RESOLUTION NO. 06-FY2020

RELATIVE TO APPROVAL OF FUND INCREASE 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, the Baza Gardens WWTP was a Court Order project that converted the treatment facility to a sewer pumping station to transfer/convey wastewater flows from the Baza Gardens/Talofofo wastewater basin across the Route 17 (Cross Island Road) to a new Agat-Santa Rita WWTP site; and

WHEREAS, GWA management executed three separate construction contracts (Phases I, II&III) to construct the new conveyance system as well as a contract with SSFM, Inc. (SSFM) to provide construction management services in the amount not to exceed Two Million Eight Hundred Seventy-One Thousand Dollars ($2,871,000.00); and

WHEREAS, GWA had subsequently executed the original contract with SSFM for an amount of Two Million Two Hundred Eighty-Five Thousand Two Hundred Sixty-Eight Dollars ($2,285,268.00) as well as allotted Two Hundred Twenty-Eight Thousand Five Hundred Twenty-Six Dollars and Eighty Cents ($228,526.80) as a 10% contingency to the contract; and
WHEREAS, GWA further executed Change Order No. 1 to the Construction Management contract in the amount of One Hundred Eighty-Five Thousand Six Hundred Ninety-One Dollars ($185,691.00) which was covered under the original 10% contingency; and

WHEREAS, CCU further authorized via Resolution 09-FY2019 in November 2018 an increase of fund authorization in the amount of Three Hundred One Thousand Five Hundred Sixty-Four Dollars and Fifty-Nine Cents ($301,564.59) to bring the total authorized funding of Three Million One Hundred Seventy-Two Thousand Five Hundred Sixty-Four Dollars and Fifty-Nine Cents ($3,172,564.59) to address continued Construction Management services past the original construction period date; and

WHEREAS, GWA had executed Change Order No. 2 in the amount of Six Hundred Two Thousand Seven Hundred Dollars and Fifty-Seven Cents ($602,700.57) to bring the total contract value to Three Million Seventy-Three Thousand Six Hundred Fifty-Nine Dollars and Fifty-Seven Cents ($3,073,659.57) which provided CM services up until April 30, 2019; and

WHEREAS, the overall construction project to date still has minor close out items for the Phase II contractor as well as minor work at the existing clarify, civil works and SCADA for the Phase III contractor which still requires Construction Management services; and

WHEREAS, the CCU further approved Resolution 25-FY2019 in November 2018 that increased funding authorization to Three Million Three Hundred Thirty-Two Thousand Five Hundred Sixty-Four Dollars and Fifty Nine Cents ($3,332,564.59) to the Construction Management contract after which GWA executed Change Order Nos. 3, 4 & 5 for the Construction Manager in the amount of Two Hundred Twenty Eight Thousand Eight Hundred Seven Dollars and Ninety -Three Cents ($228,807.93) to bring the total contract value to Three Million Three Hundred Two Thousand Four Hundred Sixty Seven Dollars and Fifty Cents ($3,302,467.50) which provided CM services up until July 31, 2019; and

WHEREAS, the contractor for Phase III, SMCC, has to date continues to experience delays for various reason and as such the CM has been required to stay on until potentially November 2019 to handle remaining construction work and close out of the entire project; and
WHEREAS, GWA is negotiating with SSFM for a fee proposal to provide continued construction management services from September 2019 to November 2019 on a Time and Materials basis and part of this negotiation is for SSFM to take into account a reduction in staffing levels as the project reaches the end of the construction period; and

WHEREAS, to ensure timely execution of any forthcoming Change Order so that services are not stalled GWA is seeking CCU approval of additional funding to a not to-exceed the amount of One Hundred Thirty Thousand Dollars ($130,000.00) for the extended contract performance period from September to November 2019 which is an average of Forty Three Thousand Dollars ($43,000.00) per month; and

WHEREAS, funding for any Change Order to SSFM moving forward will be from any available bond funds under the line item - WW 11-03 “Baza Gardens STP Replacement”, System Development Charge funds and Internally Funded CIP funds as well as Liquidated Damages of $3,000 per day from the contractor; 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 hereby approves the funding increase for construction management services an additional amount not to exceed One Hundred Thirty Thousand Dollars ($130,000.00).

3. The CCU further approves the total funding authorization for the contract with SSFM to an amount not to exceed Three Million Four Hundred Sixty -Two Thousand Five Hundred Sixty-Four Dollars and Fifty-Nine Cents ($3,462,564.59)

4. The source of funding for any Change Order to SSFM moving forward will be from any available bond funds under the line item - WW 11-03 “Baza Gardens STP Replacement”, System Development Charge funds and Internally Funded CIP funds as well as Liquidated Damages of $3,000 per day from the contractor.
RESOLVED, that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

DULY AND REGULARLY ADOPTED, this 29th day of October 2019.

Certified by:  

\[Signature\]  
JOSEPH T. DUENAS  
Chairperson

Attested by:  

\[Signature\]  
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

ABSTENTION: 0

ABSENT: 0