

Request for Expressions of Interest
for
Financing, Construction, and Operation
of the Layon Landfill

Inarajan, Guam

Due: July 15, 2008

Issued by

Gershman, Brickner & Bratton, Inc. (GBB)
as Receiver for the U.S. District Court of Guam

June 23, 2008

Section 1 General Information about this Request for Expressions of Interest

1.1 Background and Purpose

The Island of Guam is a United States Territory with an area of 210 square miles in the Western Pacific Ocean. Guam has a population of approximately 170,000, and it is the largest and southern most of the Mariana Islands. The primary municipal solid waste disposal site in Guam is the Ordot Dump, which has existed since World War II and has been cited for violation of the Clean Water Act (33 U.S.C. §1251, et. seq.).

The Government of Guam entered into a Consent Decree with the United States Environmental Protection Agency ("U.S. EPA") on February 11, 2004, to close the Ordot Dump, cease all discharges into the Lonfit River, open a new municipal solid waste landfill, and develop and implement recycling and hazardous waste management strategies to reduce the volume of materials going into the landfill ("the Consent Decree Projects").

Following the Consent Decree, the Guam Government, through its Department of Public Works, Solid Waste Management Division, proceeded with certain studies, surveys, and engineering design toward the closure of the Ordot Dump and the siting and development of a new lined, leachate controlled municipal solid waste landfill. However, the schedule of compliance in the Consent Decree was not met and progress to achieve compliance has been deemed unsatisfactory by the U.S. EPA and the United States District Court of Guam and its consultants, which are monitoring the Government of Guam's activities toward compliance. Therefore, on March 17, 2008, the United States District Court of Guam issued a court order appointing Gershman, Brickner & Bratton, Inc. ("GBB"), a solid waste management consultant, as Receiver to achieve the Guam Government's compliance with the Clean Water Act as set forth in the Consent Decree and implementation of the Consent Decree Projects.

As Receiver, GBB has full power and authority to enforce the terms of the Consent Decree and assume all of the responsibilities, functions, duties, powers, and authority of the Guam Solid Waste Management Division of the Department of Public Works, and any and all departments or other divisions of the Department of Public Works insofar as they affect the Government of Guam's compliance with the Consent Decree. Working under the guidance of the Court and in consultation with the U.S. EPA, GBB has reviewed the work already performed by the Government of Guam and its consultants and building upon that work where possible, is in the process of developing and executing a plan that will provide both the financing and leadership necessary to successfully address these vital services for the people of Guam.

Since a new municipal solid waste landfill must be constructed and placed into operation before the Ordot Dump is closed, it is critical that this new landfill and certain access road improvements be financed and constructed as soon as possible. Through an extensive siting study and associated fieldwork, a final site for the new landfill has been selected at Layon in Inarajan (see Exhibit 1). This site is a 225-acre parcel with approximately 141 acres as the landfill footprint containing 14 million cubic yards of airspace. The initial solid waste intake projections are an estimated 450-500 tons per day or approximately 140,000 tons per year. Hydrogeologic work and engineering design of this landfill are substantially complete, and final design

and permitting for construction of this facility are anticipated within the next two to four months. Condemnation action to acquire the Property for the new landfill, its access road and slope easements through Eminent Domain on behalf of the Guam Department of Public Works has been filed with the court by the Guam Attorney General's office. This action is under appeal by certain property owners, a motion hearing has been held, and the Attorney General is awaiting the court's ruling.

Exhibit 1



It had been anticipated that financing of the construction of the new landfill and associated access road improvements would be through a revenue bond issue of the Guam Government, and GBB is evaluating the needs and conditions for such financing. However, GBB is aware that certain companies have inquired about the landfill construction and operation opportunity and have indicated an interest in also financing the construction and other capital needs of the facility under a "Build, Operate, Transfer" arrangement or other contractual structure creating a public-private partnership with the Government of Guam.

GBB believes that such private financing and partnership arrangement has merit and could possibly accelerate the implementation of the Layon Landfill and the Guam Government's compliance with the Consent Decree. Therefore, GBB desires to obtain a better understanding of the interests, needs, and relevant experience of

companies that could undertake such a partnering, and, in particular, the details of the potential financing structure and the needs and conditions of such private financing. Therefore, GBB, as Receiver, is issuing this Request for Expressions of Interest ("RFEI").

1.2 RFEI is Not a Solicitation for Which An Award Will be Made

This RFEI is not a formal procurement, solicitation, or request for proposals in any manner and no award will be made from this RFEI. GBB is simply requesting certain information in an organized format (set forth in Section 3 herein) from organizations that have interest in financing, constructing, and operating the Layon Landfill.

The information will assist GBB in understanding the organizations that have interest in the project and how they may be able to finance, construct, and operate the Layon Landfill in the mutual interests of the citizens of Guam and their organization. Submission of an Expression of Interest in response to this RFEI in no way commits any party to participation in the project, qualifies any party as an acceptable proposer to finance, construct and/or operate the Layon Landfill, or limits their ability to respond to any formal procurement by the Guam Government and/or the Receiver relative to the Layon Landfill or any Consent Decree Project that may be issued.

Likewise, failure to submit an Expression of Interest to this RFEI will not preclude or diminish in any way the ability of any qualified organization to be considered in formal procurement by the Guam Government and/or the Receiver relative to the Layon Landfill or any Consent Decree Project.

1.3 Receiver Contact Persons

Any communication regarding this RFEI should be made in writing via U.S. Mail and directed to Timothy Bratton, Senior Vice President, or Chris Lund, Senior Project Engineer, Gershman, Brickner & Bratton, Inc., 8550 Arlington Blvd., Suite 203, Fairfax, VA 22031, or e-mail tbratton@gbbinc.com or clund@gbbinc.com, respectively.

1.4 Written Questions

GBB will accept written questions by mail or e-mail, until five business days prior to the due date for Expressions of Interest. Any written questions received pertaining to this RFEI will be posted and answered on the Receiver's Website [www.guamsolidwastereceiver.org/receiver.html]. GBB will endeavor to respond to written questions within five business days of receipt. However, GBB makes no assurance that written responses will be tendered if, in the opinion of GBB, such information is evident in the RFEI, the question has already been answered or goes beyond the intended scope of the RFEI. Responses will not be attributed to the submitter.

1.5 Amendment or Cancellation of the RFEI

If this RFEI requires amendment, written notice of the amendment in the form of an Addendum will be posted on the Receiver's Website at www.guamsolidwastereceiver.org/receiver.html. GBB reserves the right to modify, amend or cancel this RFEI.

1.6 Incurred Expenses

GBB is not responsible nor does it accept any liability for any expenses that submitters may incur in preparing and submitting Expressions of Interest, including interviews or meetings, if any. Each party that submits an Expression of Interest does so at its own expense.

1.7 Confidentiality

Expressions of Interest submitted in response to this RFEI are subject to disclosure to the extent allowed by law. Submitters must mark any portions of their Expressions of Interest which 1) they deem confidential; and 2) would actually qualify as protected confidential material under Guam statutes in order for the material to be treated as confidential information. The marking of every page of the Expression of Interest as confidential does not meet this requirement.

1.8 Acceptance of Terms and Conditions

By submitting an Expression of Interest in response to this RFEI, submitter accepts all of the terms and conditions set forth in this RFEI.

Section 2 Documents Available for Review

There are several documents regarding the proposed Layon Landfill available for review on the Guam Environmental Protection Agency ("Guam EPA") Website: www.guamepa.net. Among these are:

- Preliminary Landfill Site Suitability Report
- Landfill Site Evaluation Report
- Landfill Environmental Impact Statement Public Scoping Report

Also, additional information regarding the Landfill project can be found at www.guamlandfill.org and on the Receiver's Website at www.guamsolidwastereceiver.org/receiver.html.

Section 3 Submission Requirements

3.1. General Requirements

Submission of an Expression of Interest shall constitute acknowledgement and acceptance of all the terms and conditions contained in this RFEI. Expressions of Interest may be modified or withdrawn by an appropriate document duly executed and delivered to the place where Expressions of Interest are to be submitted at any time prior to the due date for Expressions of Interest.

GBB reserves the right to waive irregularities in Expressions of Interest received in response to this RFEI, and any such waiver shall not modify any remaining requirements in the RFEI or excuse the submitter from compliance with the terms and conditions of the RFEI.

GBB shall accept all Expressions of Interest for review that are prepared and submitted in conformance with this RFEI, but reserves the right to accept or reject in whole or in part any or all Expressions of Interest submitted. Receipt of an

Expression of Interest by GBB or submission of an Expression of Interest to GBB confers no rights upon the submitter, nor does it obligate GBB in any manner.

3.2. Delivery and Acceptance of Expressions of Interest

Expressions of interest should be e-mailed on or before July 15, 2008, to tbratton@gbbin.com.

All Expressions of Interest shall be clearly marked "Expressions of Interest for Layon Landfill Development Partnering."

3.3. Information Provided by Receiver

Information included in or provided with this RFEI or provided on Receiver's Website is provided solely for the convenience of parties submitting Expressions of Interest. NO REPRESENTATION OR WARRANTY OF ANY KIND IS MADE BY GBB AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION INCLUDED IN OR PROVIDED WITH THIS RFEI. Parties submitting Expressions of Interest are solely responsible for conducting such independent due diligence investigations as may be necessary for the submission of Expressions of Interest. GBB and its employees, consultants, agents and advisors are not responsible for the completeness or accuracy of any information distributed or made available, orally or in writing, with this RFEI.

3.4. Ownership and Disclosure

Expressions of Interest received in response to this RFEI will be maintained by GBB and are matters of public record and subject to public inspection except as set forth in Section 1.7 herein.

Neither GBB nor its staff, agents, employees, representatives, consultants and advisors shall be responsible or liable in any manner for any losses that a submitter may suffer from the disclosure of information or materials to third parties or any other claims or damages resulting from this RFEI process. All Expressions of Interest (other than portions thereof subject to patent or copyright protection, if any) will become the property of GBB upon submission.

3.5. Conducting Investigations/Requesting Supplementary Information

GBB reserves the right to conduct investigations with respect to the qualifications, experience and representations of the submitter and any team members. Each submitter and any team member, through its request for and receipt of this RFEI and submission of an Expression of Interest, consents to such investigations.

3.6. Submittal Format

Any party submitting an Expression of Interest shall utilize the format as set forth below. The items listed below, and the designated locations thereof, shall be included in the Expression of Interest and in the order shown. Each section shall be clearly labeled, with pages numbered and separated by tabs as follows:

Tab 1 Cover Letter

Tab 1 shall contain a cover letter describing the organization and expressing the interest of the organization in meeting the needs and interests of the Guam Government and the Receiver relative to the Layon Landfill financing, construction, and operation, as expressed in Section 1 of this Request.

Tab 2 Contact Information Form and Organization Information Form

The submitting organization shall include a completed Contact Information Form and an Organization Information Form in this Tab 2. The Forms to be used are provided in Appendix A and Appendix B, respectively, of this RFEI.

Tab 3 Qualifications and Experience

Tab 3 shall contain qualifications and experience that document the organization's ability, capacity, skills, resources, and financial strength to provide the outcomes desired by the Guam Government and the Receiver. As a minimum, the following information is requested:

- Organizational structure
- Résumés of key personnel who would be involved in the project/business relationship
- Description of overall experience of the organization, including projects involving financing by the organization, particularly landfill financing, permitting, ownership/operation, or other significant industrial development and environmental projects
- Description of other public-private partnerships of the organization and/or similar projects
- Description of experience, if any, with waste transport
- Description of organization's financial strength and creditworthiness (Include a copy of the financial statements for the last two fiscal years.)
- Description of any third party arrangements, agreements, relationships, and/or other business transactions that the organization would request, require, or suggest as necessary for the Layon Landfill financing/ownership partnership to be successfully structured and carried out with the Guam Government and/or the Receiver

Tab 4 Description of Needs and Interests of the Organization

In Tab 4, the submitting organization is requested to describe its business philosophy, key interests, needs, and conditions in partnering with the Guam Government and/or Receiver to meet the needs, interests, and goals as expressed in Section 1 of this Request. This description shall include financial and contractual needs; issues and constraints, if any, known or anticipated in a partnering/business arrangement with the Guam Government and/or Receiver; other parties who would be part of any business transaction and their expected needs and interests; and other relevant information, special features, and conditions that would be important for GBB to know and understand about the organization and the needs for a successful partnership and/or business arrangement for the financing, construction, and operation of the Layon Landfill.

Specifically outline any essential contract provisions or binding assurances that would be required and describe the financing method and provide a description of how the financing will affect the initial or future operation of the landfill. This should include but not be limited to how the anticipated financing would affect: initial and future tipping fees and other fees charged for the use of the landfill (we are not asking for specific fees but we are asking for a description of how the financing will affect the initial and future fees); any costs that are assumed to be passed through to the Government of Guam; any access to special financing arrangements made available through or facilitated by either the Government of Japan or the Government of the United States; and any other business terms that are essential to any proposal of your organization.

Section 4 Review of Expressions of Interest

4.1 Review

Expressions of Interest received by GBB in response to this RFEI will be reviewed by GBB. It is anticipated that upon review of Expressions of Interest by GBB, certain questions and/or need for clarification of certain information or statements in such Expressions of Interest may be noted, in which case, GBB may issue letters to such submitters requesting additional information to answer questions and/or provide clarifications.

4.2 Interviews

GBB may elect to interview parties submitting Expressions of Interest in response to this RFEI. Interviews, if any, may be conducted face-to-face or they may be held via telephone conference call. However, GBB reserves, in its sole discretion, the right to interview only certain parties or to interview all parties submitting Expressions of Interest.

Appendices

- A. Contact Information Form
- B. Organization Information Form

**APPENDIX A
REQUEST FOR EXPRESSIONS OF INTEREST
LAYON LANDFILL FINANCING, CONSTRUCTION, AND OPERATION**

Contact Information Form

Name: _____

Title: _____

(2nd) Name: _____
(optional)

Title: _____
(optional)

Company: _____

Address: _____

Telephone Number: _____

Fax Number: _____

E-mail (1st): _____

E-mail (2nd): _____

I/we prefer to be contacted by: *(circle one)* U.S. Mail, telephone, fax, e-mail.

I/we prefer correspondence to be sent by: *(circle one)* fax, e-mail.

Please mail or e-mail completed form to:

Mr. Timothy Bratton
Gershman, Brickner & Bratton, Inc.
8550 Arlington Boulevard
Suite 203
Fairfax, VA 22031-4620
e-mail: tbratton@gbbinc.com

APPENDIX B

**REQUEST FOR EXPRESSIONS OF INTEREST
LAYON LANDFILL FINANCING, CONSTRUCTION, AND OPERATION**

ORGANIZATION INFORMATION FORM

A. General Information

Organization Name:

Address: _____

Telephone: _____ Fax: _____

E-Mail:

Contact: _____

Type of organization (corporation, joint venture, partnership, individual):

If a corporation, list the names of all officers, directors, and shareholders possessing five percent or more of outstanding stock in the corporation. If a partnership, list the names of all general and limited partners. Attach additional sheets as necessary.

**ORGANIZATION INFORMATION FORM
(Continued)**

B. Business Information

1. Describe the nature of your current business:

2. State the length of time you have been in that business under your present name:

3. With what other lines of business are you directly or indirectly affiliated?

4. Have you ever failed to complete any contract awarded to you?

If so, where and why?

5. Has any officer or partner of your organization ever been an officer or partner of some other organization that failed to complete a contract?

If so, state name of individual, other organization, reason therefore, and bonding company:

**ORGANIZATION INFORMATION FORM
(Continued)**

6. With what individuals or entities have you been associated as partner or otherwise during the past five years? Attach additional sheets as necessary.

7. Have you, your partners, members, joint venturers, parent corporation, or subsidiaries been a party to any lawsuits, including any current investigations, indictments, or pending litigation, within the last five years? If so, list these lawsuits. Attach additional sheets as necessary.

8. Has any Facility that you operated been the subject of administrative or judicial action for alleged violation of environmental or public health laws or regulations? If so, state the details and disposition. Attach additional sheets as necessary.

**ORGANIZATION INFORMATION FORM
(Continued)**

9. List any and all actions occurring within the last five (5) years which have resulted in revocation or suspension of any permit or authority to do business in any federal, state or local jurisdiction, recorded by Submitter, any officer or director thereof or any affiliate or related company.

10. List any and all actions occurring in the past five years that have resulted in the barring from public bidding recorded by Submitter, any officer or director thereof or any affiliate or related company.

11. List any bankruptcy proceedings in the past five years recorded by Submitter, any affiliate or related company.

**ORGANIZATION INFORMATION FORM
(Continued)**

C. Main Office and Place of Performance

Following is the name and location of (1) the main office and (2) place of business where the services will be performed.

Main Office:

Name of Company

Street Address

City, State, and Zip Code

Place of Business where services will be performed if different than Main Office:

Street Address

City, State, and Zip Code

The undersigned hereby declares that this Expression of Interest is made in good faith without fraud or collusion with any person or persons submitting an Expression of Interest on same RFEI and that the statements, representations, and information contained in this Expression of Interest, including this Organization Information Form, are accurate and truthful.

Signature of person duly authorized to sign Expression of Interest on behalf of the Submitter.

Authorized Signature

Title

Date