



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

RESOLUTION NO. 26-FY2018

**RELATIVE TO APPROVAL OF CHANGE ORDER NO. 4 WORK AND AN INCREASE
IN PROJECT FUNDING FOR CONSTRUCTION MANAGEMENT SERVICES FOR
THE REHABILITATION OF GWA WELLS (D-03, D-17, D-18, D-22, AND M-09)
PROJECT W11-008-BDN**

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, on December 30, 2015, GWA entered into a contract with EA Engineering, Science and Technology, Inc., PBC (EA) to perform the Construction Management (CM) Services for the Rehabilitation of GWA Wells D-03, D-17, D-18, D-22, and M-09 project; and

WHEREAS, on August 22, 2016, GWA awarded the construction contract for the Island-wide Well Site Rehabilitation (D-03, D-17, D-18, D-22, and M-09) to Pacific Rim Corporation with a completion date of August 22, 2017, but extended the completion date to

1 November 25, 2017 due to capacity issues with some initial wells that required re-drilling and
2 changes that were required for the electrical systems; and

3
4 **WHEREAS**, on November 25, 2017, GWA extended the construction contract for the
5 Island-wide Well Site Rehabilitation (D-03, D-17, D-18, D-22, and M-09) to January 19, 2018,
6 to allow extra time for the completion of the associated wells due to revised permits, additional
7 GPA requirements, and issues associated with isolation of and connection to the watermain; and

8
9 **WHEREAS**, since January 19, 2018 the contractor has been submitting claims of further
10 delays which GWA's project Manager and Construction Manager have been sorting out and
11 which may result in the construction contract period being extended; and

12
13 **WHEREAS**, one significant problem experienced on the project was the final capacity
14 achievable at well D-03 that was significantly lower than expected based on the pilot well tests
15 which required additional time to review the well development process and determine
16 appropriate action to complete the well construction; and

17
18 **WHEREAS**, other complications discovered at startup and commissioning of the
19 associated wells, including issues with the Variable Frequency Drives (VFD), chlorination
20 systems, level sensors, has caused all parties to verify deliverable requirements and timelines;
21 and

22
23 **WHEREAS**, due to the projected end of the construction period to resolve all issues
24 noted above, GWA requested a proposal from EA to extend their CM contract to a new
25 completion date of August 31, 2018 and received a final proposal from EA on March 19, 2018,
26 in the amount of Ninety-Eight Thousand Two Hundred Twenty-Two Dollars (\$98,222.00) on a
27 Time and Materials basis (SEE EXHIBIT A); and

28
29 **WHEREAS**, GWA along with Brown and Caldwell reviewed the proposal and
30 determined the proposal as fair and reasonable; and

1 **WHEREAS**, GWA has discussed the proposal with the USEPA (the funding agency for
2 this project) and received the USEPA's support to use the SRF grant to fund CM contract
3 extension for the Island-wide Well Site Rehabilitation project; and
4

5 **WHEREAS**, CCU approved the original contract value for this project in the amount of
6 Seven Hundred Forty-Nine Thousand One Hundred Eighty-Four Dollars (\$749,184.00), plus a
7 ten percent (10%) contingency of Seventy-Four Thousand Nine Hundred Eighteen Dollars and
8 Forty Cents (\$74,918.40), which brings the total authorized funding amount to a maximum of
9 Eight Hundred Twenty-Four Thousand One Hundred Two Dollars and Forty Cents
10 (\$824,102.40); and
11

12 **WHEREAS**, GWA management executed via the 10% contingency two change Orders
13 in the amount of Seventy Four Thousand Seven Hundred Ninety Six Dollars and Thirty Two
14 Cents (\$74,796.32), then further sought and received approval from the CCU via Resolution 06-
15 FY2018 that approved Change Order No. 3 for One Hundred Nineteen Thousand Three Hundred
16 Eighty One Dollars (\$119,381.00) that brought the total contract value to Nine Hundred Forty
17 Three Thousand Three Hundred Sixty One Dollars and Thirty-Two Cents (\$943,361.32); and
18

19 **WHEREAS**, GWA Management further seeks CCU approval of the proposed Change
20 Order No. 4 to proceed with the CM contract extension in the amount of Ninety-Eight Thousand
21 Two Hundred Twenty-Two Dollars (\$98,222.00); and
22

23 **WHEREAS**, funding for the change order work will be from the USEPA State
24 Revolving Fund and, if necessary, GWA Bond funds and will bring the total budget for the entire
25 project to One Million Forty-One Thousand Five Hundred Eighty-Three Dollars and Thirty-Two
26 Cents (\$1,041,583.32); and
27

28 **NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities
29 does hereby approve the following:
30

- 31 1. The recitals set forth above hereby constitute the findings of the CCU.
32


- 1 2. The CCU finds that the terms of the fee proposal submitted by EA Engineering,
2 Science and Technology, Inc., PBC (EA) are fair and reasonable.
3 3. The CCU hereby authorizes the management of GWA to approve Change Order
4 No. 4 in the amount of Ninety-Eight Thousand Two Hundred Twenty-Two
5 Dollars (\$98,222.00).
6 4. The CCU hereby further approves increasing the total funding amount for this
7 project to a maximum of One Million Forty-One Thousand Five Hundred Eighty-
8 Three Dollars and Thirty-Two Cents (\$1,041,583.32).
9 5. The CCU hereby further approves GWA management informing the PUC of the
10 fact that the contract value for the CM services, which is intended to be fully
11 funded by USEPA State Revolving Funds, will be greater than One Million
12 Dollars (\$1,000,000.00).

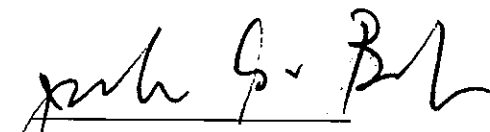
13
14 **RESOLVED**, that the Chairman certified and the Board Secretary attests to the adoption
15 of this Resolution.

16
17 **DULY AND REGULARLY ADOPTED**, this 20th day of April 2018.

18
19 Certified by:

 Attested by:

20
21 
22 _____
23 **JOSEPH T. DUENAS**
24 Chairperson



 J. GEORGE BAMBA
 Secretary

25 //

26 //

27 //

28 //

SECRETARY'S CERTIFICATE

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

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

AYES: 5
NAYS: 0
ABSTENTIONS: 0
ABSENT: 0



///

///

///

///

///

///

///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

Exhibit A (1 of 5)



EA Engineering, Science, and Technology, Inc., PBC

1001 Army Drive, Suite 103
Barrigada, Guam 96913
Telephone: 671-646-5231

Fax: 671-646-5230
www.eaest.com

Date: March 19, 2018

To: Mr. Miguel C. Bordallo, PE
Guam Waterworks Authority
Engineering Division, Room 202
Gloria B. Nelson Public Service Building
688 Route 15, Mangilao, GU 96913

Delivered via email

RE: CHANGE ORDER No. 004 to Extend Construction Management Services from
November 25, 2017 to August 31, 2018.
GWA Project No. W11-008-BND

Mr. Bordallo:

EA Engineering, Science, and Technology, Inc., PBC (EA) hereby submits Change Order (CO) No. 004 for GWA Project No. PW W11-008-BND for your review and approval. This CO will extend construction management services from the current completion date of November 25, 2017 to August 31, 2018 on a time and materials cost up to \$98,222. This cost estimate also includes; re-obligating the engineer of record (EOR) to complete CADD as-built drawings and a final inspection by the Project electrical consultant.

This time extension is needed to address the following conditions needed to complete the Project and ensure proper commissioning of the wells:

- Acquisition and installation of the appropriate variable frequency drives to replace the undersized units currently in use.
- Troubleshooting and repairs for each chlorination system, including parts replacement.
- Submission of all warranties and manuals
- Pending punch list items
- Level sensor functionality
- Replacement of power supply cable for well M-9
- Spare parts hand-off
- Equipment training
- Commissioning of wells D-17, D-18 and D-22

EOR services are complete with the exception of the as-built drawings. This work was de-obligated to utilize existing funding for management costs incurred as a result of the extended Project schedule. The closeout and post-construction services authorized per the original contract remain unchanged.

Exhibit A (2 of 5)



EA Engineering, Science, and Technology, Inc., PBC

1001 Army Drive, Suite 103
Barrigada, Guam 96913
Telephone: 671-646-5231

Fax: 671-646-5230
www.eaest.com

EA estimates that this project will be substantially complete by August 31, 2018. The timeline of this CO is driven by equipment lead times and associated installations. The opinion of probable cost and the estimated staff utilization are presented in Attachment A and B, respectively. Periods of low utilization reflect the anticipated equipment lead times and periods of minimal construction activity.

Please do not hesitate to contact me if you have any questions or comments regarding this CO at jjaskowiak@eaest.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Jaskowiak', is written over a light blue horizontal line.

Jason Jaskowiak, P.E. (*New York*)
Owner's Representative
EA Engineering, Science, and Technology, Inc.,
PBC

Attachments:

Cost Estimate
Utilization Estimate

cc:

Kurt Bilz, BC
George Watson, BC
Matthew Bowman, EA
Richard Price, EA
Shelly Rice, EA
File

Attachment A

COST PROPOSAL

(1) DIRECT LABOR COSTS				Project Controls (Project Troubleshooting and Closeout)		Construction Inspection (Drill through D-03)		TOTAL	
				No.	Amount	No.	Amount	No.	Amount
STAFF	CLASSIFICATION	Units	Rate	No.	Amount	No.	Amount	No.	Amount
J. Jaskowiak	Construction Manager	Hour	\$151	385	\$58,058.00	0	\$0.00	385	\$58,058.00
B. Shambach	Deputy Construction Manager	Hour	\$156	24	\$3,744.00	0	\$0.00	24	\$3,744.00
T. Chargualaf	Construction Field Coordinator	Hour	\$88	54	\$4,773.60	0	\$0.00	54	\$4,773.60
M. Heppe	Administration	Hour	\$121	40	\$4,836.00	0	\$0.00	40	\$4,836.00
M. Dina	Procurement Administrator	Hour	\$175	9	\$1,577.19	0	\$0.00	9	\$1,577.19
R. Price	Principal	Hour	\$208	8	\$1,664.00	0	\$0.00	8	\$1,664.00
C. Brown	Program Manager	Hour	\$172	13	\$2,230.80	0	\$0.00	13	\$2,230.80
M. Bowman	Construction Quality Engineer	Hour	\$187	10	\$1,872.00	0	\$0.00	10	\$1,872.00
TOTAL LABOR COSTS					\$78,755.59	\$0.00	\$0.00	\$78,755.59	

(2) OTHER DIRECT COSTS

OTHER DIRECT COSTS	Units	Rate	No.	Amount	No.	Amount	No.	Amount
1. Equipment and Supplies Usage								
Vehicle	mo	\$848.89		\$0.00	0	\$0.00	0	\$0.00
Mileage	ea	\$0.26		\$0.00	0	\$0.00	0	\$0.00
Procure CM Software	year	\$5,500.00		\$0.00	0	\$0.00	0	\$0.00
Total Equipment and Supplies Usage				\$0.00	\$0.00	\$0.00	\$0.00	
2. Travel and Per Diem Costs								
Airfare	ea	\$2,500.00	0	\$0.00		\$0.00	0	\$0.00
Lodging	mo	\$2,232.00	0	\$0.00	0	\$0.00	0	\$0.00
Total Travel and Per Diem				\$0.00	\$0.00	\$0.00	\$0.00	
3. Subcontractor Costs								
See subcontractor detail for breakdown	T&M	\$18,058.00		\$0.00		\$18,058.00		\$18,058.00
Total Subcontractors				\$0.00	\$18,058.00	\$18,058.00		
G&A Applied to Subcontractor Costs and ODCs		7.80%		\$0.00		\$1,408.52		\$1,408.52
Fee Applied to Subcontractor Costs and ODCs		0.00%		\$0.00		\$0.00		\$0.00
TOTAL OTHER DIRECT COSTS				\$0.00	\$19,466.52	\$19,466.52		

(3) TOTAL COST

TOTAL COST	\$78,756	\$19,467	\$98,222
-------------------	-----------------	-----------------	-----------------

Exhibit A (4 of 5)

SUBCONTRACTOR COST PROPOSAL

(1) SUBCONTRACTOR DIRECT LABOR COSTS				Project Controls (Project Troubleshooting and Closeout)		TOTAL	
STAFF	CLASSIFICATION	Units	Rate	No.	Amount	No.	Amount
TOTAL LABOR COSTS					\$0.00		\$0.00

(2) SUBCONTRACTOR OTHER DIRECT COSTS

SUBCONTRACTOR COSTS	Units	Rate	No.	Amount	No.	Amount
1. Equipment and Supplies Usage						
Stanley - Includes 10% fee	T&M	\$1,400.00	1	\$1,400.00	1	\$1,400.00
GHD - Reobligation	I&M	\$16,658.00	1	\$16,658.00	1	\$16,658.00
Total Equipment and Supplies Usage				\$18,058.00		\$18,058.00
2. Travel and Per Diem Costs						
Total Travel and Per Diem				\$0.00		\$0.00
TOTAL OTHER DIRECT COSTS				\$18,058.00		\$18,058.00

(3) TOTAL COST

Subtotal Labor, Other Direct Costs, NOT Including G&A and Fee	\$18,058.00	\$18,058.00
---	-------------	-------------

