublease shall contain covenants of the sublessee regarding hazardous materials which are substantially the same as the covenants contained in Section 12.01 of the Lease;

(v) the sublease shall provide that the Ground Lessee shall have the right to terminate the sublease following a material breach by the sublessee of any of the terms and provisions required pursuant to clauses (i), (ii), (iii) or (iv) above; and

(vi) following a material breach by the sublessee of any of the terms and provisions of the sublease required pursuant to clauses (i) through (v) above, the sublease shall be subject to termination at the written direction of the Government of Guam.

SECTION 5. Owner in Fee.

The Ground Lessor covenants that it is the owner in fee of the Site, as described in Exhibit A hereto, subject to reversion to the United States in accordance with that certain Transfer dated February 26, 1952 from the United State to the Government of Guam. The Ground Lessor further covenants and agrees that if for any reason this covenant proves to be incorrect, the Ground Lessor will either institute eminent domain proceedings to condemn the property or institute a quiet title action to clarify the Ground Lessor's title, and will diligently pursue such action to completion.

SECTION 6. Assignments and Subleases.

The Ground Lessee shall not assign its rights under this Ground Lease or sublet the Site, except pursuant to the Trust Agreement, the Assignment Agreement and the Lease, unless either (i) the Ground Lessee shall have obtained the written consent of the Ground Lessor, or (ii) the Government of Guam shall be in default under the Lease or the Lease shall have been terminated pursuant to its provisions. Any assignment or sublease pursuant to clause (ii) of this Section shall be subject to the terms and conditions of Section 4 hereof.

Core Tech International Corporation shall have no liability for the Trustee's actions or the exercise by the Trustee of any rights under this Ground Lease. By its execution below, Ground Lessor expressly approves of the above-referenced Trust Agreement and Assignment Agreement.

SECTION 7. Right of Entry.

The Ground Lessor reserves the right for any of its duly authorized representatives to enter upon the Site at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

SECTION 8. Termination.

The Ground Lessee agrees, upon the termination of this Ground Lease, to quit and surrender the Site in the same good order and condition as the same were in at the time of commencement of the term hereunder, reasonable wear and tear excepted, and agrees that any permanent improvements and structures existing upon the Site at the time of the termination of this Ground Lease, including but not limited to the Project, shall remain thereon and title thereto shall vest in the Ground Lessor.

Upon the exercise of the option to purchase set forth in Section 14.04 of the Lease and upon payment of the Purchase Price required by said section, the term of this Ground Lease shall terminate.

SECTION 9. Default.

In the event the Ground Lessee shall be in default in the performance of any obligation on its part to be performed under the terms of this Ground Lease or the Project Development Agreement, which default continues for thirty (30) days following notice and demand for correction thereof to the Ground Lessee, the Ground Lessor may exercise any and all remedies granted by law, except that no merger of this Ground Lease and of the Lease shall be deemed to occur as a result thereof, provided, however, that the Ground Lessor shall have no power to terminate this Ground Lease or the rights of entry granted herein by reason of any default on the part of the Ground Lessee if such termination would affect or impair, other than as provided by Section 4 of this Ground Lease, the exercise of any rights or remedies assigned to the Trustee pursuant to the Assignment Agreement or any assignment or sublease of all or any part of the Site then in effect between the Ground Lessee and any assignee or subtenant of the Ground Lessee; and provided further, that so long as any Certificates are outstanding and unpaid in accordance with the terms of the Trust Agreement, the parties acknowledge and understand that the Rentals or any part thereof payable to the Trustee pursuant to the Trust Agreement (by the terms of the Lease or such other assignment or sublease) shall continue to be paid to the Trustee. So long as any such assignee or subtenant of the Ground Lessee shall duly perform the terms and conditions of this Ground Lease and of its then existing sublease (if any), such assignee or subtenant shall be deemed to be and shall become the tenant of the Ground Lessor hereunder and shall be entitled to all of the rights and privileges granted under any such assignment or sublease; provided further, however, that, so long as any Certificates are outstanding and unpaid in accordance with the terms of the Trust Agreement, the parties acknowledge and understand that the Rentals or any part thereof payable to the Trustee pursuant to the Trust Agreement (by the terms of such assignment or sublease) shall continue to be paid to the Trustee.

SECTION 10. Quiet Enjoyment.

The Ground Lessee at all times during the term of this Ground Lease, subject to the provisions of Section 9 hereof, shall peaceably and quietly have, hold and enjoy all of the Site.

SECTION 11. Taxes.

The Ground Lessee covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Site (including both land and improvements), if any.

SECTION 12. Eminent Domain.

In the event the whole or any part of the Site or the Project (including all or any part of the Project) is taken by eminent domain proceedings, the interest of the Ground Lessee shall be recognized and is hereby determined to be the amount of the then unpaid or outstanding Certificates attributable to such part of the Project and shall be paid to the Trustee to be applied as provided in the Lease and in the Trust Agreement.

SECTION 13. Partial Invalidity.

If any one or more of the terms, provisions, covenants or conditions of this Ground Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Ground Lease shall be affected thereby, and each provision of this Ground Lease shall be valid and enforceable to the fullest extent permitted by law.

SECTION 14. Notices.

All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by (i) United States registered or certified mail, return receipt requested, postage prepaid, or (ii) by overnight courier, addressed as set forth below, or to such other addresses as the respective parties may from time to time designate by notice in writing:

If to the Ground Lessee:

Core Tech International Corporation
~~99 Riverside Drive~~ 388 S. Marine Corps Drive, Suite
400
Tamuning, Guam 96913 ~~Moore Haven, Florida 33471~~
Attention: Ho Eun, Chairman ~~President~~

with a copy to:
~~William L. Zvara, P.A.,~~
~~4810 Arapahoe Avenue~~
~~Jacksonville, Florida 32210~~
~~Telephone: (904) 387-2266~~
~~Facsimile: (904) 387-9212~~

If to the Ground Lessor:

Government of Guam
Office of the Governor
~~P.O. box 2950~~ Ricard J. Bordallo Governor's Complex
513 West Marine Corps Drive
Hagåtña, Guam 9691032

Department of Administration
P O Box ~~8847~~420
Hagåtña, Guam 96932
Attention: ~~Lourdes M. Perez~~ Edward Birn, Director
Telephone: (671) 475-~~1250-1101/1250~~34

Guam Economic Development Authority
590 South Marine Corps Drive
ITC Building, Suite 511
Tamuning, Guam 96913
Attention: ~~Tony Blaz~~ Christina D. Garcia, CEO | Administrator
Telephone: (671) 647-4332
Facsimile: (671) 649-4146

SECTION 15. Section Headings.

All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Ground Lease.

SECTION 16. Applicable Law.

This Ground Lease shall be governed by and construed in accordance with the Organic Act of Guam and laws of Guam,

SECTION 17. Amendments.

This Lease may be amended in writing as may be mutually agreed by Ground Lessor and **Ground** Lessee, subject to any restrictions contained in the Trust Agreement, and subject to any applicable limitations of Guam law.

SECTION 18. Execution.

This Ground Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same lease. It is also agreed that separate counterparts of this Ground Lease may separately be executed by the Ground Lessor and the Ground Lessee, all with the same force and effect as though the same counterpart had been executed by both the Ground Lessor and the Ground Lessee.

By Lourdes Aflague Leon Guerrero
Governor of Guam

By Jamacho

By Douglas B. Moylan
Attorney General of Guam

By John Weisenberg
Attorney

IN WITNESS WHEREOF, the Ground Lessee, by its duly authorized representatives, has executed this Ground Lease as of the date first above written.

Core Tech International Corporation

By: _____

Ho Eun
Chairman

By: _____

~~Ho Eun~~(insert name)
Secretary

[ACKNOWLEDGMENTS ATTACHED]

Guam, USA)

) ss

CITY" OF TAMUNING)

ON THIS ~~1ST~~ (insert day) day of ~~September, 2025~~ (insert date), before me, a Notary Public in and for Guam, USA, personally appeared Lourdes Leon Guerrero , known to me to be the Governor of Guam, whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same of his own free act and deed on behalf of the Government of Guam for the uses and purposes therein set forth,

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year fist above written.

(Seal)

NOTARY PUBLIC
My commission expires

STATE OF FLORIDA

COUNTY OF GLADES

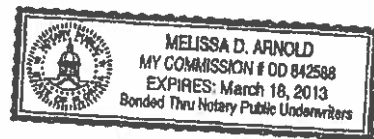
The foregoing instrument was acknowledged before me this ____ day of August, 2025(insert date), by John R. Ahern, acting as President for Core Tech International Corporation. Such person did not take an oath and: (notary must check applicable box)

____ is/are personally known to me, or

____ produced a current _____ driver's license as identification; or

____ produced _____ as identification.

NOTARY PUBLIC



(SEAL)

Commission expires:

STATE OF FLORIDA
COUNTY OF GLADES

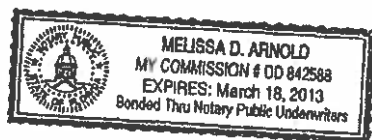
The foregoing instrument was acknowledged before me this ____ day of (insert date) by Maxine Bramley, acting as Secretary for Core Tech International Corporation, Such person did not take an oath and: (notary must check applicable box)

____ is/are personally known to me; or

____ produced a current ____ driver's license as identification; or

____ produced ____ identification.

NOTARY PUBLIC



(SEAL)

Commission expires:

EXHIBIT A

Legal Description of Site

Parcel One:

Lot Number 5138-R3, Tamuning (formerly of Dededo), Guam, Suburban, as said Lot is described in that Real Estate Requirements for Tumon & Route No. 1, as shown on Drawing Number E6-65T633, dated 07 January 66 and filed in Survey Division at Land Management.

For informational purposes only, the above referenced map indicates the property contains an area of 41,496.26 square meters.

Last Certificate of Guaranteed Claim Number: 3001 — The United States of America (as to Basic Lot 5138; Estate Number 3922).

Parcel Two:

Lot Number 5139-R3, Tamuning (formerly of Dededo), Guam, Suburban, as said Lot is described in that Real Estate Requirements for Tumon & Route No. 1, as shown on Drawing Number E6-65T633, dated 07 January 66 and filed in Survey Division at Land Management.

For informational purposes only, the above referenced map indicates the property contains an area of 87,965-96 ± square meters.

Last Certificate of Guaranteed Claim Number: 3002 — The United States of America (as to Basic Lot 5139; Estate Number 3923)



Vince Arriola <vince.arriola@dpw.guam.gov>

foia25-0011 - SSHS Finance, Demolition, Design, Build, Lease/Leaseback & Insure Capital/Maintenance(FDDBLM)

1 message

Donna Herrero <donna.herrero@dpw.guam.gov>

Wed, Jul 16, 2025 at 4:05 PM

To: Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, Tom Keeler <tkeeler@oagguam.org>

Good afternoon,

Please find the attached FOIA request which was submitted to DPW today, July 16, 2025 at 330pm. Please acknowledge receipt of this email.

Donna Herrero,
Private Secretary
Department of Public Works
(671)647-5055

 **foia25-0011.pdf**
23K

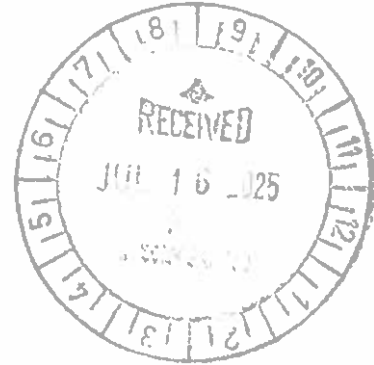
**Law Office of
EDWARD C. HAN**
238 ARCHBISHOP FLORES ST., STE. 802
HAGATNA, GUAM 96910

Tel: (671) 475-5055
Fax: (671) 477-5445
E-mail:
edwardhan65@gmail.com

July 16, 2025

VIA HAND DELIVERY

Mr. Vincent P Arriola, Director
Department of Public Works (DPW)
542 N. Marine Corps Dr.
Tamuning, GU 96913



RE: Sunshine Act Request
**New Simon Sanchez High School Finance, Demolition, Design, Build,
Lease/Leaseback & Insure/Capital Maintenance (FDDBLM)**

Project No.: 730-5-1059-L-YIG

Dear Director Arriola:

Buenas! This request for information is being made pursuant to 5 GCA § 10101 *et seq.*, more commonly referred to as the Sunshine Reform Act of 1999. My office is respectfully requesting to obtain a copy of, or a right to inspect, the following:

- Reviewer's scoring sheets and notes for all the bidders; and
- Bid submissions for all bidders; and
- Presentation videos for all bidder

Pursuant to § 10103 (d), please provide or make available for inspection, the requested documents not later than (4) four days from the date you receive this request. We will pay for your copying expenses, if any. Please contact my office to let me know when the requested documents will be available for pickup or inspection. For your convenience, you may also email the documents to edwardhan65@gmail.com. Should you have any questions or comments, please feel free to contact my office.

Sincerely,

A handwritten signature in black ink, appearing to be "E. Han" with a stylized flourish.

EDWARD HAN



Vince Arriola <vince.arriola@dpw.guam.gov>

Negotiation Meeting #2 - New Simon Sanchez High School(FDDBLM)

3 messages

Vince Arriola <vince.arriola@dpw.guam.gov>

Thu, Jul 17, 2025 at 8:02 AM

To: Ho Eun <ho.eun@coretechintl.com>

Cc: Linda Ibanez <linda.ibanez@dpw.guam.gov>, "Ernest G. Candoleta Jr." <ernest.candoleta@dpw.guam.gov>

Bcc: Donna Herrero <donna.herrero@dpw.guam.gov>

Good morning Mr. Eun,

Hope this email finds you well. Please find the attached letter regarding the second negotiation meeting. Please acknowledge receipt of this email and attachment.

Vincent P. Arriola

Director, Department of Public Works

542 North Marine Corp Drive,

Tamuning, Guam 96913

(671) 646-3131

 **dir25-1288.pdf**
27K

Ho Eun <ho.eun@coretechintl.com>

Thu, Jul 17, 2025 at 8:08 AM

To: Vince Arriola <vince.arriola@dpw.guam.gov>

Cc: Linda Ibanez <linda.ibanez@dpw.guam.gov>, "Ernest G. Candoleta Jr." <ernest.candoleta@dpw.guam.gov>

Dear Director Arriola,

Thank you for the invitation. I confirm my attendance at the July 18th meeting at 9:00 AM at the GEDA Conference Room. I look forward to discussing the construction and financing documents.

Best regards,

Ho

[Quoted text hidden]

This message was sent from outside the company. Please do not click links or open attachments unless you recognize the source of this email and know the content is safe.

"Disclaimer: The content of this message is confidential and intended only for the use of the individual or entity to which it is addressed. If you have received it by mistake, please inform us by an email reply and then delete the message. It is prohibited to copy, forward, or in any way reveal the contents of this message to anyone. The integrity and security of this email cannot be guaranteed over the Internet. Therefore, the sender will not be held liable for any damage caused by the message."

Vince Arriola <vince.arriola@dpw.guam.gov>

Thu, Jul 17, 2025 at 8:18 AM

To: Ho Eun <ho.eun@coretechintl.com>

Cc: Linda Ibanez <linda.ibanez@dpw.guam.gov>, "Ernest G. Candoleta Jr." <ernest.candoleta@dpw.guam.gov>

Good morning,

Thank you for your confirmation of your attendance.

Vincent P. Arriola

Director, Department of Public Works

542 North Marine Corp Drive,

Tamuning, Guam 96913

(671) 646-3131

[Quoted text hidden]



The Honorable
LOURDES A. LEON GUERRERO
Maga' Håga - Governor

The Honorable
JOSHUA F. TENORIO
Sigundo Maga' Låhi - Lieutenant Governor



VINCENT P. ARRIOLA

Director

LINDA J. IBANEZ

Deputy Director

ERNEST G. CANDOLETA, JR

Deputy Director

July 16, 2025

Mr. Ho Eun
Chairman
Core Tech International Corp.
388 S Marine Corps Dr, Suite 400
Tamuning, Guam 96913

SUBJECT: NEGOTIATION MEETING #2
New Simon Sanchez High School (FDDBLM)
Project No. 730-5-1059-L-YIG

Dear Mr. Ho,

Buenas yan Hafa Adai! The Department of Public Works (DPW), the Guam Department of Education (GDOE), the Guam Economic Development Authority (GEDA) and the various government stakeholders have been meeting to discuss your proposal for the above subject project.

I am kindly requesting your presence for our **Negotiation Meeting #2** on Friday, July 18th, 2025, at 9:00am, at the Guam Economic and Development Authority (GEDA) Conference Room on the 5th floor of the ITC Building in Tamuning.

The intent of this second meeting is to discuss the construction and financing papers provided to DPW this week.

Please contact Donna Herrero at 671-646-3131 to confirm your participation. I look forward to seeing you.

Sincerely,


VINCENT P. ARRIOLA
Director



The Honorable
LOURDES A. LEON GUERRERO
Maga' Håga • Governor

The Honorable
JOSHUA F. TENORIO
Sigundo Maga' Låhi • Lieutenant Governor



Director
LINDA J. IBANEZ
Deputy Director
ERNEST G. CANDOLETA, JR
Deputy Director

July 16, 2025

Mr. Ho Eun
Chairman
Core Tech International Corp.
388 S Marine Corps Dr, Suite 400
Tamuning, Guam 96913

SUBJECT: NEGOTIATION MEETING #2
New Simon Sanchez High School (FDDBLM)
Project No. 730-5-1059-L-YIG

Dear Mr. Ho,

Buenas yan Hafa Adai! The Department of Public Works (DPW), the Guam Department of Education (GDOE), the Guam Economic Development Authority (GEDA) and the various government stakeholders have been meeting to discuss your proposal for the above subject project.

I am kindly requesting your presence for our **Negotiation Meeting #2** on Friday, July 18th, 2025, at 9:00am, at the Guam Economic and Development Authority (GEDA) Conference Room on the 5th floor of the ITC Building in Tamuning.

The intent of this second meeting is to discuss the construction and financing papers provided to DPW this week.

Please contact Donna Herrero at 671-646-3131 to confirm your participation. I look forward to seeing you.

Sincerely,

VINCENT P. ARRIOLA
Director



SSHS NEGOTIATION COMMITTEE MEETING AGENDA

Thursday, July 17, 2025, 2:00 pm - GEDA Conference Room

A. CALL TO ORDER

B. UNFINISHED BUSINESS

1. Public Law and RFP Requirements
 - a. \$166M Price Ceiling (Construction, Financing, and FF&E)
 - b. RFP Requirement (2,000 students)
2. Four DRAFT Contracts Status
 - a. Lease Agreement (P3 Umbrella Agreement)
 - b. Project Development Agreement (Construction)
 - c. Insurance & Maintenance Agreement
 - d. Ground Lease

4/39.0 am

Cap I - \$16.0 m

C. NEW BUSINESS

1. Discuss Core Tech Papers-
 - a. Financing
 - b. Construction

D. NEXT STEPS

1. Negotiation Meeting #2 with Core Tech, DPW, GDOE, & GEDA – Friday, July 18th, 9am, GEDA
 - a. Review and discuss Core Tech Proposals (finance construction) and government position.

E. OPEN DISCUSSION

F. NEXT MEETING

G. ADJOURN

Proposed SSHS Schedule/ Milestones

1. Weekly SSHS Negotiation Committee Meeting - June 26th
2. Weekly SSHS Negotiation Committee Meeting - Review Draft Construction and O&M Contracts from TRMA - July 3rd
3. Negotiation Meeting #1 with Core Tech, DPW, GDOE - Wednesday July 9th.
4. Government Review of Contracts - Comments due to Attorney Brooks by close of business - ~~Tuesday, July 8th~~, Wednesday July 9th
5. Weekly SSHS Negotiation Committee Meeting- Update on Negotiations w/ Core Tech and Contract Status - Thursday, July 10th.
6. GEDA Legal and Financing updates to four DRAFT contracts - Due Tuesday July 15th.
7. SSFM/ TRMA/ SSHS/ GDOE final review and updates to four DRAFT contracts - Due Wednesday, July 16th
8. Weekly SSHS Negotiation Committee Meeting - Thursday, July 17th.
9. Negotiation Meeting #2 w/ Core Tech- Friday, July 18th.
10. P3 Pre final DRAFT contract template from Orrick/ Government Internal Review.
11. Send DRAFT contracts to Core Tech
12. Finalize Contract/ Notice of Intent to Award/ Notice of Award

From: Wang, John Y. <jwang@orrick.com>

Subject: RE: P.L. 37-22 & Simon Sanchez Debt Service

Email received from **EXTERNAL** sender. Confirm the content is safe prior to opening attachments or links.

I agree with you, Les, that the principal amount of the bonds is not to exceed \$166,365,000 for all normal tax-exempt eligible hard costs associated with putting up the new high school, including demo, construction, building and normal bond financing costs.

With respect to the \$16,377,125 annual appropriation, I believe that the amount is intended to cover costs relating to financing, construction, FF&E and maintenance, or with respect to the first three of those items, the amortization thereof. I believe Section 58D109(a) makes that clear as the \$16,377,125 is meant to cover payments under both the lease and the lease-back.

(Section 58D103(a) authorizes GDOE to enter into the lease with the contractor for “financing, construction, FF&E services, and maintenance” of the new school. I view this as the “ground lease.” Section 58D103(b) authorizes the lease-back from the contractor to the GDOE to “amortize over the leaseback period the costs associated with the financing, construction, and FF&E services” for the new school, but does not mention maintenance. But maintenance is covered in the lease part of 58D103(a).)

Happy to chat if helpful.

John

John Y. Wang

Partner

Orrick

The Orrick Building

405 Howard Street

San Francisco, CA 94105-2669

T +1-415-773-5993

jwang@orrick.com



New SSHS VE Summary

Date: 7/15/2025

No	Description	Amount	Remark
1	VE#01: Size of Classroom (from 117,032 Sq-ft to 94,673 Sq-ft)	\$ (9,796,201.55)	
2	VE#02: Hallway & Corridor Width	\$ (2,248,557.65)	Design Changes
3	VE#03: DPW Building Permit & Review Fees	\$ (758,626.69)	
4	VE#04: Rainwater Catchment System	\$ (1,773,539.00)	
5	VE#05: Photovoltaic System	\$ (460,913.00)	
6	VE#06: Lighting Pole at Track & Field	\$ (990,000.00)	
7	VE#07-1: Domestic Water Pipe Material	\$ (150,000.00)	Design Changes
	VE#07-2: Fire Sprinkler Branch Lines	\$ (100,000.00)	Design Changes
8	VE#08: Reusable FF&E from Existing SSHS	\$ (1,702,289.76)	
9	VE#09: HVAC Roof Enclosure	\$ (250,000.00)	
10	VE#10: Downsizing Auditorium	\$ (3,737,382.95)	
11	VE#11 Number of Classrooms (from 112 to 81 classrooms)	\$ (7,229,435.40)	
Total Estimated VE Amount (A)		\$ (29,196,946.00)	

Total Proposed Cost without VE (B) \$ 195,561,946.00

Total Proposed Net Project Cost (A+B) \$ 166,365,000.00

27.359

150
31
4,150

Justification for Core Tech as Financing Entity for SSHS Project

Legal Foundation

5 GCA § 58D104(a) mandates that the procurement for the new Simon Sanchez High School must include financing:

“... the GDOE, through the Department of Public Works (DPW), **shall** issue a solicitation in compliance with the Guam Procurement Law, for the following services with regard to the new Simon Sanchez High School: (1) **financing...**”

As well, 5 GCA § 58D102(b)(1) defines the “Contract” awarded pursuant to the procurement under the law to include the financing.

DPW RFP No. 730-5-1059-L-YIG, issued on March 28, 2025, governs and supersedes any prior procurement efforts, including those by GEDA. This is due to:

1. Its issuance being later in time, and
2. Its alignment with 5 GCA Chapter 58D.

Under GEDA RFP 2024-005 (issued September 24, 2024; awarded October 24, 2024), Section 3.9 explicitly states that GEDA is “**in no way**” obligated “to award and execute a contract.” This further reinforces that DPW’s procurement takes precedence and that the GEDA award conflicts with 5 GCA Chapter 58D.

RFP-Specific Financing Requirements

DPW RFP No. 730-5-1059-L-YIG, Section VII, Question 4 (page 5), and the follow-up in-person interview, focused extensively on the financing plan.

The Core Tech team’s proposal includes a financing structure in cooperation with GEDA, GovGuam, DPW, and GDOE, demonstrating full alignment with the RFP’s intent.

Compliance with § 58D108

§ 58D108. Financing Requirements.

To minimize the cost to the government of Guam, financing utilized by **the Contractor to fund the construction of and FF&E services** for the new Simon Sanchez High School shall be through tax-exempt obligations, or other financial instruments; provided, that such financing is available at an interest rate of no more than eight-and-a-half percent (8.5%).

The contractor may use an alternative method of financing, including, but not limited to, a short-term debt, mortgage, loan, federally guaranteed loan, or loan by an instrumentality of the United States of America if such financing will better serve the needs of the people of Guam, subject to approval by *I Liheslaturan Guåhan*.

Core Tech’s financing plan complies with 5 GCA § 58D108, which requires:

- Use of tax-exempt obligations or other financial instruments with interest rates not exceeding 8.5%.

- Alternative financing methods (e.g., short-term debt, federally guaranteed loans) are permitted only with legislative approval.

Core Tech's plan:

- Utilizes tax-exempt obligations.
- Does not require legislative approval, as no alternative financing is proposed.
- Aligns with the statutory language: "financing utilized by the Contractor," affirming that the Contractor (Core Tech) is the financing entity.

Precedent and Integration

Core Tech proposes a financing process modeled after the JFK High School project, where:

- **GEDA, GovGuam, DPW, and GDOE are fully integrated into all aspects of the financing process, including:**

- Financing calls
- Document development
- Rating agency presentations
- Bond marketing and investor relations
- Bond sale execution

Underwriter and Legal Counsel

Underwriter: Barclays

- Chosen for its extensive experience in Guam, including:
 - Tiyan High School
 - Southern High School
 - Co-manager for JFK High School refinancing
- Barclays was explicitly included in Core Tech's proposal.
- GEDA and GovGuam are familiar with Barclays, while the underwriters selected under GEDA RFP 2024-005 lack experience with Guam high schools or leases.

Bond Counsel:

- Core Tech initially proposed Kutak Rock LLP and Koegen Edwards PC as co-bond counsel for cost efficiency.
- For expediency and Guam-specific expertise, **Core Tech is willing to use Orrick, Herrington & Sutcliffe LLP as bond and disclosure counsel.**
- In this structure:
 - Koegen Edwards PC (Roy Koegen) would serve as underwriter's counsel.
 - Kutak Rock LLP would not participate.

Legal Authority and Issuer Selection

Under Guam law, none of GEDA, GovGuam, GDOE, or DPW has the authority to serve as the actual issuer of the financing.

A conduit issuer—as used for JFK and Tiyan—is required.

It is unclear if GEDA has the legal authority to select the underwriter for the issuer's bonds

unilaterally.

Core Tech proposes to collaborate with GEDA, DPW, and GovGuam to select the issuer.

Summary

Core Tech proposes to work collaboratively with GEDA and other GovGuam agencies under a financing process and structure substantially identical to the one GEDA desires and otherwise contemplates (including with Orrick), the primary exception being that Core Tech, as Contractor, selects the bond underwriter in compliance with and pursuant to 5 GCA Chapter 58D and DPW RFP No. 730-5-1059-L-YIG.

VE Recommendation Scenario 1

CTI VE Items	Cost	
1 Classroom Size Reduction	\$9,796,201	
2 Hallway & Corridor Reduction	\$2,248,557	
3 DPW Permit Fees		OK, Need DPW approval
4 Rainwater Catchment		OK
5 Photovoltaic System		OK
6 Track & Field Light Deletion	\$990,000	
7 Water Pipe & Fire Sprinkler Lines		OK
8 Reuse FF&E	\$1,702,289	
9 HVAC Roof Enclosure		OK
10 Downsize Auditorium		OK
11 Classroom Count Reduction	\$7,229,435	
	\$21,966,482	Target Reduction Cost

TRMA VE Recommendation

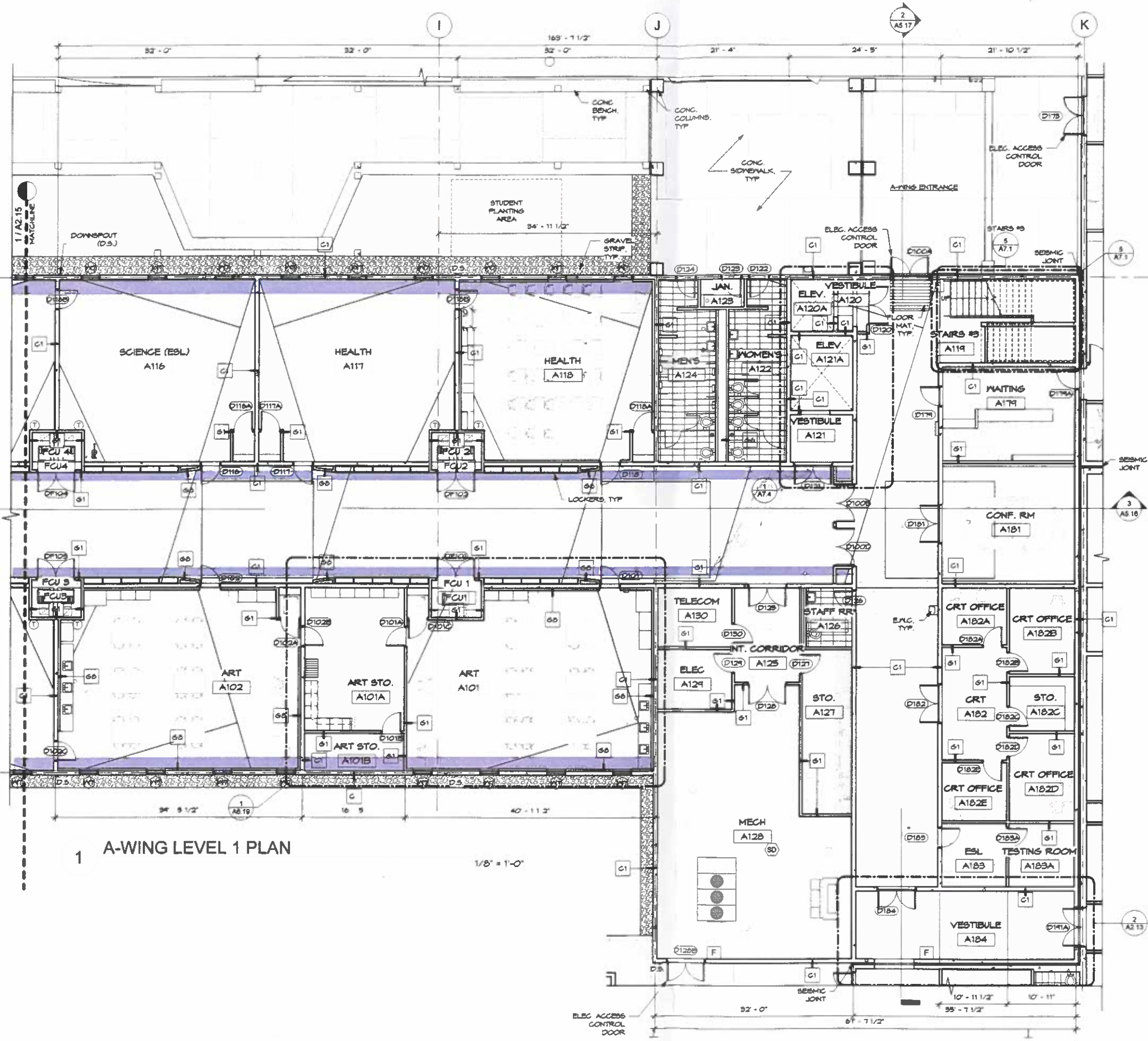
1 Classroom Size Reduction	\$0	
2 Hallway & Corridor Reduction	\$1,349,134	A & B-wing corridor -3lf width
3 DPW Permit Fees		OK
4 Rainwater Catchment		OK
5 Photovoltaic System		OK
6 Track & Field Light Deletion	\$0	Delete
7 Water Pipe & Fire Sprinkler Lines		OK
8 Reuse FF&E	\$0	Reduction w/classrooms
9 HVAC Roof Enclosure		OK
10 a. Downsize Auditorium	\$0	
b. Delete Auditorium	\$10,678,237	
11 Delete Excess cost for 16 classrooms	\$3,731,321	
12 Delete Credit Recovery	\$5,526,976	
13 a. C-wing Classrooms 25% Reduction	\$0	
b. C-wing Classrooms 25% Reduction	\$0	
c. Delete C-wing Classrooms	\$0	
14 a. Reduce JROTC Multipurpose Space	\$0	
b. Delete JROTC Multipurpose Space	\$0	
	\$21,285,668	VE Recommendation

VE Recommendation Scenario 2

CTI VE Items	Cost	
1 Classroom Size Reduction	\$9,796,201	
2 Hallway & Corridor Reduction	\$2,248,557	
3 DPW Permit Fees	\$758,626	
4 Rainwater Catchment		OK
5 Photovoltaic System		OK
6 Track & Field Light Deletion	\$990,000	
7 Water Pipe & Fire Sprinkler Lines		OK
8 Reuse FF&E	\$1,702,289	
9 HVAC Roof Enclosure		OK
10 Downsize Auditorium		OK
11 Classroom Count Reduction	\$7,229,435	
	\$22,725,108	Target Reduction Cost

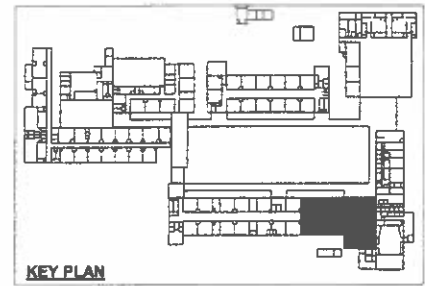
TRMA VE Recommendation

1 Classroom Size Reduction	\$0	
2 Hallway & Corridor Reduction	\$1,349,134	A & B-wing corridor -3lf width
3 DPW Permit Fees		OK
4 Rainwater Catchment		OK
5 Photovoltaic System		OK
6 Multipurpose Field Deletion	\$1,360,000	
7 Water Pipe & Fire Sprinkler Lines		OK
8 Reuse FF&E	\$0	
9 HVAC Roof Enclosure		OK
10 a. Downsize Auditorium	\$0	OK
b. Delete Auditorium	\$10,678,237	
11 Delete Excess cost for 16 classrooms	\$3,731,321	
12 Delete Credit Recovery	\$5,526,976	
13 a. C-wing Classrooms 25% Reduction	\$0	
b. C-wing Classrooms 25% Reduction	\$0	
c. Delete C-wing Classrooms	\$0	
14 a. Reduce JROTC Multipurpose Space	\$0	
b. Delete JROTC Multipurpose Space	\$0	
	\$22,645,668	VE Recommendation



1 A-WING LEVEL 1 PLAN

1/8" = 1'-0"



PLAN NOTES:
 1. REFER TO SITE PLAN NOTES.
 2. REFER TO ALL DRAWINGS AND SPECIFICATIONS FOR ADDITIONAL DESIGN REQUIREMENTS FOR ARCHITECTURAL WORK.

REVISION		
No.	Description	Date

TRMA
 Tamiyuchi Ruth Maida Architects
 100 Cliff Business Center, P.O. Box 64, Agua, GU 99910
 Tel: (571) 475-6772 • Fax: (571) 472-3381

Architecture
 Planning
 Interior Design



Project
 GDOE
 SIMON SANCHEZ HIGH SCHOOL

Title
 CLASSROOM PLANS
 A101 - A102, A116 - A118

PERMIT DOCUMENTS	
Designed	TRMA
Drawn	EPJ/DLG
Checked	RM/TP
Subv.	CTC
Scale	As indicated
Date	08/26/22
Project No.	
Drawn No.	

A2.14



REQUEST FOR PROPOSALS

FOR

**NEW SIMON SANCHEZ HIGH SCHOOL:
FINANCE, DEMOLITION, DESIGN, BUILD, LEASE/LEASEBACK &
INSURE/CAPITAL MAINTENANCE
(FDDBLM)**

**AS AUTHORIZED BY THE "MA KĀHAT ACT OF 2013" AND ALL
SUBSEQUENT/RELATIVE PUBLIC LAWS AS APPROPRIATE**

PROJECT No. 730-5-1059-L-YIG

**LOURDES A. LEON GUERRERO
Governor of Guam**

and

**JOSHUA F. TENORIO
Lt. Governor of Guam**

PREPARED BY:



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

REQUEST FOR PROPOSALS

**NEW SIMON SANCHEZ HIGH SCHOOL:
FINANCE, DEMOLITION, DESIGN, BUILD, LEASE/LEASEBACK AND
INSURE/CAPITAL MAINTENANCE
(FDDBLM)**

PROJECT NO. 730-5-1059-L-YIG

LOURDES A. LEON GUERRERO
Governor of Guam

and

JOSHUA F. TENORIO
Lt. Governor of Guam

PREPARED BY:

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

2025

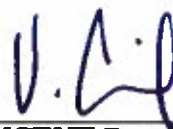
RECOMMEND APPROVAL:



JOHN F. CALANAYAN
Engineer Supervisor
Department of Public Works

Date: 7/21/25

APPROVED BY:



VINCENT P. ARRIOLA
Director
Department of Public Works

Date: 7-21-25



The Honorable
LOURDES A. LEON GUERRERO
Maga' Håga · Governor

The Honorable
JOSHUA F. TENORIO
Sigundo Maga' Låhi · Lieutenant Governor


public works
DIPATTAMENTON CHE'CHO' PUPLEKO
VINCENT P. ARRIOLA
Director
LINDA J. IBANEZ
Deputy Director

REQUEST FOR PROPOSAL

The Governor of Guam, Lourdes A. Leon Guerrero, and Lt. Governor Joshua F. Tenorio, through the Director of the Department of Public Works (DPW), invite sealed proposals for the New Simon Sanchez High School – Finance, Demolition, Design, Build, Lease/Leaseback, and Insure/Capital Maintenance (FDDBLM), Project No. 730-5-1059-L-YIG.

RFP documents will be available starting **Friday, March 28, 2025**, at the **Contract Administration Technical Services Office, Ground Floor, TMC Building, DPW** for a **non-refundable fee of \$25.00**. Payment must be made at the **Treasurer of Guam**, located at DPW, and a receipt must be presented to obtain the documents. Upon obtaining the RFP, Proposers must complete and return the **Acknowledgment of Receipt Form (Attachment 7)** to DPW. Failure to submit this form will result in the Proposer's disqualification as being non-responsive.

A **mandatory in-person pre-proposal conference** will be held on **Friday, April 4, 2025**, at **9:00 a.m.** in the **Guam Economic Development Authority (GEDA) Conference Room**, located on the **5th floor of the ITC Building**. A **mandatory site visit** will follow at **2 p.m.** at the old Simon Sanchez High School to allow Proposers to familiarize themselves with the project site.

Sealed proposals must be submitted to the **Contracts Administration and Technical Services Section, Division of Capital Improvement Projects, Ground Floor, TMC Building, DPW** by **4:00 p.m., Friday, May 23, 2025**. Proposals will not be accepted without proof of payment.

DPW affirms that all minority business enterprises will have full opportunity to submit proposals and will not be discriminated against based on race, color, or national origin in consideration for an award. The Government of Guam reserves the right to reject any or all proposals and waive any irregularities in the best interest of the government.


VINCENT P. ARRIOLA
Director

Project Name: RFP FOR NEW SIMON SANCHEZ HIGH SCHOOL: FINANCE.
DEMOLITION. DESIGN. BUILD. LEASILEASEBACK & INSURE/CAPITAL MAINTENANCE
Project No.: 730-5-1059-L-YIG

NEW SIMON SANCHEZ HIGH SCHOOL (FDDBLM)

RFP TIMELINES
Project No. 730-5-1059-L-YIG

Friday, March 28, 2025	AVAILABILITY OF RFP DOCUMENTS
Friday, April 4, 2025, 9 AM	MANDATORY PRE-PROPOSAL CONFERENCE. MANDATORY SITE VISIT TO FOLLOW AT 2 PM
Friday, April 18, 2025, 4 PM	LAST DAY TO SUBMIT WRITTEN QUESTIONS AND/OR CLARIFICATIONS
Wednesday, April 30, 2025, 4 PM	ANTICIPATED RESPONSE/REPLIES TO QUESTIONS/CLARIFICATIONS
Friday, May 23, 2025, 4 PM	RFP SUBMITTAL DUE DATE (Submit to DPW, TMC Building, CIP Contract Section)
Wed-Thursday, June 4-5, 2025	ANTICIPATED PRESENTATION & INTERVIEW DATE
Friday, June 20, 2025	ANTICIPATED SELECTION NOTICE

NEW SIMON SANCHEZ HIGH SCHOOL (FDDBLM)

TABLE OF CONTENTS

Project No. 730-5-1059-L-YIG

<u>Contents</u>	<u>Page</u>
I. PROJECT OVERVIEW	1
II. TERM AND TIME OF PERFORMANCE.....	1
III. SCOPE OF SERVICES	2
IV. COMMUNICATION REGARDING THE RFP.....	2
V. PROPOSAL PACKAGE REQUIREMENTS.....	2
VI. PROPOSAL SUBMITTAL	2
VII. INSTRUCTIONS FOR SUBMITTING A PROPOSAL	2
VIII. TERMS OF PAYMENT.....	7
IX. AVAILABILITY	8
X. AMENDMENTS	8
XI. PRE-PROPOSAL CONFERENCE	9
XII. PRE-PROPOSAL QUESTIONS	9
XIII. EXPLANATION TO PROPOSERS.....	9
XIV. DPW's ANSWERS.....	9
XV. WITHDRAWAL OF PROPOSALS	9
XVI. ALTERNATE OR MULTIPLE PROPOSALS NOT ACCEPTED.....	10
XVII. NO LATE PROPOSALS	10
XVIII. PROHIBITION AGAINST EMPLOYMENT OF SEX OFFENDERS.....	10
XIX. EQUAL OPPORTUNITY	10
XX. RECEIPT/OPENING OF PROPOSALS	11
XXI. CLASSIFICATION OF PROPOSALS AS RESPONSIVE OR NON-RESPONSIVE	11
XXII. DETERMINATION OF RESPONSIBILITY	11
XXIII. COMPLETENESS OF PROPOSALS	11
XXIV. FAILURE TO COMPLY WITH INSTRUCTIONS.....	11
XXV. DPW RIGHTS RESERVED.....	12
XXVI. NON-DISCLOSURE OF DATA.....	12
XXVII. REJECTION OF PROPOSAL OFFER.....	12
XXVIII. CANCELLATION OF RFP SOLICITATION	12
XXIX. DEBARMENT.....	13
XXX. PERFORMANCE AND PAYMENT BOND	13
XXXI. INDEMNIFICATION.....	13
XXXII. RFP ATTACHMENTS & LEGAL REQUIREMENTS	13
XXXIII. OPENING OF PROPOSALS	15
XXXIV. EVALUATION OF PROPOSALS AND AWARD OF CONTRACT	15
XXXV. EVALUATION CRITERIA	16
XXXVI. EVALUATION, RATING AND SELECTION TABLE.....	16
XXXVII. INDIVIDUAL EVALUATION FORM.....	17
XXXVIII. SUMMARY EVALUATION FORM.....	18
XXXIX. TERM SHEET AND PRICE PROPOSAL SUBMITTAL	18
XL. NEGOTIATION AND AWARD OF CONTRACT	18
XLI. SUCCESSFUL NEGOTIATION OF CONTRACT WITH QUALIFIED PROPOSER.....	18
XLII. FAILURE TO NEGOTIATE CONTRACT WITH BEST QUALIFIED PROPOSER	18
XLIII. NOTICE OF AWARD.....	19
XLIV. AWARDING OF CONTRACT	19
XLV. COMMENCEMENT OF WORK	19
XLVI. DEFINITIONS.....	19

Attachments

ATTACHMENT A: FINANCING SCOPE OF WORK

ATTACHMENT B: DESIGN/CONSTRUCTION AND INSURANCE/CAPITAL MAINTENANCE
SCOPE OF WORK

Required Forms

ATTACHMENT 1: AFFIDAVIT OF DISCLOSING OWNERSHIP AND COMMISSIONS

ATTACHMENT 2: AFFIDAVIT OF NON-COLLUSION

ATTACHMENT 3: AFFIDAVIT re NO GRATUITIES OR KICKBACKS

ATTACHMENT 4: AFFIDAVIT re CONTINGENT FEES

ATTACHMENT 5: AFFIDAVIT re ETHICAL STANDARDS

ATTACHMENT 6: DECLARATION re COMPLIANCE WITH U.S DOL WAGE DETERMINATION

ATTACHMENT 7: ACKNOWLEDGEMENT OF RECEIPT FORM

ATTACHMENT 8: DPW CHECKLIST OF RESPONSIVENESS

ATTACHMENT 9: PRICE PROPOSAL & ADDENDA ACKNOWLEDGEMENT OF RECEIPT FORM

I. PROJECT OVERVIEW

The Governor of Guam, through the Department of Public Works (DPW) and with the assistance of the Guam Economic Development Authority (GEDA), issues this Request for Proposal (RFP) for the financing, demolition, design, build, lease/leaseback, and insure/capital maintenance ("FDDBLM") of a new Simon Sanchez High School in Yigo.

The Government of Guam (the "Lessee"), acting through DPW, seeks to procure the new facility through a municipal lease/leaseback arrangement in compliance with the ***MA KĀHAT ACT OF 2013***, Public Law 37-22, and all applicable public laws, including but not limited to Public Law 20-27, Chapter 8, Title 1 of the Guam Code Annotated, relating to Arts in Public Buildings and Facilities.

Under this RFP, the Government of Guam is authorized to lease school property to the successful Proposer to facilitate project financing, demolition, design, construction, FF&E services, and insurance and maintenance services. Upon completion, the Government of Guam will lease back the facility for a mutually agreed term necessary to amortize the associated costs. The leaseback period shall not exceed 30 years from the scheduled completion date. It may be an annually renewable lease with automatic renewal provisions contingent on available pledged or reserved revenue under §58D109 of Chapter 58 of Title 5 Guam Code Annotated. The leaseback shall not be considered "public indebtedness" under 48 U.S.C. § 1432a, §11 of the Organic Act of Guam, or Guam law. Any lease term extensions will be subject to and not exceed the statutory limit under Guam law.

Proposals must comply with all Government of Guam requirements outlined in this RFP and, where silent, Guam Procurement Law, Rules, and Regulations. The RFP details the required scope of services and proposal submission instructions.

Eligible Proposers include developers, contractors, and finance companies legally operating under U.S. state or territorial laws and subject to Guam licensing regulations. Information on licensing is available from the Director of Revenue and Taxation. Special-purpose company proposals may also be considered.

The successful Proposer will serve as the primary lessor of the new Simon Sanchez High School and must submit all required proposal documents within the timelines specified in this RFP.

II. TERM AND TIME OF PERFORMANCE

The term of this solicitation is comprised of two sections: 1) Financing and Construction not to exceed seven-hundred and thirty (730) days from the issuance of Notice to Proceed, and 2) The negotiated Lease/Leaseback Capital Maintenance period not to exceed thirty (30) years.

III. SCOPE OF SERVICES

The Proposer shall be responsible for the scope of work, services and responsibilities in this RFP and the requirements outlined in the Financing Scope of Work (Attachment A) and the Design/Construction and Insurance/Capital Maintenance Scope of Work (Attachment B).

IV. COMMUNICATION REGARDING THE RFP

Any correspondence or communication by a potential Proposer must be made in writing via email addressed to the sole point of contact John F. Calanayan, Engineer Supervisor at john.calanayan@dpw.guam.gov or by hand delivery at the Contract Administration Technical Services Office, Ground Floor, TMC Building. All written communications must reference: **NEW SIMON SANCHEZ HIGH SCHOOL: FDDBLM Project No. 730-5-1059-L-YIG** in the subject or reference line.

V. PROPOSAL PACKAGE REQUIREMENTS

Each Proposal Package will consist of the Proposer's Submittal with all the required forms/addenda, complete with original signatures and notarizations where necessary. The Proposal Package will also contain a **separate and sealed envelope** marked **"Term Sheet and Price Proposal"** for negotiations.

VI. PROPOSAL SUBMITTAL

The Proposal shall be submitted in a sealed envelope or box that is clearly marked **"NEW SIMON SANCHEZ HIGH SCHOOL FDDBLM Project No. 730-5-1059-L-YIG"**. It must include one (1) original with all the required forms listed in Section XXXI- RFP ATTACHMENTS AND LEGAL REQUIREMENTS complete with original signatures and notarizations where necessary, six (6) copies, and two (2) electronic copies (CD or USB flash drive) containing the complete technical submittal and one (1) separate and sealed individual Term Sheet and an individual Price Proposal.

VII. INSTRUCTIONS FOR SUBMITTING A PROPOSAL

1. Format

Submission must be in 8.5 X 11-inch format with font no less than 12-point font size. Each submittal shall not contain more than forty (40) pages, excluding front and back covers, tabs, certificates of insurance, detailed schedule charts, and required forms. Attachments not part of the forty (40) pages should be tabbed and labeled accordingly.

Each RFP Packet shall include a description of the type, technical experience, background, qualifications, and expertise of the Proposer. The description shall show that the firm possesses the demonstrated skills and professional experience to perform the general functions of the Project and fulfill the government's goals and vision for the Project. Submittals shall describe in detail the Proposer's approach to the Project. Creative methodology, and/or technology that the Proposer uses or unique resources that the Proposer can offer to the Project is encouraged.

2. Contents

Respondents shall comply with the following requirements for its RFP Packet:

Section 1: Executive Summary (max. 1 page)-

This should be an overview of the entire RFP Packet with a description of the general approach and/or methodology they will use to meet the goals and fulfill the general functions set forth in the RFP.

Section 2: Table of Contents. Include clearly identifying the written material by section and page number.

Section 3: Cover Letter (max. 1 page)

Each proposal shall include a cover letter signed by a person within the firm authorized to make representations on behalf of the firm and to bind the firm. The cover letter shall include the following information:

- a) The Proposer's contact person's name, phone number, and email address relative to the proposal.
- b) The Proposer's principal place of business and the location of the office proposing/sponsoring the work relative to this proposal.
- c) You must also indicate whether you are operating as an individual proprietorship, partnership, corporation, or joint venture.
- d) A brief statement acknowledging the firm's understanding of the scope of work.
- e) A positive commitment to perform the services described, with the personnel specified in the submission, **within the budgetary parameters of the "MA KAHAT ACT OF 2013" and any subsequent/relevant public laws.**
- f) An acknowledgement that all addenda were received (list each addendum number and date in the letter).

Section 4- Personnel Experience and Qualifications

- a) A brief history of the Proposer. Please include any former names of the Proposer and the number of years the Proposer has participated in development or similar construction projects as a developer and/or general contractor under each name. List any reasons for change of name or corporate structure.
- b) Identify the overall project coordinator or manager who will serve as the single point of contact and liaison between DPW's Construction Manager and the Proposer for all work under the contract. Explain why this person has been selected as the project coordinator/manager. The manager candidate may be subject to DPW approval.
- c) Organizational Charts for Proposer. This shall include two (2) charts: 1. A chart of all corporate entities on the Proposers team, and 2. A chart of all key personnel, with their titles and specific task assignments for the Project.

- d) Resumes of personnel involved with the Project shall be included, including their school construction experience. Include A&E personnel. The evaluation will consider the entire team. Therefore, no changes in the Proposer's composition will be allowed without written approval by DPW.
- e) Provide a description of the Proposer's technical competence and ability to draw upon multi-disciplinary staff to address the services required under the RFP.

Section 5- Approach and Capacity of Proposer

Detailed description of the Proposer's plan, methods, and ability for carrying out the Project, including:

3. Construction and Insurance/Capital Maintenance

- a) Provide a statement regarding the Proposer's availability and resources.
- b) Location of nearest office and main office, if different.
- c) The technical and managerial approach to the Proposer's partnership with the Government of Guam (DPW, GEDA, GDOE).
- d) How the Proposer plans to ensure the project remains within the budgetary ceilings and parameters set by Guam law for Simon Sanchez High School, including strategies for cost control and efficient resource allocation.
- e) How the Proposer plans to perform the required services with its resources and current workload; and how the Proposer plans to incorporate skilled and trained workforce into the Project. **Include a Critical Path Method (CPM) schedule and/or chart as an attachment to the proposal.**
- f) How the Proposer plans to rapidly mobilize and execute an accelerated financing, demolition, design, and construction schedule to meet the project's expedited construction timeline. Describe any concurrent strategies to streamline mobilization, expedite demolition and accelerate project completion.
- g) How the Proposer plans to incorporate design and construction innovations that enhance the expedited construction schedule and cost efficiency, ensuring the Government of Guam achieves the highest economic value throughout the design, construction, and insurance/capital maintenance period. Describe any innovative design approaches or technologies to help reduce operational costs for GDOE and the Government of Guam during the insurance and capital maintenance phase.
- h) How the Proposer will incorporate **Attachment B** and the government's design references into the design and construction process **to ensure key stakeholder feedback is effectively integrated into the final build.**
- i) How the Proposer intends to use resilient building materials and systems that will allow the Government of Guam to use the facility as an emergency shelter during a super-typhoon and quickly bring the facility back online after a storm.

- j) How the Proposer plans to incorporate local subcontracting teams into the Project, if applicable.
- k) How the Proposer plans to incorporate construction means, methods, and quality control into the Project.
- l) Detailed discussion on costs related to fees, general conditions, insurance, supervision, and management of all portions of the scope of work.
- m) Provide a statement of financial resources, bonding capacity and insurance coverage.
- n) Certificates of Insurance identifying the firm's current insurance coverage.
- o) Copy of the Contractor's License.
- p) Provide name and license of Proposer's Architectural/Engineering Design Team.
- q) Provide all required attachments in this RFP in an appendix not counted toward the forty (40) pages.

4. Financing

The Proposer shall work with the Guam Economic Development Authority (GEDA) to finance the new Simon Sanchez High School construction. Include the following information related to financing:

- a) Proposer's proposed structure in detail, provisions for extension of maturity, roll-over, or any other similar occurrence.
- b) Provide a sealed Term Sheet or similar format outlining the terms and conditions of the proposed lease/leaseback agreement.
- c) Discuss the estimated timeline for the issuance of this lease/leaseback and describe your firm's ability to conduct this transaction in a timely. Please feel free to outline certain variables such as a credit committee, and their effects, if any, on the terms and conditions of the financing.
- d) Please include your firm's latest audited financials for three (3) years.
- e) Please describe any other terms and conditions your firm requires regarding this financing.
- f) Indicate the principal personnel that would be available to GEDA and the government and describe their experience and responsibilities for this financing.
- g) Ability of Proposer 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.
- h) Ability of Proposer to allow the purchase of the leased school facility by Lessee at any time during the lease period. Please provide details on the pre-payment arrangement scenario.

Section 6- Experience on Similar Projects

Description of the Proposer's experience to the area of building public schools or similar construction in size, price, and scope. Please provide a list of completed or ongoing projects the Proposer has been involved with where the total project contracts are similar in size, price, and scope. Within that list:

- a) Identify the method (e.g., leaseback, bid-build, etc.) by which each project was constructed. For leaseback projects, include the total cost of each project and the breakdown of the total cost by preconstruction services and construction services. Provide some examples of its experience in a municipal leaseback project.
- b) Include a discussion of the Proposer's experience with projects performed adjacent to an occupied building and/or campus.
- c) Discuss the Proposer's experience with projects performed in tropical environments.
- d) Identify whether the project is completed or ongoing.
- e) Identify if any of the projects had phased completion.
- f) For the projects listed above, be sure to include the following information:
 - i. Project name and Description.
 - ii. Firm's role.
 - iii. Award and completion dates.
 - iv. Project initial contract price and final contract price.
 - v. Construction cost.
 - vi. Staffing, including Proposer's team members, subcontractors and consultants.
 - vii. Relationships with Owner/Client during the project.
 - viii. References- Provide the owner's contact name, telephone number, and email address.
 - ix. Discussion of claims, demands, and/or litigation arising from the project and involving the Proposer, and the resolution.
 - x. List projects that the Proposer has completed that had some or all of the following obstacles, including the creative solutions from the Proposer on how these obstacles were overcome: 1. A very aggressive schedule, 2. Significant budgetary Restrictions, 3. Be prepared to expand on what you did to accommodate the project's complexity; and the clients' needs, minimizing inconvenience; and maximizing safety.

Section 7- Performance Issues

Provide a claims statement for all resolved or ongoing claims. Submit a statement indicating any and all lawsuits or claims in which the Proposer or its personnel instigated a claim and/or litigation regarding construction projects within the past five (5) years and indicating any claims in which claims and/or litigation have been pursued against the Proposer or its personnel. For each listed claim and/or litigation

state the issues in the claim and/or litigation, the status of the claim/litigation, the names of the parties involved, and the outcome, if any.

The proposer's claims statements **MUST** include resolved and ongoing claims. Proposer's claims statement **MUST** include claims history of Proposer and its personnel, as well as Associated Firms. "Associated Firms" are businesses, corporations, companies, partnerships, or other entities associated with the Proposer and/or its personnel (e.g., firm name changes, association as previous owner, general partner, limited partner, or other officer).

The proposer must hold a Contractor's License, which is current, valid and in good standing with the Guam Contractor's Licensing Board. Include a copy of your contractor license and statement on whether the license has been revoked or suspended in the last five (5) years.

If any of the following have occurred, please describe in detail the circumstances of each occurrence.

- a) Failure to enter into contract or professional services agreement once selected.
- b) Withdrawal of a proposal or bid because of an error.
- c) Termination or failure to complete a contract.
- d) Debarment by any municipal, county, territory, state, federal state, federal, or local agency.
- e) Involvement in litigation, arbitration, or mediation, whether concluded or ongoing.
- f) Conviction of the Proposer or its principals in violating any territory, state, or federal antitrust laws by bid or proposal rigging, collusion, or restrictive competition between bidders or proposers, or conviction of any local, state or federal law related to bidding or performance of services.
- g) Knowing concealment of a deficiency in the performance of a prior contract.
- h) Falsifying information or submitting deceptive or fraudulent statements in connection with a contract.
- i) Willful disregard for applicable rules, laws, or regulations.
- j) Failure to disclose information regarding any of the above may indicate an unsatisfactory performance record. Information regarding any of the above may be considered in determining the suitability of Proposer to perform the services needed. Accordingly, the proposer may describe mitigating factors as a part of any of the above.

VIII. TERMS OF PAYMENT

1. The Government of Guam shall pay the Proposer on an annual basis for all lease payments due in accordance with the terms of the contract, consistent with the "MA KĀHAT ACT OF 2013" AND ANY SUBSEQUENT/RELEVANT PUBLIC LAWS.

2. All payments shall be made in accordance with, subject to, applicable provisions of §22505 of Chapter 22 of Title 5 of the Guam Code Annotated.
3. The Developer, Contractor or Finance Company shall submit one (1) annual invoice, in original form, for lease payments due. The Government of Guam shall have thirty (30) calendar days after receipt of the invoice to make payment.
4. Non-Appropriation Clause: In event that sufficient funds (a) are not appropriated by the I Liheslaturan Guahan 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 occurs, I Liheslaturan Guahan shall not be obligated to make payments of the Base Rentals and Additional Rentals provided for herein beyond the last day of the Renewal Term during which such Event of non-appropriation occurs, except for the Government of Guam's obligation to pay Rentals which are payable prior to the termination of the Lease.
5. If the Government fails to perform as lessee under the leaseback period or decides not to appropriate leaseback payments GDOE shall vacate the facility and the lessor may take possession of the Simon Sanchez High School, investors and/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 of Guam is entitled to repossession of the site together with all improvements on the site, free and clear of any interest to the investors or a trustee on their behalf.
6. To expedite the construction schedule, the Government of Guam may issue 1) A separate Notice to Proceed for the Demolition and Clearing, covered by local funds, along with 2) the Notice of Award. The contractor must submit a separate invoice for Demolition and Clearing, which will be paid 30 days after receipt of invoice.

IX. AVAILABILITY

This Request for Proposals ("RFP") may be picked up at the Contract Administration Technical Services, Ground Floor, TMC Building, Department of Public Work, Monday through Friday, excluding holidays, between 8:00 a.m. and 5:00 p.m., beginning March 28, 2025. Upon obtaining this RFP, prospective Proposers must sign in in the Proposers Register in order to receive any addenda or other notices related to this RFP. Failure by prospective Proposers to sign and register may result in the prospective Proposer not receiving notices or addenda from DPW regarding this RFP.

X. 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 addenda 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 Proposers who have signed in the Proposers Register Form.

XI. PRE-PROPOSAL CONFERENCE

Pre-proposal conferences are "*Mandatory*" as stated on the RFP Timelines. The pre-proposal conference shall be attended by an in-person representative of the Proposer. It will be conducted only to explain the procurement requirements for this Request for Proposals. DPW will notify all Proposers in writing via an addendum to this RFP of any substantive clarification provided in response to any inquiry raised during the pre-proposal conference. A Proposer who does not attend the pre-proposal conference will not be considered and disqualified.

XII. PRE-PROPOSAL QUESTIONS

Proposers 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 sole point of contact John Calanayan john.calanayan@dpw.guam.gov on or before the deadline set forth in the RFP Timelines. Each question must provide clear reference to the section, page, and item of this RFP in question. Questions received after the deadline shall not be considered.

XIII. EXPLANATION TO PROPOSERS

No oral explanation in regard to the meaning of any part of this RFP will be made, and no oral instructions will be given, before the award of the contract. Discrepancies, omissions, or doubts as to the meaning of the specification shall be communicated in writing to the sole point of contact at DPW. Questions about any part of this RFP shall be communicated in writing to the sole point of contact at the Department of Public Works for interpretation before the deadline. Proposers should act promptly and allow sufficient time for a written reply to reach them before the submission of their proposal. Interpretation, if required, shall be made in the form of an amendment to the RFP which will be forwarded to all Proposers, and its receipt by the Proposer must be acknowledged.

XIV. DPW's ANSWERS

DPW's response will be by written addendum. Any other form of interpretation, correction, or change to this RFP will not be binding with the DPW. Any written addendum will be forwarded to all entities or individuals who have picked up an RFP and are included on the Register of Proposals Form. **All addenda shall form a part of the RFP documents and must be acknowledged upon receipt. Failure to acknowledge receipt of each addendum may be grounds for disqualification.**

XV. WITHDRAWAL OF PROPOSALS

Proposals may be withdrawn on written request received from the Proposer(s) prior to the time fixed for opening. Negligence on the part of the Proposer in preparing the proposal confers no right for the withdrawal of the proposal after it has been opened.

XVI. ALTERNATE OR MULTIPLE PROPOSALS NOT ACCEPTED

Alternate or multiple proposals will not be accepted. Any Proposer submitting alternate, multiple, or otherwise altered proposals will be deemed nonresponsive and disqualified from this solicitation.

XVII. NO LATE PROPOSALS

Proposals must be received at the DPW TMC Building, CIP Contract Section, by the Proposal Due Date set forth in the RFP Timelines. **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 Proposer's sole risk to assure delivery at the DPW TMC Building, CIP Contract Section receptionist's desk by the designated time.

XVIII. PROHIBITION AGAINST EMPLOYMENT OF SEX OFFENDERS

Pursuant to 5 G.C.A. § 5253,

1. 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.
2. 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.

XIX. EQUAL OPPORTUNITY

1. The DPW 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 ensure 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.

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

XX. RECEIPT/OPENING OF PROPOSALS

Proposals and modifications will 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 will be prepared. Proposals and modifications will be shown only to government personnel having a legitimate interest in them. The Register of Proposals will be opened to public inspection only after award.

XXI. CLASSIFICATION OF PROPOSALS AS RESPONSIVE OR NON-RESPONSIVE

All proposals will initially be classified as either "responsive" or "non-responsive" (*see RFP Attachment 8*). 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.

XXII. DETERMINATION OF RESPONSIBILITY

The procurement officer will determine whether a Proposer has met the standards of responsibility, per Guam procurement law. 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 a Proposer is found non-responsible, the determination must be in writing, made a part of the procurement file and mailed to the affected Proposer.

XXIII. COMPLETENESS OF PROPOSALS

Selection and award will be based on the information contained in the Proposer'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 Proposers outside the formal response or subsequent discussion/negotiation will not be considered, will have no bearing on any award, and may result in the Proposer being disqualified from further consideration.

XXIV. FAILURE TO COMPLY WITH INSTRUCTIONS

Proposers 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.

XXV. 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:

1. Cancel or terminate this RFP as provided in the Guam Procurement Regulations;
2. 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;
3. Waive any undesirable, inconsequential, or inconsistent provisions of this RFP which would not have significant impact on any proposal;
4. Waive any minor informalities in proposals received, or have them corrected by the Proposer in accordance with applicable regulations;
5. Not award if it is in the best interest of DPW or the government of Guam not to proceed with contract execution; or
6. If awarded, terminate any contract if DPW determines adequate funds are not available.

XXVI. NON-DISCLOSURE OF DATA

In accordance with Guam Procurement Regulations § 3114(h) (2), Proposers may identify trade secrets and other proprietary data contained in their proposals. If the Proposer 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 Proposer in writing what portion of the proposal will be disclosed and that, unless the Proposer withdraws the proposal or protests under 5 G.C.A. Chapter 5 Article 9, the proposal will be so disclosed.

XXVII. REJECTION OF PROPOSAL OFFER.

The Department of Public Works shall have the prerogative to reject any proposals in whole or in part if a determination is made that such rejection is in DPW's interest or in the best interest of the Territory of Guam as provided for in the regulations 2 GAR, Div. 4 §3115(e)(2).

XXVIII. CANCELLATION OF RFP SOLICITATION

Prior to the date deadline set for proposals, this solicitation may be canceled in whole or in part when the Director of Public Works or his designee determines in writing that there are cogent and compelling reasons to believe that the cancellation of the solicitation is in the Department of Public Works best interest, in accordance with the

Procurement Rules and Regulations; as provided for in the regulations 5 GCA §5225; 2 GAR, Div. 4 §3115(c).

XXIX. DEBARMENT

The Proposer 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 a Proposer cannot certify this statement, attach a written explanation for review by the DPW.

XXX. PERFORMANCE AND PAYMENT BOND

The successful bidder must deliver to the Owner an executed performance and payment bond (forms enclosed) in an amount at least equal to one hundred percent (100%) of the accepted bid as security for the faithful performance of the contract and security for the payment of all persons performing labor and furnishing materials in connection with this contract. The sureties of all bonds shall be such surety company or companies as are approved by the Owner and as are authorized to transact business in Guam. The bonds must be approved by the Owner prior to execution of the formal contract.

XXXI. INDEMNIFICATION

The Proposer shall indemnify the Government of Guam, DPW, GDOE, GEDA and their Consultants from any liability arising from the implementation of the Proposer's proposal.

XXXII. RFP ATTACHMENTS & LEGAL REQUIREMENTS

The following are RFP Attachments and are made part of this RFP:

1. **Financing Scope of Work** (*reference RFP ATTACHMENT A*).
2. **Design/Construction & Insurance/Capital Maintenance Scope of Work** (*reference RFP ATTACHMENT B*).
3. **Affidavit Disclosing Ownership and Commissions** per 5 G.C.A. § 5233 (*reference: RFP ATTACHMENT 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 that 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 Proposer 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. See RFP Legal Form: Affidavit re Disclosing Ownership (Major Shareholders) & Commissions; AG Procurement Form 002.
4. **Affidavit of Non-Collusion** per 2 GAR Division 4 § 3126(b) (reference *RFP ATTACHMENT 2*). By submitting an offer, the Proposer certifies that the price submitted was independently arrived at without collusion. See RFP Legal Form: Affidavit re Non-Collusion; AG Procurement Form 003.
 5. **Affidavit Re No Gratuities or Kickbacks** per 2 GAR Division 4 § 11107(e) (reference *RFP ATTACHMENT 3*). The bidder, Proposer, 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. See RFP Legal Form: Affidavit Re No Gratuities or Kickbacks; AG Procurement Form 004.
 6. **Affidavit Re Contingent Fees** per 2 GAR § 11108 (reference: *RFP ATTACHMENT 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. See RFP Legal Form: Affidavit Re Contingent Fees; AG Procurement Form 007.
 7. **Affidavit Re Ethical Standards** per 2 GAR § 11103 (reference: *RFP ATTACHMENT 5*). The bidder, Proposer, 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. See RFP Legal Form: Re Ethical Standards; AG Procurement Form 005.
 8. **DECLARATION RE COMPLIANCE WITH U.S. DOL WAGE DETERMINATION** (reference: *RFP ATTACHMENT 6*).
 9. **ACKNOWLEDGEMENT OF RECEIPT FORM** (reference: *RFP ATTACHMENT 7*).

10. **DPW CHECKLIST OF RESPOSIVENESS** (reference: RFP ATTACHMENT 8).

11. **PRICE PROPOSAL FORM** (reference: RFP ATTACHMENT 9).

XXXIII. OPENING OF PROPOSALS

Proposals will not be opened publicly and will be opened in the presence of two or more DPW officials. Proposals will be checked for compliance with the mandatory requirements of the RFP. Failure to comply with any mandatory requirements may cause disqualification.

XXXIV. EVALUATION OF PROPOSALS AND AWARD OF CONTRACT

Proposals will be evaluated and ranked by the criteria provided in this RFP by a committee established by the "**MA KĀHAT ACT of 2013**" and any subsequent/relevant Public Laws. The Evaluation Committee includes:

- ✓ 1. GDOE Superintendent as the Chairperson
- ✓ 2. DPW Director or Deputy Director
- ✓ 3. DPW Building Permits Administrator
- 4. Director of Land Management or Guam Chief Planner
- ✓ 5. Administrator of Guam Economic Development Authority or Deputy Administrator
- 6. Principal of Simon Sanchez High School or his/her designee

Evaluation Process

- 1. Due to the complexity and diversity of the scope of services required in this RFP (finance, demolition, design, build, lease/leaseback, insurance and capital maintenance), DPW intends to convene the Evaluation Committee with subject matter experts (SMEs), to provide technical clarifications in specific areas. SMEs will not participate in scoring but may provide input to assist the committee in evaluating.
- 2. Each member of the Evaluation Committee will evaluate each proposal based on the qualifications outlined in Section XXXIV. Evaluation, Rating and Selection Table. The sealed Term Sheet and Price Proposal will not be used as the basis of the evaluation.
- 3. Each member of the Evaluation Committee will evaluate each proposal and rank each proposal based on the assigned points for each criterion (i.e., the Proposer with the greatest total points will be ranked the highest and the Proposer with the least number of points will be ranked the lowest).
- 4. Interviews will be conducted with the Proposers by the Evaluation Committee. After the interviews, each member of the Evaluation Committee will submit their Individual Evaluation Forms, which will be used as the basis of selection. The Evaluation Committee will conduct interviews with a minimum of the top three (3) qualified Proposers and will notify the Proposers with a date and time. The Proposer

must appear in person. Each Proposer will have thirty (30) minutes to make a presentation and thirty (30) minutes to answer questions. Proposers will be notified of the location of the interviews at a future date.

5. Tie Breaker Procedure: If two (2) or more Proposers' ranks are equal, the Chairperson will evaluate the proposals to break the tie.
6. The Evaluation Committee will prepare a report determining the best qualified Proposer with ranking order of preference, submit it to the DPW Director, and recommend the number one ranked Proposer for the first opportunity to negotiate a contract.
7. The DPW Director will review the report from the Evaluation Committee and will approve or disapprove the recommendation as deemed to be the best qualified to provide the required services and that is in the best interest of the Government. Failure to comply with any mandatory requirements may disqualify a proposal.
8. The Government will enter negotiations with the best qualified Proposer, at which time their sealed individual Term Sheet and individual Price Proposal will be opened for negotiation.

XXXV. EVALUATION CRITERIA

The evaluation will follow the criteria outlined in the Evaluation, Rating and Selection Table outlined in the section that follows. Proposers are requested to submit proposals, which are complete and unambiguous without the need for additional explanation or information. DPW may make a final determination as to whether a proposal is acceptable or unacceptable solely on the basis of the proposal as submitted and proceed with proposal evaluation without requesting further information from any Proposers.

XXXVI. EVALUATION, RATING AND SELECTION TABLE

In the evaluation, rating and selection of proposals, the evaluation factors and their relative importance follow. All proposals submitted will be evaluated by the Evaluation Committee and will be rated using the criteria provided in this RFP including the following:

EVALUATION CRITERIA	MAX SCORE	SCORE
<u>Proposal Plan</u> <u>Overall</u> proposal approach. A plan giving as much detail as practical on how the services will be performed. <i>(Refer to VII. INSTRUCTIONS FOR SUBMITTING A PROPOSAL, 2 Entire Contents section.)</i>	15	
<u>Personnel Experience and Qualifications</u> Specialized experience and qualifications of personnel to perform the required services. <i>(Refer to VII. INSTRUCTIONS FOR SUBMITTING A PROPOSAL, 2. Contents, Section 4, Personnel Experience and Qualifications)</i>	20	

EVALUATION CRITERIA	MAX SCORE	SCORE
<u>Capacity of Proposer</u> The Proposer's ability to perform the required services with its current resources and workload to meet the expected project outcome. (Refer to VII. INSTRUCTIONS FOR SUBMITTING A PROPOSAL; 2. Contents, Section 5 Approach and Capacity of Proposer).	30	
<u>Proposer's Experience on Similar Projects</u> The Proposer's specialized and extensive experience in projects similar in scope and nature in managing a project of this magnitude and is familiar with the tropical environment and unique logistical challenges. (Refer to VII. INSTRUCTIONS FOR SUBMITTING A PROPOSAL, 2. Contents, Section 6 Experience on Similar Projects).	25	
<u>Performance Issues</u> Proposer's performance issues related to past or present contracts and/or ongoing procurement. (Refer to VII. INSTRUCTIONS FOR SUBMITTING A PROPOSAL, 2. Contents, Section 7 Performance Issues). *Note Proposers with the least amount of issues should score higher.	10	
TOTAL POINTS	100	

XXXVII. INDIVIDUAL EVALUATION FORM

Evaluation Criteria	Evaluation Points	Remarks
Proposal Plan		
Capacity of Proposer		
Personnel Experience and Qualifications		
Proposer's Experience on Similar Projects		
Performance Issues		
Total		

XXXVIII. SUMMARY EVALUATION FORM

Criteria	Evaluators Points						Total Points	Remarks
Proposal Plan								
Capacity of Proposer								
Personnel Experience and Qualifications								
Proposer's Experience on Similar Projects								
Performance Issues								
Total								

XXXIX. TERM SHEET AND PRICE PROPOSAL SUBMITTAL

The Term Sheet and Price Proposal will be unsealed from the Highest Ranked Proposer prior to Negotiations and must be within the budgetary ceiling outlined within the "MA KĀHAT ACT OF 2013" AND ANY SUBSEQUENT Public Laws as relevant.

XL. NEGOTIATION AND AWARD OF CONTRACT

DPW, GEDA, and GDOE will negotiate a final contract with the best-qualified Proposer for the required services to ensure that the final contract meets the government's project objectives, financial interest and is consistent with the budgetary parameters outlined in Guam public law.

Contract negotiations will be directed towards:

1. Ensuring that the Proposer has a clear understanding of the scope of work, specifically, the essential requirements involved in providing the required services;
2. Agreeing upon final terms and compensation, which are fair and reasonable, taking into account the estimated cost of the project, the project schedule, funding parameters defined by law, the required services and the scope, complexity, and nature of such services.

XLI. SUCCESSFUL NEGOTIATION OF CONTRACT WITH QUALIFIED PROPOSER

If compensation, contract requirements, and contract documents can be agreed upon with the best-qualified Proposer, the contract will be awarded to the Proposer.

XLII. FAILURE TO NEGOTIATE CONTRACT WITH BEST QUALIFIED PROPOSER

If compensation, contract requirements, or contract documents cannot be agreed upon with the best qualified Proposer, a written record stating the reasons therefore shall be placed in the file and the Department of Public Works will advise such Proposer of the termination of negotiations which shall be confirmed by written notice. Upon failure to

negotiate a contract with the best-qualified Proposer, the Department of Public Works will enter negotiations with the next most qualified Proposer. If negotiations again fail, negotiations will be terminated as provided in this Section and commence with next most qualified Proposer.

XLIII. NOTICE OF AWARD

The Department of Public Works will notify all Proposers of the status of the RFP and intent to award. Written notice of award will be public information and made a part of the contract file.

XLIV. AWARDING OF CONTRACT

The Department of Public Works will negotiate a contract with the best qualified Proposer for the required services. If compensation, contract requirements, and contract documents can be agreed upon with the Proposer, a contract will be awarded to this Proposer.

XLV. COMMENCEMENT OF WORK

DPW will issue a Notice to Proceed (NTP) for services for the project upon approval of Contract Agreement. A separate NTP for demolition and clearing may be issued earlier to expedite the construction schedule.

XLVI. DEFINITIONS

- **Request for Proposals (RFP)** shall mean the invitation to invite proposals for the construction of the new Simon Sanchez High School. Proposal includes: Financing; Demolition of the existing facility; Design, Build, Lease/Leaseback, Insure the facility; operate and maintain the new facility for no more than 30 years.
- **Owner** shall mean the Guam Department of Education and the Governor of Guam, and/or his/her authorized representatives.
- **Contracting Officer** as used herein means the Director of Public Works of the Government of Guam and shall include his authorized representatives.
- **Critical Path Method (CPM)** shall mean the schedule that integrates the sequence of activities, task dependencies, durations, and critical milestones required for the financing, design, and construction of the New Simon Sanchez High School FDDDBML Project. The CPM Schedule must be developed in accordance with contractual requirements, financial milestones, and performance obligations, ensuring completion within the 730-day period specified in the RFP. The 30-year leaseback period is excluded from the scheduling requirements.
- **Proposer** shall mean any developer, contractor, and finance companies legally operating under the US State or Territorial Laws and subject to Guam licensing regulations.
- **MA KÁHAT ACT OF 2013** shall mean Chapter 58D of Title 5, Guam Code Annotated.

- **FF&E** shall mean fixtures, furniture, and equipment for the new Simon Sanchez High School.
- **FF&E Services** shall mean the financing, procurement, storage, and installation of the FF&E.
- **Term Sheet** shall mean a formal document submitted by the Proposer that outlines the preliminary financial and contractual terms of the proposed financing arrangement for the project. This document provides a high-level summary of the financing structure, repayment mechanisms, risk allocation, and compliance with the requirements outlined in Attachment A—Financing Scope of Work of the RFP.
- **Price Proposal** shall mean the completed Price Proposal and Addenda Acknowledgment of Receipt Form
- **Notice** as used herein shall mean and include all written notice demands, instructions, claims, approvals and disapprovals required to obtain compliance with contract requirements. Any written notice by either party to the contract shall be sufficiently given if delivered to or at the last known business address of the person, firm, or corporation constituting the other party to the contract, or to his, their, or its duly authorized agent, representative, or officers, or when enclosed in a postage prepaid envelope addressed to such last known business address and deposited in a United States mail box. The Contractor must provide and maintain a post office address within the Territory of Guam and file the same with the Contracting Officer.
- **Responsiveness** as used herein shall mean all items listed on RFP Attachment A.
- **Responsibility** as used herein is defined by Section XXII. Determination of Responsibility and Guam Procurement law.
- **Debarment** as used herein is defined by Section XXIX Debarment and may be extended to subcontractors of the Proposer.
- **Critical Path Method (CPM)** is the construction schedule which networks techniques used for planning, scheduling, and controlling large complex projects.
- **Evaluation Committee** shall include the GDOE Superintendent as Chairperson, and the following five (5) members DPW Director or Deputy Director, DPW Building Permit Administrator, Director of Land Management or Guam Chief Planner, GEDA Administrator or Deputy Administrator, and Principal of Simon Sanchez High School.
- **Liquidated Damages** are contracted for damages before a contract breach that enforces an estimate of harm that would be hard to calculate with certainty. The Government reserves the right to negotiate the amount of Liquidated Damages provision with the Successful Proposer.

New SSHS VE Summary

Date: 7/15/2025

No	Description	Amount	Remark
1	VE#01: Size of Classroom (from 117,032 Sq-ft to 94,673 Sq-ft)	\$ (9,796,201.55)	
2	VE#02: Hallway & Corridor Width	\$ (2,248,557.65)	Design Changes
3	VE#03: DPW Building Permit & Review Fees	\$ (758,626.69)	
4	VE#04: Rainwater Catchment System	\$ (1,773,539.00)	
5	VE#05: Photovoltaic System	\$ (460,913.00)	
6	VE#06: Lighting Pole at Track & Field	\$ (990,000.00)	
7	VE#07-1: Domestic Water Pipe Material	\$ (150,000.00)	Design Changes
	VE#07-2: Fire Sprinkler Branch Lines	\$ (100,000.00)	Design Changes
8	VE#08: Reusable FF&E from Existing SSHS	\$ (1,702,289.76)	
9	VE#09: HVAC Roof Enclosure	\$ (250,000.00)	
10	VE#10: Downsizing Auditorium	\$ (3,737,382.95)	
11	VE#11 Number of Classrooms (from 112 to 81 classrooms)	\$ (7,229,435.40)	
Total Estimated VE Amount (A)		\$ (29,196,946.00)	

Total Proposed Cost without VE (B) \$ 195,561,946.00

Total Proposed Net Project Cost (A+B) \$ 166,365,000.00

Justification for Core Tech as Financing Entity for SSHS Project

Legal Foundation

5 GCA § 58D104(a) mandates that the procurement for the new Simon Sanchez High School must include financing:

“... the GDOE, through the Department of Public Works (DPW), **shall** issue a solicitation in compliance with the Guam Procurement Law, for the following services with regard to the new Simon Sanchez High School: (1) **financing...**”

As well, 5 GCA § 58D102(b)(1) defines the “Contract” awarded pursuant to the procurement under the law to include the financing.

DPW RFP No. 730-5-1059-L-YIG, issued on March 28, 2025, governs and supersedes any prior procurement efforts, including those by GEDA. This is due to:

1. Its issuance being later in time, and
2. Its alignment with 5 GCA Chapter 58D.

Under GEDA RFP 2024-005 (issued September 24, 2024; awarded October 24, 2024), Section 3.9 explicitly states that GEDA is “**in no way**” obligated “to award and execute a contract.” This further reinforces that DPW’s procurement takes precedence and that the GEDA award conflicts with 5 GCA Chapter 58D.

RFP-Specific Financing Requirements

DPW RFP No. 730-5-1059-L-YIG, Section VII, Question 4 (page 5), and the follow-up in-person interview, focused extensively on the financing plan.

The Core Tech team’s proposal includes a financing structure in cooperation with GEDA, GovGuam, DPW, and GDOE, demonstrating full alignment with the RFP’s intent.

Compliance with § 58D108

§ 58D108. Financing Requirements.

To minimize the cost to the government of Guam, financing utilized by **the Contractor to fund the construction of and FF&E services** for the new Simon Sanchez High School shall be through tax-exempt obligations, or other financial instruments; provided, that such financing is available at an interest rate of no more than eight-and-a-half percent (8.5%).

The contractor may use an alternative method of financing, including, but not limited to, a short-term debt, mortgage, loan, federally guaranteed loan, or loan by an instrumentality of the United States of America if such financing will better serve the needs of the people of Guam, subject to approval by *I Liheslaturan Guåhan*.

Core Tech’s financing plan complies with 5 GCA § 58D108, which requires:

- Use of tax-exempt obligations or other financial instruments with interest rates not exceeding 8.5%.

- Alternative financing methods (e.g., short-term debt, federally guaranteed loans) are permitted only with legislative approval.

Core Tech's plan:

- Utilizes tax-exempt obligations.
- Does not require legislative approval, as no alternative financing is proposed.
- Aligns with the statutory language: "financing utilized by the Contractor," affirming that the Contractor (Core Tech) is the financing entity.

Precedent and Integration

Core Tech proposes a financing process modeled after the JFK High School project, where:

- **GEDA, GovGuam, DPW, and GDOE are fully integrated into all aspects of the financing process, including:**

- Financing calls
- Document development
- Rating agency presentations
- Bond marketing and investor relations
- Bond sale execution

Underwriter and Legal Counsel

Underwriter: Barclays

- Chosen for its extensive experience in Guam, including:
 - Tiyan High School
 - Southern High School
 - Co-manager for JFK High School refinancing
- Barclays was explicitly included in Core Tech's proposal.
- GEDA and GovGuam are familiar with Barclays, while the underwriters selected under GEDA RFP 2024-005 lack experience with Guam high schools or leases.

Bond Counsel:

- Core Tech initially proposed Kutak Rock LLP and Koegen Edwards PC as co-bond counsel for cost efficiency.
- For expediency and Guam-specific expertise, **Core Tech is willing to use Orrick, Herrington & Sutcliffe LLP as bond and disclosure counsel.**
- In this structure:
 - Koegen Edwards PC (Roy Koegen) would serve as underwriter's counsel.
 - Kutak Rock LLP would not participate.

Legal Authority and Issuer Selection

Under Guam law, none of GEDA, GovGuam, GDOE, or DPW has the authority to serve as the actual issuer of the financing.

A conduit issuer—as used for JFK and Tiyan—is required.

It is unclear if GEDA has the legal authority to select the underwriter for the issuer's bonds

unilaterally.

Core Tech proposes to collaborate with GEDA, DPW, and GovGuam to select the issuer.

Summary

Core Tech proposes to work collaboratively with GEDA and other GovGuam agencies under a financing process and structure substantially identical to the one GEDA desires and otherwise contemplates (including with Orrick), the primary exception being that Core Tech, as Contractor, selects the bond underwriter in compliance with and pursuant to 5 GCA Chapter 58D and DPW RFP No. 730-5-1059-L-YIG.

INSURANCE AND MAINTENANCE AGREEMENT

dated as of August 1, 2025,

by and among

Core Tech International Corporation,
Lessor,

DEPARTMENT OF EDUCATION, GOVERNMENT OF
GUAM,
Lessee,

Core Tech Development
Maintenance Contractor

and

?????????????
Trustee

TABLE OF CONTENTS

	Page
ARTICLE I DEFINITIONS; TERM	1
1.1 Definitions.....	1
1.2 Term of Agreement	1
ARTICLE II DELEGATION OF INSURANCE AND MAINTENANCE RESPONSIBILITIES	2
2.1 Delegation	2
2.2 Powers of Maintenance Contractor..	2
2.3 Obligations of Maintenance Contractor	3
2.4 Governmental Successor	3
ARTICLE III MAINTENANCE CONTRACTOR'S COMPENSATION, BUDGETING AND REIMBURSEMENT	3
3.1 Maintenance Contractor's Compensation ..	3
3.2 Preparation of Budget	3
3.3 Approval of Budget.	4
3.4 Reduction of Services	4
3.5 Operation within Budget	4
3.6 Budget Overruns; Program Changes	5
3.7 Books	5
3.8 Right to Stop Performing Functions	5
3.9 Payment.	5
ARTICLE IV INSURANCE	6
4.1 General	6
4.2 Deductibles and Co-Payments	6
4.3 Damage and Reconstruction	6
ARTICLE V MISCELLANEOUS	6
5.1 Breach	6
5.2 Enforcement Fees	7
5.3 Limited Liability	7
5.4 Amendment	7
5.5 Partial Invalidity	7
5.6 Entire Agreement	7

TABLE OF CONTENTS
(continued)

	Page
5.7 Applicable Law	7
5.8 Successors and Assigns.....	7

THIS INSURANCE AND MAINTENANCE AGREEMENT (this "Agreement") is entered into as of this first day of August, 2025, by and among CAPP CAPITAL CORP. 2010A ("Lessor"), the DEPARTMENT OF EDUCATION, GOVERNMENT OF GUAM ("Lessee"), CORE TECH DEVELOPMENT, as initial maintenance contractor ("Maintenance Contractor"), and ?????????, as trustee pursuant to the Trust Agreement (as defined herein) (the "Trustee").

WITNESSETH:

WHEREAS, Lessor and Lessee have entered into a Lease Agreement, dated as of August 1, 2025 (the "Lease Agreement");

WHEREAS, pursuant to the Lease, Lessor will construct a high school (the "Facility") and lease the Facility to Lessee;

WHEREAS, under the Lease Agreement, Lessor has undertaken certain obligations with respect to the insurance and capital maintenance of the Facility, and Lessor and Lessee wish to contract with Maintenance Contractor to fully perform such obligations;

WHEREAS, Maintenance Contractor, in consideration of the compensation herein provided, is prepared to perform the required services and fully and timely perform and discharge such obligations;

WHEREAS, this Agreement, together with the Project Development Agreement, dated as of August 1, 2010, by and between Lessor and International Bridge Corporation, as developer, constitutes the "Contract" as that term is defined in Chapter 58A of Title 5 of the Guam Code Annotated; and

WHEREAS, Lessee has agreed to make annual rental payments to Lessor, and Lessor has assigned these payments to the Trustee, as Trustee under the Trust Agreement, dated as of August 1, 2010 (the "Trust Agreement"), by and between Lessor and Trustee, pursuant to which the Trustee has executed and delivered the ~~CAPPA Capital Corp. 2010A Certificates of Participation (Department of Education John F. Kennedy High School Project), Series 2010A~~ (the "Certificates") in order to finance the Facility;

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS; TERM

1.1 Definitions. All capitalized terms used and not defined herein shall have the meaning ascribed thereto in the Lease Agreement.

1.2 Terms of Agreement. The rights and duties of Maintenance Contractor under this Agreement shall commence upon the issuance by the Department of the certificate of occupancy with respect to the Facility, and shall end upon the expiration or termination of the Lease Agreement. The obligations of Lessor to make the payments and reimbursements set forth

herein begin when the rights and duties of Maintenance Contractor begin, but will survive the termination of the Lease Agreement, provided that no additional charges will accrue hereunder (other than interest and, if applicable, default and collection fees) after the termination of the Lease Agreement.

ARTICLE II

DELEGATION OF INSURANCE AND CAPITAL MAINTENANCE RESPONSIBILITIES

2.1 Delegation. Lessor hereby delegates to Maintenance Contractor its duties to provide for the capital maintenance and insurance of the Site and the Facility and the payment of taxes with respect thereto, pursuant to Articles VI, VII and VIII of the Lease Agreement to the extent herein provided. Lessee hereby consents to such delegation. In consideration of the payments and reimbursements herein provided, Maintenance Contractor hereby accepts such delegation.

2.2 Powers of Maintenance Contractor. Maintenance Contractor shall have all the powers necessary to carry out its duties and responsibilities under this Agreement, including but not limited to the following:

(a) To engage the services of contractors or other employees or agents and to pay to said persons a reasonable compensation therefor.

(b) To insure, repair, perform capital maintenance on, and otherwise deal in and with, real and personal property of every kind and character that was constructed or installed by Lessor, located on the Site or used in connection with the Facility in accordance with the Scope of Work in Exhibit A.

(c) To deal in and with the Facility including but not limited to buildings and other structures; classrooms; gymnasiums; tennis, volleyball and basketball courts; soccer, softball, baseball and football fields; playgrounds and other athletic facilities; cafeterias; offices; language laboratories; scientific laboratories, equipment and safety devices; conference rooms; roads, walkways, streets, and pedestrian paths; parks, open spaces, gardens, common areas and public areas; amphitheaters and other public entertainment areas; utility lines and systems; outdoor lighting systems; landscaping, including without limitation plants, trees, shrubs, and grass; and such improvements and equipment as may be appropriate for use in connection with Maintenance Contractor's duties under this Agreement.

(d) Subject to applicable law, to delegate by written agreement to one or more contractors any or all of Maintenance Contractor's powers, duties and responsibilities referred to in this Agreement, provided, that no such delegation shall relieve Maintenance Contractor of its duties and responsibilities hereunder.

(e) To pay all costs imposed by, associated with, or incurred as a result of federal or Guam laws, rules, or regulations, including without limitation taxes (if any), costs of studies, consultants' fees and costs, and performance costs.

(f) To do everything necessary, suitable, convenient, or desirable for the accomplishment of any of the purposes, the attainment of any of the objects, or the furtherance of any of the powers set forth in this Agreement, either alone or in connection with other corporations, firms, or individuals, and either as principal or agent, and to do every act or thing incidental or appurtenant to, or growing out of, or connected with any of the aforesaid objects, purposes, or powers.

2.3 Obligations of Maintenance Contractor. To fulfill the duties accepted by it pursuant to Section 2.1, Maintenance Contractor shall:

(a) from and after the issuance of an occupancy permit for the Facility, provide for the capital maintenance, repair, and replacement of the Facility as set forth in the Scope of Work attached hereto as Exhibit A;

(b) from and after the issuance of an occupancy permit for the Facility, obtain insurance for the Facility of the type and in the coverage amounts set forth in Section 7.01(b) of the Lease Agreement and Article IV;

(c) rebuild and repair the Facility following damage or destruction thereof or a permanent taking by the power of, or a power in the nature of, eminent domain or by an action or deed in lieu of condemnation, as set forth in Article IV; and

(d) prepare, adopt, amend and disseminate Budgets from time to time as set forth in Article III.

Maintenance Contractor shall not be obligated to provide routine maintenance, security services, custodial services, waste collection, or landscaping services to the Site.

2.4 Governmental Successor. Maintenance Contractor may, in its discretion, turn over any of its powers and duties hereunder to a governmental entity that is willing to accept and assume the same under the terms and conditions of this Agreement; provided that Maintenance Contractor shall provide Trustee with written notice of such successor.

ARTICLE III

MAINTENANCE CONTRACTOR'S COMPENSATION, BUDGETING AND REIMBURSEMENT

3.1 Maintenance Contractor's Compensation. Maintenance Contractor shall be entitled to reimbursement for all expenditures made hereunder and compensation for its services as set forth in the annual budget as defined in 3.2. Notwithstanding any other provision of this Agreement, such compensation shall include, and Lessor shall be obligated to pay Maintenance Contractor, reimbursement to Maintenance Contractor of all insurance premiums payable pursuant to Section 2.3(b) and all expenses incurred pursuant to Section 2.3(c). Notwithstanding any other provision of this Agreement, Maintenance Contractor shall have no obligation to perform any obligation hereunder if it has not been paid compensation as provided for herein. Without limiting the generality of the foregoing, Maintenance Contractor shall have no obligation to make any payment described in Sections 2.3(b) or 2.3(c) if it is not assured of

reimbursement therefor. In any given lease year, Lessor will not be required to reimburse Maintenance Contractor for costs, including emergency expenditures as described in Section 3.5, if sufficient funds for such reimbursement are not available in either the Insurance and Maintenance Fund, or the Capital Replacement Reserve, as the case may be. Lessor shall take actions as described in this Article III, to include any valid and unreimbursed costs of the Maintenance Contractor in the subsequent year's budget.

3.2 Preparation of Budget. For each Term, commencing with the Term beginning on ~~December 2, 2027~~, Maintenance Contractor shall, not later than sixty (60) days prior to the beginning of the Fiscal Year in which such Term commences, prepare a Budget for such Term (including a reasonable allowance for contingencies) (the "Budget"). The Budget shall set forth a detailed estimate of all costs to be incurred with respect to this Agreement and a schedule of cash advances to be made by Maintenance Contractor. The Budget shall also provide for up to ~~\$389,500~~ in each year to be deposited to the Capital Replacement Reserve (the balance of which is not to exceed ~~\$1,947,000~~). In addition, the Budget shall provide for a ~~\$60,000~~ allotment in each year for unscheduled repairs, including, for example, repairs needed as a result of vandalism. The Budget for the Initial Term has been approved by Maintenance Contractor, Lessor and Lessee and is attached hereto as Exhibit C.

3.3 Approval of Budget. Maintenance Contractor shall submit the proposed Budget to Lessor and Lessee for approval. Lessor and Lessee shall each be deemed to have approved the Budget unless, within 30 days after the date the proposed Budget is submitted, Lessor or Lessee provides to Maintenance Contractor with a written list of specific items in the proposed Budget to which such party objects together with its reasons for objecting. If either such party objects for any reason, including inability to pay any required Additional Rental in the amount budgeted for the Fiscal Year, Maintenance Contractor shall prepare and submit to Lessor and Lessee a revised Budget within 15 days of receipt of the objection. If Lessor, Lessee and Maintenance Contractor are unable to agree on the Budget for any year, the dispute shall be resolved as set forth on Exhibit B. Lessee's approval of a Budget shall constitute agreement to pay Additional Rental from Available Funds in such additional amount as shall be sufficient, together with the originally scheduled Additional Rental and available amounts on deposit in the Insurance and Maintenance Fund (or the Capital Replacement Reserve, as applicable) under the Trust Agreement to pay the amounts provided in such Budget; provided, however, that expenditures from the Capital Replacement Reserve shall be subject to Lessee approval (by written approval of the Superintendent of the Department of Education or another person designated in writing by the Superintendent). In the absence of an Event of Default under the Lease, Lessor's approval of Budgets shall be based solely on the sufficiency of amounts available under the Trust Agreement to pay the amounts provided in such Budget. When each annual Budget has been approved or deemed approved pursuant hereto, the Maintenance Contractor shall promptly submit a copy of the Budget to the Trustee.

3.4 Reduction of Services. If Lessor or Lessee objects to the proposed Budget because of an inability to pay for all budgeted services, Maintenance Contractor shall prepare a revised Budget in which total costs for the Fiscal Year do not exceed the ~~\$1,568,000~~ originally scheduled Additional Rental and available amounts on deposit in the Insurance and Maintenance Fund (or the Capital Replacement Reserve, as applicable) or such larger amount as shall be approved by the Lessor and Lessee. Maintenance Contractor shall consult with Lessee

concerning which services, if any, to reduce or eliminate in the revised Budget. If this Section 3.4 is applicable due to an objection by Lessor or Lessee, Maintenance Contractor may provide in the revised Budget for the reduction or elimination of any of the services otherwise required to be provided by Maintenance Contractor under this Agreement. Maintenance Contractor shall submit a revised Budget to Lessor and Lessee within 10 days of the date Lessor or Lessee submits its objections to the proposed Budget. Unless Lessor or Lessee notifies Maintenance Contractor in writing that such party objects to the revised Budget within 10 days of the date the revised Budget is submitted, Lessor and Lessee each shall be deemed to have approved the revised Budget. If Lessor or Lessee objects to the revised Budget, then either Lessor or Lessee may terminate this Agreement with 30 days' written notice to the Maintenance Contractor and the Trustee. Any revised Budget approved or deemed approved pursuant hereto shall be submitted promptly in writing to the Trustee.

3.5 Operation within Budget. Operations shall be conducted, expenses shall be incurred and assets shall be acquired only pursuant to approved Budgets, provided, however, that in case of emergency, Maintenance Contractor may take any reasonable action it deems necessary to protect life, limb or property, to protect the Project or to comply with law or government regulation the noncompliance with which would have a material adverse effect on the Project or the parties hereto. Maintenance Contractor shall promptly notify Lessor and Lessee in writing of any such emergency expenditure, and Maintenance Contractor shall be reimbursed for such emergency expenditure, but only from amounts available for such purpose in the Insurance and Maintenance Fund or the Capital Replacement Reserve, as applicable. If the moneys in the Insurance and Maintenance Fund or the Capital Replacement Reserve, as applicable, shall be insufficient to cover such emergency expenditure, Lessor shall request in writing that such amounts be paid to Lessor by Lessee from Available Funds as Additional Rentals pursuant to Section 4.01(c) of the Lease Agreement, and a copy of such request shall be provided to the Trustee. Notwithstanding any other provision of this Agreement, Maintenance Contractor shall have no obligation to perform any service that is not set forth in the approved Budget.

3.6 Budget Overruns; Program Changes. Upon the occurrence of unexpected events, Maintenance Contractor may, but shall not be required to unless it is assured of reimbursement, make such reasonable expenditures in excess of the adopted Budget as are necessary to carry out its duties hereunder. Maintenance Contractor shall submit any proposed material departure from an adopted Budget to Lessor and Lessee for approval. Lessor and Lessee shall each be deemed to have approved such departure from the adopted Budget unless within 10 days either Lessor or Lessee objects to the proposed change in writing to Maintenance Contractor. Maintenance Contractor shall not exceed an adopted Budget by more than 10%, unless directly caused by an emergency expenditure or unless authorized by Lessor and Lessee. Budget overruns of 10% or less shall be paid, but only from amounts available for such purpose in the Insurance and Maintenance Fund, or the Capital Replacement Reserve, as applicable. Any departure from the adopted Budget approved or deemed approved pursuant hereto shall be submitted promptly in writing to the Trustee.

3.7 Books. Maintenance Contractor shall keep and maintain separate records and accounts of all expenditures. Lessor, Lessee and Trustee may examine such records during

normal business hours on reasonable notice. The Trustee shall have no duty to examine such records.

3.8 Right to Stop Performing Functions. Maintenance Contractor has the right to stop performing any of its obligations hereunder if Lessor fails to reimburse or pay Maintenance Contractor, or to cause Maintenance Contractor to be reimbursed or paid, in a timely fashion as provided in the approved Budget from resources made available under the Lease Agreement and the Trust Agreement. Maintenance Contractor may also cease, either temporarily or permanently, to perform its duties if Lessor or Lessee materially impairs Maintenance Contractor's ability to perform, or if such performance is impaired by government action, labor dispute, typhoon, earthquake, flood, or other natural disaster or other event of force majeure. Upon any such cessation of performance by Maintenance Contractor, Maintenance Contractor shall provide written notice to the Trustee, Lessor and Lessee.

3.9 Payment. At any time and from time to time, if amounts in the Insurance and Maintenance Fund, or the Capital Replacement Reserve, as applicable, are insufficient to satisfy the obligations of Lessor to fully pay amounts owed to Maintenance Contractor hereunder, Lessor shall request that such amounts be paid to Lessor by Lessee as Additional Rentals pursuant to Section 4.01(c) of the Lease Agreement. Notwithstanding any other provision of this Agreement, the parties hereby acknowledge and agree that no obligation assumed by or imposed upon the Maintenance Contractor hereunder shall require the performance of any act by the Maintenance Contractor except to the extent, if any, that the cost and expense of such performance can be paid from the accounts held for such purpose under the Trust Agreement.

ARTICLE

IV

INSURANCE

4.1 General. During the term of this Agreement, Maintenance Contractor shall, at Lessor's sole cost and expense, arrange for, obtain and maintain in full force and effect policies of insurance set forth in and as required by Section 7.01(b) of the Lease Agreement. All premiums for such insurance shall be paid by Lessor to the respective insurance companies upon invoices submitted to the Lessor by the Maintenance Contractor, but only from amounts available for such purpose in the Insurance and Maintenance Fund at least 30 days in advance of the date they are due to the respective insurers. Maintenance Contractor shall give Lessor, Lessee and Trustee 30 days' written notice of any increase in any premium prior to the date Lessor must pay such premium. Lessee and Trustee (at the expense of Lessee) shall cooperate fully with Maintenance Contractor and provide such information and execute such documents as may be necessary or convenient in obtaining such insurance.

4.2 Deductibles and Co-Payments. In the event of the occurrence of any loss with respect to the Facility, the Sites or otherwise hereunder that is not fully insured, Lessor shall promptly, upon written demand by Maintenance Contractor to Lessor and Lessee with a copy to Trustee, pay or cause to be paid to Maintenance Contractor or any other proper payee any deductible or co-payment that is a prerequisite to the insurer's payment of the proceeds of the applicable insurance policy, but only from amounts available for such purpose in the Insurance

and Maintenance Fund.

4.3 **Damage and Reconstruction.** In the event any Facility insured hereunder is damaged by fire or other casualty, the proceeds payable under the insurance policies shall be payable as provided in the Lease and the Trust Agreement. The Net Proceeds of fire and extended coverage insurance shall be deposited as provided in Article X of the Lease. After consultation with the Maintenance Contractor and the Lessee, Lessor shall instruct Maintenance Contractor as to the nature of the repair, reconstruction or replacement, if any, of damaged property, and Maintenance Contractor shall provide a proposed Budget for the requested repair, reconstruction or replacement using the procedure described in Section 3.4, with a copy to the Trustee.

ARTICLE V

MISCELLANEOUS

5.1 **Breach.** In the event of breach or threatened breach of this Agreement, any party may invoke the dispute settlement procedures set forth in Exhibit B. Except as otherwise provided herein, no party shall be relieved from its responsibilities hereunder unless the dispute resolution procedures are followed to their conclusion.

5.2 **Enforcement Fees.** If court proceedings are instituted in connection with the rights of enforcement and remedies provided in this Agreement, the prevailing party shall be entitled to recover its costs and expenses in connection therewith, including reasonable attorneys' fees.

5.3 **Limited Liability.** Maintenance Contractor shall not be liable to any person for any action or for any failure to act with respect to any matter if the action taken or failure to act was in good faith and without malice. Lessor shall indemnify, defend, release and hold harmless Maintenance Contractor from any loss, liability, claim or expense in such connection, but only from amounts available for such purpose in the Insurance and Maintenance Fund.

5.4 **Amendment.** This Agreement may only be amended, changed, modified, altered or terminated by an agreement in writing, signed by each of the Lessor, the Lessee, the Maintenance Contractor and the Trustee. The Trustee shall execute such agreement in writing only if there has been delivered to the Trustee an Opinion of Counsel addressed to the Trustee to the effect that such amendment, change, modification, alteration or termination (1) will not, in and of itself, materially adversely affect the interests of the Holders, and (2) is authorized or permitted by this Trust Agreement and the Lease.

5.5 **Partial Invalidity.** The invalidity or unenforceability of any term or provision of this Agreement by the application of such term or provision to any person or circumstance shall not impair or affect the remainder of this Agreement, and its application to other persons and circumstances and the remaining terms and provisions hereof shall not be invalidated but shall remain in full force and effect.

5.6 **Entire Agreement.** This Agreement supersedes any and all prior agreements or understandings between the parties with respect to the subject matter of this Agreement.

5.7 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the Territory of Guam.

5.8 Successors and Assigns. This Agreement shall inure to the benefit of and be binding on the successors and pennitted assigns of the parties hereto. Under the terms of the Lease, Lessor may assign this Agreement to Trustee on the Certificate Closing Date pursuant to that certain Assignment and Security Agreement, dated as of August 1, 2010, by and between Lessor and Trustee. Following such assignment, Lessor may not assign this Agreement without the prior written consent of Maintenance Contractor, which consent shall not be unreasonably withheld. Maintenance Contractor may not assign this Agreement except to an affiliate or with the prior written consent of Lessor and Lessee, which consent shall not be unreasonably withheld. Trustee may assign this Agreement to its successor or assign pursuant to the terms of the Trust Agreement. Lessor, Trustee and Maintenance Contractor shall provide the other parties hereto with written notice of any such assignment.

5.9 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Lessor, by its duly authorized representative, has executed this Insurance and Maintenance Agreement as of the date first above written.

LESSOR:

CORE TECH INTERNATIONAL CORPORATION

By: _____
Ho Eun
Chairman

IN WITNESS WHEREOF, the Lessee, by its duly authorized representative, has executed this Insurance and Maintenance Agreement as of the date first above written.

LESSEE:

DEPARTMENT OF EDUCATION,
GOVERNMENT OF GUAM

By: _____
K. Erik Swanson PhD, Superintendent

APPROVED AS TO FORM
AND LEGALITY:

Attorney General of Guam

APPROVED:

(SEAL)

Lourdes A. Leon Guerrero
Governor of Guam

IN WITNESS WHEREOF, the Maintenance Contractor, by its duly authorized representative, has executed this Insurance and Maintenance Agreement as of the date first above written.

MAINTENANCE CONTRACTOR:

Core Tech Development

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, the Trustee, by its duly authorized representative, has executed this Insurance and Maintenance Agreement as of the date first above written.

TRUSTEE:

Name: _____

By: _____
Authorized Officer

EXHIBIT A

to

Insurance and Maintenance Agreement

dated as of August 1, 2025

by and among

Core Tech International Corporation, Lessor,

Department of Education, Government of Guam, Lessee,

Core Tech Development, Maintenance Contractor and

~~U.S. Bank National Association~~, Trustee

Work Scope

30 Year Maintenance Program			Type			
			Janitorial	Preventive	Unscheduled	Capital
Typical School Facility Components for Maintenance		Frequency				
1	Paving					
1.1	Asphalt - repair/seal of cracks	As required			x	
1.2	Concrete Slabs on Grade and Elevated Slabs - repair cracks	As required			x	
2	Structural					
2.1	Structural Damage Assessments	As required			x	
2.2	Foundation Repairs	As required			x	
2.3	Repair of Structural Elements (incl. Crack Repairs)	As required			x	
2.4	Replacement of Structural Elements	As required			x	
2.5	Upgrading of Structural Elements	As required			x	
3	Wall Systems					
3.1	Doors including hardware	As required				x
3.2	Window Assemblies (including Aluminum Sash)	As required			x	x
3.3	Indoor Gym Bleachers that pull out from wall	As required		x		
3.4	Restroom Partitions (attached to wall)	As required			x	
4	Floor Covering					
4.1	Carpeting	Daily	x		x	x
4.2	Resilient Tile Flooring	Daily / Weekly	x		x	x
4.3	Sports Flooring	Daily / weekly	x		x	x
5	Painting					
5.1	Interior of classrooms, library, Offices, hallways, cafeteria, Restrooms, Gymnasium and Athletic Manager's Office, Covered Walkways, Laboratories and other Indoor and Outdoor Spaces.	As required / 5-years			x	x
5.2	Touch-up painting of walls	Monthly	x			
5.3	Exterior masonry, metal surfaces and trim	As required / 5-years			x	x
6	Roofing					
6.1	Large Sections or Whole Buildings of Roofing Systems including Water and Thermal Proofing	As required / 5-years			x	x
6.2	Flashings, Gutters, and Downspouts	As required		x	x	
6.3	Ceiling Tiles	As required			x	

30 Year Maintenance Program			Type			
Typical School Facility Components for Maintenance		Frequency	Janitorial	Preventive	Unscheduled	Capital
7	Electrical					
7.1	Main Electrical Riser, Connections and Conduits within the Boundaries	As required		x	x	
7.2	Panels and Boards	As required		x	x	
7.3	Signal Systems, including Fire Alarm System and Public Address	Per Mfr		x		
7.4	Main Power Distribution System	As required			x	
7.5	Interior and Exterior Power Distribution Systems	As required			x	
7.6	Interior and Exterior Lighting Systems including Interior and Exterior Incandescent and Fluorescent Lighting and Fixtures	Monthly	x	x		
7.7	Equipment Connections	As required			x	
7.8	Conduits, Conductors and Cables	As required			x	
7.9	Preventive Maintenance and Repair of Stand By Generator and Transfer Switch	Per Mfr		x	x	
8	Plumbing					
8.1	Main Water Supply Pipe Connections and Piping Within Boundaries	As required			x	
8.2	Underground Water Distribution Systems	As required			x	
8.3	Sewer piping, manholes within boundaries	As required			x	
8.4	Interior Water Supply	As required			x	
8.5	Interior and Exterior Plumbing, Connections, Piping and Fixtures, including heaters	As required / Per Mfr		x	x	x
9	Air Conditioning/Ventilation/Heating					
9.1	Air Conditioning Systems					
9.1.1	1.a Central Systems	wk, mo, qtr, 5-yr	x	x		x
9.1.2	1.b Individual Units	wk, mo, qtr, 5-yr	x	x		x
9.2	2. Ventilation Systems					
9.2.1	2.a Toilet and Bath Fan Exhaust Systems	wk, mo, qtr, 5-yr	x	x		x
9.2.2	2.b Cafeteria and Kitchen Fan Exhaust Systems	wk, mo, qtr, 5-yr	x	x		x
9.1.3	2.c Construction and Automotive Workshops Fume Exhaust Systems	wk, mo, qtr, 5-yr	x	x		x
10	Fire Protection System					
10.1	Testing and Certifying of Fire Protection System	Annually		x		
10.2	Maintenance of Fire Protection Riser and System	As required			x	
10.3	Maintenance of Fire Alarm System	see Section 7				
10.4	Testing and Certifying of Kitchen Fire Protection System				x	
10.5	Certification and Replacement of Fire Extinguishers	Annually/As Required		x	x	x
11	Kitchen Equipment					
11.1	Kitchen Equipment Maintenance	Weekly/As Required			x	x
12	Telecom and Internet					
12.1	Telecommunication Conduits / wiring	As Required			x	
12.2	Public Address	Per Mfr		x		
13	Landscaping and Lawns					
13.1	Grass cutting and maintain all grounds including Sports field	Bi-weekly	x			
13.2	Walkway edging	Bi-weekly	x			
13.3	Tree Trimming / Hedging	Monthly	x			
13.4	Provide and maintain Necessary Lawn Care Equipment (1- Riding Mower, 4-Bush cutters, 2-push Mowers)	As Required		x		x
14	Custodial and Waste Collection					
14.1	Garbage collection from classrooms, offices, restrooms and other building areas	Daily	x			
14.2	Site cleanup (hallways, walkways, parking lots, etc.)	Daily	x			
14.3	Waste removal by commercial hauler	Daily	x			
14.4	Classroom Floor polishing / waxing / sealing	Bi-Quarterly	x			
14.5	Restroom cleaning (Sweeping, mopping, wipedown of surfaces, Supply and replenishment of Paper Products, Soap)	Daily	x			
14.6	Restroom flushing and rinsing	Daily	x			
14.7	Classroom cleaning (Sweeping, mopping, wipedown of Student Desks, Clearing of White boards)	Daily	x			
14.8	Cleaning of Windows and doors interior and exterior	Daily	x			
14.9	Flushing exterior walkways / pressure washing	Bi-weekly / Quarterly	x			
15	Pest Control					
15.1	Spraying for control of pests(Ants, Cockroaches and Rats)	As Required	x			
15.2	Control of Termites	As Required	x			x
16	Elevator Maintenance					
16.1	Certification	annually		x		x
17	Campus Security					
17.1	On Site Security	As Required	x			

EXHIBIT B

Procedures for Settling Disputes

TO THE EXTENT PERMITTED BY LAW, INCLUDING BUT NOT LIMITED TO CHAPTER 6 OF TITLE 5 OF THE GUAM CODE ANNOTATED, IN ANY CASE IN WHICH THERE IS A DISPUTE BETWEEN THE PARTIES HERETO WITH RESPECT TO MATTERS UNDER THIS AGREEMENT, THE PROCEDURE FOR RESOLUTION OF THAT DISPUTE SHALL BE AS FOLLOWS:

THE AGGRIEVED PARTY OR PARTIES SHALL NOTIFY THE OTHER PARTY OR PARTIES OF THE GRIEVANCE IN WRITING. WHEN SUCH A NOTICE IS RECEIVED BY A PARTY, SUCH PARTY SHALL PROMPTLY INVESTIGATE, INSPECT, MEET, DISCUSS OR TAKE SUCH OTHER ACTION IS REASONABLY APPROPRIATE UNDER THE CIRCUMSTANCES TO ATTEMPT TO RESOLVE THE DISPUTE IN GOOD FAITH. APPROPRIATE ACTION SHALL INCLUDE, WITHOUT LIMITATION, PROMPT COMMUNICATION WITH THE AGGRIEVED PARTY OR PARTIES AND A PROPOSED COURSE OF ACTION TO RESOLVE THE PROBLEM. IF THE PARTIES ARE UNABLE TO RESOLVE THE PROBLEM WITHIN A REASONABLE PERIOD (NOT TO EXCEED THIRTY (30) DAYS AFTER THE NOTICE OF THE DISPUTE), THE MATTER SHALL BE SUBMITTED TO BINDING ARBITRATION.

ANY DISPUTE SUBMITTED TO ARBITRATION SHALL BE SETTLED BY ARBITRATION AT A MUTUALLY CONVENIENT LOCATION IN THE CITY OF HAGTNA, GUAM, DESIGNATED BY THE ARBITRATOR, BEFORE A SINGLE ARBITRATOR IN ACCORDANCE WITH THE ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION, AND JUDGMENT UPON THE AWARD RENDERED IN SUCH ARBITRATION MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. WHEN RESOLVING A DISPUTE, THE ARBITRATOR SHALL APPLY THE PERTINENT PROVISIONS OF THIS AGREEMENT AND THE LAWS OF GUAM AND SHALL GIVE EFFECT TO STATUTES OF LIMITATIONS IN DETERMINING ANY CLAIM.

ANY ARBITRATOR DESIGNATED SHALL HAVE NOT LESS THAN TEN (10) YEARS EXPERIENCE IN LEGAL MATTERS PERTAINING TO THE INTERPRETATION AND IMPLEMENTATION OF THE LAWS OF GUAM RELATING TO COMMERCIAL REAL ESTATE TRANSACTIONS. DISCOVERY REQUESTS SHALL BE DETERMINED BY THE ARBITRATOR IN LIGHT OF THE PARTIES' DESIRE TO PROCEED INFORMALLY, AT MINIMAL EXPENSE.

ANY AND ALL FEES AND EXPENSES INCURRED BY THE PREVAILING PARTY IN THE ARBITRATION AS DETERMINED BY THE ARBITRATOR, INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND COSTS, SHALL BE PAID BY THE NON-PREVAILING PARTY. THE PREVAILING PARTY SHALL BE DETERMINED BY THE ARBITRATOR, BASED UPON AN ASSESSMENT OF WHICH

PARTY'S MAJOR ARGUMENTS MADE OR POSITIONS TAKEN IN THE PROCEEDINGS COULD FAIRLY BE SAID TO HAVE PREVAILED OVER THE OTHER PARTY'S MAJOR ARGUMENTS OR POSITIONS ON MAJOR DISPUTED ISSUES IN THE ARBITRATOR'S DECISION. IF THE PARTY WHICH SHALL HAVE COMMENCED OR INSTITUTED THE ACTION, SUIT OR PROCEEDING SHALL DISMISS OR DISCONTINUE IT WITHOUT THE CONCURRENCE OF THE OTHER PARTY, SUCH OTHER PARTY SHALL BE DEEMED THE PREVAILING PARTY. AS USED IN THIS AGREEMENT, THE TERM "ATTORNEYS' FEES" INCLUDES, WITHOUT LIMITATION, ALL ATTORNEYS' AND PARALEGALS' FEES AND EXPENSES INCURRED IN CONNECTION WITH THE DISPUTE WHICH IS THE SUBJECT OF THE ARBITRATION PROCEEDING, INCLUDING, ATTEMPTING TO RESOLVE THE DISPUTE WITHOUT ARBITRATION, PREPARING FOR THE ARBITRATION, CONDUCTING THE ARBITRATION AND DEFENDING ANY REVIEW OF THE ARBITRATOR'S DECISION.

NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT ANY PARTY TO THIS AGREEMENT MAY INITIATE AND MAINTAIN AN ACTION FOR JUDICIAL RELIEF FOR THE PURPOSE OF SEEKING A PROVISIONAL OR ANCILLARY REMEDY OR CLEARING TITLE TO ANY PARCEL OF ANY NOTICE OF LIS PENDENS OR OTHER ENCUMBRANCE UPON TITLE.

NOTICE: BY EXECUTING THIS AGREEMENT, EACH PARTY HERETO IS AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THIS ARBITRATION OF DISPUTES PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY GUAM LAW AND IS GIVING UP ANY RIGHTS SUCH PARTY MAY POSSESS TO HAVE THE DISPUTE LITIGATED IN COURT AND BY JURY TRIAL, AND ANY OTHER RIGHTS TO DISCOVERY AND APPEAL. IF AN PARTY REFUSES TO SUBMIT TO ARBITRATION, SUCH PARTY MAY, TO THE EXTENT PERMITTED BY LAW, BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF APPLICABLE GUAM LAW.

End of Exhibit

EXHIBIT C

Budget for Initial Term of Lease

Management Fee	\$	70,000
Insurance Premiums		161,000
Initial Maintenance Costs		<u>20,000</u>
TOTAL	\$	251,000



SSHS NEGOTIATION MEETING #2
DPW, GDOE, GEDA, BBMR, DOA, CORE TECH
AGENDA

Friday, July 18th, 2025, 9:00 a.m.
GEDA CONFERENCE ROOM

I. CALL TO ORDER

II. NEW BUSINESS

- A. Core Tech Construction Summary Paper
- B. Core Tech Financing Summary Paper

III. OPEN DISCUSSION

IV. NEXT STEPS

V. ADJOURN

Costs
Profit Fund = \$132.9 Construction

Thurs 24.2025
H6
1. Remain \$166.5 cap
2.

New SSHS VE Summary

Date: 7/15/2025

No	Description	Amount	Remark
1	VE#01: Size of Classroom (from 117,032 Sq-ft to 94,673 Sq-ft)	\$ (9,796,201.55)	
2	VE#02: Hallway & Corridor Width	\$ (2,248,557.65)	Design Changes
3	VE#03: DPW Building Permit & Review Fees	\$ (758,626.69)	
4	VE#04: Rainwater Catchment System	\$ (1,773,539.00)	
5	VE#05: Photovoltaic System	\$ (460,913.00)	
6	VE#06: Lighting Pole at Track & Field	\$ (990,000.00)	
7	VE#07-1: Domestic Water Pipe Material	\$ (150,000.00)	Design Changes
	VE#07-2: Fire Sprinkler Branch Lines	\$ (100,000.00)	Design Changes
8	VE#08: Reusable FF&E from Existing SSHS	\$ (1,702,289.76)	
9	VE#09: HVAC Roof Enclosure	\$ (250,000.00)	
10	VE#10: Downsizing Auditorium	\$ (3,737,382.95)	
11	VE#11 Number of Classrooms (from 112 to 81 classrooms)	\$ (7,229,435.40)	
Total Estimated VE Amount (A)		\$ (29,196,946.00)	

Total Proposed Cost without VE (B) \$ 195,561,946.00

Total Proposed Net Project Cost (A+B) \$ 166,365,000.00

Justification for Core Tech as Financing Entity for SSHS Project

Legal Foundation

5 GCA § 58D104(a) mandates that the procurement for the new Simon Sanchez High School must include financing:

“... the GDOE, through the Department of Public Works (DPW), **shall** issue a solicitation in compliance with the Guam Procurement Law, for the following services with regard to the new Simon Sanchez High School: (1) **financing...**”

As well, 5 GCA § 58D102(b)(1) defines the “Contract” awarded pursuant to the procurement under the law to include the financing.

DPW RFP No. 730-5-1059-L-YIG, issued on March 28, 2025, governs and supersedes any prior procurement efforts, including those by GEDA. This is due to:

1. Its issuance being later in time, and
2. Its alignment with 5 GCA Chapter 58D.

Under GEDA RFP 2024-005 (issued September 24, 2024; awarded October 24, 2024), Section 3.9 explicitly states that GEDA is “**in no way**” obligated “to award and execute a contract.” This further reinforces that DPW’s procurement takes precedence and that the GEDA award conflicts with 5 GCA Chapter 58D.

RFP-Specific Financing Requirements

DPW RFP No. 730-5-1059-L-YIG, Section VII, Question 4 (page 5), and the follow-up in-person interview, focused extensively on the financing plan.

The Core Tech team’s proposal includes a financing structure in cooperation with GEDA, GovGuam, DPW, and GDOE, demonstrating full alignment with the RFP’s intent.

Compliance with § 58D108

§ 58D108. Financing Requirements.

To minimize the cost to the government of Guam, financing utilized by **the Contractor to fund the construction of and FF&E services** for the new Simon Sanchez High School shall be through tax-exempt obligations, or other financial instruments; provided, that such financing is available at an interest rate of no more than eight-and-a-half percent (8.5%).

The contractor may use an alternative method of financing, including, but not limited to, a short-term debt, mortgage, loan, federally guaranteed loan, or loan by an instrumentality of the United States of America if such financing will better serve the needs of the people of Guam, subject to approval by *I Liheslaturan Guåhan*.

Core Tech’s financing plan complies with 5 GCA § 58D108, which requires:

- Use of tax-exempt obligations or other financial instruments with interest rates not exceeding 8.5%.

- Alternative financing methods (e.g., short-term debt, federally guaranteed loans) are permitted only with legislative approval.

Core Tech's plan:

- Utilizes tax-exempt obligations.
- Does not require legislative approval, as no alternative financing is proposed.
- Aligns with the statutory language: "financing utilized by the Contractor," affirming that the Contractor (Core Tech) is the financing entity.

Precedent and Integration

Core Tech proposes a financing process modeled after the JFK High School project, where:

- GEDA, GovGuam, DPW, and GDOE are fully integrated into all aspects of the financing process, including:

- Financing calls
- Document development
- Rating agency presentations
- Bond marketing and investor relations
- Bond sale execution

Underwriter and Legal Counsel

Underwriter: Barclays

- Chosen for its extensive experience in Guam, including:
 - Tiyan High School
 - Southern High School
 - Co-manager for JFK High School refinancing
- Barclays was explicitly included in Core Tech's proposal.
- GEDA and GovGuam are familiar with Barclays, while the underwriters selected under GEDA RFP 2024-005 lack experience with Guam high schools or leases.

Bond Counsel:

- Core Tech initially proposed Kutak Rock LLP and Koegen Edwards PC as co-bond counsel for cost efficiency.
- For expediency and Guam-specific expertise, **Core Tech is willing to use Orrick, Herrington & Sutcliffe LLP as bond and disclosure counsel.**
- In this structure:
 - Koegen Edwards PC (Roy Koegen) would serve as underwriter's counsel.
 - Kutak Rock LLP would not participate.

Legal Authority and Issuer Selection

Under Guam law, none of GEDA, GovGuam, GDOE, or DPW has the authority to serve as the actual issuer of the financing.

A conduit issuer—as used for JFK and Tiyan—is required.

It is unclear if GEDA has the legal authority to select the underwriter for the issuer's bonds

unilaterally.

Core Tech proposes to collaborate with GEDA, DPW, and GovGuam to select the issuer.

Summary

Core Tech proposes to work collaboratively with GEDA and other GovGuam agencies under a financing process and structure substantially identical to the one GEDA desires and otherwise contemplates (including with Orrick), the primary exception being that Core Tech, as Contractor, selects the bond underwriter in compliance with and pursuant to 5 GCA Chapter 58D and DPW RFP No. 730-5-1059-L-YIG.

VE Recommendation Scenario 1

CTI VE Items	Cost	
1 Classroom Size Reduction	\$9,796,201	
2 Hallway & Corridor Reduction	\$2,248,557	
3 DPW Permit Fees		OK, Need DPW approval
4 Rainwater Catchment		OK
5 Photovoltaic System		OK
6 Track & Field Light Deletion	\$990,000	
7 Water Pipe & Fire Sprinkler Lines		OK
8 Reuse FF&E	\$1,702,289	
9 HVAC Roof Enclosure		OK
10 Downsize Auditorium		OK
11 Classroom Count Reduction	\$7,229,435	
	\$21,966,482	Target Reduction Cost

TRMA VE Recommendation

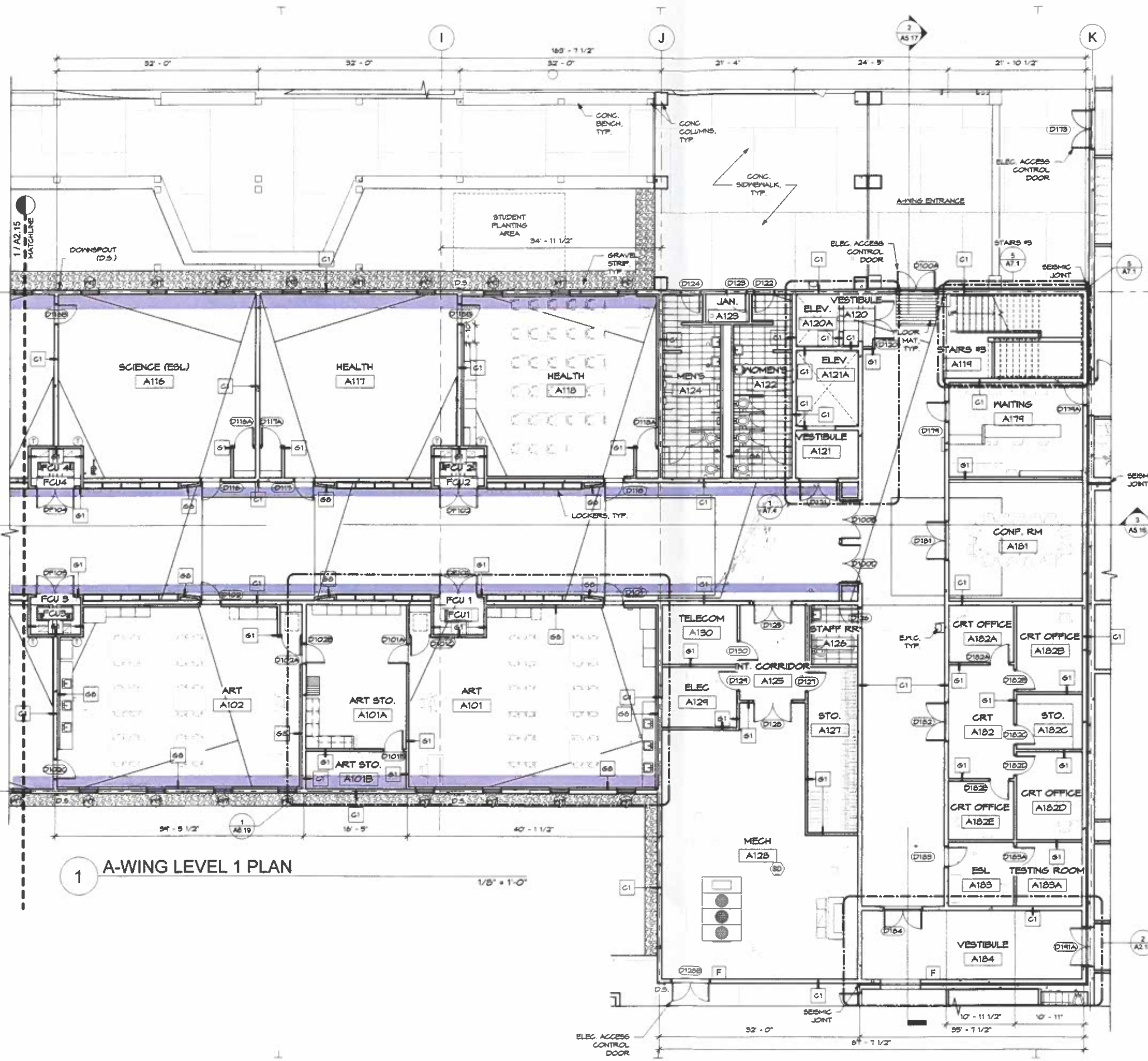
1 Classroom Size Reduction	\$0	
2 Hallway & Corridor Reduction	\$1,349,134	A & B-wing corridor -3lf width
3 DPW Permit Fees		OK
4 Rainwater Catchment		OK
5 Photovoltaic System		OK
6 Track & Field Light Deletion	\$0	Delete
7 Water Pipe & Fire Sprinkler Lines		OK
8 Reuse FF&E	\$0	Reduction w/classrooms
9 HVAC Roof Enclosure		OK
10 a. Downsize Auditorium	\$0	
b. Delete Auditorium	\$10,678,237	
11 Delete Excess cost for 16 classrooms	\$3,731,321	
12 Delete Credit Recovery	\$5,526,976	
13 a. C-wing Classrooms 25% Reduction	\$0	
b. C-wing Classrooms 25% Reduction	\$0	
c. Delete C-wing Classrooms	\$0	
14 a. Reduce JROTC Multipurpose Space	\$0	
b. Delete JROTC Multipurpose Space	\$0	
	\$21,285,668	VE Recommendation

VE Recommendation Scenario 2

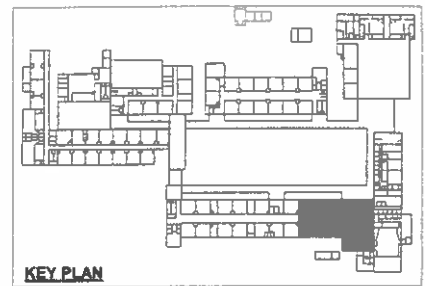
CTI VE Items	Cost	
1 Classroom Size Reduction	\$9,796,201	
2 Hallway & Corridor Reduction	\$2,248,557	
3 DPW Permit Fees	\$758,626	
4 Rainwater Catchment		OK
5 Photovoltaic System		OK
6 Track & Field Light Deletion	\$990,000	
7 Water Pipe & Fire Sprinkler Lines		OK
8 Reuse FF&E	\$1,702,289	
9 HVAC Roof Enclosure		OK
10 Downsize Auditorium		OK
11 Classroom Count Reduction	\$7,229,435	
	\$22,725,108	Target Reduction Cost

TRMA VE Recommendation

1 Classroom Size Reduction	\$0	
2 Hallway & Corridor Reduction	\$1,349,134	A & B-wing corridor -3lf width
3 DPW Permit Fees		OK
4 Rainwater Catchment		OK
5 Photovoltaic System		OK
6 Multipurpose Field Deletion	\$1,360,000	
7 Water Pipe & Fire Sprinkler Lines		OK
8 Reuse FF&E	\$0	
9 HVAC Roof Enclosure		OK
10 a. Downsize Auditorium	\$0	OK
b. Delete Auditorium	\$10,678,237	
11 Delete Excess cost for 16 classrooms	\$3,731,321	
12 Delete Credit Recovery	\$5,526,976	
13 a. C-wing Classrooms 25% Reduction	\$0	
b. C-wing Classrooms 25% Reduction	\$0	
c. Delete C-wing Classrooms	\$0	
14 a. Reduce JROTC Multipurpose Space	\$0	
b. Delete JROTC Multipurpose Space	\$0	
	\$22,645,668	VE Recommendation



1 A-WING LEVEL 1 PLAN



PLAN NOTES:
1. REFER TO SITE PLAN NOTES.
2. REFER TO ALL DRAWINGS AND SPECIFICATIONS FOR ADDITIONAL DESIGN REQUIREMENTS FOR ARCHITECTURAL WORK.

REVISION		
No.	Description	Date

TRMA
Taniguchi Ruth Maida Architects
100 Cliff Business Center, P.O. Box 54, Agoura, CA 91301
Tel.: (818) 475-8772 • Fax: (818) 472-3383
Architecture
Planning
Interior Design

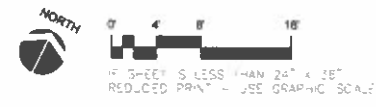


Project
GDOE
SIMON SANCHEZ HIGH SCHOOL

Title
CLASSROOM PLANS
A101 - A102, A116 - A118

PERMIT DOCUMENTS	
Designed	TRMA
Drawn	EPJ/DLG
Checked	RM/TP
Subv.	CTC
Scale	As Indicated
Date	08/26/22
Project No.	
Draw No.	

A2.14



Upcoming SSHS Meetings

1 message

Joseph W Duenas <jduenas@ssfm.com>

Fri, Jul 18, 2025 at 11:12 AM

To: Glenn Leon Guerrero <gguerrero@ssfm.com>, Thuy Nguyen <tnguyen@ssfm.com>

Cc: DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "John.Calanayan@dpw.guam.gov" <john.calanayan@dpw.guam.gov>, "tkeeler@oagguam.org" <tkeeler@oagguam.org>

Hi Glenn and Thuy,

Please see my notes from today's meeting w/ Core Tech on the upcoming meetings:

1. **Tuesday (July 22nd), 2pm, Core Tech Office** - Meeting w/ Core Tech, TRMA, and SSFM to go over value engineering. –
2. **Wednesday (July 23rd), 2pm, Core Tech Office**- Meeting w/ Core Tech, TRMA, SSFM and SSHS Principal to go over value engineering.
3. **Friday (July 25th), GEDA, Time TBD** - Meeting with Government Negotiation Committee to go over revised Core Tech submission on construction.
4. **Tuesday (July 29th), GEDA, Time TBD**- Negotiation Meeting #3 w/ Core Tech, DPW, and Government Fiscal Directors to go over Core Tech submission.

Thanks,

Joe

Joseph W. Duenas, ENV SP | Pacific Area Manager

**Innovate | Adapt | Sustain**

215 Rojas Street, Suite 213 | Harmon, Guam 96913

T 671.646.7736 | F 671.300.7738

jduenas@ssfm.com | www.ssfm.com

"Do not go where the path may lead, go instead where there is no path and leave a trail." – Ralph Waldo Emerson

NOTICE: This communication and any attachments ("this message") may contain confidential information for the sole use of the intended recipient(s). Any unauthorized

use, disclosure, viewing, copying, alteration, dissemination or distribution of, or reliance on this message is strictly prohibited. If you have received this message in error, or you are not an authorized recipient, please notify the sender immediately by replying to this message, delete this message and all copies from your e-mail system and destroy any printed copies.

**RE: Invitation: SSHS Negotiate meeting @ Wed Jul 9, 2025 3pm - 4pm (ChST)
(ho.eun@coretechintl.com)**

7 messages

Ho Eun <ho.eun@coretechintl.com>

Mon, Jul 28, 2025 at 9:11 AM

To: Donna Herrero <donna.herrero@dpw.guam.gov>, "jduenas@ssfm.com" <jduenas@ssfm.com>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, "tnguyen@ssfm.com" <tnguyen@ssfm.com>, Vince Arriola <vince.arriola@dpw.guam.gov>

Cc: Valarie San Nicolas-Cruz <valarie.sannicolas@dpw.guam.gov>, "manauta@gdoe.net" <manauta@gdoe.net>, Jong Won <jong.won@coretechintl.com>, Alon Elamparo <alon.elamparo@coretechintl.com>

Dear all,

Good morning. I would like to confirm if we have a meeting at GEDA tomorrow at 9 am, as previously discussed. Please let us know if there is any change in schedule. Thank you.

Sincerely,

Ho

-----Original Appointment-----

From: Donna Herrero <donna.herrero@dpw.guam.gov>**Sent:** Monday, July 7, 2025 12:26 PM**To:** Ho Eun; jduenas@ssfm.com; keswanson@gdoe.net; Linda Ibanez; tnguyen@ssfm.com; Vince Arriola**Cc:** Valarie San Nicolas-Cruz; manauta@gdoe.net**Subject:** Invitation: SSHS Negotiate meeting @ Wed Jul 9, 2025 3pm - 4pm (ChST) (ho.eun@coretechintl.com)**When:** Wednesday, July 9, 2025 3:00 PM-4:00 PM Pacific/Guam.**Where:** DPW Director's Office

Letter sent out to Mr. Eun regarding invitation to - 7/7/25
.negotiate SSHS

Attachments

dir25-1120.pdf

**When**

Wednesday Jul 9, 2025 · 3pm – 4pm (Chamorro Standard Time)

Location

DPW Director's Office

[View map](#)

Guests

Donna Herrero - organizer

ho.eun@coretechintl.com

jduenas@ssfm.com

keswanson@gdoe.net

Linda Ibanez

tnguyen@ssfm.com

Vince Arriola

Valarie San Nicolas-Cruz - optional

manauta@gdoe.net - optional

[View all guest info](#)

[Reply for ho.eun@coretechintl.com](#)

Maybe No Yes

[More options](#)

Invitation from Google Calendar

You are receiving this email because you are an attendee on the event.

Forwarding this invitation could allow any recipient to send a response to the organizer, be added to the guest list, invite others regardless of their own invitation status, or modify your RSVP. [Learn more](#)

This message was sent from outside the company. Please do not click links or open attachments unless you recognize the source of this email and know the content is safe.

"Disclaimer: The content of this message is confidential and intended only for the use of the individual or entity to which it is addressed. If you have received it by mistake, please inform us by an email reply and then delete the message. It is prohibited to copy, forward, or in any way reveal the contents of this message to anyone. The integrity and security of this email cannot be guaranteed over the Internet. Therefore, the sender will not be held liable for any damage caused by the message."

Joseph W Duenas <jduenas@ssfm.com>

Mon, Jul 28, 2025 at 11:59 AM

To: Ho Eun <ho.eun@coretechintl.com>, Donna Herrero <donna.herrero@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, Thuy Nguyen <tnguyen@ssfm.com>, Vince Arriola <vince.arriola@dpw.guam.gov>
Cc: Valarie San Nicolas-Cruz <valarie.sannicolas@dpw.guam.gov>, "manauta@gdoe.net" <manauta@gdoe.net>, Jong Won <jong.won@coretechintl.com>, Alon Elamparo <alon.elamparo@coretechintl.com>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, Carlos Bordallo <carlos.bordallo@investguam.com>, Tina Garcia <cgarcia@investguam.com>, Lester Carlson <lester.carlson@bbmr.guam.gov>

Hi Mr. Ho,

Thank you for your email. We are looking at resuming our meeting tomorrow (Tuesday), GEDA Conference Room, at 2pm.

We look forward to our discussion.

Sincerely,

Joe

Joseph W. Duenas, ENV SP | Pacific Area Manager



Innovate | Adapt | Sustain

215 Rojas Street, Suite 213 | Harmon, Guam 96913
T 671.646.7736 | F 671.300.7738
jduenas@ssfm.com | www.ssfm.com

"Do not go where the path may lead, go instead where there is no path and leave a trail." – Ralph Waldo Emerson

From: Ho Eun <ho.eun@coretechintl.com>

Sent: Monday, July 28, 2025 9:11 AM

To: Donna Herrero <donna.herrero@dpw.guam.gov>; Joseph W Duenas <jduenas@ssfm.com>; keswanson@gdoe.net; Linda Ibanez <linda.ibanez@dpw.guam.gov>; Thuy Nguyen <tnguyen@ssfm.com>;

Vince Arriola <vince.arriola@dpw.guam.gov>

Cc: Valarie San Nicolas-Cruz <valarie.sannicolas@dpw.guam.gov>; manauta@gdoe.net; Jong Won <jong.won@coretechintl.com>; Alon Elamparo <alon.elamparo@coretechintl.com>

Subject: RE: Invitation: SSHS Negotiate meeting @ Wed Jul 9, 2025 3pm - 4pm (ChST) (ho.eun@coretechintl.com)

Email received from **EXTERNAL** sender. Confirm the content is safe prior to opening attachments or links.

[Quoted text hidden]

NOTICE: This communication and any attachments ("this message") may contain confidential information for the sole use of the intended recipient(s). Any unauthorized use, disclosure, viewing, copying, alteration, dissemination or distribution of, or reliance on this message is strictly prohibited. If you have received this message in error, or you are not an authorized recipient, please notify the sender immediately by replying to this message, delete this message and all copies from your e-mail system and destroy any printed copies.

Ho Eun <ho.eun@coretechintl.com>

Mon, Jul 28, 2025 at 12:04 PM

To: Joseph W Duenas <jduenas@ssfm.com>, Donna Herrero <donna.herrero@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, Thuy Nguyen <tnguyen@ssfm.com>, Vince Arriola <vince.arriola@dpw.guam.gov>

Cc: Valarie San Nicolas-Cruz <valarie.sannicolas@dpw.guam.gov>, "manauta@gdoe.net" <manauta@gdoe.net>, Jong Won <jong.won@coretechintl.com>, Alon Elamparo <alon.elamparo@coretechintl.com>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Carla Benita Masnayon <cdmasnayon@gdoe.net>, Carlos Bordallo <carlos.bordallo@investguam.com>, Tina Garcia <cgarcia@investguam.com>, Lester Carlson <lester.carlson@bbmr.guam.gov>

Thank you, Joe, for your prompt response. I thought I mentioned I have a conflicting schedule, so we agreed to meet at 9 am.

If that is not possible, could we meet at 1:30 pm?

I really appreciate any help you can provide.

Sincerely,

Ho

[Quoted text hidden]

Joseph W Duenas <jduenas@ssfm.com>

Mon, Jul 28, 2025 at 12:10 PM

To: Ho Eun <ho.eun@coretechintl.com>, Donna Herrero <donna.herrero@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, Thuy Nguyen <tnguyen@ssfm.com>, Vince Arriola <vince.arriola@dpw.guam.gov>

Cc: Valarie San Nicolas-Cruz <valarie.sannicolas@dpw.guam.gov>, "manauta@gdoe.net" <manauta@gdoe.net>, Jong Won <jong.won@coretechintl.com>, Alon Elamparo <alon.elamparo@coretechintl.com>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Carla Benita Masnayon <cdmasnayon@gdoe.net>, Carlos Bordallo <carlos.bordallo@investguam.com>, Tina Garcia <cgarcia@investguam.com>, Lester Carlson <lester.carlson@bbmr.guam.gov>

Hi Mr. Ho,

We will send the invite out for 1:30pm. If the time changes again, we will notify you.

Thanks,

Joe

Joseph W. Duenas, ENV SP | Pacific Area Manager



Innovate | Adapt | Sustain

215 Rojas Street, Suite 213 | Harmon, Guam 96913
T 671.646.7736 | F 671.300.7738
jduenas@ssfm.com | www.ssfm.com

"Do not go where the path may lead, go instead where there is no path and leave a trail." – Ralph Waldo Emerson

From: Ho Eun <ho.eun@coretechintl.com>

Sent: Monday, July 28, 2025 12:04 PM

To: Joseph W Duenas <jduenas@ssfm.com>; Donna Herrero <donna.herrero@dpw.guam.gov>; keswanson@gdoe.net; Linda Ibanez <linda.ibanez@dpw.guam.gov>; Thuy Nguyen <tnguyen@ssfm.com>; Vince Arriola <vince.arriola@dpw.guam.gov>

Cc: Valarie San Nicolas-Cruz <valarie.sannicolas@dpw.guam.gov>; manauta@gdoe.net; Jong Won <jong.won@coretechintl.com>; Alon Elamparo <alon.elamparo@coretechintl.com>; DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>; Carla Benita Masnayon <cdmasnayon@gdoe.net>; Carlos Bordallo <carlos.bordallo@investguam.com>; Tina Garcia <cgarcia@investguam.com>; Lester Carlson <lester.carlson@bbmr.guam.gov>

Subject: RE: Invitation: SSHS Negotiate meeting @ Wed Jul 9, 2025 3pm - 4pm (ChST) (ho.eun@coretechintl.com)

You don't often get email from ho.eun@coretechintl.com. Learn why this is important

[Quoted text hidden]

Joseph W Duenas <jduenas@ssfm.com>

Mon, Jul 28, 2025 at 12:30 PM

To: Ho Eun <ho.eun@coretechintl.com>, Donna Herrero <donna.herrero@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, Thuy Nguyen <tnguyen@ssfm.com>, Vince Arriola <vince.arriola@dpw.guam.gov>

Cc: Valarie San Nicolas-Cruz <valarie.sannicolas@dpw.guam.gov>, "manauta@gdoe.net" <manauta@gdoe.net>, Jong Won <jong.won@coretechintl.com>, Alon Elamparo <alon.elamparo@coretechintl.com>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Carla Benita Masnayon <cdmasnayon@gdoe.net>, Carlos Bordallo <carlos.bordallo@investguam.com>, Tina Garcia <cgarcia@investguam.com>, Lester Carlson <lester.carlson@bbmr.guam.gov>

Hi Mr. Ho,

My apologies for the error. The meeting is for 9am at GEDA tomorrow, as you had originally anticipated.

Thank you!

Joe

Joseph W. Duenas, ENV SP | Pacific Area Manager



Innovate | Adapt | Sustain

215 Rojas Street, Suite 213 | Harmon, Guam 96913
T 671.646.7736 | F 671.300.7738
jduenas@ssfm.com | www.ssfm.com

"Do not go where the path may lead, go instead where there is no path and leave a trail." – Ralph Waldo Emerson

From: Ho Eun <ho.eun@coretechintl.com>
Sent: Monday, July 28, 2025 12:04 PM
To: Joseph W Duenas <jduenas@ssfm.com>; Donna Herrero <donna.herrero@dpw.guam.gov>; keswanson@gdoe.net; Linda Ibanez <linda.ibanez@dpw.guam.gov>; Thuy Nguyen <tnguyen@ssfm.com>; Vince Arriola <vince.arriola@dpw.guam.gov>
Cc: Valarie San Nicolas-Cruz <valarie.sannicolas@dpw.guam.gov>; manauta@gdoe.net; Jong Won <jong.won@coretechintl.com>; Alon Elamparo <alon.elamparo@coretechintl.com>; DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>; Carla Benita Masnayon <cdmasnayon@gdoe.net>; Carlos Bordallo <carlos.bordallo@investguam.com>; Tina Garcia <cgarcia@investguam.com>; Lester Carlson <lester.carlson@bbmr.guam.gov>
Subject: RE: Invitation: SSHS Negotiate meeting @ Wed Jul 9, 2025 3pm - 4pm (ChST) (ho.eun@coretechintl.com)

You don't often get email from ho.eun@coretechintl.com. Learn why this is important

Email received from **EXTERNAL** sender. Confirm the content is safe prior to opening attachments or links.

[Quoted text hidden]

Ho Eun <ho.eun@coretechintl.com> Mon, Jul 28, 2025 at 12:31 PM
To: Joseph W Duenas <jduenas@ssfm.com>, Donna Herrero <donna.herrero@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, Thuy Nguyen <tnguyen@ssfm.com>, Vince Arriola <vince.arriola@dpw.guam.gov>
Cc: Valarie San Nicolas-Cruz <valarie.sannicolas@dpw.guam.gov>, "manauta@gdoe.net" <manauta@gdoe.net>, Jong Won <jong.won@coretechintl.com>, Alon Elamparo <alon.elamparo@coretechintl.com>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Carla Benita Masnayon <cdmasnayon@gdoe.net>, Carlos Bordallo <carlos.bordallo@investguam.com>, Tina Garcia <cgarcia@investguam.com>, Lester Carlson <lester.carlson@bbmr.guam.gov>

Thank you, Sir, for your kind accommodation.

[Quoted text hidden]

Ho Eun <ho.eun@coretechintl.com>

Mon, Jul 28, 2025 at 12:34 PM

To: Joseph W Duenas <jduenas@ssfm.com>, Donna Herrero <donna.herrero@dpw.guam.gov>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, Thuy Nguyen <tnguyen@ssfm.com>, Vince Arriola <vince.arriola@dpw.guam.gov>

Cc: Valarie San Nicolas-Cruz <valarie.sannicolas@dpw.guam.gov>, "manauta@gdoe.net" <manauta@gdoe.net>, Jong Won <jong.won@coretechintl.com>, Alon Elamparo <alon.elamparo@coretechintl.com>, DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, Carlos Bordallo <carlos.bordallo@investguam.com>, Tina Garcia <cgarcia@investguam.com>, Lester Carlson <lester.carlson@bbmr.guam.gov>

Thank you so much. Even better!

Best regards,

[Quoted text hidden]



Vince Arriola <vince.arriola@dpw.guam.gov>

SSHS NEGOTIATION COMMITTEE MEETING (RESUME)

2 messages

Joseph W Duenas <jduenas@ssfm.com>

Mon, Jul 28, 2025 at 12:56 PM

To: DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Cedric Cruz <Ccruz@traguam.com>, Jerome Chaz <jchaz@ssfm.com>, Carlos Bordallo <carlos.bordallo@investguam.com>

Team,

As discussed in this morning's meeting, we will resume our committee meeting at 2pm today (GEDA Conference Room) to go over SSHS/ TRMA listing of Non Negotiables that will be used for tomorrow's meeting with Core Tech.

Thanks,

Joe

NOTICE: This communication and any attachments ("this message") may contain confidential information for the sole use of the intended recipient(s). Any unauthorized use, disclosure, viewing, copying, alteration, dissemination or distribution of, or reliance on this message is strictly prohibited. If you have received this message in error, or you are not an authorized recipient, please notify the sender immediately by replying to this message, delete this message and all copies from your e-mail system and destroy any printed copies.

 **invite.ics**
4K**Joseph W Duenas** <jduenas@ssfm.com>

Mon, Jul 28, 2025 at 12:56 PM

To: DPW SSHS CM Team <DPWSSHSCMTeam@ssfm.onmicrosoft.us>, Vince Arriola <vince.arriola@dpw.guam.gov>, Linda Ibanez <linda.ibanez@dpw.guam.gov>, Carla Benita Masnayan <cdmasnayan@gdoe.net>, "keswanson@gdoe.net" <keswanson@gdoe.net>, Cedric Cruz <Ccruz@traguam.com>, Jerome Chaz <jchaz@ssfm.com>, Carlos Bordallo <carlos.bordallo@investguam.com>

[Quoted text hidden]

 **invite.ics**
4K

**SSFM INTERNATIONAL, INC.
MONTHLY STATUS REPORT TO CLIENT**

Project Name: New Simon Sanchez High School Finance, Demolition, Design, Build, Lease/Leaseback & Insure/Capital Maintenance (FDDBLM)

Name of Client: Guam Department of Public Works

Date of This Report: July 01, 2025

Date Of Last Report: June 30, 2025

Prepared By: Glenn Leon Guerrero

SCOPE OF WORK

- Construction Management Services (Procurement, Negotiation and Construction)

WORK COMPLETED FOR THE PERIOD (7/1/25 to 7/31/25)

July 1, 2025 (Tuesday)

- Collaborated with TRMA on Construction Contract documents
- Coordinate with Negotiation Committee with time change for Thursday, July 3rd, 2025, meeting
- Consulted with BBMR Director on financing and negotiations

July 2, 2025 (Wednesday)

- Finalized agenda for Thursday, July 3rd, 2025, meeting
- Internal Review of draft Contact Negotiation document

July 3, 2025 (Thursday)

- Attended Negotiation Committee Meeting at GEDA Conference Room.
- Draft letter for negotiations to CTI from DPW Director.
- Coordinate Negotiation Meeting with CTI for Wednesday, July 9, 2025

July 7, 2025 (Monday)

- Conducted discussion with SSHS Principal to align expectations and responsibilities of O&M contract
- Coordinate Negotiation Meeting with Core Tech and DPW for Wednesday, July 9, 2025
- Reviewed and converted Lease Agreement, Ground Lease, Insurance and Maintenance, and Project Development Agreements

WORK COMPLETED FOR THE PERIOD (7/1/25 to 7/31/25)**July 8, 2025 (Tuesday)**

- Draft Master Negotiation Contract which includes Lease Agreement, Ground Lease, Insurance and Maintenance, and Project Development Agreements
- Consulted with BBMR Director Carlson on Lease Agreement and negotiations outcome
- Consulted with DPW Director Arriola on Negotiations Meeting with CTI plans
- Prepared agenda and documents for Negotiation Meeting with CTI

July 9, 2025 (Wednesday)

- Reviewed RFP and Public Law for restriction in Developer financing for Negotiation Meeting with CTI.
- Sent the financing analysis to DPW
- Attended Negotiation Meeting with CTI at DPW Director's Office
- Send four draft Negotiation Contracts to Attorney Brooks for review

July 10, 2025 (Thursday)

- Attended Negotiation Committee Meeting at GEDA Conference Room
- Internal planning and next step for the project

July 11, 2025 (Friday)

- Coordinated Negotiation Meeting with DPW, GEDA, and GDOE for Thursday, July 17th, 2025
- Collaborated with DPW Director on SSHS Core Tech inspection

July 14, 2025 (Monday)

- Internal planning and next step for the project
- Revision to the Negotiation Contracts

July 15, 2025 (Tuesday)

- Revision to the Negotiation Contract document
- Collaborated with SSHS Principal and Assistant Principal on Insurance and Maintenance Contract
- Consulted with BBMR Director regarding financing of SSHS
- Coordinated SSHS DPW Director Meeting; Wednesday July 16th, 2025
- Send four revised Draft Negotiation Contracts to Attorney Brooks for second review

July 16, 2025 (Wednesday)

- Attended SSHS DPW Director Meeting at DPW Director Office
- Coordinated Negotiation Meeting 2 with CTI; Friday, July 18th, 2025
- Collaborated with the BBMR Director to review Core Tech's proposal and evaluated Orrick's opinion on financing guidelines

WORK COMPLETED FOR THE PERIOD (7/1/25 to 7/31/25)

- Prepared for Negotiation Committee Meeting at GEDA

July 17, 2025 (Thursday)

- Attended Negotiation Committee Meeting at GEDA Conference Room
- Prepared for Negotiation Meeting #2 with CTI at GEDA

July 18, 2025 (Friday)

- Attended Negotiation Meeting #2 with CTI at GEDA Conference Room
- Submitted June CSR and Invoice to DPW
- Follow-up with John Calanayan for No Cost Change Order

July 22, 2025 (Tuesday)

- Attended the Value Engineering (VE) meeting with SSFM, CTI and TRMA

July 23, 2025 (Wednesday)

- Attended the coordination meeting for SSHS Recommendation between TRMA, CTI, and GDOE.

July 24, 2025 (Thursday)

- Attended the working meeting with CTI, TRMA and GDOE to discuss the Value Engineering

July 25, 2025 (Friday)

- Conducted internal meetings in preparation with upcoming negotiation and coordination meetings with DPW, GDOE, TRMA and CTI.
- Attended the coordination meeting with DPW, GDOE, TRMA and CTI.

July 28, 2025 (Monday)

- Prepared the agenda for the upcoming meetings with DPW and GDOE leadership.
- Attended the Negotiation Meeting with DPW, GDOE & GEDA (2 sessions)
- Prepared for Negotiation Meeting #3 with GDOE, CTI, DPW and GEDA

July 29, 2025 (Tuesday)

- Attended the Negotiation Meeting #3 with GDOE, CTI, DPW and GEDA
- Prepared Meeting Minutes for Negotiation Meeting #3 with GDOE, CTI, DPW and GEDA

July 30, 2025 (Wednesday)

- Collaborated with the Director of BBMR to discuss the Insurance and FF&E requirements for CTI
- Conducted internal team meeting regarding to discuss insurance coverage – costs and availability and FF&E funding source.

WORK COMPLETED FOR THE PERIOD (7/1/25 to 7/31/25)

- Prepared Meeting Minutes for Negotiation Meeting #3 with GDOE, CTI, DPW and GEDA
- Contacted the DPW Director to inquire how the BBMR Director allocated the \$143.5M project budget to include FF&E (\$9M) and Arts (\$1.6M). For reference, the 1% allocation for Arts should be approximately \$1.3M–\$1.4M based on the project/construction cost.
- Conducted SSHS site visit with the internal team.

July 31, 2025 (Thursday)

- Reviewed the meeting minutes for accuracy and completeness.
- Conducted research on available insurance coverage options.
- Facilitated an internal team meeting to provide a comprehensive recap of discussions and action items.

IMMEDIATE ACTION ITEMS

CLIENT Action Items:	• Draft of the Construction Contract for review and discussion for the upcoming meetings.
SSFM Action Items	• Assist DPW and provide support for the insurance and financing negotiations for the upcoming meetings.

MEETINGS COMPLETED FOR THE PERIOD (7/1/25 TO 7/31/25)

SSHS Negotiation Committee Meeting	7/3/25	GEDA Conference Room
Negotiation meeting with Core Tech International	7/9/25	DPW Directors Office
SSHS Negotiation Committee Meeting	7/10/25	GEDA Conference Room
Weekly coordination meeting with the DPW Director (Wednesday)	7/16/25	DPW Directors Office
Negotiation meeting with Core Tech International	7/17/25	GEDA Conference Room
Second negotiation meeting with Core Tech International	7/18/25	GEDA Conference Room
Internal meeting of the Negotiation Committee between DPW, GDOE, and GEDA (Two sessions).	7/28/25	GEDA Conference Room
Third negotiation meeting with Core Tech International.	7/29/25	GEDA Conference Room

<u>UPCOMING MEETINGS (Tentative)</u>		
Wednesday Weekly Meeting with DPW Director	8/6/25	DPW Directors Office
Fourth negotiation meeting with Core Tech International	8/12/25	GEDA Conference Room
Wednesday Weekly Meeting with DPW Director	8/13/25	DPW Directors Office
Wednesday Weekly Meeting with DPW Director	8/20/25	DPW Directors Office
Wednesday Weekly Meeting with DPW Director	8/27/25	DPW Directors Office

<u>UPCOMING DEADLINES / Tentative Schedules</u>	
Description of Work Item	Deadline / Target Date
Finalize insurance/ financing negotiations (DOA/ GEDA/ BBMR/ CTI)	August 15, 2025
Draft Pre Final Contract (GEDA)	August 15, 2025
Circulate Contract for review and final revisions	August 29, 2025
Transmit Contract to AG for review	August 29, 2025

<u>PENDING ITEMS and ISSUES</u>	
1.	Approval and signature of “No Cost” Change Order

<u>MISCELLANEOUS COMMENTS</u>	
1.	None.

<u>PROJECT STATUS – SCHEDULE and PROGRESS</u>			
Schedule			
NTP Date	Current Completion Date	% Complete	Comments
9/27/24	9/26/27	12%	Construction Management

<u>ATTACHMENTS</u>	
1.	SSHS Negotiation Committee Meeting Minutes – July 3, 2025
2.	Negotiation Meeting with Core Tech International Minutes – July 9, 2025

<u>ATTACHMENTS</u>	
3.	SSHS Negotiation Committee Meeting Minutes – July 10, 2025
4.	DPW/SSFM Weekly Meeting Minutes – July 16, 2025
5.	SSHS Negotiation Committee Meeting Minutes – July 17, 2025
6.	Second Negotiation Meeting with Core Tech International Minutes – July 18, 2025
7.	SSHS Negotiation Committee Meeting Minutes – July 28, 2025
8.	Third Negotiation Meeting with Core Tech International Minutes – July 29, 2025
9.	Draft letter for DPW to CTI regarding Invitation to Negotiate – July 16, 2025



DPW SSHS NEGOTIATION COMMITTEE MEETING MINUTES

Thursday, July 3, 2025; 2:00 PM
GEDA Conference Room

Attendees:			
Vince Arriola	DPW	Erik Swanson, Ph.D.	GDOE
Carla Masnayan - virtual	GDOE-SSHS	Mike Makio – virtual	TRMA
Keith Quiambao	GDOE-SSHS	Cedric Cruz	TRMA
Ron Canos	GDOE-SSHS	Joseph Duenas	SSFM
Tina Garcia - virtual	GEDA	Glenn Leon Guerrero - virtual	SSFM
Angelene Rios - virtual	GEDA	Gerard Bautista – virtual	SSFM
John San Nicolas - virtual	GEDA	Ed Hipolito – virtual	SSFM
Carlos Bordallo - virtual	GEDA	Connie Garrido - virtual	SSFM
Celia Anderson	GEDA	Alvin Bejosa - virtual	SSFM
Terry Brooks	GEDA	Thuy Nguyen	SSFM

I. CALL TO ORDER

- *Meeting began at 2:04 PM by Joe Duenas.*

II. UNFINISHED BUSINESS

A. Term Sheet Discussion

- *Attorney TB (GEDA) asked who will be involved and how will this be finalized*

B. Draft Contract Status

- Construction- Attorney Brooks
- Operations & Maintenance- Attorney Brooks
 - *CC (TRMA) passed around a draft O&M contract for the group to review*
 - *The group agrees to include service frequency and the respond time to maintenance*
- Finance- GEDA
 - *TG (GEDA) mentioned that the finance contract is the bond purchase agreement, but the group need to know who the trustee from Core Tech International, Corp. (CTI) will be to move forward.*
 - *TG (GEDA) will need to talk to Bond Counsel to draft the finance portion*

III. NEW BUSINESS

A. Next Steps

- Government contract internal review.
 - Finance- GEDA/ BBMR
 - *TG (GEDA) sent out JFK lease agreement and ground lease agreement as example, the group will use this as guidance.*
 - *Attorney TB (GEDA) sent the JFK Project Development Agreement PDF file for guidance and will provide the converted Word Doc.*

b. Construction- SSFM DPW

- *CC (TRMA) suggested a draft construction contract adapted from the BioLab template with recommended AIA supplementary conditions, noting required revisions to party roles and potential overlap with existing DPW contract provisions.*
- *EH (SSFM) mentioned the document need to be modify for Design-Bid-Build (DBB) using the bond contract and include Liquidated Damages (LD) Clause. Director VA (DPW) noted that LD as specific as possible*

c. Operations & Maintenance- SSFM/ SSHS/ GDOE Upcoming Schedule/ Milestones

ii. SSHS Schedule/ Milestones (see below)

- *Action items:*
 - *SSFM: review the construction contract, internal review of the development agreement to determine the master document,*
 - *GDOE, Cedric, and Glenn to review the O&M template by Tuesday close of business to finalize inputs for JFK and Simon Sanchez's contracts.*
 - *Attorney TB (GEDA) to send converted Project Development Agreement to Word doc*

IV. OPEN DISCUSSION

- *none*

V. NEXT MEETING

A. Thursday, July 10th, 10 a.m., GEDA Conference Room

B. Wednesday, July 9th, 3:00 p.m., DPW Director's Office

- *Director VA (DPW) mentioned the negotiation with CTI will include Vince Arriola (DPW), Erik Swanson (GDOE), and Joe Duenas (SSFM)*

VI. ADJOURN

- *Meeting adjourned at 2:53 PM by Joe Duenas.*

SSHS Schedule/ Milestones

1. Meeting w/ Negotiation Team & Attorney Brooks - (June 26th)
2. Review Draft Construction and O&M Contracts from Attorney Brooks - Today (July 3rd)
3. Government Review of Contracts - Comments due to Attorney Brooks by close of business - Tuesday, July 8th.



4. Revised contract from Attorney Brooks for negotiation meeting- Thursday, July 10th.
5. Internal Negotiation Committee Meeting - Objective align before negotiations – Thursday, July 10th
6. Meeting #1 w/ Core Tech - Provide draft contract.
7. Meeting #2 w/ Core Tech - Negotiate final contract
8. Finalize Contract/ Notice of Intent to Award
9. Notice of Award

SIGN- IN SHEET

Project: Construction of the New Simon Sanchez High School

Purpose: Negotiation Meeting – Contract Review

Date: Thursday, July 3, 2025

Time: 2:00 PM

Location: GEDA Conference Room 5th Floor ITC Building

	Organization	Name	Email Address	Initials
	BBMR	Lester Carlson	lester.carlson@bbmr.guam.gov	
	DLM	Celine Cruz	celine.cruz@land.guam.gov	
	DLM	Joseph Borja	joseph.borja@land.guam.gov	
	DOA	Edward Birn	edward.birn@doa.guam.gov	
	DPW	Benny San Nicolas	benny.sannicolas@dpw.guam.gov	
	DPW	Donna Herrero	donna.herrero@dpw.guam.gov	
	DPW	Ernie Candoleta	ernest.candoleta@dpw.guam.gov	
	DPW	Erica Taitano	erica.taitano@dpw.guam.gov	
	DPW	John Calanayan	john.calanayan@dpw.guam.gov	
	DPW	Linda Ibanez	linda.ibanez@dpw.guam.gov	
	DPW	Valarie San Nicolas	valarie.sannicolas@dpw.guam.gov	
	DPW	Vince Arriola	vince.arriola@dpw.guam.gov	Lil
	GDOE	Barbara Adamos	bradamos@gdoe.net	B
	GDOE	Erik Swanson, PhD	keswanson@gdoe.net	
	GDOE	Jimmy Pangelinan	jimdpangelinan@gdoe.net	
✓	GDOE-SSHS	Carla Masnavon	cdmasnavon@gdoe.net	
	GDOE-SSHS	Jessica Fejeran	jpfeceran@gdoe.net	
	GDOE-SSHS	Keith Quiambao	kdquiambao@gdoe.net	
	GDOE-SSHS	Melvin Finona	mmfinona@gdoe.net	
	GDOE-SSHS	Ron Canos	racanos@gdoe.net	
✓	GEDA	Angelene Rios	angelene.rios@investguam.com	
✓	GEDA	Carlos Bordallo	carlos.bordallo@investguam.com	
	GEDA	Celia Anderson	celia.anderson@investguam.com	CA
✓	GEDA	John San Nicolas	jsannicolas@investguam.com	
	GEDA	Melanie Mendiola		
✓	GEDA	Tina Garcia	tgarcia@investguam.com	
	GEDA	Terry Brooks	tmb@guamlaw.net	
	GEDA	Yong Park		

[illegible]



**SSHS NEGOTIATION MEETING #1
DPW, GDOE, CORE TECH
MINUTES**

Wednesday, July 9, 2025, 3:00 p.m.
DPW DIRECTOR'S OFFICE

Attendees:			
Vince Arriola	DPW	Erik Swanson, Ph.D	GDOE
John Calanayan	DPW	Alon Elamparo	CTI
Joseph Duenas	SSFM	Ho Eun	CTI
Thuy Nguyen	SSFM	Jong Won	CTI

I. CALL TO ORDER

- *Meeting was called to order at 3:02 PM by DPW Director, Vince Arriola*

II. NEW BUSINESS

A. Term Sheet- Review & Discuss

- *The group discussed the CTI Term Sheet to gain a clearer understanding of the cost breakdown from CTI's perspective.*
- *HE (CTI) discussed the insurance policy and assured the government that CTI will utilize its own company's insurance policy to provide typhoon coverage, as most external insurance providers currently do not currently offer typhoon protection in Guam.*
- *VA (DPW) asked HE (CTI) about the Proposer's financing vs. GEDA-led financing. HE (CTI) expressed the belief that the Ma Kåhat Act required the Proposer (CTI) to bring their own financing to the table and they were prepared to do so. VA (DPW) stated that GEDA's enable legislation may require them to facilitate the financing and that he would like further into this.*
- *JD (SSFM) asked HE (CTI) if the Government provided its own financing, if Core Tech would be okay with this. HE (CTI) expressed some reservation about this but affirmed that it would be acceptable.*

B. Public Law and RFP Requirements

- Project Cost - Cannot exceed \$166M Price Ceiling (Construction, Financing, and FF&E)**
 - *CTI discussed the possibility of removing the construction cap of \$166M via the Guam Legislature, as the legally allowable monthly financing costs could allow them to build the current school (more school) as envisioned by the original design.*
 - *HE (CTI) stated that if the Legislature removes the \$166 million construction cost ceiling, CTI is prepared to include all current design elements while maintaining the existing annual lease payment.*
 - *Concerns were discussed about potential legal protest from other bidders if the cap is amended; CTI believes it's not an issue due to their unique compliance and proposal.*

- *Additional concerns discussed included what if the Legislature does not pass the law.*
- *HE (CTI) said that he would provide a plan in writing to build the school within the parameters of the current law and provide it in writing to the DPW this Monday, allowing DPW to assess the features.*
- ii. RFP Requirement (2,000 students)
 - *JD (SSFM) asked CTI if 1) They can build a school for 2,000 students, that we would all be proud off, within the guidelines of the funding guidelines (\$166M) of the law which included construction and financing costs.*
 - *HE (CTI) stated that they could build a school within the cap that would sufficiently accommodate 2,000 students*
 - *HE (CTI) stated that if the language of \$166M is kept, then some construction elements would need be compromised. He gave examples such as returning proposed classroom sizes back to standard (following DoDEA specifications) classroom sizes, adjusting hallway widths and ceiling height, etc.*

III. OPEN DISCUSSION

- *HE (CTI) assured CTI will self-fund and begin the project immediately, deferring going to bond market for financing until the building permit is secured.*
- *HE (CTI) stated his believed that GEDA cannot issue bonds for the project without further legislative action, and doing so could cause legal and financial issues under the existing RFP and applicable law. He also noted that this would impact the government debt ceiling.*

IV. NEXT STEPS

- *CTI will submit the construction plan with a value engineering breakdown in writing along with its financing plan.*
- *CTI to include relevant laws referenced during the meeting regarding potential contract modifications to support the committee in the event the matter is brought before the Legislature.*
- *VA (DPW) will provide key discussion points during this meeting and bring to the SSHS Negotiation Committee and legal counsel for further review and discussion.*

V. ADJOURN

- *Meeting adjourned at 4:29 PM by DPW Director, Vince Arriola.*

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

ACKNOWLEDGEMENT OF RECEIPT FORM

DEPARTMENT OF PUBLIC WORKS

Please acknowledge receipt of

Project No. 730-5-1059-L-YIG

Construction of Simon Sanchez High School

Name of Prospective Proposer	Core Tech International Corporation
Name of person receiving RFP	
Signature	
Date	
Time	
Contact Person regarding RFP	Ho Eun
Company/Firm	Core Tech International Corporation
Title	Chairman
E-mail Address	ho.eun@coretechintl.com
Contact Number	671-473-5000
Fax Number	671-473-5500
Address	388 S. Marine Corps Drive, Suite 400, Tamuning, Guam 96913

4/24/25
11:26 AM
[Signature]
[Initials]

PRICE PROPOSAL & ADDENDA ACKNOWLEDGEMENT OF RECEIPT FORM

Date: May 23, 2025

To: Director of Public Works
Government of Guam
542 North Marine Drive
Tamuning, GU 96913

Gentlemen:

The undersigned (hereafter called the Bidder), Core Tech International Corporation

(Corporation, Partnership or Individual)

an organized and/or licensed to do business under the laws of Guam, hereby proposes and agrees to furnish all the necessary labor, materials, equipment, tools and services necessary for the "New Simon Sanchez High School: FDDBLM, Project No. 730-5-1059-L-YIG" all in accordance with the drawings, specifications and other RFP documents prepared by the Department of Public Works for the sum of:

One Hundred Sixty-Six Million Three Hundred Sixty-Five Thousand Dollars

(\$ 166,365,000) plus any and all sums to be added and/or deducted resulting from all extra and/or omitted work in accordance with the unit and/or lump sum prices stated in the itemized price proposal form attached hereto exclusive to annual maintenance and insurance cost. The annual insurance and maintenance costs are excluded from this sum.

The undersigned has examined the location of the proposed work, the drawings, specifications and other contract documents and is familiar with the local conditions at the place where the work is to be performed.

The Proposal Guaranty attached, without endorsement, in the sum of not less than fifteen percent (15%) of the total amount of the price proposal but shall not exceed \$3 million, is furnished to the Government as a guarantee that the contract will be executed and a performance and payment bond furnished within fifteen (15) calendar days after the acceptance of the price proposal of the undersigned. In the event that the undersigned Proposer shall fail to execute the contract and furnish a satisfactory performance and payment bond under the conditions and within the time specified in this price proposal, the Proposal Guaranty shall be forfeited as liquidated damages for the delay and additional work and costs caused thereby in obtaining another Proposer, said being beforehand determined as being reasonable and containing no penalties.

If written notice of the acceptance of this price proposal is mailed, telegraphed or delivered to the undersigned within sixty (60) days after the opening thereof, the undersigned agrees to execute the form of agreement included as one of the contract documents, and to furnish a performance and payment bond in an amount equal to one hundred percent (100%) of the contract amount within fifteen (15) calendar days after receipt of such notice.

W
✓ 6/24/25
11:25 am

Project Scope Construction Costs:

Item	Cost
General Requirements for Design and Construction	\$18,357,102
Site Development and Sports Facilities	\$34,038,594
Administration Building, Main Entrance, Covered Walkways, and Courtyard	\$16,474,872
A-wing Classroom Building	\$28,695,394
Gymnasium Building	\$12,493,554
B-wing Classroom Building	\$19,191,889
Cafeteria Building	\$8,545,605
JROTC Classroom Building & Multipurpose Space	\$8,063,217
C-wing Classroom Building	\$16,536,146
FF&E (excluding Auditorium & Credit Recovery Buildings)	\$12,862,252
Auditorium Building including FF&E, Audio Visual, and Theater Systems	\$10,678,237
Photovoltaic System	\$460,913
Rainwater Catchment System	\$1,773,539
Landscaping Plants, Irrigation, and Site Furnishing	\$1,863,656
Credit Recovery Building including FF&E	\$5,526,976
TOTAL	\$195,561,946
Less value engineering and cost savings selections by GovGuam	-\$29,196,946
Total Proposed Net Project Cost	\$166,365,000

Annual Insurance, Maintenance & Operating Costs

Item	Cost
Annual Insurance Premium	\$2,313,669
Annual Grounds and Custodial Costs	\$135,000
Annual Maintenance Costs	\$1,496,667
Annual Capital Maintenance Fund	\$385,000
TOTAL	\$4,330,336
Less reduction in scope of insurance coverage consistent with market	-\$533,211
Total Proposed Net Annual Costs	\$3,797,125

Our proposed Price & Annual Insurance and Maintenance Costs will not exceed the maximum financing amount or the maximum annual appropriations authorized in Sections 58D108 & 58D109 of the "MA KAHAT ACT OF 2013" as required in the RFP

6/14/25
11:45 am

The undersigned hereby acknowledges receipt of the following addenda:

	ADDENDUM NO.	DATED
1.	<u>Addendum #1</u>	<u>April 30, 2025</u>
2.	<u></u>	<u></u>
3.	<u></u>	<u></u>
4.	<u></u>	<u></u>

If awarded the contract, the undersigned shall be the authorized representative to bind into an agreement with the government and agrees to complete the work within the contract time stipulated in this project.

The undersigned understands that the Government reserves the right to reject any or all price proposals or to waive any informality or technicality in any price proposals in the interest of the Government.

RESPECTFULLY SUBMITTED BY:

Core Tech International Corporation
(CONTRACTOR)

Ho Eun 
(BY) (Name and Signature)

Chairman
(TITLE)

388 S Marine Corps Drive, Suite 400, Tamuning, Guam 96913
(BUSINESS ADDRESS)

END OF PRICE PROPOSAL FORM

4/26/25
11:25 ~

**Simon Sanchez High School
PROPOSED TERM SHEET**

**Note to Proposer: There are two options for financing: 1. Government Financing and 2. Alternative Method of Financing (Proposer's financing). Based on the financing you are proposing for this project (Government Financing or Alternative Method Financing), fill out one of the two categories below*

Option 1: Government Financing

If you are using the Government Financing Option, please provide the following information:

1. Proposed Additional Rental to cover maintenance and insurance as per the RFP
\$3,797,125
2. Proposed Annual Developer Cost \$0
3. Other Costs/Fees \$0

Option 2: Alternative Method of Financing (Funds must be delivered within 90 days)

If you are using the Alternative Method of Financing, check the box/s that apply below.

- ☐ Short-term debt
- ☐ Mortgage
- ☐ Loan
- ☐ Federally guaranteed loan
- ☐ Other Financing _____
- ☐ Letter of Credit

Please provide alternative financing details below:

- 1) Financing Narrative to include examples of successful execution with previous lease financings (1 page max)
- 2) Interest Rate
- 3) Financing Agreement form (loan agreement)
- 4) Financing calendar of events
- 5) Proposed Annual Debt Payment
- 6) Proposed Additional Rental to cover maintenance and insurance as per the RFP
- 7) Proposed Annual Developer Cost
- 8) Other Costs/Fees

***Subject to Negotiations**

6/24/26 by [signature]
11:25 a [signature]



SSHS NEGOTIATION COMMITTEE MEETING MINUTES

Thursday, July 10, 2025, 10:00 am
GEDA Conference Room

Attendees:			
Vince Arriola	DPW	Mike Makio - virtual	TRMA
Erik Swanson, Ph.D.	GDOE	Cedric Cruz	TRMA
Carla Masnayon - virtual	GDOE-SSHS	Joseph Duenas	SSFM
Keith Quiambao - virtual	GDOE-SSHS	Glenn Leon Guerrero - virtual	SSFM
Ron Canos	GDOE-SSHS	Gerard Bautista	SSFM
Tina Garcia - virtual	GEDA	Ed Hipolito	SSFM
John San Nicolas	GEDA	Connie Garrido - virtual	SSFM
Carlos Bordallo	GEDA	Alvin Bejosa - virtual	SSFM
Terry Brooks	GEDA	Thuy Nguyen	SSFM

A. CALL TO ORDER

- Meeting was called to order at 10:03 a.m. by DPW Director, Vince Arriola.
- Attendees introduced themselves.

B. UNFINISHED BUSINESS

1. Public Law and RFP Requirements

a. \$166M Price Ceiling (Construction, Financing, and FF&E)

- The group noted that changes to the law via the Legislature could trigger protests, project delays, and lead to other unfavorable outcomes to the project.
- ES (GDOE) stated that introducing further legislation to increase the cap of the school was not desirable at this stage of the procurement process. He also acknowledged that adjustments would have to be made to the original design to meet the budgetary requirements of the current law.

b. RFP Requirement (2,000 students)

- JD (SSFM) mentioned that the documents provided by Core Tech in Negotiation Meeting #1 with DPW and GDOE indicated that the current design can accommodate approximately 2,800 students.

C. NEW BUSINESS

1. Update on Negotiation Meeting #1 w/ Core Tech - DPW/GDOE

- VA (DPW) gave a recap of Negotiation Meeting #1 with DPW, GDOE and CTI. CTI expressed the option for the government to revise the language in the law that caps the project at \$166M Price Ceiling. The issue being that the annual debt service amount in the law will allow them to build the school as designed, but the price ceiling of \$166M does not. This is due to interest rates.
 - To meet the current requirement of \$166M, CTI indicated that they would have to adjust the design, which might include things like sizes of classrooms, hallway widths, and ceilings heights to help reduce costs. Things such as the auditorium, which were additives, would also need to be removed.
 - MM (TRMA) emphasized the importance of additional classroom space to support improved organization and storage for teachers. He also noted that not all

classrooms will be limited to the minimum number of students, and some will require additional space to accommodate instructional needs.

- *For Financing, VA (DPW) mentioned that CTI brought up the Ma Kâhat Act. According to their review of the law, GEDA is not able to issue a bond. TG (GEDA) commented on the financing, stating CTI might use their own, but they might not receive Guam tax credit incentives.*

2. Four DRAFT Contracts Status

- *SSFM has submitted four draft contracts to Attorney Terry Brooks for review. The Insurance & Maintenance contract included feedback from the Simon Sanchez HS Administrators. Once his review is complete, the draft will be circulated to the committee for additional feedback.*
- *SSFM is targeting sending the revised DRAFT contracts to Attorney Terry Brooks by close of business Wednesday, July 16th. JD (SSFM) noted that Assistant AGs Tom Keeler and GDOE Attorney, Fred Nishihara, are copied in emails on contracts and the AG's Office will be included in reviews. The four draft contracts follow:*
 - a. Lease Agreement (P3 Umbrella Agreement)
 - b. Project Development Agreement (Construction)
 - c. Insurance & Maintenance Agreement
 - d. Ground Lease

D. NEXT STEPS

1. Legal and financing review and updates to the four DRAFT contracts. - GEDA/ Attorney Brooks/ Bond Counsel - Due Tuesday, July 15th, close of business.
2. Circulate DRAFT contracts for final government internal review and comment - Due Tuesday, July 15th, by end of day.
3. Government internal review and markups to draft contracts due back to Attorney Brooks close of business Wednesday, July 16th.

E. OPEN DISCUSSION

- *CTI will be sending over two documents to DPW on Monday- 1) construction modifications and value engineering, 2) proposed financial plan. The documents will be routed for review by the appropriate agencies.*

F. NEXT MEETING

- *Thursday, July 17th, 9 a.m., GEDA Conference Room*

G. ADJOURN

- *Meeting adjourned at 10:55 a.m. by DPW Director, Vince Arriola.*

Proposed SSHS Schedule/ Milestones

1. **Weekly SSHS Negotiation Committee Meeting - June 26th**
2. **Weekly SSHS Negotiation Committee Meeting - Review Draft Construction and O&M Contracts from TRMA - July 3rd**



3. Negotiation Meeting #1 with Core Tech, DPW, GDOE - Wednesday, July 9th.
4. Government Review of Contracts - Comments due to Attorney Brooks by close of business - ~~Tuesday, July 8th.~~ Wednesday, July 9th
5. **Weekly SSHS Negotiation Committee Meeting**- Update on Negotiations w/ Core Tech and Contract Status - Thursday, July 10th.
6. GEDA Legal and Financing updates to four DRAFT contracts - Due Tuesday, July 15th.
7. SSFM/ TRMA/ SSHS/ GDOE final review and updates to four DRAFT contracts - Due Wednesday, July 16th
8. **Weekly SSHS Negotiation Committee Meeting** - Thursday, July 17th.
9. Send contracts to Core Tech - Friday, July 18th
10. Meeting #2 w/ Core Tech - Week of July 22nd.
11. Finalize Contract/ Notice of Intent to Award/ Notice of Award

SIGN- IN SHEET

Project: Construction of the New Simon Sanchez High School

Purpose: Negotiation Meeting – Contract Review

Date: Thursday, July 10, 2025

Time: 10:00 PM

Location: GEDA Conference Room 5th Floor ITC Building

	Organization	Name	Email Address	Initials
	BBMR	Lester Carlson	lester.carlson@bbmr.guam.gov	
	DLM	Celine Cruz	celine.cruz@land.guam.gov	
	DLM	Joseph Borja	joseph.borja@land.guam.gov	
	DOA	Edward Birn	edward.birn@doa.guam.gov	
	DPW	Benny San Nicolas	benny.sannicolas@dpw.guam.gov	
	DPW	Donna Herrero	donna.herrero@dpw.guam.gov	
	DPW	Ernie Candoleta	ernest.candoleta@dpw.guam.gov	
	DPW	Erica Taitano	erica.taitano@dpw.guam.gov	
	DPW	John Calanayan	john.calanayan@dpw.guam.gov	
	DPW	Linda Ibanez	linda.ibanez@dpw.guam.gov	
	DPW	Valarie San Nicolas	valarie.sannicolas@dpw.guam.gov	
	DPW	Vince Arriola	vince.arriola@dpw.guam.gov	Li
	GDOE	Barbara Adamos	bradamos@gdoe.net	
	GDOE	Erik Swanson, PhD	keswanson@gdoe.net	
	GDOE	Jimmy Pangelinan	jimdangelinan@gdoe.net	
✓	GDOE-SSHS	Carla Masnayon	cdmasnayon@gdoe.net	
	GDOE-SSHS	Jessica Fejeran	jpefejeran@gdoe.net	
✓	GDOE-SSHS	Keith Quiambao	kdquiambao@gdoe.net	
	GDOE-SSHS	Melvin Finona	mmfinona@gdoe.net	
	GDOE-SSHS	Ron Canos	racanos@gdoe.net	
	GEDA	Angelene Rios	angelene.rios@investguam.com	
	GEDA	Carlos Bordallo	carlos.bordallo@investguam.com	
	GEDA	Celia Anderson	celia.anderson@investguam.com	
	GEDA	John San Nicolas	jsannicolas@investguam.com	
	GEDA	Melanie Mendiola		
	GEDA	Tina Garcia	tgarcia@investguam.com	
	GEDA	Terry Brooks	tmb@guamlaw.net	
	GEDA	Yong Park		

[illegible]

**DPW/SSFM Weekly Meeting
Minutes**
Wednesday, July 16, 2025 – 10:30 AM
DPW Directors Office

Attendees:			
Vince Arriola	DPW	Joseph Duenas	SSFM
John Calanayan	DPW	Gerard Bautista	SSFM
Glenn Leon Guererro	SSFM	Thuy Nguyen	SSFM

I. CALL TO ORDER

- *Meeting began at 10:32 AM by DPW Director, Vince Arriola*

II. UNFINISHED BUSINESS

- A. No Cost Change Order

III. NEW BUSINESS

- A. Contract Update: Lease Agreement, Project Development Agreement, Insurance & Maintenance Agreement, Ground Lease

- *Draft still in progress and should be ready on Friday and will need to encompass all relevant costs, including operations and maintenance, to avoid future disputes.*

- B. Discuss Core Tech Proposal/Next Steps for Negotiation Meeting #2

- *The \$166M cap must encompass all costs, including construction, design, and financing, according to the legal interpretation provided.*
- *The primary focus of the meeting was the discussion around the estimated construction costs of the new school and how it relates to the financing proposed by CTI.*
- *GEDA should be present at the negotiation meeting as their involvement is crucial for addressing financial aspects and ensuring the government's interests are represented.*
- *Legal opinions and statutory requirements specifically point to the need for compliance with funding and financing stipulations.*
- *The next meeting will focus specifically on financing issues to clarify all stakeholders' positions.*
- *Discussed the concern regarding how the O&M (Operations and Maintenance) costs will be covered and whether the proposed financing adequately addresses all necessary expenses.*
- *There was discussion about the need to return to the legislature for additional funding and how that may complicate the project.*
- *Concerns about the quality and specifications of the school being built under the proposed budget remain prevalent, particularly about ensuring it meets educational standards.*

C. Weekly SSHS Negotiation Committee Meeting Objective Thursday, 2 PM, GEDA

D. Upcoming Meetings & Schedule

- i. Weekly SSHS Negotiations Meeting- Objective: Review and discuss contracts- 2 PM, Thursday, GEDA
- ii. Secure Draft Contracts from GEDA Attorneys for discussion with Core Tech.
- iii. Negotiation Meeting #2 Core Tech, DPW, GDOE/SSHS, GEDA- Objectives: Align on financing and construction, secure information for final contract.

IV. ACTION ITEMS

- Draft a Letter to CTI that outlines the government's interpretation of the law regarding the financing and construction costs. (SSFM)
- Arrange a follow-up meeting with CTI to discuss financing and construction details, ensuring all key participants are present. (SSFM)
- Collect legal opinions from bond counsel and review them alongside existing interpretations of the law regarding financing and costs. (SSFM & DPW)

V. NEXT MEETING

- July 23, 2025, at DPW Director's Office (Tentative)

VI. ADJOURN

- Meeting adjourned at 12:00 noon by DPW Director, Vince Arriola.

SIGN- IN SHEET

Project: Construction of the New Simon Sanchez High School

Purpose: DPW/SSFM Weekly Meeting

Date: Wednesday, July 16th, 2025

Time: 10:30 PM

Location: DPW Director's Office

[illegible]



SSHS NEGOTIATION COMMITTEE MEETING MINUTES

Thursday, July 17, 2025, 2:00 PM
GEDA Conference Room

Attendees:			
Vince Arriola	DPW	Erik Swanson, Ph.D	GDOE
Linda Ibanez	DPW	Cedric Cruz	TRMA
Edward Birn	DOA	Joseph Duenas	SSFM
Erik Swanson, Ph.D.	GDOE	Gerard Bautista	SSFM
Carlos Bordallo	GEDA	Glenn Leon Guererro	SSFM
Tina Garcia	GEDA	Thuy Nguyen	SSFM
Terry Brooks	GEDA	Ed Hipolito	SSFM - Online
Carla Masnayon	SSHS	Connie Garrido	SSFM - Online
Lester Carlson	BBMR	Alvin Bejosa	SSFM - Online

A. CALL TO ORDER

B. UNFINISHED BUSINESS

1. Public Law and RFP Requirements

a. \$166M Price Ceiling (Construction, Financing, and FF&E)

- i. *Lester (BBMR) outlined the initial funding approach with a par amount of \$166,365,000. This figure serves as the price ceiling for the overall project financing.*
- ii. *After accounting for a premium, the total project fund was estimated to be approximately \$169M. This total includes all necessary components for the project.*
- iii. *The \$166M ceiling encompasses costs related to construction, financing, and furniture, fixtures, and equipment (FF&E). The discussions emphasized the importance of balancing these sources and uses within the established budget.*
- iv. *For the estimated costs, the goal is to ensure that all expenses related to construction and FF&E remain within the price ceiling to avoid budget overruns.*

b. RFP Requirement (2,000 students)

- i. *To make sure that the RFP aligns with the requirements set forth in the Ma Kahat Act, which indicates that the \$166M must be inclusive of construction, financing costs, and FF&E (Furniture, Fixtures, and Equipment).*
- ii. *The RFP requires proposers to indicate their ability to comply with the Ma Kahat Act; any interpretation that suggests the \$166M only covers construction costs is considered inconsistent with the law.*
- iii. *The RFP needs to explicitly state how the project will be financed and what the net construction cost will be after accounting for various deductions (capitalized interest, costs of issuance, etc.). This understanding is essential for both the proposers and the government entities involved.*
- iv. *Reducing classroom size may be unacceptable due to the need for storage for teachers, pointing out that existing classrooms are already cramped. They proposed exploring design elements that could cut costs while still providing adequate space for equipment.*
- v. *Financial obligations tied to the DOE and capital reserves, outlining project priorities with classrooms and sports facilities as the top focus, followed by the auditorium and landscaping. It was noted that adjustments may be necessary based on discussions with CTI regarding value engineering proposals, aimed at identifying cost reduction strategies while ensuring adequate space for equipment.*

- vi. *The RFP process may require ongoing discussions and adjustments based on feedback and interpretations from all stakeholders involved.*
- vii. *Bond counsel opinions were referenced to support their interpretations of the RFP and the law, reinforcing the need for compliance and clarity in the documentation provided to proposers.*

2. Four DRAFT Contracts Status

- a. Lease Agreement (P3 Umbrella Agreement)
 - i. *The lease agreement will involve a lease-back arrangement where CTI will manage the construction and lease the completed school back to the government.*
 - ii. *The lease must include provisions for financing, construction, FF&E, insurance, and maintenance to ensure comprehensive coverage of project costs.*
 - iii. *Define routine maintenance versus capital maintenance in the lease to avoid confusion over responsibilities.*
 - iv. *Adequate insurance provisions must be included to protect against potential risks, with emphasis on ensuring the insurance amount covers all necessary aspects.*
 - v. *The lease should incorporate a cure period for addressing any defaults to provide a framework for resolving issues without immediate termination (Includes all contracts)*
- b. Project Development Agreement (Construction)
 - i. *The Project Development Agreement (PDA) is essential for defining the roles of both parties, ensuring clarity in the construction and lease-back process.*
 - ii. *Orrick will draft the primary documents, with collaboration from both parties' legal teams.*
 - iii. *The PDA will outline that CTI will manage demolition and construction before leasing the completed school back to the government.*
 - iv. *The PDA should cover financing terms, including stipulations for insurance, maintenance, and capital funding.*
- c. Insurance & Maintenance Agreement
 - i. *The insurance and maintenance provisions will be incorporated into the lease-back agreement to ensure coverage for potential risks.*
 - ii. *Discussions highlighted the need for adequate insurance coverage to protect against costs associated with maintenance and repairs.*
 - iii. *A capital maintenance fund will be established to ensure funds are available for larger repairs and routine upkeep of the school.*
 - iv. *The insurance coverage and costs will be reviewed annually to ensure they meet the necessary requirements.*
- d. Ground Lease
 - i. *The ground lease should clearly specify all financial obligations, including any payments due and how they will be structured over time.*
 - ii. *Adequate insurance coverage must be stipulated to protect against potential risks.*

C. NEW BUSINESS

1. Ownership of Contracts

- a. *The ownership of contracts related to the project should be clearly defined, particularly regarding who holds rights to the design and construction agreements.*
- b. *The contracts will likely be included in the lease agreement, outlining responsibilities and ownership rights.*



- c. *Both parties' legal teams will review the contracts to ensure compliance with the law and clarity on ownership stakes.*
- d. *Ownership of contracts may impact financing arrangements, especially in terms of liability and risk-sharing.*

D. NEXT STEPS

1. Prepare for the upcoming meeting with CTI, ensuring clarity on the construction cost position of \$143M, inclusive of financing and FF&E.
2. Finalize details regarding the allocation of the \$16M for construction and maintenance, confirming if it is available and how it will be appropriated.
3. Clarify and confirm the interpretation of the Ma Kahat Act in relation to the \$166M ceiling in discussions with legal counsel.
4. Develop a strategy for negotiating with CTI, emphasizing adherence to the law and the need for clarity on costs.
5. Finalization of Contract

E. OPEN DISCUSSION

- a. N/A

F. NEXT MEETING

1. Weekly SSHS Negotiation Committee Meeting – GEDA Conference Room - TBA

G. ADJOURN

Proposed SSHS Schedule/ Milestones

1. **Weekly SSHS Negotiation Committee Meeting - June 26th**
2. **Weekly SSHS Negotiation Committee Meeting - Review Draft Construction and O&M Contracts from TRMA - July 3rd**
3. **Negotiation Meeting #1 with Core Tech, DPW, GDOE - Wednesday, July 9th.**
4. **Government Review of Contracts - Comments due to Attorney Brooks by close of business - ~~Tuesday, July 8th~~, Wednesday, July 9th**
5. **Weekly SSHS Negotiation Committee Meeting- Update on Negotiations w/ Core Tech and Contract Status - Thursday, July 10th.**
6. **Weekly SSHS Negotiation Committee Meeting – June 17th**
7. **Meeting #2 w/ Core Tech - July 18th.**
8. **Meeting #3 w/ Core Tech**
9. **GEDA Legal and Financing updates to four DRAFT contracts - *Pending***
10. **SSFM/TRMA/SSHS/GDOE final review and updates to four DRAFT contracts - *Pending***
11. **Send contracts to Core Tech - *Pending***
12. **Finalize Contract/Notice of Intent to Award/Notice of Award - *Pending***

SIGN- IN SHEET

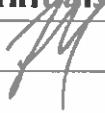
Project: Construction of the New Simon Sanchez High School

Purpose: Negotiation Meeting – Contract

Date: Thursday, July 17th, 2025

Time: 2:00 PM

Location: GEDA Conference Room 5th Floor ITC Building

	Organization	Name	Email Address	Initials
	BBMR	Lester Carlson	lester.carlson@bbmr.guam.gov	
	DLM	Celine Cruz	celine.cruz@land.guam.gov	
	DLM	Joseph Borja	joseph.borja@land.guam.gov	
	DOA	Edward Birn	edward.birn@doa.guam.gov	
	DPW	Benny San Nicolas	benny.sannicolas@dpw.guam.gov	
	DPW	Donna Herrero	donna.herrero@dpw.guam.gov	
	DPW	Ernie Candoleta	ernest.candoleta@dpw.guam.gov	
	DPW	Erica Taitano	erica.taitano@dpw.guam.gov	
	DPW	John Calanayan	john.calanayan@dpw.guam.gov	
	DPW	Linda Ibanez	linda.ibanez@dpw.guam.gov	✓
	DPW	Valarie San Nicolas	valarie.sannicolas@dpw.guam.gov	
	DPW	Vince Arriola	vince.arriola@dpw.guam.gov	
	GDOE	Barbara Adamos	bradamos@gdoe.net	
	GDOE	Erik Swanson, PhD	keswanson@gdoe.net	
	GDOE	Jimmy Pangelinan	jimdangelinan@gdoe.net	
	GDOE-SSHS	Carla Masnayon	cdmasnayon@gdoe.net	
	GDOE-SSHS	Jessica I'ejeran	jplejeran@gdoe.net	
	GDOE-SSHS	Keith Quiambao	kdquiambao@gdoe.net	
	GDOE-SSHS	Melvin Finona	mmfinona@gdoe.net	
	GDOE-SSHS	Ron Canos	racanos@gdoe.net	
	GEDA	Angelene Rios	angelene.rios@investguam.com	
	GEDA	Carlos Bordallo	carlos.bordallo@investguam.com	
	GEDA	Celia Anderson	celia.anderson@investguam.com	
	GEDA	John San Nicolas	jsannicolas@investguam.com	
	GEDA	Melanie Mendiola		
	GEDA	Ricardo Duenas		
	GEDA	Tina Garcia	tgarcia@investguam.com	
	GEDA	Terry Brooks	tmb@guamlaw.net	
	GEDA	Yong Park		

[illegible]



SSHS NEGOTIATION MEETING #2 MINUTES

Wednesday, July 18, 2025, 9:00 AM
GEDA Conference Room

Attendees:			
Vince Arriola	DPW	Erik Swanson, Ph.D	GDOE
John Calanayan	DPW	Cedric Cruz	TRMA
Linda Ibanez	DPW	Lester Carlson	BBMR
Edward Birn	DOA	Joseph Duenas	SSFM
Erik Swanson, Ph.D	GDOE	Gerard Bautista	SSFM
Carlos Bordallo	GEDA	Thuy Nguyen	SSFM
Tina Garcia	GEDA	Alon Elamparo	CTI
Glenn Leon Guerrerro	SSFM	Ho Eun	CTI

I. CALL TO ORDER

- Meeting began at 9:05 AM by DPW Director Vince Arriola.

II. DISCUSSION ITEMS

- **Public Law 37-22 Overview:** The base bid for the project includes \$119M for Phase 1 (new campus and facilities) and \$15M for Phase 2 (sports fields and fencing), totaling \$134M, with an additional \$9M for FF&E.
- **Funding Structure:** Lester Carlson (BBMR) reviewed the funding structure, noting a par amount of \$166.365 million, with a premium bringing total available funds to approximately \$169 million. He emphasized the importance of balancing sources and uses to ensure sufficient coverage for construction, FF&E, insurance, and O&M.
- **Interest Rates:** Lester (BBMR) noted a borrowing interest rate of 5.6%, while Eun Ho (CTI) pointed out current market rates at around 6% to 6.2%, emphasizing that these estimates are for planning purposes and subject to change.
- **Debt Service and Budgeting:** Debt service is approximately \$11M, with an annual appropriation caps set at \$16.3M to allow for insurance and maintenance cost.
- **Design Considerations:** Eun Ho (CTI) raised concerns about the existing design, suggesting potential modifications or starting over, but Lester (BBMR) noted public law mandates the use of the existing design work.
- **Construction Costs:** Lester (BBMR) confirmed total construction costs at \$132.9M. Cedric Cruz (TRMA) explained that this estimate accounts for anticipated cost increases due to pandemic-related supply chain issues. He noted that the figure covers the base bid scope (classroom buildings and sports facilities), while additional facilities such as the auditorium, credit recovery classrooms, and certain site improvements remain outside the estimate.
- **Insurance Considerations:** Eun Ho (CTI) mentioned the high costs associated with typhoon insurance and suggested that they may need to evaluate coverage options despite having typhoon shutters.

- *Student Capacity Calculation: Eun Ho (CTI) inquired about the projected capacity for 2,000 students, which Dr. Swanson (GDOE) clarified was based solely on the number of general classrooms.*
- *Design Flexibility: Eun Ho (CTI) emphasized the need for flexibility in design to meet budget constraints, suggesting scaling down the auditorium. Dr. Swanson (GDOE) suggested that while an auditorium is necessary, it could be scaled down, and they discussed the need for flexibility in design to meet budget constraints.*
- *Current Market Costs: Eun Ho (CTI) expressed concerns regarding high construction costs, citing recent estimates of \$2,500 per square foot for projects. He stressed the need to manage costs effectively while adhering to programmatic design requirements set by TRMA.*
- *Collaboration Moving Forward: Eun Ho (CTI) proposed a follow-up meeting to discuss design flexibility and student capacity requirements, emphasizing collaboration with architects and school representatives.*
- *Design Change Expectations: Vince (DPW) sought clarification on the extent of potential design changes, particularly regarding alterations to the original footprint of the project, emphasizing the importance of maintaining the school's presence and aesthetic appeal.*
- *Perspective on Flexibility: Eun Ho (CTI) expressed willingness to restart design work if necessary, acknowledging the shift from the earlier \$250M concept to the current \$130M budget. Despite challenges, CTI expressed optimism about finding workable solutions.*
- *Public Perception and Design Integrity: Vince (DPW) noted concerns about community expectations regarding deviations from the architectural design already shared with students and the public.*
- *Next Steps for Collaboration: A follow-up meeting was scheduled for the following Friday to assess design changes within the programmatic document, for careful collaboration with TRMA, the principal, and the DOE team.*
- *Focus on Key Areas for Reduction: Lester (BBMR) identified the credit recovery facility as a potential area for cost reduction, cautioning that some proposed changes may not be feasible.*

III. OPEN DISCUSSION

- *N/A*

IV. NEXT STEPS

- *Proposal Submission: Schedule a follow-up meeting for the following Friday to discuss design flexibility and student capacity requirements.*

V. ADJOURN

- *Meeting adjourned at 10:03AM by DPW Director, Vince Arriola.*



Proposed SSHS Schedule/ Milestones

1. Weekly SSHS Negotiation Committee Meeting - June 26th
2. Weekly SSHS Negotiation Committee Meeting - Review Draft Construction and O&M Contracts from TRMA - July 3rd
3. Negotiation Meeting #1 with Core Tech, DPW, GDOE - Wednesday, July 9th.
4. Government Review of Contracts - Comments due to Attorney Brooks by close of business - ~~Tuesday, July 8th~~, Wednesday, July 9th
5. Weekly SSHS Negotiation Committee Meeting- Update on Negotiations w/ Core Tech and Contract Status - Thursday, July 10th.
6. Weekly SSHS Negotiation Committee Meeting – June 17th
7. Meeting #2 w/ Core Tech - July 18th.
8. Meeting #3 w/ Core Tech
9. GEDA Legal and Financing updates to four DRAFT contracts - *Pending*
10. SSFM/TRMA/SSHS/GDOE final review and updates to four DRAFT contracts - *Pending*
11. Send contracts to Core Tech - *Pending*
12. Finalize Contract/Notice of Intent to Award/Notice of Award - *Pending*

SIGN- IN SHEET

Project: Construction of the New Simon Sanchez High School

Purpose: Negotiation Meeting #2 – with CTI

Date: Friday, July 18th, 2025

Time: 9:00 AM

Location: GEDA Conference Room

	Organization	Name	Email Address	Initials
Yes	BBMR	Lester Carlson	lester.carlson@bbmr.com	
	DOA	Edward Birn	edward.birn@doa.guam.gov	EB
	DPW	Benny San Nicolas	benny.sannicolas@dpw.guam.gov	
	DPW	John Calanayan	john.calanayan@dpw.guam.gov	HC
	DPW	Linda Ibanez	linda.ibanez@dpw.guam.gov	✓
	DPW	Vince Arriola	vince.arriola@dpw.guam.gov	LI
	CTI	Ho Eun	ho.eun@coretechintl.com	
	CTI	Alon Elamparo	alone.elamparo@coretechintl.com	
	CTI	Jong Won	jong.won@coretechintl.com	
	GDOE	Erik Swanson, PhD	keswanson@gdoe.net	ES
	GEDA	Carlos Bordallo	carlos.bordallo@investguam.com	CB
	GEDA	John San Nicolas	jsannicolas@investguam.com	
	GEDA	Tina Garcia	tgarcia@investguam.com	SG
	GEDA	Terry Brooks	tmb@guamlaw.net	
	SSFM	Connie Garrido	cgarrido@ssfm.com	
	SSFM	Ed Hipolito	ehipolito@ssfm.com	
	SSFM	Gerard Bautista	gbautista@ssfm.com	
	SSFM	Glenn Leon Guerrero	gguerrero@ssfm.com	GL
	SSFM	Joseph Duenas	jduenas@ssfm.com	JD
	SSFM	Thuy Nguyen	tnguyen@ssfm.com	
	TRMA	CARRIC CRUZ	C	CC
	CTI	Alon Elamparo	alon.elamparo@coretechintl.com	AE
	CTI	Ho Eun	ho.eun@coretechintl.com	HE
	CTI	Jong Won	jong.won@coretechintl.com	JW

REV	DESCRIPTION	DATE
1	ISSUED FOR PERMIT	06/26/22
2	REVISIONS	
3	REVISIONS	
4	REVISIONS	
5	REVISIONS	
6	REVISIONS	
7	REVISIONS	
8	REVISIONS	
9	REVISIONS	
10	REVISIONS	
11	REVISIONS	
12	REVISIONS	
13	REVISIONS	
14	REVISIONS	
15	REVISIONS	
16	REVISIONS	
17	REVISIONS	
18	REVISIONS	
19	REVISIONS	
20	REVISIONS	
21	REVISIONS	
22	REVISIONS	
23	REVISIONS	
24	REVISIONS	
25	REVISIONS	
26	REVISIONS	
27	REVISIONS	
28	REVISIONS	
29	REVISIONS	
30	REVISIONS	
31	REVISIONS	
32	REVISIONS	
33	REVISIONS	
34	REVISIONS	
35	REVISIONS	
36	REVISIONS	
37	REVISIONS	
38	REVISIONS	
39	REVISIONS	
40	REVISIONS	
41	REVISIONS	
42	REVISIONS	
43	REVISIONS	
44	REVISIONS	
45	REVISIONS	
46	REVISIONS	
47	REVISIONS	
48	REVISIONS	
49	REVISIONS	
50	REVISIONS	
51	REVISIONS	
52	REVISIONS	
53	REVISIONS	
54	REVISIONS	
55	REVISIONS	
56	REVISIONS	
57	REVISIONS	
58	REVISIONS	
59	REVISIONS	
60	REVISIONS	
61	REVISIONS	
62	REVISIONS	
63	REVISIONS	
64	REVISIONS	
65	REVISIONS	
66	REVISIONS	
67	REVISIONS	
68	REVISIONS	
69	REVISIONS	
70	REVISIONS	
71	REVISIONS	
72	REVISIONS	
73	REVISIONS	
74	REVISIONS	
75	REVISIONS	
76	REVISIONS	
77	REVISIONS	
78	REVISIONS	
79	REVISIONS	
80	REVISIONS	
81	REVISIONS	
82	REVISIONS	
83	REVISIONS	
84	REVISIONS	
85	REVISIONS	
86	REVISIONS	
87	REVISIONS	
88	REVISIONS	
89	REVISIONS	
90	REVISIONS	
91	REVISIONS	
92	REVISIONS	
93	REVISIONS	
94	REVISIONS	
95	REVISIONS	
96	REVISIONS	
97	REVISIONS	
98	REVISIONS	
99	REVISIONS	
100	REVISIONS	

- NOTES TO BE OBSERVED:
1. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE IBC AND ALL APPLICABLE CODES.
 2. THE OWNER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES.
 3. THE OWNER SHALL BE RESPONSIBLE FOR PROVIDING ALL NECESSARY INFORMATION TO THE ARCHITECT AND ENGINEER.
 4. THE OWNER SHALL BE RESPONSIBLE FOR PROVIDING ALL NECESSARY INFORMATION TO THE ARCHITECT AND ENGINEER.
 5. THE OWNER SHALL BE RESPONSIBLE FOR PROVIDING ALL NECESSARY INFORMATION TO THE ARCHITECT AND ENGINEER.
 6. THE OWNER SHALL BE RESPONSIBLE FOR PROVIDING ALL NECESSARY INFORMATION TO THE ARCHITECT AND ENGINEER.
 7. THE OWNER SHALL BE RESPONSIBLE FOR PROVIDING ALL NECESSARY INFORMATION TO THE ARCHITECT AND ENGINEER.
 8. THE OWNER SHALL BE RESPONSIBLE FOR PROVIDING ALL NECESSARY INFORMATION TO THE ARCHITECT AND ENGINEER.
 9. THE OWNER SHALL BE RESPONSIBLE FOR PROVIDING ALL NECESSARY INFORMATION TO THE ARCHITECT AND ENGINEER.
 10. THE OWNER SHALL BE RESPONSIBLE FOR PROVIDING ALL NECESSARY INFORMATION TO THE ARCHITECT AND ENGINEER.

- NOTES TO BE OBSERVED:
1. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE IBC AND ALL APPLICABLE CODES.
 2. THE OWNER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES.
 3. THE OWNER SHALL BE RESPONSIBLE FOR PROVIDING ALL NECESSARY INFORMATION TO THE ARCHITECT AND ENGINEER.
 4. THE OWNER SHALL BE RESPONSIBLE FOR PROVIDING ALL NECESSARY INFORMATION TO THE ARCHITECT AND ENGINEER.
 5. THE OWNER SHALL BE RESPONSIBLE FOR PROVIDING ALL NECESSARY INFORMATION TO THE ARCHITECT AND ENGINEER.
 6. THE OWNER SHALL BE RESPONSIBLE FOR PROVIDING ALL NECESSARY INFORMATION TO THE ARCHITECT AND ENGINEER.
 7. THE OWNER SHALL BE RESPONSIBLE FOR PROVIDING ALL NECESSARY INFORMATION TO THE ARCHITECT AND ENGINEER.
 8. THE OWNER SHALL BE RESPONSIBLE FOR PROVIDING ALL NECESSARY INFORMATION TO THE ARCHITECT AND ENGINEER.
 9. THE OWNER SHALL BE RESPONSIBLE FOR PROVIDING ALL NECESSARY INFORMATION TO THE ARCHITECT AND ENGINEER.
 10. THE OWNER SHALL BE RESPONSIBLE FOR PROVIDING ALL NECESSARY INFORMATION TO THE ARCHITECT AND ENGINEER.

PHASE 2

SPORTS FIELD

PHASE 2

PHASE 2

1 SITE PLAN (PHASE 2)

SCALE

A1.2

VE Recommendation Scenario 1

CTI VE Items	Cost
1 Classroom Size Reduction	\$9,796,201
2 Hallway & Corridor Reduction	\$2,248,557
3 DPW Permit Fees	OK, Need DPW approval
4 Rainwater Catchment	OK
5 Photovoltaic System	OK
6 Track & Field Light Deletion	\$990,000
7 Water Pipe & Fire Sprinkler Lines	OK
8 Reuse FF&E	\$1,702,289
9 HVAC Roof Enclosure	OK
10 Downsize Auditorium	OK
11 Classroom Count Reduction	\$7,229,435
	\$21,966,482 Target Reduction Cost

TRMA VE Recommendation

1 Classroom Size Reduction	\$0
2 Hallway & Corridor Reduction	\$1,349,134 A & B-wing corridor -3lf width
3 DPW Permit Fees	OK
4 Rainwater Catchment	OK
5 Photovoltaic System	OK
6 Track & Field Light Deletion	\$0 Delete
7 Water Pipe & Fire Sprinkler Lines	OK
8 Reuse FF&E	\$0 Reduction w/classrooms
9 HVAC Roof Enclosure	OK
10 a. Downsize Auditorium	\$0
b. Delete Auditorium	\$10,678,237
11 Delete Excess cost for 16 classrooms	\$3,731,321
12 Delete Credit Recovery	\$5,526,976
13 a. C-wing Classrooms 25% Reduction	\$0
b. C-wing Classrooms 25% Reduction	\$0
c. Delete C-wing Classrooms	\$0
14 a. Reduce JROTC Multipurpose Space	\$0
b. Delete JROTC Multipurpose Space	\$0
	\$21,285,668 VE Recommendation

VE Recommendation Scenario 2

CTI VE Items	Cost
1 Classroom Size Reduction	\$9,796,201
2 Hallway & Corridor Reduction	\$2,248,557
3 DPW Permit Fees	\$758,626
4 Rainwater Catchment	OK
5 Photovoltaic System	OK
6 Track & Field Light Deletion	\$990,000
7 Water Pipe & Fire Sprinkler Lines	OK
8 Reuse FF&E	\$1,702,289
9 HVAC Roof Enclosure	OK
10 Downsize Auditorium	OK
11 Classroom Count Reduction	\$7,229,435
	\$22,725,108 Target Reduction Cost

TRMA VE Recommendation

1 Classroom Size Reduction	\$0
2 Hallway & Corridor Reduction	\$1,349,134 A & B-wing corridor -3lf width
3 DPW Permit Fees	OK
4 Rainwater Catchment	OK
5 Photovoltaic System	OK
6 Multipurpose Field Deletion	\$1,360,000
7 Water Pipe & Fire Sprinkler Lines	OK
8 Reuse FF&E	\$0
9 HVAC Roof Enclosure	OK
10 a. Downsize Auditorium	\$0 OK
b. Delete Auditorium	\$10,678,237
11 Delete Excess cost for 16 classrooms	\$3,731,321
12 Delete Credit Recovery	\$5,526,976
13 a. C-wing Classrooms 25% Reduction	\$0
b. C-wing Classrooms 25% Reduction	\$0
c. Delete C-wing Classrooms	\$0
14 a. Reduce JROTC Multipurpose Space	\$0
b. Delete JROTC Multipurpose Space	\$0
	\$22,645,668 VE Recommendation



SSHS NEGOTIATION COMMITTEE MEETING – Value Engineering
Monday, July 28, 2025, 10:00 am -11:00 am & 2:00 pm – 3:15 pm
GEDA Conference Room

Attendees:			
Vince Arriola	DPW	Cedric Cruz	TRMA
Linda Ibanez	DPW	Elmer Prudente	TRMA
Carla Masnayon	GDOE-SSHS	Joseph Duenas	SSFM
Erik Swanson	GDOE	Glenn Leon Guerrero	SSFM
Jessica Fejeran	GDOE	Gerard Bautista	SSFM
Ron Canos	GDOE	Ed Hipolito – virtual	SSFM
Carlos Bordallo	GEDA	Jerome Chaz	SSFM
		Alvin Bejosa – virtual	SSFM

A. CALL TO ORDER

- *Meeting was called to order at 10:00 a.m. by DPW Director, Vince Arriola.*

B. NEW BUSINESS

1. Update on GDOE Core Tech Value Engineering Meeting last week.

- a. (GLG) SSFM provided the summary update from last week's meeting with Core Tech.
 - *Mentioned that there are a few key people currently off island and were unable to attend last week and this week's meeting.*
 - *Discussion last week was to pull out Wing C temporarily from the project to save about \$16M. C-Wing is where the ROTC and GCC Technical programs are located. CM (SSHS) explained that the ROTC and GCC programs are needed to be part of the new school and therefore it cannot be removed from the project.*

2. RFP Programming Document Requirements

- a. Discussion on RFP Programming Documents.
 - *Core Tech's Value Engineering items and discussion indicated that they were looking at 101 classrooms and in the programming RFP document the Team was looking at 95 classrooms. CC (TRMA) Core Tech's VE cost proposal accounts for 107 classrooms and should rectify their cost proposal to account for the correct number of classrooms.*
 - *Number of classrooms is based on student population. SSHS is anticipating 1,700 student population in the new school. Currently, SSHS has about 1450 students and 80 teachers. CM (SSHS) confirms that the current plan has 92 classrooms.*
 - *JD (SSFM) mentioned that the main objective of today's meeting is to define how the Team could bring down the construction cost to \$132.9M and follow the RFP programming document requirements. Encourages GDOE and SSHS to review Core Tech's VE items and identify what is acceptable and what are non-negotiable. Reminded the Team that (HE) Core Tech represented in previous meeting that CTI can build the entire school if the \$166M cap is removed.*
 - *CM (SSHS) indicated that SSHS is not prepared for the project scope reduction mentioned in Core Tech's Value Engineering. SSHS was under the assumption that*

Value Engineering means keeping the functionality of the room, but the design might be different and cost effective.

- *CC (TRMA) mentioned that the goal is to get a contract to keep the project moving and added that a reasonable approach is to identify what items are necessary because there is opportunity for classrooms to accommodate the 2000 student population via classroom sharing.*
- *VA (DPW) agrees with SSFM that the Team needs to come up with a list of non-negotiable items and get a contract executed to comply with procurement.*
- *Meeting was recessed at 11:00 am and resumed at 14:00.*
- *It was confirmed that TRMA and SSHS will provide a list of non-negotiable items and also identify which items on Core Tech's value engineering is acceptable.*

3. Define GDOE Non-negotiables within the RFP Programming Document Requirements

- The following are GDOE & TRMA Value Engineering Negotiation List:
 - a. *Provide sufficient number of Classrooms for 2,000 students*
 - b. *Provide FF&E*
 - c. *Reduce the pressbox structure to the ground floor storage, restrooms, and utility rooms only. Provide stair access and guardrails for roof.*
 - d. *Provide backstop at the practice field*
 - e. *Provide 3 shared classrooms for GCC, resize to accommodate 20 students each.*
 - f. *Resize SPED classrooms for 20 students each.*
 - g. *Reduce the size of Dance, Choir, and Band Classrooms.*
 - h. *Delete interior Gyp. Bd. furring at concrete walls, provide plaster and paint.*
 - i. *Delete classroom closets.*
 - j. *Reduce the A-wing and B-wing corridor width.*
 - k. *Substitute specified floor, wall, and ceiling finishes.*
 - l. *Provide JROTC Multipurpose space with built in stage.*
 - m. *Reduce JROTC to the Office, Storage, Conference Room, and 3 Classrooms.*
 - n. *Clear the Multipurpose Field area only.*
 - o. *Reduce the Courtyard convenience sidewalks.*
 - p. *Integrate covered walkways with buildings; substitute concrete benches with site furnishing flat benches.*
 - q. *7/23/25 SSHS Value Engineering (VE) Summary Items 2,3,5, 7, 10, 14, 15, 16, 17, 18, 20-3, and 21-2 are acceptable.*

VE#02: Delete Rainwater Catchment System

VE#03: Omit Photovoltaic system

VE#05: Replace Domestic & Fire Sprinkler Branch from Black Iron to CPVC

VE#07: Eliminate HVAC Roof Enclosures

VE#10: Eliminate Planting and Landscaping Site Furnishing Deletion

VE#14: Minimize use of Piloti Structure at A-Wing

VE#15: The standby generator and main switchboard: subject to downsizing

VE#16: Convert 39 Stall asphalt parking into landscape area

VE#17: Replace colored concrete sidewalk with plain concrete

VE#18: Adjust site elevation and relocate ponding basin further west



VE#20-3: Delete Recovery Building
VE#21-2: Delete Auditorium Building

C. OPEN DISCUSSION

1. Bulter Tin School Facility

- *There was discussion on the use of Butler material on portions of the new school buildings as a value engineering alternative if the funding is not available. SSHS and CoreTech may not like to use Butler due to potential high maintenance costs.*

D. NEXT STEPS

1. Legal and financing review and updates to the four DRAFT contracts. - GEDA/ Attorney Brooks/ Bond Counsel - Due Tuesday, July 15th, close of business.
2. Circulate DRAFT contracts for final government internal review and comment - Due Tuesday, July 15th, by end of day.
3. Government internal review and markups to draft contracts due back to Attorney Brooks close of business Wednesday, July 16th.

E. NEXT MEETING

- *Tuesday, July 29th, 9 a.m., GEDA Conference Room*

F. ADJOURN

- *The first session adjourned at 11:35 a.m. by DPW Director, Vince Arriola.*
- *The second session adjourned at 3:15 p.m. by DPW Director, Vince Arriola.*

Proposed SSHS Schedule/ Milestones

1. Weekly SSHS Negotiation Committee Meeting - June 26th
2. Weekly SSHS Negotiation Committee Meeting - Review Draft Construction and O&M Contracts from TRMA - July 3rd
3. Negotiation Meeting #1 with Core Tech, DPW, GDOE - Wednesday, July 9th.
4. Government Review of Contracts - Comments due to Attorney Brooks by close of business - ~~Tuesday, July 8th.~~, Wednesday, July 9th
5. Weekly SSHS Negotiation Committee Meeting- Update on Negotiations w/ Core Tech and Contract Status - Thursday, July 10th.
6. Weekly SSHS Negotiation Committee Meeting – June 17th
7. Meeting #2 w/ Core Tech - July 18th.
8. Meeting #3 w/ Core Tech – July 29th
9. GEDA Legal and Financing updates to four DRAFT contracts - *Pending*
10. SSFM/TRMA/SSHS/GDOE final review and updates to four DRAFT contracts – *Pending*
11. Send contracts to Core Tech - *Pending*
12. Finalize Contract/Notice of Intent to Award/Notice of Award - *Pending*

SIGN- IN SHEET

Project: Construction of the New Simon Sanchez High School

Purpose: Negotiation Meeting – Value Engineering

Date: Monday, July 28th, 2025

Location: GEDA Conference Room 5th Floor ITC Building

Time: 10:00 AM – 11:00

14:00 – 15:15

	Organization	Name	Email Address	Initials
	BBMR	Lester Carlson	lester.carlson@bbmr.guam.gov	-
	DLM	Celine Cruz	celine.cruz@land.guam.gov	
	DLM	Joseph Borja	joseph.borja@land.guam.gov	
	DOA	Edward Birn	edward.birn@doa.guam.gov	
	DPW	Benny San Nicolas	benny.sannicolas@dpw.guam.gov	
	DPW	Donna Herrero	donna.herrero@dpw.guam.gov	
	DPW	Ernie Candoleta	ernest.candoleta@dpw.guam.gov	
	DPW	Erica Taitano	erica.taitano@dpw.guam.gov	
	DPW	John Calanayan	john.calanayan@dpw.guam.gov	
	DPW	Linda Ibanez	linda.ibanez@dpw.guam.gov	✓
	DPW	Valarie San Nicolas	valarie.sannicolas@dpw.guam.gov	
	DPW	Vince Arriola	vince.arriola@dpw.guam.gov	Lil
	GDOE	Barbara Adamos	bradamos@gdoe.net	
	GDOE	Erik Swanson, PhD	keswanson@gdoe.net	
	GDOE	Jimmy Pangelinan	jimdpangelinan@gdoe.net	
	GDOE-SSHS	Carla Masnayon	cdmasnayon@gdoe.net	JM
	GDOE-SSHS	Jessica Fejeran	jpfjeran@gdoe.net	
	GDOE-SSHS	Keith Quiambao	kdquiambao@gdoe.net	
	GDOE-SSHS	Melvin Finona	mmfinona@gdoe.net	
	GDOE-SSHS	Ron Canos	racanos@gdoe.net	
	GEDA	Angelene Rios	angelene.rios@investguam.com	
	GEDA	Carlos Bordallo	carlos.bordallo@investguam.com	ch
	GEDA	Celia Anderson	celia.anderson@investguam.com	
	GEDA	John San Nicolas	jsannicolas@investguam.com	
	GEDA	Melanie Mendiola		
	GEDA	Ricardo Duenas		
	GEDA	Tina Garcia	cgarcia@investguam.com	
	GEDA	Terry Brooks	tmb@guamlaw.net	
	GEDA	Yong Park		

TRMA

CEKIC CRUZ

U

[illegible]



**SSHS NEGOTIATION MEETING #3
MINUTES**

Tuesday, July 29, 2025, 9:00 am
GEDA Conference Room

Attendees:			
Vince Arriola	DPW	Cedric Cruz	TRMA
Linda Ibanez	DPW	Elmer Prudente	TRMA
John Calanayan	DPW	Joseph Duenas	SSFM
Carla Masnayon	GDOE-SSHS	Glenn Leon Guerrero	SSFM
Carlos Bordallo	GEDA	Gerard Bautista	SSFM
Ho Eun	CTI	Ed Hipolito	SSFM
Jong Won	CTI	Jerome Chaz	SSFM

A. CALL TO ORDER

- *Meeting was called to order at 9:03 a.m. by DPW Director, Vince Arriola.*

B. NEW BUSINESS

1. Core Tech Revised Pricing

- a. (HE) Core Tech requested the Team to meet again in two weeks, August 12, 2025, for the revised pricing.
 - *Core Tech will review GDOE Non-Negotiable List of Value Engineering items and provide a new construction cost estimate.*

2. GDOE & TRMA Value Engineering Negotiation List was discussed

- a. Provide sufficient number of Classrooms for 2,000 students
- b. Provide FF&E
- c. Reduce the press box structure to the ground floor storage, restrooms, and utility rooms only. Provide stair access and guardrails for roof.
- d. Provide backstop at the practice field
- e. Provide 3 shared classrooms for GCC, resize to accommodate 20 students each.
- f. Resize SPED classrooms for 20 students each.
- g. Reduce the size of Dance, Choir, and Band Classrooms.
- h. Delete interior Gyp. Bd. furring at concrete walls, provide plaster and paint.
- i. Delete classroom closets.
- j. Reduce the A-wing and B-wing corridor width.
- k. Substitute specified floor, wall, and ceiling finishes.
- l. Provide JROTC Multipurpose space with built in stage.
- m. Reduce JROTC to the Office, Storage, Conference Room, and 3 Classrooms.
- n. Clear the Multipurpose Field area only.
- o. Reduce the Courtyard convenience sidewalks.
- p. Integrate covered walkways with buildings; substitute concrete benches with site furnishing flat benches.
- q. 7/23/25 SSHS Value Engineering (VE) Summary Items 2,3,5, 7, 10, 14, 15, 16, 17, 18, 20-3, and 21-2 are acceptable.



- VE#02: Delete Rainwater Catchment System
- VE#03: Omit Photovoltaic system
- VE#05: Replace Domestic & Fire Sprinkler Branch from Black Iron to CPVC
- VE#07: Eliminate HVAC Roof Enclosures
- VE#10: Eliminate Planting and Landscaping Site Furnishing Deletion
- VE#14: Minimize use of Piloti Structure at A-Wing
- VE#15: The standby generator and main switchboard: subject to downsizing
- VE#16: Convert 39 Stall asphalt parking into landscape area
- VE#17: Replace colored concrete sidewalk with plain concrete
- VE#18: Adjust site elevation and relocate ponding basin further west
- VE#20-3: Delete Recovery Building
- VE#21-2: Delete Auditorium Building

C. OPEN DISCUSSION

1. Insurance Coverage

- *(HE) mentioned the challenges Core Tech is experiencing in obtaining insurance for projects over 100 million dollars. Hybrid or partial coverage was discussed to provide insurance for typhoon high risk items such as AC units, exterior lights, etc. (HE) indicated that even 30% coverage of the building will cost the same amount as 100% coverage.*

2. FF&E

- *VA (DPW) mentioned that FF&E will be included in Core Tech's procurement.*

3. Project Funding Clarification

- *It was discussed that there was \$143.5M allocated for the school construction. (LC) BBMR messaged GLG (SSFM) after the meeting to clarify that the project fund for school construction is approximately \$132.9M. There are \$143.5M deposited into the project fund, however, \$9M will be spent for FF&E, and \$1.6M for Art. Both FF&E and 1% for the Arts are referenced in the RFP. CTI will be updated on this.*

D. NEXT STEPS

1. Legal and financing review and updates to the four DRAFT contracts. - GEDA/ Attorney Brooks/ Bond Counsel - TBD
2. Circulate DRAFT contracts for final government internal review and comment - TBD
3. Government internal review and markups to draft contracts due back to Attorney Brooks close of business - TBD

E. NEXT MEETING

- *Tuesday, August 12th, 9 a.m., GEDA Conference Room*

F. ADJOURN

- *Meeting adjourned at 10:05 a.m. by DPW Director, Vince Arriola.*



Proposed SSHS Schedule/ Milestones

1. Weekly SSHS Negotiation Committee Meeting - June 26th
2. Weekly SSHS Negotiation Committee Meeting - Review Draft Construction and O&M Contracts from TRMA - July 3rd
3. Negotiation Meeting #1 with Core Tech, DPW, GDOE - Wednesday, July 9th.
4. Government Review of Contracts - Comments due to Attorney Brooks by close of business - ~~Tuesday, July 8th~~, Wednesday, July 9th
5. Weekly SSHS Negotiation Committee Meeting- Update on Negotiations w/ Core Tech and Contract Status - Thursday, July 10th.
6. Weekly SSHS Negotiation Committee Meeting – June 17th
7. Meeting #2 w/ Core Tech - July 18th.
8. Meeting #3 w/ Core Tech – July 29th
9. GEDA Legal and Financing updates to four DRAFT contracts - *Pending*
10. SSFM/TRMA/SSHS/GDOE final review and updates to four DRAFT contracts – *Pending*
11. Send contracts to Core Tech - *Pending*
12. Finalize Contract/Notice of Intent to Award/Notice of Award - *Pending*

GDOE & TRMA Value Engineering Negotiation List Updated 7/28/25

1. Provide 90 Classrooms spaces.
2. Provide FF&E.
3. Reduce the height of the gymnasium, utilize precast concrete roof.
4. Reduce the pressbox structure to the ground floor storage, restrooms, and utility rooms only. Provide stair access and guardrails for roof.
5. Provide backstop at the practice field.
6. Provide 3 shared classrooms for GCC, resize to accommodate 20 students each.
7. Resize SPED classrooms for 20 students each.
8. Reduce the size of Dance, Choir, and Band Classrooms.
9. Delete interior Gyp. Bd. furring at concrete walls, provide plaster and paint.
10. Delete classroom closets .
11. Reduce the A-wing and B-wing corridor width.
12. Substitute specified floor, wall, and ceiling finishes.
13. Provide JROTC Multipurpose space with built in stage.
14. Reduce JROTC to the Office, Storage, Conference Room, and 3 Classrooms.
15. Clear the Multipurpose Field area only.
16. Reduce the Courtyard convenience sidewalks.
17. Integrate covered walkways with buildings; substitute concrete benches with site furnishing flat benches.
18. 7/23/25 SSHS Value Engineering (VE) Summary Items 2,3,5, 7, 10, 14, 15, 16, 17, 18, 20-3, and 21-2 are acceptable.

SIGN- IN SHEET

Project: Construction of the New Simon Sanchez High School

Purpose: Negotiation Meeting #3 – with CTI

Date: Tuesday, July 29th, 2025

Time: 9:00 AM

Location: GEDA Conference Room

	Organization	Name	Email Address	Initials
	BBMR	Lester Carlson	lester.carlson@bbmr.com	
	DOA	Edward Birn	edward.birn@doa.guam.gov	
	DPW	Benny San Nicolas	benny.sannicolas@dpw.guam.gov	
	DPW	John Calanayan	john.calanayan@dpw.guam.gov	HC
	DPW	Linda Ibanez	linda.ibanez@dpw.guam.gov	Wil
	DPW	Vince Arriola	vince.arriola@dpw.guam.gov	
	CTI	Ho Eun	ho.eun@coretechintl.com	
	CTI	Alon Elamparo	alone.elamparo@coretechintl.com	
	CTI	Jong Won	jong.won@coretechintl.com	
	GDOE	Erik Swanson, PhD	keswanson@gdoe.net	
	GEDA	Carlos Bordallo	carlos.bordallo@investguam.com	dr
	GEDA	John San Nicolas	jsannicolas@investguam.com	
	GEDA	Tina Garcia	tgarcia@investguam.com	
	GEDA	Terry Brooks	tmb@guamlaw.net	
	SSFM	Ed Hipolito	ehipolito@ssfm.com	ESL
	SSFM	Gerard Bautista	gbautista@ssfm.com	3
	SSFM	Glenn Leon Guerrero	gguerrero@ssfm.com	GLG
	SSFM	Jerome Chaz	jchaz@ssfm.com	JC
	SSFM	Joseph Duenas	jduenas@ssfm.com	
	SSFM	Thuy Nguyen	tnguyen@ssfm.com	
	TRMA	Cedric Cruz	ccruz@traguam.com	CC
	TRMA	Elmer Prudente Jr.	EPrudente@traguam.com	EP
	SSHS	CARLA MASNAYON	colmasnayon@gdoe.net	CM
	CORE TECH	HO EUN.	ho.eun@coretechintl.com	HE
	"	JONG WON	jong.won@coretechintl.com	JW



The Honorable
LOURDES A. LEON GUERRERO
Maga' Håga - Governor

The Honorable
JOSHUA F. TENORIO
Sigundo Maga' Låhi - Lieutenant Governor



VINCENT P. ARRIOLA
Director

LINDA J. IBANEZ

Deputy Director

ERNEST G. CANDOLETA, JR

Deputy Director

July 16, 2025

Mr. Ho Eun
Chairman
Core Tech International Corp.
388 S Marine Corps Dr, Suite 400
Tamuning, Guam 96913

SUBJECT: INVITATION TO NEGOTIATE
New Simon Sanchez High School (FDDBLM)
Project No. 730-5-1059-L-YIG

Dear Mr. Ho,

Buenas yan Hafa Adai! The Department of Public Works (DPW), the Guam Department of Education (GDOE), and the various government stakeholders have been meeting to discuss your proposal for the above subject project.

I am kindly requesting your presence to begin negotiations on Friday, July 18th, 2025, at 8:30am, at the Guam Economic and Development Authority (GEDA) Conference Room on the 5th floor of the ITC Building in Tamuning.

The intent of this second meeting is to discuss the financing proposal.

Please contact Donna Herrero at 671-646-3131 to confirm your participation. I look forward to seeing you.

Sincerely,

VINCENT P. ARRIOLA
Director