RESOLUTION NO. 23-FY2019

RELATIVE TO APPROVAL OF CHANGE ORDER NO. 8 FOR THE AGAT SANTA RITA WASTEWATER TREATMENT PLANT UPGRADE CONSTRUCTION MANAGEMENT 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 currently has a number of critical Court Order ("CO") projects including work required at the Agat Santa Rita Wastewater Treatment Plant that is necessary for the plant to achieve compliance with the WWTP’s NDPES permit, eliminate by-passes at the plant, ensure that solids generated by the WWTP are adequately stabilized and dewatered, and to comply with sludge and biosolids requirements 40 C.F.R. Part 503 as stated in Paragraph 11 of the 2011 Court Order; and

WHEREAS, GWA executed contracts with Sumitomo Mitsui Construction Company (SMCC) to construct the new WWTP and with GHD, Inc. to provide construction management services; and

WHEREAS, the construction activities have been delayed and completion of all construction activities by SMCC is now expected to extend through June 2019; and

WHEREAS, the CM Services have been extended only through April 30, 2019, as per Change Order No. 7 which was authorized via Resolution No. 17-FY2018, and
WHEREAS, with the new anticipated construction completion moving to the end of June 2019 GWA estimates additional CM services being provided on a time & material basis would not exceed One Hundred Twenty-Five Thousand Dollars ($125,000.00) per month, based on scope and effort estimates which GWA is currently finalizing with GHD; and

WHEREAS, GWA management seeks CCU approval to increase the funding authorization an additional amount not to exceed Two Hundred Fifty Thousand Dollars ($250,000) to compensate GHD for CM services through June 30, 2019; and

WHEREAS, approval of the funding authorization increase and subsequent Change Order will result in a total contract amount for CM services to be Six Million Three Hundred Fifty Thousand Eight Hundred Ten Dollars ($6,350,810.00); and

WHEREAS, funding for this project will be from the bond funds under the line item - WW 11-08 “Agat/ Sta Rita STP Replacement”, System Development Charges, Internally Funded CIP, as well as Liquidated Damages of $5,000 per day from the contractor beginning September 15, 2018, where applicable; and

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

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU finds that the terms of the conditions set by GWA relative to commencement of subsequent work activities are fair and reasonable and serve as a measure of Quality Assurance/Quality Control (QA/QC).
3. The CCU hereby approves an increased funding authorization to an amount not to exceed of Two Hundred Fifty Thousand Dollars ($250,000).
4. The CCU hereby further approves GWA management execute a Change Order with GHD for additional CM services to bring the total contract amount to Six Million Three Hundred Fifty Thousand Eight Hundred Ten Dollars ($6,350,810.00).
5. The source of funding for the additional CM services will be from the bond funds under the line item - WW 11-08 “Agat/ Sta Rita STP Replacement”, System Development Charges, Internally Funded CIP, as well as Liquidated Damages of $5,000 per day from the contractor beginning September 15, 2018.

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

DULY AND REGULARLY ADOPTED, this 25th day of April, 2019.

Certified by: 

Attested by: 

JOSEPH T. DUENAS
Chairperson

MICHAEL T. LIMTIACO
Secretary

SECRETARY’S CERTIFICATE

I, Michael T. Limtiaco, 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