



GWA RESOLUTION NO. 15-FY2018

**RELATIVE TO APPROVAL OF CHANGE ORDER NO. 2 FOR THE GWA LINE
REPLACEMENT – PHASE IV CONSTRUCTION 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, The CCU approved via Resolution 01-FY2016 for GWA management to enter into contract with Giant Construction Corporation to continue to provide construction services for water service lateral upgrades and replacement of existing old and leaking waterlines with new pipes ranging in size from 2 inches to 8 inches in diameter to reduce water loss in the potable water system throughout the island; and

WHEREAS, the above noted resolution approved the funding total of Seven Million Eight Hundred Eighty-Seven Thousand Forty-Six Dollars and Fifty Cents (\$7,887,046.50), along with a five percent (5%) contingency of Three Hundred Ninety-Four Thousand Three Hundred Fifty-Two Dollars and Thirty-Three Cents (\$394,352.33) to bring the total authorized funding amount to Eight Million Two Hundred Eighty-One Thousand Three Hundred Ninety-Eight Dollars and Eighty-Three Cents (\$8,281,398.83).; and

WHEREAS, GWA to date has replaced approximately 100,000 linear feet of waterline throughout the island and intends to continue the waterline replacement program as part of GWA’s efforts to reduce the non-revenue water rate as well as improvements to the system where service delivery has been below standard; and

1 **WHEREAS**, one of the locations slated for line replacement as part of Giant
2 Construction's scope is along Chalan Koda in Dededo wherein the existing/old 2" water line is
3 to be replaced with a 6" diameter watermain; and

4
5 **WHEREAS**, adjacent to Chalan Koda is a proposed GWA production well AG-10
6 which is slated for construction in the near future which requires a minimum water distribution
7 line to be 12-inches in diameter to handle the volume of water pumped from the new
8 production well into the water distribution system; and

9
10 **WHEREAS**, GWA management seeks to change order the existing contract scope with
11 Giant Construction by requiring an increase in size of over 13,800 linear feet of waterline from
12 the 6-inch diameter water main currently under contract to be installed to a 12-inch diameter
13 water main along Chalan Koda as a means of preparing for the new well project; and

14
15 **WHEREAS**, GWA engineering negotiated with Giant Construction Corporation to
16 increase the 6-inch diameter pipe to be installed to a 12-inch diameter pipe, including fittings,
17 valves and hydrants (See Exhibit A) for an additional fee of One Million Fifty-Six Thousand
18 Nine Hundred Thirty-Seven Dollars (\$1,056,937.00); and

19
20 **WHEREAS**, GWA Management seeks CCU approval of the Change Order with Giant
21 Construction Corporation to increase the pipe size from 6-inches in diameter to 12-inches at a
22 cost of One Million Fifty-Six Thousand Nine Hundred Thirty-Seven Dollars (\$1,056,937.00)
23 which would then bring the total authorized contract value to Eight Million Nine Hundred
24 Forty-Two Thousand Nine Hundred Eighty-Three Dollars and Fifty Cents (\$8,942,983.50);
25 and

26
27 **WHEREAS**, the total authorized contract value to Eight Million Nine Hundred Forty-
28 Two Thousand Nine Hundred Eighty-Three Dollars and Fifty Cents (\$8,942,983.50) plus the
29 original five percent (5%) contingency of Three Hundred Ninety-Four Thousand Three
30 Hundred Fifty-Two Dollars and Thirty-Three Cents (\$394,352.33) will bring the total
31 authorized funding amount to Nine Million Three Hundred Thirty-Eight Thousand Three
32 Hundred Thirty-Five Dollars and Eighty-Three Cents (\$9,338,335.83); and

1 **WHEREAS**, the source of funding for the change order will be from the Bond
2 proceeds under CIP PW 09-03 “Water Distribution System Pipe Replacement” and funds from
3 the System Development Charge fund; and
4

5 **NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities
6 does hereby approve and authorize the following:
7

- 8 1. The recitals set forth above hereby constitute the findings of the CCU.
- 9 2. The CCU finds that the terms of the change order proposal submitted by
10 Giant Construction Corp. to be fair and reasonable.
- 11 3. The CCU finds that the terms of the conditions set by GWA relative to
12 commencement of subsequent work activities are fair and reasonable and
13 serve as a measure of Quality Assurance/Quality Control (QA/QC).
- 14 4. The CCU hereby authorizes the management of GWA to accept the change
15 order proposal from “Giant Construction Corp.” attached hereto as Exhibit
16 A, and which is incorporated into this Resolution in its entirety.
- 17 5. The CCU hereby further authorizes the management to execute the change
18 order with “Giant Construction Corp.”, in the amount of One Million Fifty-
19 Six Thousand Nine Hundred Thirty-Seven Dollars (\$1,056,937.00).
- 20 6. The CCU hereby further approves the increased contract value of Eight
21 Million Nine Hundred Forty-Two Thousand Nine Hundred Eighty-Three
22 Dollars and Fifty Cents (\$8,942,983.50) plus the original five percent (5%)
23 contingency of Three Hundred Ninety-Four Thousand Three Hundred Fifty-
24 Two Dollars and Thirty Three Cents (\$394,352.33) to bring the total
25 authorized funding amount to Nine Million Three Hundred Thirty-Eight
26 Thousand Three Hundred Thirty-Five Dollars and Eighty Three Cents
27 (\$9,338,335.83).
- 28 7. The CCU hereby further approves the source of funding for the construction
29 project will be from the Bond proceeds under CIP PW 09-03 “Water
30 Distribution System Pipe Replacement” and/or funds from the System
31 Development Charge fund and further approves GWA Management to seek
32 PUC approval if applicable to use SDC funds.



Exhibit A (1 of 4) GIANT CONSTRUCTION CORP.

P.O. Box 9578 Tamuning, Guam 96931
Tel.: (671) 649-6472 • Fax.: (671) 646-3693
E-mail: giantconst@gmail.com

Dec. 04, 2017

Guam Waterworks Authority

Mr. Miguel Bordalio P.E.

Interim General Manager

Gloria B. Nelson Public Service Building

688 Route 15

Mangilao, Guam 96913

Attention : Mrs. Thomas Cruz / Chief Engineer

Project : GWA Line Replacement - Phase IV

GWA Project No. W15-003-BND

Subject : Proposal of 12" water line in Chalan Koda, Chalan Bada, and Road S-28

Dear Sir

Hafa Adai! This is our proposal of as followed area and scope of work,

- | | |
|--|---------------|
| 1. Chalan BADA (From Route 9 to Chalan BARETA) | \$ 554,600.00 |
| a. 12" PVC water line total 3,900 LF | |
| b. Connection work in Route 9 (Existing 12 PVC water line) | |
| c. Fire hydrant 4 EA, service lateral connection 5 EA, and 12" gate valve 14 EA | |
| 2. Chalan Koda (From BARETA to Lucky Street AG-10) | \$ 144,057.00 |
| a. Additional cost change from 6" PVC water to 12" (Total length 2,721 LF) | |
| b. Additional cost change from all of 6" fittings to 12" fittings | |
| c. Additional 6" stub out for future connection 1 each | |
| 3. Chalan Koda (From Lucky Street AG-10 to Chalan Koda and Chalan Piga Intersection) | \$ 358,280.00 |
| a. 6" PVC water line change to 12" (Total length 7,229 LF) | |
| b. Change all of 6" fittings to 12" fittings | |
| c. Additional 6" stub out for future connection 3 each | |

Total Additional Work Proposed Amount

\$ 1,056,937.00

Chung, In-Chul
Vice-President

Received by:
Sensen
12-7-17

Exhibit A (2 of 4)

GWA Line Replacement- Phase IV Project
GWA Project No. W15-003-BND

Chalan BADA (From Route 9 to Chalan BARETA)

Pay Item	Description	BASE BID			
		Qty.	Unit	Unit Cost	Sub-Total
1.0 General Requiements					
1.1	Mobilization /Demolization	1	LS		\$33,000.00
1.2	Bonding Fee & Insurance	1	LS		\$27,000.00
1.3	Permit application Fee	1	LS		\$6,800.00
1.4	Right of Way Confirmation	1	LS		\$13,000.00
1.5	Construction drawings	1	LS		\$23,000.00
2.0 Pipe Replacement					
2.1	12" PVC Water line AWWA C-900, DR-18, Class 150	3,900	LF	\$70.00	\$273,000.00
2.2	Connection work in Route 9	1	LS	\$5,000.00	\$5,000.00
2.3	Service lateral connection to existing water meter	5	LS	\$1,330.00	\$6,650.00
2.4	Fire hydrant including connection fittings, isolation valve, guard post complete in place	4	EA	\$5,300.00	\$21,200.00
2.5	Permanent road restoration including flowabfill concrete, steel plate cover, 2" thick hot mix asphalt	1	LS	\$11,000.00	\$11,000.00
2.6	Disinfection of new waterline	1	LS	\$7,800.00	\$7,800.00
2.7	Well No. AG-10 12" Stub out100 LF with valves	1	EA	\$18,700.00	\$18,700.00
2.8	Abandon existing waterline in place with cap/plug	1	LS	\$6,000.00	\$6,000.00
2.9	Air relief valve assembly	3	EA	\$4,130.00	\$12,390.00
2.10	Blow off valve assembly	2	EA	\$4,130.00	\$8,260.00
2.11	12" Gate valve with valve box frame and cover	14	EA	\$3,500.00	\$49,000.00
2.12	12" DI Fittings AWWA C-153 Mj x MJ w/Thrust block	12	EA	\$700.00	\$8,400.00
2.13	12" x 6" Lateral stub out with 6" gate valve	2	EA	\$3,100.00	\$6,200.00
2.14	2" Lateral connection (Machete, Gachai Luchan)	2	EA	\$1,600.00	\$3,200.00
2.15	Clearing work	3200	SY	\$3.50	\$11,200.00
3.0 Project Completion					
3.1	As-built drawing	1	LS	\$3,800.00	\$3,800.00
Sub-Total					\$ 554,600.00

Exhibit A (3 of 4)

GWA Line Replacement- Phase IV Project
GWA Project No. W15-003-BND

**Chalan KODA (6" PVC water line change to 12" PVC)
(Chalan Baretta to Lucky street - Entrance of Well No. AG - 10)**

Pay Item	Description	BASE BID			
		Qty.	Unit	Unit Cost	Sub-Total
1.0 General Requiements					
			LS		
1.1	Mobilization /Demolization	1	LS		\$0.00
1.2	Bonding Fee & Insurance	1	LS	\$8,800.00	\$8,800.00
1.3	Permit application Fee	1	LS	\$3,200.00	\$3,200.00
1.4	Right of Way Confirmation	1	LS		\$0.00
1.5	Construction drawings	1	LS	\$800.00	\$800.00
2.0 Pipe Replacement					
2.1	Additional cost 6" PVC Water line change to 12" PVC AWWA C-900, DR-18, Class 150	2,721	LF	\$32.00	\$87,072.00
2.2	Additional cost change from 6" to 12" Service lateral Saddle	15	EA	\$52.00	\$780.00
2.3	Well No. AG-10 12" Stub out100 LF with valves	1	LS	\$18,700.00	\$18,700.00
2.4	Fire hydrant fitting change from 6"x 6" to 12" x 6" fittings	2	EA	\$320.00	\$640.00
2.5	Permanent road restoration including flowabfill concrete, steel plate cover, 2" thick hot mix asphalt	1	LS	\$3,000.00	\$3,000.00
2.6	Disinfection additional	1	LS	\$3,800.00	\$3,800.00
2.7	2" Lateral connection	1	EA	\$1,700.00	\$1,700.00
2.8	12" Gate valve additional	2	EA	\$3,500.00	\$7,000.00
2.9	Air relief valve assembly saddle and valve change	1	EA	\$280.00	\$280.00
2.10	Blow off valve assembly saddle change	1	EA	\$55.00	\$55.00
2.11	6" gate valve change to 12" gate valve additional	2	EA	\$2,050.00	\$4,100.00
2.12	6" fittings change to 12" fittings	2	EA	\$315.00	\$630.00
2.13	12" x 6" Lateral stub out with 6" gate valve	1	EA	\$3,000.00	\$3,000.00
3.0 Project Completion					
3.1	As-built drawing	1	LS	\$500.00	\$500.00
Sub-Total					\$ 144,057.00

Exhibit A (4 of 4)

GWA Line Replacement- Phase IV Project
GWA Project No. W15-003-BND

Chalan KODA (6" PVC water line change to 12" PVC)
(Lucky street - Entrance of Well No. AG - 10 to Chalan Koda and Chalan Piga Intersection)

Pay Item	Description	BASE BID			
		Qty.	Unit	Unit Cost	Sub-Total
1.0 General Requiements					
1.1	Mobilization /Demolization	1	LS	\$22,800.00	\$0.00
1.2	Bonding Fee & Insurance	1	LS	\$19,000.00	\$19,000.00
1.3	Permit application Fee	1	LS	\$7,600.00	\$7,600.00
1.4	Right of Way Confirmation	1	LS	\$0.00	\$0.00
1.5	Construction drawings	1	LS	\$2,000.00	\$2,000.00
2.0 Pipe Replacement					
2.1	Additional cost 6" PVC Water line change to 12" PVC AWWA C-900, DR-18, Class 150	7,229	LF	\$32.00	\$231,328.00
2.2	Additional cost change from 6" to 12" Service lateral Saddle	31	EA	\$52.00	\$1,612.00
2.3	Well No. AG-10 12" Stub out 100 LF with valves	1	LS	\$18,700.00	\$18,700.00
2.4	Fire hydrant fitting change from 6"x 6" to 12" x 6" fittings	8	EA	\$320.00	\$2,560.00
2.5	Permanent road restoration including flowabfill concrete, steel plate cover, 2" thick hot mix asphalt	1	LS	\$6,000.00	\$6,000.00
2.6	Disinfection additional	1	LS	\$5,200.00	\$5,200.00
2.7	2" Lateral connection	5	EA	\$1,700.00	\$8,500.00
2.8	12" Gate valve additional	8	EA	\$3,500.00	\$28,000.00
2.9	Air relief valve assembly saddle and valve change	3	EA	\$280.00	\$840.00
2.10	Blow off valve assembly saddle change	2	EA	\$55.00	\$110.00
2.11	Additional cost change from 6" gate valve to 12" gate valve	8	EA	\$2,050.00	\$16,400.00
2.12	6" fittings change to 12" fittings	2	EA	\$315.00	\$630.00
2.13	12" x 6" Lateral stub out with 6" gate valve	3	EA	\$3,000.00	\$9,000.00
3.0 Project Completion					
3.1	As-built drawing	1	LS	\$800.00	\$800.00
Sub-Total				\$	\$358,280.00