GWA RESOLUTION NO. 19-FY2020

RELATIVE TO APPROVING CONTRACT AMOUNT INCREASE AND AUTHORIZING CHANGE ORDERS FOR THE CONSTRUCTION MANAGEMENT SERVICES CONTRACT FOR THE GWA SCADA SYSTEM FOR WATER AND WASTEWATER FACILITIES PHASE A-1 PROJECT

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, on June 19, 2018, GWA entered into a contract with G4S Security Systems (Guam), Inc. ("G4S") to provide Construction Services for the GWA SCADA System for Water and Wastewater Facilities Phase A-1 project which is linked to the Court Order Paragraph 28 wherein the completion of the SCADA Project will enhance GWA’s ability to “monitor flow, pressure, tank levels and chlorine throughout the services area…” in accordance with GWA Resolution 28-FY2018 adopted by the CCU on May 22, 2018; and

WHEREAS, on August 24, 2018, GWA entered into a contract with GHD, Inc. to provide Construction Management ("CM") Services for the aforementioned project in the amount of Five Hundred Fifteen Thousand Six Hundred Thirty-One Dollars ($515,631.00), which is within GWA General Manager’s delegated contract approval authority of One Million Dollars ($1,000,000.00) in accordance with GWA Resolution 09-FY2020 adopted by the CCU on November 26, 2020; and

WHEREAS, on June 14, 2019, Change Order No. 01 to the CM contract was executed in the amount of Three Hundred Eighty Three Thousand Five Hundred Eighty-Nine Dollars...
($383,589.00) funded by a deductive change order to the construction contract as part of the negotiated conditions for extending the final completion date to December 31, 2019 due to G4S's performance issues in accordance with GWA Resolution 28-FY2019 adopted by the CCU on May 28, 2019; and

WHEREAS, on February 7, 2020, Change Order No. 02 to the CM contract was executed in the amount of Fifty-One Thousand Five Hundred Sixty-Three Dollars ($51,563.00) for extending CM services due to continued delay by G4S, funded by imposing set-off against payment to G4S as special damages; and

WHEREAS, Change Order No. 03 to the CM contract in the amount of Forty-Six Thousand Six Hundred Eighty-One Dollars ($46,681.00) is currently being reviewed and processed for extending CM services due to continued delay by G4S, funded by imposing set-off against payment to G4S as special damages; and

WHEREAS, the total contract amount, which includes the Original Contract and Change Orders No. 01 through No. 03, is Nine Hundred Ninety-Seven Thousand Four Hundred Sixty-Four Dollars ($997,464.00), which is within GWA General Manager’s delegated contract approval authority of One Million Dollars ($1,000,000.00) in accordance with GWA Resolution 09-FY2020 adopted by the CCU on November 26, 2019; and

WHEREAS, extension to the CM services contract on a time and materials basis is necessary because G4S has not achieved substantial completion for this project; and

WHEREAS, based on GHD’s billing for January 2020, Fifty-Nine Thousand Dollars ($59,000.00) per month is established as an approximate amount for monthly time and materials CM charges; and

WHEREAS, GWA Management seeks CCU authorization to execute change orders as needed, in addition to Change Orders No. 01 through No. 03, up to One Hundred Seventy-Seven Thousand Dollars ($177,000.00) intended for use to extend CM services for the months of March, April and May 2020 or as needed; and
WHEREAS, GWA Management seeks total funding authorization of One Million One Hundred Seventy-Four Thousand Four Hundred Sixty-Four Dollars ($1,174,464.00) for use in this CM services contract with GHD; and

WHEREAS, GWA Management seeks CCU approval to inform the Guam Public Utilities Commission ("PUC") of the project intent given its relation to the Court Order Paragraph 28, and the total contract amount of One Million One Hundred Seventy-Four Thousand Four Hundred Sixty-Four Dollars ($1,174,464.00); and

WHEREAS, the funding source will be bond funds from CIP EE 09-09, SCADA Improvement – Phase 4, and extensions to CM services due to continued delay by G4S will be funded by imposing set-off against payment to G4S as special damages; 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 authorizes the management of GWA to execute Change Orders as needed to the CM services contract with GHD, in addition to Change Orders No. 01 through No. 03, up to the amount of One Hundred Seventy-Seven Thousand Dollars ($177,000.00).
3. The CCU hereby authorizes the requested total maximum funding amount of One Million One Hundred Seventy-Four Thousand Four Hundred Sixty-Four Dollars ($1,174,464.00) funded by CIP EE 09-09, SCADA Improvement – Phase 4, with extensions to CM services due to continued delay by G4s funded by imposing set-off against payment to G4S as special damages.
4. The CCU hereby authorizes the management of GWA to inform the PUC of the project intent given its relation to the Court Order Paragraph 28 and the total contract amount of One Million One Hundred Seventy-Four Thousand Four Hundred Sixty-Four Dollars ($1,174,464.00).
RESOLVED, that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

DULY AND REGULARLY ADOPTED, this 24th day of March, 2020.

Certified by: Attested by:

JOSEPH T. DUEÑAS MICHAEL T. LIMTIACO
Chairperson 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