



GWA RESOLUTION NO. 03-FY2024

**RELATIVE TO APPROVAL OF ADDITIONAL FUNDING FOR THE HAGATNA MAIN
SEWAGE PUMP STATION REHABILITATION AND REDUNDANT FORCE MAIN
DESIGN PROJECT, GWA PROJECT NO. S20-002-EPA**

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's public wastewater collection/transmission system, consisting of gravity mains, manholes, laterals, force mains (FM), sewer pump stations (SPS), and other related appurtenances, are in need of repair, rehabilitation, or replacement; and

WHEREAS, GWA has received United States Environmental Protection Agency (USEPA) grant funding for the Hagatna Main FM design project; and

WHEREAS, the Hagatna Main FM is approximately 2,700 feet long, runs along Route 1, then under West Hagatna Bay to the Hagatna Wastewater Treatment Plant (WWTP), and is the sole conveyance of wastewater from the pump station to the Hagatna WWTP; and

WHEREAS, the FM’s condition is unknown, and failure of the FM could lead to service disruptions which may impact the health of the community, environment, and economy of the large service area and the island; and

WHEREAS, to address this concern, GWA advertised a Request For Proposals on July 7, 2020, and entered into a contract for design services for a redundant FM with GHD, Inc., on April 7,

1 2021, in the amount of Six Hundred and Three Thousand Nine Hundred Fifty-One Dollars and
2 Fourteen cents (\$603,951.14), as shown in Exhibit A; and

3
4 **WHEREAS**, the original rough order of magnitude estimated construction cost to horizontal
5 directional drill two (2) FM was Ten Million Three Hundred Thousand Dollars (\$10,300,000) when
6 design was initiated and then it increased to a range between Seventeen Million Seven Hundred
7 Thousand Dollars (\$17,700,000) to Twenty Million Six Hundred Thousand Dollars (\$20,600,000)
8 for a single FM; and

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10 **WHEREAS**, to reduce cost and manage the construction budget, the design approach was
11 pivoted to construct a temporary bypass FM over the Hagatna WWTP Causeway to provide
12 continuous wastewater service while rehabilitating the existing FM; and

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14 **WHEREAS**, the cost for the FM design pivot was negotiated to be Two Hundred Sixty-Five
15 Thousand Eight Hundred Ninety Dollars and Eighty-Four Cents (\$265,890.84), as shown in Exhibit
16 B; and

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18 **WHEREAS**, the remaining contract budget for the two new FM design as well as the pivot
19 to a new design for the bypass FM results in an additional Fifty-Nine Thousand, Nine Hundred
20 Eleven Dollars and Sixty-Five Cents (\$59,911.65) (refer to Exhibit B); and

21
22 **WHEREAS**, the impending Consent Decree with USEPA requires a Force Main Condition
23 Assessment, Force Main Action Plan and Implementation of the Force Main Action Plan for the FM
24 identified in Consent Decree Table A (refer to Exhibit C) to be completed within nine (9) years of
25 the Effective Date; and in which Hagatna FM is the highest priority listed in Table A; and

26
27 **WHEREAS**, the impending Consent Decree with the USEPA requires the rehabilitation of
28 the Hagatna Main SPS within two (2) years of the effective date including any start-up activities and
29 any related Operations & Maintenance training by field personnel; and

1 **WHEREAS**, USEPA has approved the Hagatna FM and the inclusion of the SPS
2 rehabilitation in the design project, as pump station operations are essential for FM operations; and

3
4 **WHEREAS**, the negotiated cost for the SPS rehabilitation assessment and design allowance
5 is Six Hundred Ninety-Five Thousand Two Hundred Twenty-Seven Dollars (\$695,227), as shown in
6 Exhibit D; and

7
8 **WHEREAS**, given the two (2) year time frame required to complete the SPS rehabilitation, a
9 twenty percent (20%) contingency of Two Hundred Seventy-One Thousand Eight Hundred
10 Seventeen Dollars and Ninety-Six Cents (\$271,817.96) is requested to reduce processing time for
11 any future change orders and provide a budget for the designer to assist with the specification and
12 procurement of long-lead items prior to construction contract execution; and

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14 **WHEREAS**, the total contract cost to include the bypass FM design and SPS assessment and
15 design rehabilitation is One Million Three Hundred Fifty-Nine Thousand Eight-Nine Dollars and
16 Seventy-Nine Cents (\$1,359,089.79), with a twenty percent (20%) contingency of Two Hundred
17 Seventy-One Thousand Eight Hundred Seventeen Dollars and Ninety-Six Cents (\$271,817.96) will
18 bring the total authorized funding amount to One Million Six Hundred Thirty Thousand Nine
19 Hundred Seven Dollars and Seventy-Five Cents (\$1,630,907.75); and

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21 **WHEREAS**, funding for this design project will be from the USEPA grants; and

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

- 25 1. The recitals set forth above hereby constitute the findings of the CCU.
26 2. The CCU finds that the requested funding authorization increases to be fair,
27 reasonable, and necessary for the Hagatna Main FM and SPS rehabilitation
28 design.
29 3. The CCU hereby authorizes the management of GWA to execute a Change Order
30 to the contract with GHD, Inc., for a total contract amount of One Million Three

1 Hundred Fifty-Nine Thousand Eight-Nine Dollars and Seventy-Nine Cents
2 (\$1,359,089.79).

3 4. The CCU hereby authorizes the total funding amount to include a twenty percent
4 (20%) contingency, increasing the authorized funding amount to One Million Six
5 Hundred Thirty Thousand Nine Hundred Seven Dollars and Seventy-Five Cents
6 (\$1,630,907.75).

7 5. The CCU hereby further authorizes the use of USEPA grants as the funding
8 source.

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

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13 **DULY AND REGULARLY ADOPTED**, this 28th day of November 2023.

14
15 Certified by:

Attested by:

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17 _____



18 **JOSEPH T. DUENAS**
19 Chairperson

PEDRO ROY MARTINEZ
Secretary

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SECRETARY'S CERTIFICATE

I, Pedro Roy Martinez, 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
ABSENT: 0
ABSTAIN: 0



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