



RESOLUTION NO. 09-FY2019

**RELATIVE TO APPROVAL OF CHANGE ORDER TO THE CONSTRUCTION
MANAGEMENT CONTRACT FOR THE BAZA GARDENS WASTEWATER CROSS-
ISLAND PUMPING AND CONVEYANCE SYSTEM (PHASES I, II&III)**

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 currently has a number of critical Court Order (“CO”) projects including a complete evaluation of the Baza Gardens WWTP to determine what improvements are necessary at the plant to achieve compliance with the WWTP’s NDPES permit, as stated in Paragraph 13 of the 2011 Court Order, as well as the completion of construction activities that were identified in the approved plan resulting from the evaluation noted above as stated in Paragraph 14 of the 2011 Court Order ; and

WHEREAS, the system evaluation report required under Paragraph 13 and completed in April of 2014 by GWA’s Program Management Office (PMO), Brown and Caldwell, resulted in a recommendation to GWA and the USEPA that transferring/conveying the Baza Gardens WWTP effluent flow across the Route 17 (Cross Island Road) to a new Agat-Santa Rita WWTP site was the recommended conceptual alternative to which this recommendation was found to be acceptable by all parties; and

WHEREAS, in September of 2015 GWA began the procurement process to find a consulting engineering team to design the wastewater conveyance system and via Resolution 06-FY16, approved by the CCU in October of 2015, GWA management was authorized to enter into

1 a contract with Duenas Camacho and Associates to design the wastewater conveyance and
2 pumping system which includes new Sewer Pump Station (SPS), gravity mains, force mains and
3 all incidentals and appurtenances to these main components; and

4
5 **WHEREAS**, GWA executed three separate construction contracts (Phases I, II&III) with
6 Sumitomo Mitsui Construction Company (SMCC) and BME & Sons Incorporated (BME) to
7 construct the new Conveyance System by April 16, 2018, per CCU Resolutions 01-FY2017, 13-
8 FY2017 and 29-FY2017); and

9
10 **WHEREAS**, CCU Resolution 02-FY2017 also authorized GWA to execute a contract
11 with SSFM, Inc. (SSFM) to provide construction management services and wherein the
12 resolution included a total authorized amount of Two Million Eight Hundred Seventy-One
13 Thousand Dollars (\$2,871,000.00); and

14
15 **WHEREAS**, GWA had executed the original contract with SSFM for an amount of Two
16 Million Two Hundred Eighty-Five Thousand Two Hundred Sixty-Eight Dollars (\$2,285,268.00)
17 and Change Order #1 in the amount of One Hundred Eighty-Five Thousand Six Hundred Ninety-
18 One Dollars (\$185,691.00) for a total contract value of Two Million Four Hundred Seventy
19 Thousand Nine Hundred Fifty-Nine Dollars (\$2,470,959.00) to date; and

20
21 **WHEREAS**, the contractor for Phase III, SMCC, has submitted documentation to GWA
22 management (See Exhibit A) wherein they are stating the completion of their portion of the
23 project will not be completed until April 2019 and the reason for this delay is due to inclement
24 weather and the shortage of construction workers; and

25
26 **WHEREAS**, notwithstanding the issues surrounding one of the contractor's delay and a
27 means of allowing for continuity of construction management services as it relates to any
28 construction extension due to contractor issues, GWA requested SSFM submit a fee proposal to
29 continue construction management services for which SSFM provided to GWA a Seven Hundred
30 One Thousand Six Hundred Five Dollars and Fifty-Nine Cents (\$701,605.59) fee proposal (See
31 Exhibit B) for continuation of CM services from October 2018 through April 2019; and
32

1 **WHEREAS**, GWA management will be negotiating down the fee proposal submitted by
2 SSFM given the level of staffing and construction activities will ramp down towards the end of
3 the construction period but until final negotiated fees are reached GWA management still seeks
4 CCU approval of additional funding to execute Change Order(s) to a not-to-exceed the amount
5 of Three Hundred One Thousand Five Hundred Sixty Four Dollars and Fifty Nine Cents
6 (\$301,564.59) for the extended contract performance period because the timing of any change
7 order approval may not coincide with scheduled CCU meetings; and

8
9 **WHEREAS**, funding for any Change Order to SSFM moving forward will be from any
10 available bond funds under the line item - WW 11-03 "Baza Gardens STP Replacement",
11 System Development Charge funds and Internally Funded CIP funds as well as Liquidated
12 Damages of \$3,000 per day from the contractor; and

13
14 **NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities
15 does hereby approve the following:


- 16
17 1. The recitals set forth above hereby constitute the findings of the CCU.
18 2. The CCU hereby approves the funding increase for construction management
19 services to an amount not to exceed Three Hundred One Thousand Five
20 Hundred Sixty-Four Dollars and Fifty-Nine Cents (\$301,564.59) (Exhibit B).
21 3. The CCU further approves the total contract value for SSFM is an amount not
22 to exceed Three Million One Hundred Seventy-Two Thousand Five Hundred
23 Sixty-Four Dollars and Fifty-Nine Cents (\$3,172,564.59)
24 4. The source of funding for any Change Order to SSFM moving forward will be
25 from any available bond funds under the line item - WW 11-03 "Baza
26 Gardens STP Replacement", System Development Charge funds and
27 Internally Funded CIP funds as well as Liquidated Damages of \$3,000 per day
28 from the contractor.

29
30 **RESOLVED**, that the Chairman certified and the Board Secretary attests to the adoption
31 of this Resolution.
32

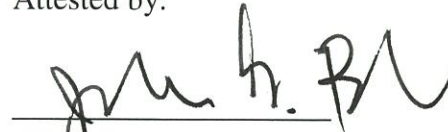
1 **DULY AND REGULARLY ADOPTED**, this 27th day of November 2018.

2
3 Certified by:

Attested by:

4
5 

6 **JOSEPH T. DUENAS**
7 Chairperson

8
9 

10 **J. GEORGE BAMBA**
11 Secretary

12 **SECRETARY'S CERTIFICATE**

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

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

19 AYES: _____ 5 _____
20 NAYS: _____ 0 _____
21 ABSTENTIONS: _____ 0 _____
22 ABSENT: _____ 0 _____



EXHIBIT A



SUMITOMO MITSUI CONSTRUCTION CO.,LTD.

Guam Office : P. O. Box 9670 Tamuning, Guam 96931

July 14, 2018

Reference : LT-18-032

Mr. John Davis / Project Manager
Guam Waterworks Authority
Gloria B. Nelson Public Service Building
688 Route 15, Mangilao Guam 96913



Project : IFB-05-ENG-2017
Baza Gardens Wastewater Cross-Island Pumping and Conveyance System Phase III
GWA Project No. S15-008-BND

Subject : Contract Time Extension Request

Dear Mr. Davis,

This is to request project contract time extension with following reason SMCC encountered in implementation of this project. Due to rejection of H-2B Temporary Alien Skilled workers, we were unable to obtain planned numbers of manpower, which is necessary to acquire to complete the project on time.

As shown in our baseline schedule, SMCC has planned to obtain total manpower of **11,856** man-days (Combination of Skilled & Unskilled) for the construction duration time of 300 calendar days from June 20, 2017 to April 16, 2018 to complete the project on time.

On the other hand, due to the H2B issue, we had been facing Island wide shortage of workers from the beginning to date. As a consequence, SMCC could obtain much less work force comparing to the original plan and cumulative total manpower expected to be **3,680** man-days at the end of July, 2018 from October 24, 2017 when the building permit was received on.

SMCC has been trying many efforts to minimize the delays with GWA and Project team's understanding and supports, such as using flowable fill and lean concrete instead of using soil and base course to accelerate back fill works. We also shorten the stand-by time to start removal of forms after concrete casting by using higher strength concrete than specified in design.

I believe SMCC attained considerable progress and accelerated the project as achievable as possible with those efforts.

We are also expecting some improvement on workers issue and it will increase our present manpower to a projected average total of at least 900 man-days/month for the project remaining contract scope of works. For this number of manpower, the project will be completed by April 30, 2019. Please see attached for details.

July 14, 2018

Mr. John Davis / Project Manager

IFB-05-ENG-2017

Baza Gardens Wastewater Cross-Island Pumping and Conveyance System Phase III

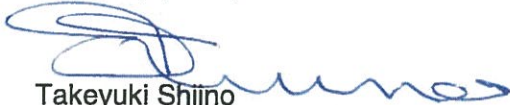
GWA Project No. S15-008-BND

Contract Time Extension Request

We therefore request a 270 Calendar day time extension that will revise the project completion time to April 30, 2019 due to the reason of delays mentioned above that could not be avoided and is beyond the control of SMCC.

Your kind consideration to this request would highly be appreciated.

Sincerely yours,



Takeyuki Shiino
General Manager

Cc: Rizaldy Cortez / SSFM

Sumitomo Mitsui Construction Co., Ltd.

PROJECT: GWA - Baza Gardens Phase III

MONTHLY MANPOWER BREAKDOWN		AMOUNT	Sep-17 June 20-30, 2017	Oct-17 Jul-17	Nov-17 Aug-17	Dec-17 Sep-17	Jan-18 Oct-17	Feb-18 Nov-17	Mar-17 Dec-17	Apr-18 Jan-18	May-18 Feb-18	Jun-18 Mar-18	Jul-18 Apr-18	Total Man- days
1	Project Mobilization	\$ 658,136.00	20	52	52	52	52	52	52					332
2	Temporary Facilities	\$ 451,233.00	30	78	78	78	78	78	78	78	78	78	78	810
3	Pump Station and conveyance system lay-out	\$ 79,864.00	20	52	52	52	52	52	52	52	52	52	52	540
4	Equipment extended warranty	\$ 286,063.00												0
5	Temporary environmental protection	\$ 110,848.00	30	78	78	78	78	78	78	78	78	78	78	810
6	Temporary traffic control	\$ 261,999.00	30	78	78	78	78	78	78					498
7	Site clearing	\$ 24,432.00		52							52			104
8	Site grading	\$ 133,335.00				52	52					52	52	208
9	Under Ground Storage Tank Removal and Disposal	\$ 58,583.00							78					78
10	Building and Site Demolition and Disposal (including removal of existing AC Pavement)	\$ 182,251.00				78	78	78	78					312
11	Asbestos cement removal and pipe disposal (4 tons)	\$ 29,471.00							78					78
12	Site access road and pavement	\$ 313,386.00								78		78	78	234
13	Perimeter fence line and gates	\$ 240,201.00									104	104	104	415
14	Site drainage improvements complete in place	\$ 158,783.00				104	104	104			104	104	104	624
15	Headworks and pump station structure and finishings complete in place	\$ 2,136,264.00		104	208	208	208	156	104					988
16	Parshall flume complete in place	\$ 21,938.00						104						104
17	Rotary screen complete in place	\$ 1,074,438.00						104						104
18	Grit removal system complete in place	\$ 675,254.00							104					104
19	Wastewater pumps complete in place	\$ 249,566.00							104					104
20	Pumpstation and headworks mechanical process piping, fittings and flow-meter installed complete in place	\$ 101,478.00						104						104
21	Surge relief valve and vault complete in place	\$ 22,014.00							104					104
22	Pump station controls and laund center	\$ 464,462.00							104					104

EXHIBIT B

BAZA GARDENS WASTEWATER
 CROSS ISLAND PUMPING AND CONVEYANCE SYSTEM
 PROJECT NO. S15-008-BND

CO #2: CM EXTENSION OCTOBER 2018 TO APRIL 2019 (7 MONTHS)

STAFFING	Old Rate	Add 1% New GRT	UNIT	MONTHLY	October	November	December	January	February	March	April	Total
				MANHOURS								
Principal	\$ 215.00	\$ 217.15	HOUR	10	\$ 2,171.50	\$ 2,171.50	\$ 2,171.50	\$ 2,171.50	\$ 2,171.50	\$ 2,171.50	\$ 2,171.50	\$ 15,200.50
Project Manager	215.00	217.15	HOUR	152	33,006.80	33,006.80	33,006.80	33,006.80	33,006.80	33,006.80	33,006.80	231,047.60
Resident Engineer	178.00	179.78	HOUR	184	33,079.52	33,079.52	33,079.52	33,079.52	33,079.52	33,079.52	33,079.52	231,556.64
Project Inspector	99.00	99.99	HOUR	253	25,297.47	25,297.47	25,297.47	25,297.47	25,297.47	25,297.47	25,297.47	177,082.29
Document Clerk	59.00	59.59	HOUR	112	6,674.08	6,674.08	6,674.08	6,674.08	6,674.08	6,674.08	6,674.08	46,718.56
Total					\$ 100,229.37	\$ 100,229.37	\$ 100,229.37	\$ 100,229.37	\$ 100,229.37	\$ 100,229.37	\$ 100,229.37	\$ 701,605.59

Note :

Rates :1% added to old rate due to new 5% GRT effective on Oct 01, 2018