



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

GWA RESOLUTION NO. 07-FY2018

**RELATIVE TO APPROVAL OF CONTINGENCY FUND TO THE ROUTE 1
(ASAN-ADELUP-HAGATNA) SEWER REHABILITATION
ASAN SEWER BREAK REPAIR CONTRACT**

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 USEPA under the State Revolving Fund program to improve the sewer collection system, which included the gravity sewer line along Route 1, from the Asan “War in the Pacific” National Historical Park to the Agana Main Pump Station; and

WHEREAS, the stretch of gravity sewer line indicated is deteriorating and has experienced collapses in a number of locations, and the intent of this project is to rehabilitate, repair or replace these collapsed sections; and

WHEREAS, GWA and USEPA agree that efforts to rehabilitate, repair or replace these sewer lines are necessary to properly maintain and operate the sewer collection system; and

WHEREAS, The CCU approved Resolution 18-FY2017 on February 21, 2017 that authorized GWA to enter into a contract with Pacific Rim Constructors, Inc. (PRC) in the amount of Two Million Four Hundred Seventy Thousand Six Hundred Fifty Eight Dollars (\$2,470,658.00) to perform construction services for the Route 1 (Asan-Adelup-Hagatna) Sewer Rehabilitation Asan Sewer Break Repair Project; and

1 **WHEREAS**, on August 30, 2017, GWA extended the construction contract for the Route
2 1 (Asan-Adelup-Hagatna) Sewer Rehabilitation Asan Sewer Break Repair Project to October 31,
3 2017, to allow for additional time for completion of additional work added onto the contract; and
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5 **WHEREAS**, within the time of the extension, GWA has experienced three additional
6 sections of collapsed pipe within the area of the scope; and
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8 **WHEREAS**, due to the deteriorating conditions of the sewer lines on Route 1 in Asan
9 and Adelup, GWA is requesting additional funding authorization via a contingency fund to the
10 Route 1 (Asan-Adelup-Hagatna) Sewer Rehabilitation Asan Sewer Break Repair Project, to
11 provide GWA with construction services as and if needed, on a time and materials basis, should
12 additional sewer lines collapse before the "re-bid" of *Route 1 Sewer Rehabilitation and*
13 *Replacement (Asan-Adelup-Hagatna) Project for Asan and Adelup* is awarded and is under
14 construction which is expected to occur before March 3, 2018; and
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16 **WHEREAS**, the unforeseen sewer line collapses have been occurring during the project,
17 facilitating the need to request a contingency of ten percent (10%) of the original project amount
18 of Two Million Four Hundred Seventy Thousand Six Hundred Fifty Eight Dollars
19 (\$2,470,658.00), or Two Hundred Forty Seven Thousand Sixty Five Dollars and Eighty Cents
20 (\$247,065.80) for assistance to GWA in the rehabilitation, repair and/or replacement of any
21 additional collapsed sections under the unit price line items currently included in the contract;
22 and
23

24 **WHEREAS**, the approval of the contingency fund plus the original contract value will
25 bring the total authorized funding amount to a maximum of Two Million Seven Hundred
26 Seventeen Thousand Seven Hundred Twenty Three Dollars and Eighty Cents (\$2,717,723.80)
27 and
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29 **WHEREAS**, funding for the additional work will be from the USEPA State Revolving
30 Fund and, if necessary, GWA Bond funds applicable to the project; and
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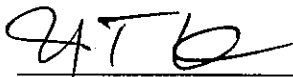
1 **NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities
2 does hereby approve the following:

- 3 1. The recitals set forth above hereby constitute the findings of the CCU.
4 2. The CCU finds that the terms of the contracted unit rates submitted by PRC are
5 fair and reasonable.
6 3. The CCU finds that the terms of the conditions set by GWA relative to
7 commencement of work activities are fair and reasonable and serve as a measure
8 of Quality Assurance/Quality Control (QA/QC).
9 4. The CCU hereby authorizes the management of GWA to increase the authorized
10 funding to include a contingency of ten percent (10%) of the original project
11 amount, in the amount of Two Hundred Forty Seven Thousand Sixty Five Dollars
12 and Eighty Cents (\$247,065.80).
13 5. The CCU hereby further approves an increase in the total authorized funding
14 amount for this project to a maximum of Two Million Seven Hundred Seventeen
15 Thousand Seven Hundred Twenty Three Dollars and Eighty Cents
16 (\$2,717,723.80).
17 6. The CCU hereby further approves the funding for the additional work will be
18 from the USEPA State Revolving Fund and, if necessary, GWA Bond funds
19 applicable to the project.

20
21 **RESOLVED**, that the Chairman certified and the Board Secretary attests to the adoption
22 of this Resolution.

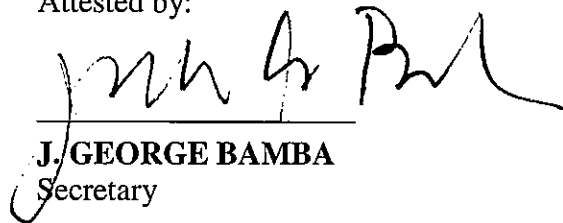
23
24 **DULY AND REGULARLY ADOPTED**, this 22nd day of November 2017.

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26 Certified by:

27 

28 **JOSEPH T. DUENAS**
29 Chairperson

25
26 Attested by:

27 

28 **J. GEORGE BAMBA**
29 Secretary

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

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

6 AYES: _____ 5
7 NAYS: _____ 0
8 ABSTENTIONS: _____ 0
9 ABSENT: _____ 0
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