



**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. 36-FY2023**

**RELATIVE TO APPROVAL OF AN INCREASE OF FUNDING AND SCOPE OF  
WORK FOR THE PRESSURE ZONE REALIGNMENT CONSTRUCTION  
PHASE 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**, GWA currently has a number of critical projects as part of GWA’s Capital Improvement Plan, including the installation (i.e. repair, rehabilitation, replacement, relocation, or development) of pressure regulating or sustaining valves and their appurtenances, as stated in GWA's Water Resources Master Plan (Master Plan); and

**WHEREAS**, the completion of these improvements will contribute to GWA's effort to control and reduce water losses through the improvement in service area pressures, thereby reducing background leaks by providing appropriate systems pressures; and

**WHEREAS**, the construction of the Pressure Zone Realignment (PZR) Construction Phase I project was the start of the overall PZR project consisting of five phases, which are necessary components of the Court Ordered reservoir replacement and repair projects by allowing take downs of the reservoirs for inspection and repair; and

1           **WHEREAS**, Resolution No. 11-FY2020 (See Exhibit A) approved GWA to award the  
2 Pressure Zone Realignment Construction Phase I contract to Sumitomo Mitsui Construction Co.,  
3 LTD (Sumitomo) for the Base Bid proposal in the amount of Four Million One Hundred Twenty  
4 Thousand Dollars (\$4,120,000.00) and approved the funding total of Four Million Five Hundred  
5 Thirty-Two Thousand Dollars (\$4,532,000.00); and

6  
7           **WHEREAS**, GWA executed a construction contract with Sumitomo for the Base Bid work  
8 for the following:

- 9           • Construction of the new Carnation pressure reducing valves (PRV) and flow  
10 meters (FM) vaults and rehabilitation of existing PRV vaults and new control  
11 building; and
- 12           • Construction of the new Marbo PRV and FM vaults; and
- 13           • Construction of the new Okkodo PRV and FM vaults to replace the existing  
14 PRV and new control pedestal; and
- 15           • Construction of the new Ysengsong PRV and FM vaults; and
- 16           • Construction of the new Clara PRV and FM vaults; and
- 17           • Construction of the new Kaiser Reservoir Bypass PRV and FM vaults and new  
18 control building, and installation of new inlet and outlet meters for Kaiser  
19 Reservoir; and
- 20           • Construction of the new Kaiser PRV and FM vaults; and
- 21           • Construction and installation of SCADA components and electrical work at  
22 Yigo and Astumbo Reservoirs; and
- 23           • Installation of SCADA at all sites; and

24  
25           **WHEREAS**, Resolution No. 40-FY2020 (See Exhibit B) approved GWA to execute a  
26 Change Order for the Additive Bid work to construct two additional PRV and FM locations  
27 (Maimai and Terao) and to bring the total authorized amount to Five Million Five Hundred Forty-  
28 Nine Thousand Dollars (\$5,549,000.00), which included a contingency of Four Hundred Sixty-  
29 Seven Thousand Dollars (\$467,000.00); and  
30

1           **WHEREAS**, GWA issued Change Order No.1 and 2 in the amount of One Million One  
2 Hundred Sixty Thousand Eight Hundred Forty-Seven Dollars and Eighty-Nine Cents  
3 (\$1,160,847.89), which brought the total contract amount to Five Million Two Hundred Eighty  
4 Thousand Eight Hundred Forty-Seven Dollars and Eighty-Nine Cents (\$5,280,847.89); and  
5

6           **WHEREAS**, Resolution No. 07-FY2023 (See Exhibit C) approved the total authorized  
7 funding of Six Million Three Hundred Ninety-Six Thousand One Hundred Seventy-Nine Dollars  
8 and Sixty Three Cents (\$6,396,179.63) and allowed GWA to execute Change Orders No. 3 and 4  
9 in the total amount of One Million One Hundred Seven Thousand One hundred Seventy-Two  
10 Dollars and Seven Cents (\$1,107, 172.07) which brought the total contract amount to Six Million  
11 Three Hundred Eight-Eight Thousand Nineteen Dollars and Ninety Six Cents (\$6,388,019.96);  
12 and

13           **WHEREAS**, GWA seeks to issue additional Change Orders for work required to complete  
14 Phase 1 of the PZR projects; and  
15

16           **WHEREAS**, the next Change Orders' work will generally consist of the following:

- 17           • Clara site: Fence repair; and
- 18           • Kaiser site: Capping of existing PRV, additional connections to existing piping,  
19           along with necessary appurtenances, and
- 20           • Maimai site: Installation of concrete walkway for SCADA pedestal, new  
21           fencing for site security; and
- 22           • Terao site: New ARV installation, new fencing for site security; and
- 23           • Okkodo site: Additional fittings due to differing site conditions, new fencing  
24           for site security; and
- 25           • Various sites: Installation of vault ventilation; and  
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27           **WHEREAS**, the next Change Orders are under negotiation between GWA and Sumitomo;  
28 and  
29

1  
2       **WHEREAS**, GWA is requesting a not-to-exceed funding approval of Nine Hundred  
3 Thousand Dollars (\$900,000.00) for the Change Orders; and  
4

5       **WHEREAS**, GWA management seeks CCU approval for an additional Nine Hundred  
6 Thousand Dollars (\$900,000.00) to fund the next Change Orders, bringing the total authorized  
7 funding to Seven Million Two Hundred Ninety-Six Thousand One Hundred Seventy-Nine Dollars  
8 and Sixty-Three Cents (\$7,296,179.63); and  
9

10       **WHEREAS**, funding shall be from the following CIP sources:

- 11           • United States Environmental Protection Agency (USEPA) Grant
- 12           • CIP PW 12-01: Water Audit Program
- 13           • CIP PW 05-16: Master Metering Program
- 14           • MP-PW-Pipe-15 PRV Rehabilitation and Replacement
- 15

16       **NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities  
17 does hereby approve and authorize the following:  
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- 19           • The recitals set forth above hereby constitute the findings of the CCU.
- 20           • The CCU finds that the of the scope and fee submitted by Sumitomo Mitsui  
21 Construction Co., LTD. are fair and reasonable.
- 22           • The CCU hereby approves Nine Hundred Thousand Dollars (\$900,000.00) to  
23 fund the next Change Orders, bringing the total authorized funding to Seven  
24 Million Two Hundred Ninety-Six Thousand One Hundred Seventy-Nine  
25 Dollars and Sixty-Three Cents (\$7,296,179.63).
- 26           • The CCU hereby approves the use of the following CIP sources:
  - 27               • USEPA Grant
  - 28               • CIP PW 12-01: Water Audit Program
  - 29               • CIP PW 05-16: Master Metering Program
  - 30               • MP-PW-Pipe-15: PRV Rehabilitation and Replacement
  - 31


1  
2 **RESOLVED**, that the Chairman certified and the Board Secretary attests to the adoption  
3 of this Resolution.

4  
5 **DULY AND REGULARLY ADOPTED**, this 29<sup>th</sup> day of August 2023.

6  
7 Certified by:

Attested by:

8  
9   
10 **JOSEPH T. DUENAS**  
11 Chairperson

  
12 **PEDRO ROY MARTINEZ**  
13 Secretary

14 //

**SECRETARY'S CERTIFICATE**

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16  
17 I, Pedro Roy Martinez, Board Secretary of the Consolidated Commission on Utilities as  
18 evidenced by my signature above do hereby certify as follows:

19  
20 The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular  
21 meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held  
22 at a place properly noticed and advertised at which meeting a quorum was present and the members  
23 who were present voted as follows:

24  
25 AYES: 5  
26  
27 NAYS: 0  
28  
29 ABSENT: 0  
30  
31 ABSTAIN: 0

