



CONSOLIDATED COMMISSION ON UTILITIES  
Guam Power Authority | Guam Waterworks Authority  
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

**RESOLUTION NO. 46-FY2017**

**RELATIVE TO CHANGE ORDER APPROVAL TO THE ISLAND-WIDE WELL SITE  
REHABILITATION (D-03, D-17, D-18, D-22, M-09)  
PROJECT W15-004-EPA**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities (“CCU”) has plenary authority over financial, contractual, and policy matters relative to the Guam Waterworks Authority (“GWA”); and

**WHEREAS**, the Guam Waterworks Authority (“GWA”) is a Guam Public Corporation established, and existing under the laws of Guam; and

**WHEREAS**, GWA has received a grant from the United States Environmental Protection Agency (“USEPA”) under the State Revolving Fund (“SRF”) program to repair and rehabilitate the water and wastewater system infrastructure; and

**WHEREAS**, GWA has a number of important USEPA SRF projects including the rehabilitation, repair, or replacement of groundwater wells D-03, D-17, D-18, D-22, and M-09, which have been inoperable for a significant amount of time; and

**WHEREAS**, the inoperability of the above noted wells has inhibited the full optimization of the island’s system water pressure and contributed to the supply deficiencies; and

**WHEREAS**, Resolution No. 41-FY2016 approved by the CCU authorized GWA management to enter into a contract with Pacific Rim Constructors, Inc. (PRC) to perform the construction services for the Island-wide Well Site Rehabilitation (D-03, D-17, D-18, D-22, and M-09) project; and

1           **WHEREAS**, during the construction activities to address potential operational issues,  
2 GWA and its Program Management Office (PMO) evaluated the well maintenance needs and  
3 identified a well maintenance rig (well pump hoist) as critical equipment for GWA to perform  
4 well maintenance and timely repairs; and

5  
6           **WHEREAS**, GWA has discussed the proposal of purchasing a well maintenance rig with  
7 the USEPA (the funding agency for this project) and received the USEPA's support to use the  
8 2012 SRF grant, which expires on September 30<sup>th</sup>, 2017, if the purchase is made through a  
9 change order under the current Island-wide Well Site Rehabilitation project; and

10  
11           **WHEREAS**, GWA's PMO has provided technical guidance to GWA, prepared a  
12 technical scope of work for PRC, and facilitated the discussions between GWA and PRC  
13 regarding the equipment details, costs, warranties, and local equipment maintenance services;  
14 and

15  
16           **WHEREAS**, GWA received a final proposal from PRC on July 14<sup>th</sup>, 2017 in the amount  
17 of Eight Hundred Seventeen Thousand One Hundred Forty Seven Dollars (\$817,147.00) (SEE  
18 EXHIBIT A), reviewed PRC's proposal with the PMO, and determined PRC's proposal as fair  
19 and reasonable; and

20  
21           **WHEREAS**, GWA found that, in addition to the need for the well maintenance rig,  
22 urgent electrical design changes have become necessary to bring power supply to four wells (D-  
23 03, D-17, D-18, and D-22), due to changes that have occurred at these well sites since the  
24 original design of the wells; and

25  
26           **WHEREAS**, the electrical systems that would connect the four abovementioned wells to  
27 the island-wide electrical system have either deteriorated to the point of needing replacement, or  
28 been removed from the well sites for use at other operational well sites; and

29  
30           **WHEREAS**, GWA engineering estimated that an additional Two Hundred Thousand  
31 Dollars (\$200,000.00) is necessary to complete the urgent electrical changes and to bring power  
32 supply to these four wells; and

1           **WHEREAS**, CCU previously authorized the original funding for this project, including a  
2 ten percent (10%) contingency, in the amount of Five Million One Hundred Fifty Eight  
3 Thousand Eight Hundred Seventy Six Dollars and Eighty Cents (\$5,158,876.80); and  
4

5           **WHEREAS**, GWA has executed five (5) change orders to date in the amount of Four  
6 Hundred Fifty Nine Thousand Seven Hundred Fifty Nine Dollars and Fifty-Two Cents  
7 (\$459,759.52), which equates to a total approved contract value of Five Million One Hundred  
8 Forty Nine Thousand Six Hundred Forty Seven Dollars and Fifty-Two Cents (\$5,149,647.52);  
9 and  
10

11           **WHEREAS**, GWA Management seeks CCU approval of the proposed Change Order  
12 No. 6 to proceed with the purchase of the well maintenance rig and supporting equipment in the  
13 amount of Eight Hundred Seventeen Thousand One Hundred Forty Seven Dollars (\$817,147.00),  
14 as well as the cost for the construction of the additional electrical power supply components in  
15 the amount of Two Hundred Thousand Dollars (\$200,000.00), for a total additional cost in the  
16 amount of One Million Seventeen Thousand One Hundred Forty Seven Dollars (\$1,017,147.00)  
17 which would bring the total authorized funding to Six Million One Hundred Seventy Six  
18 Thousand Twenty Three Dollars and Eighty Cents (\$6,176,023.80); and  
19

20           **WHEREAS**, funding for the change order work will be from the USEPA State  
21 Revolving Fund and, if necessary, GWA Bond funds associate with production wells  
22 rehabilitation as applicable; and  
23

24           **NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities  
25 does hereby approve the following:

- 26           1. The recitals set forth above hereby constitute the findings of the CCU.
- 27           2. The CCU finds that the terms of the fee proposal submitted by Pacific Rim  
28           Constructors, Inc. are fair and reasonable.
- 29           3. The CCU hereby authorizes the management of GWA to approve the Change  
30           Order No. 6 in the amount of Eight Hundred Seventeen Thousand One Hundred  
31           Forty Seven Dollars (\$817,147.00) (EXHIBIT A).  
32

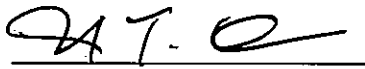
1 4. The CCU hereby further approves the increase funding authorized for this project  
2 of One Million Seventeen Thousand One Hundred Forty Seven Dollars  
3 (\$1,017,147.00) which accounts for the well rig and electrical improvements, to  
4 bring the total authorized funding amount to a maximum of Six Million One  
5 Hundred Seventy Six Thousand Twenty Three Dollars and Eighty Cents  
6 (\$6,176,023.80).

7  
8 **RESOLVED**, that the Chairman certified and the Board Secretary attests to the adoption  
9 of this Resolution.

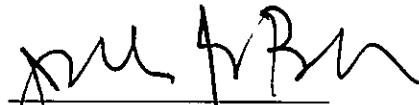
10  
11 **DULY AND REGULARLY ADOPTED**, this 25<sup>th</sup> day of July 2017.

12  
13 Certified by:

Attested by:

14 

15 **JOSEPH T. DUENAS**  
16 Chairperson

14 

15 **J. GEORGE BAMBA**  
16 Secretary

17  
18 I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as  
19 evidenced by my signature above do hereby certify as follows:

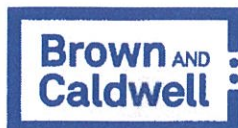
20 The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular  
21 meeting by the members of the Guam Consolidated Commission on Utilities, duly and  
22 legally held at a place properly noticed and advertised at which meeting a quorum was  
23 present and the members who were present voted as follows:

24 AYES: 5  
25 NAYS: 0  
26 ABSTENTIONS: 0  
27 ABSENT: 0  
28  
29  
30  
31  
32

414 W Soledad Avenue, Suite 602  
Hagatna, GU 96910

T: 671.300.4220

## Exhibit A (1 of 4)



July 14, 2017

Mr. Thomas Cruz  
Chief Engineer  
Guam Waterworks Authority  
Gloria B. Nelson Public Service Building  
688 Route 16  
Mangilao, Guam 96913

148557

Subject: Letter of Recommendation for Water Production Well Maintenance Rig for the IslandWide Well Site Rehabilitation (D-03, D-17, D-18, D-22, and M-09); GWA Project No. W15-004-EPA

Dear Mr. Cruz:

Brown and Caldwell (BC)—upon reviewing the cost proposal from Pacific Rim Constructors, Inc. (PRC) for the purchase of a Water Production Well Maintenance Rig, Chassis, and Supporting Equipment for the IslandWide Well Site Rehabilitation (D-03, D-17, D-18, D-22, and M-09) project—finds the cost proposal (Attachment 1) for \$817,147.00 to be fair and reasonable, and recommends it for approval.

If you have any questions, please call me at (671) 300-4228.

Respectfully Submitted,

**Brown and Caldwell**

A handwritten signature in blue ink, appearing to read "George Watson". The signature is stylized and cursive.

George Watson  
Project Manager

GW:bc

cc: Bill Chang, P.E., Brown and Caldwell  
Gloria Bensen, Guam Waterworks Authority

Attachments:

1. Pacific Rim Constructors, Inc. Cost Proposa





July 13, 2017

Brown and Caldwell  
Attn: George Watson  
414 W. Soledad Avenue, Suite 602  
Hagatna, Guam 96910

Re: Request for Proposal – Water Production Well Maintenance Rig  
GWA Islandwide Well Site Rehabilitation  
GWA Project No. W15-004-EPA

Hafa Adai Mr. Watson,

We are pleased to offer this proposal to provide the above referenced rig and associated equipment. As requested, we based our proposal upon the documents contained in your letter dated July 12, 2017, but products and manufacturers may be somewhat different in our proposal. We would like to ask for the attached information be reviewed closely and to let us know if you have any questions. The total cost of each item is as indicated on the attached cost breakdown and includes the purchasing and shipping for each item.

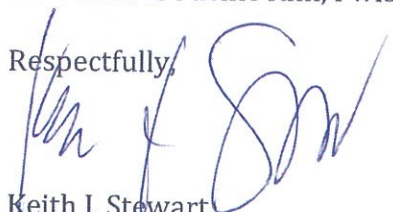
From a schedule standpoint, the equipment will be ready to ship in approximately 16 weeks, but this is dependent on a number of things that are outside our control.

From a payment standpoint, we will need a minimum of 40% paid upon issuance of the change order and the remainder paid prior to shipping.

While this change order will in effect increase the duration of our contract with GWA, it is our assumption that this change will not negatively affect the closeout of the project, payment of retainage or impact the date of substantial completion.

On behalf of Pacific Rim, I wish to express my gratitude for considering us.

Respectfully,

  
Keith J. Stewart,  
President

# Exhibit A (3 of 4)

Pacific Rim Constructors, Inc.  
 GWA Well Maintenance Equipment  
 Change Order Pricing



Item	Description		Price
Well Maintenance Rig	2018 Freightliner M2 106 with 12T Pump Hoist Body	See Morrico Specs	\$312,028.00
Nylon Brush	6", 8" - Cleaning Brush J200 w/ applicable tool	Cotey Chemical Corporation	\$822.00
Nylon Brush	10", 12", 16' - Cleaning Brush J400 w/ applicable tool	Cotey Chemical Corporation	\$2,412.00
Frayed Steel Cable Casing Scratcher	6", 8", 10", 12" and 16" casing scratcher	Zim Industries - Fresno	\$16,790.00
Standard Bailer	4", 6" and 8" x 8' long	Zim Industries - Fresno	\$9,706.00
Suction Bailer	4", 6" and 8" x 8' long	Zim Industries - Fresno	\$15,911.00
Dart Bailer	4", 6" and 8" x 8' long	Zim Industries - Fresno	\$11,033.00
Bailer Dump Tub	18" x 36"	Zim Industries - Fresno	\$1,093.00
Rig-Mounted Welder	Bobcat 250	See attached specs	\$18,447.00
Casing Elevators, Clevises and Slings	3 6", 4 6" and 6 5/8", Heavy Duty		\$5,413.00
Pipe Wrenches	Two 36" Heavy-Duty Straight	Rigid	\$269.00
Pipe Wrenches	Two 48" Heavy-Duty Straight	Rigid	\$530.00
Slip Plates	3 1/2" 4 1/2" - and 6"	Shop Fabricated - Hunke	\$528.00
Water Level Sounder	1,000' of Cable, Solid State		\$1,448.00
Surge Block	4", 5" and 6"		\$772.00
Mixing Tank	150 gallon HDLPE Mixing Tank	Protectoplas MT0150	\$10,303.00
Megger	Insulation Multimeter		\$1,355.00
Chain Tongs	Two Model 3235, Double-End Reversible	Rigid	\$806.00
Compressor	Diesel-Powered (see attached)	See Morrico Specs	\$268,370.00
T & C Steel Airlift Pipe	4-inch-diameter 609'		\$17,244.00
T & C Steel Airlift Pipe	1-inch-diameter 609'		\$4,311.00
Airlift Discharge Head	4' x 1'	Shop Fabricated - Hunke	\$560.00
Ford Diesel Pickup Chassis	F350 XLT 4 x4 as per attached spec (Quote ID HMJH11710G)		\$86,432.00
	9' Hunke Manufactured heavy-duty flatbed deck with headache rack will be installed on the Ford Truck with tool boxes, rear bumper / hitch, DOT light package, commercial grade blue paint and custom assemblies to meet GWA requirements		
	Note: we were not able to confirm with either the local Guam Ford rep or the Mainland Ford rep if the standard Ford warranty is good on Guam. We have heard conflicting information and do not have enough information at this time. We will work to obtain.		
Equipment Trailer with Trailer hitch	22' Long, Tandem Axles (see attached)		\$18,029.00
	8.5' x 22' industrial grade trailer with "super deluxe bobcat ramps. Channel x 82"" wide flat 18' deck + 4' self clean dove for overall 22' deck length, with 12DKU jack, 14,000 tandem wheels / suspension / brakes, DOT LED light package, 7 prong electrical hookup, 2" ball type hitch and black powder coating.		
Pipe Lifting Pins	3", 4" and 6"	Shop Fabricated - Hunke	\$4,939.00
	Three - 1/2" Grade 120 with Grab Hooks at		
Tie Down Chain	Each End x 15'		\$2,464.00
Ratchet Type Load Binders	3 Grade 120 for 1/2" Chain		\$1,704.00
Oxygen - Acetylene Torch Kit w/ Tanks	1 Portable Kit	Miller SMI TL-550	\$798.00
Cable Depthometer	7/16" to 5/8" Range		\$2,630.00
<b>Total Proposal Amount</b>			<b>\$817,147.00</b>

## Exhibit A (4 of 4)

**Pacific Rim Constructors, Inc.**  
**Well Maintenance Rig**  
Change Order Pricing

### **Hunke with Freightline Chasis**

Vendor Proposal Amount:	\$228,360.00
Shipping & Handling	Included
Options Added	\$13,955.00
On Island Training	\$7,000.00
Warranty	\$5,000.00
<b>Subtotal</b>	<b>\$254,315.00</b>
PRC Insur & Bonds	\$13,500.00
PRC Coordination	\$4,500.00
<b>Subtotal</b>	<b>\$272,315.00</b>
PRC OH&P	\$27,232.00
PRC GRT	\$12,481.00
	<b>\$312,028.00</b>