



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. 24-FY2019

**RELATIVE TO APPROVAL OF CHANGE ORDER TO THE BAZA GARDENS
WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM PHASE II
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, to meet a mandate of the 2011 federal Court Order regarding the Baza Gardens Wastewater Treatment Plant (WWTP), GWA elected to remove the treatment plant from operation and to instead pump the wastewater to the new (under construction) Agat-Santa Rita WWTP; and

WHEREAS, due to schedule and funds constraints, the project was divided into three phases (I, II and III) and three separate construction contracts, extending from the Baza Gardens WWTP, across Route 17 (cross-island road), and terminating at the entrance to the new Agat-Santa Rita WWTP on Route 2A; and

WHEREAS, the CCU approved via Resolution 01-FY2017 a total funding authorization for Phase I with BME & Sons in the amount of Eight Million Two Hundred Eighty-Two Thousand Five Hundred Fifty-Eight Dollars and Seventy-Five Cents (\$8,282,558.75); via Resolution 13-FY2017 a total funding authorization for Phase II with BME & Sons in the amount of Six Million Two Hundred Fourteen Thousand Nine Hundred Ninety-Seven Dollars and Seventy Cents (\$6,214,997.70) and via Resolution 29-FY2017 a total funding authorization

1 for Phase III with Sumitomo-Mitsui Construction Company in the amount of Sixteen Million
2 Three Hundred Seven Thousand Four Hundred Thirty Six Dollars and Sixty Cents
3 (\$16,307,436.60); and
4

5 **WHEREAS**, the portion of the gravity conveyance system along the entrance road (from
6 Route 2A to the Agat-Santa Rita WWTP site) that is 0.5 miles long was not included in Phase I,
7 II or III of the Cross-Island project as it was deemed in 2016 that the contractor for the new
8 Agat-Santa Rita WWTP project might be better positioned to more cost-effectively execute the
9 gravity line installation work; and
10

11 **WHEREAS**, as of September 2018, the contractor for Phase I of the subject project
12 completed gravity line installation along Route 2A and reached the entrance road to the new
13 Agat Santa Rita WWTP and the contractor for the new WWTP unfortunately was not ready to
14 execute additional scope related to installing of the gravity line along the entrance roadway; and
15

16 **WHEREAS**, due to efforts to comply with Court Order deadlines related to the Baza
17 Gardens WWTP as best as possible, GWA management executed Change Order #4 with BME &
18 Sons, Inc., (Phase II Contract) to install part of the 21-inch diameter gravity sewer along the
19 entrance roadway to the new WWTP to complete the wastewater conveyance system; and
20

21 **WHEREAS**, the execution of Change Order #4 related to the 21-inch gravity line
22 installation depleted the contingency funds approved via CCU Resolution No. 13-FY2017 for
23 Phase II contract; and
24

25 **WHEREAS**, GWA subsequently received additional funding authorization in the amount
26 of One Hundred Forty-One Thousand Eight Hundred Seventy-Two Dollars and Seventy-Eight
27 Cents (\$141,872.78) for the Phase II contract via CCU Resolution 52-FY2018 that addresses
28 unexpected costs for endangered species mitigation measures, unexpected buried utilities in the
29 Navy right-of-way, as well as various sites changes that impacted project cost; and
30
31
32

1 **WHEREAS**, the approval of CCU Resolution 52-FY2018 increased the total authorized
2 funding for the Phase II contract to Six Million Three Hundred Fifty-Six Thousand Eight
3 Hundred Seventy Dollars and Forty-Eight Cents (\$6,356,870.48); and

4
5 **WHEREAS**, GWA further executed two Change Orders using the fund authorization
6 from Resolution 52-FY2018 which brought the contract value with BME & Sons for Phase II to
7 Six Million Three Hundred Fifty Thousand Eight Hundred Twenty-Two Dollars and Nine Cents
8 (\$6,350,822.09); and

9
10 **WHEREAS**, GWA is working towards wrapping up all pending items to close the
11 contract and one unresolved claim from the contractor involves additional excavation to meet
12 hard stable ground surfaces and filling up of flowable fill at the new SPS for which GWA has
13 finally agreed to the claim after further discussion with the CM and geotechnical engineer; and

14
15 **WHEREAS**, the contractor's claim for additional excavation to the SPS as noted above
16 is Fifteen Thousand Two Hundred Twenty-Two Dollars and Fifty-Five Cents (\$15,222.55) (See
17 Exhibit A) and the balance of the funding authorization is insufficient to cover thus GWA
18 management is seeking CCU approval to increase the project fund authorization so as to be able
19 to execute a Change Order and close this contractor claim; and

20
21 **WHEREAS**, the approval of this resolution will bring the total authorized funding for
22 Phase II to Six Million Three Hundred Seventy-Two Thousand Ninety-Three Dollars and Three
23 Cents (\$6,372,093.03); and

24
25 **WHEREAS**, funding for this project will be from wastewater bond funds applicable to
26 the project; and

27
28 **NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities
29 does hereby approve the following:

- 30 1. The recitals set forth above hereby constitute the findings of the CCU.
31 2. The CCU hereby approves additional funding to Phase II contract for the Baza
32 Gardens Wastewater Cross-Island Pumping and Conveyance project in the

1 amount of Fifteen Thousand Two Hundred Twenty-Two Dollars and Fifty-
2 Five Cents (\$15,222.55) (Exhibit A).

3 3. The CCU further authorizes the total authorized funding to Phase II contract
4 to Six Million Three Hundred Seventy-Two Thousand Ninety-Three Dollars
5 and Three Cents (\$6,372,093.03).

6 4. The CCU further authorizes the funding for this project will be from
7 wastewater bond funds applicable to the project.

8
9 **RESOLVED**, that the Chairman certifies and the Board Secretary attests to the adoption
10 of this Resolution.

11
12 **DULY AND REGULARLY ADOPTED**, this 28th day of May 2019.

13
14 Certified by:

15 

16 **JOSEPH T. DUENAS**
17 Chairperson

14 Attested by:

15 

16 **MICHAEL T. LIMTIACO**
17 Secretary

18
19 **SECRETARY'S CERTIFICATE**

20
21 I, Michael T. Limtiaco, Board Secretary of the Consolidated Commission on Utilities as
22 evidenced by my signature above do hereby certify as follows:

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

27 AYES: 5

28 NAYS: 0

29 ABSTENTIONS: 0

30 ABSENT: 0

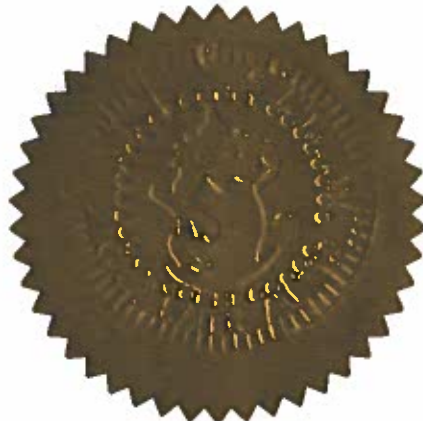


EXHIBIT A

ACTIVITY AND LOCATION:		CONSTRUCTION CONTRACT NO.:				DATE:					
GWA BAZA GARDEN WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM PH-2						Tuesday, April 02, 2019					
CCR#07rev2 Wetwell Additional Excavation and Flowable Fill Due to Unsuitable soil Condition per GEO Field Instructions		ESTIMATED BY:				BME & SONS, INC					
Unsuitable soil Condition per GEO Field Instructions		STATUS OF DESIGN:									
Item No.	ITEM DESCRIPTION	QUANTITY		MATERIAL COST		LABOR COST		EQUIPMENT COST		ENGG ESTIMATE	
		QTY	UNIT	UNIT \$	TOTAL	UNIT \$	TOTAL	UNIT \$	TOTAL	UNIT \$	TOTAL
	Additional Excavation and Flowable Fill										
	Additional excavation works to meet hard stable ground surface as per GEO Field instructions	92.9	CY	\$ -	\$ -	\$ -	\$ -	\$ 14.00	\$ 1,300.81	\$ 14.00	\$ 1,300.81
	Disposal of excess soil	92.9	CY	\$ -	\$ -	\$ -	\$ -	\$ 7.00	\$ 650.30	\$ 7.00	\$ 650.30
	Total actual poured flowable fill (see HRP delivery receipts)	135.0	CY	110.75	\$ 14,951.25	\$ -	\$ -	5.00	\$ 675.00	115.75	\$ 15,626.25
	Less: Estimated volume per SOP	-41.3	CY	110.75	\$ (4,573.98)	\$ -	\$ -	5.00	\$ (206.50)	115.75	\$ (4,780.48)
				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Direct (Additive)			\$ -	\$ 10,377.28	\$ -	\$ -	\$ 2,419.61	\$ -	\$ -	\$ 12,796.89
	Overhead		10%								\$ 1,279.69
	Direct Admin & Supervisory Cost		3%								\$ 383.91
	SUB-TOTAL										\$ 14,460.48
	Profit		0%								\$ -
	GRT		5%								\$ 762.07
	TOTAL PROPOSED ADDITIVE AMOUNT FOR CCR#07										\$ 15,222.55