

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION



IN RE: REQUEST BY THE GUAM ) GWA Docket 21-03  
WATERWORKS AUTHORITY FOR )  
APPROVAL OF THE BID AND )  
PROPOSED CONTRACT WITH GIANT ) **ALJ REPORT**  
CONSTRUCTION CORPORATION FOR )  
THE TAI ROAD/S13 AND CANADA- )  
TOTO LOOP/BLAS STREET )  
WATERLINE REPLACEMENT PROJECT )

INTRODUCTION

1. This matter comes before the Guam Public Utilities Commission [“PUC”] upon the Petition of the Guam Waterworks Authority [“GWA”] for approval of the Bid and Proposed Contract with Giant Construction Corporation for the Tai Road/S13 and Canada-Toto Loop/Blas Street Waterline Replacement Project.<sup>1</sup>
2. GWA indicates that there has been an increasing frequency of water outages in the Canada-Toto Loop area. To remedy this issue, GWA has put together this fast-track replacement CIP procurement.<sup>2</sup>
3. Due to the exigent nature of the work to be performed, GWA filed its petition and requested a hearing for this month’s PUC Meeting.<sup>3</sup>
4. The Guam Consolidated Commission on Utilities has not yet approved the proposed contract with Giant Construction; however, GWA anticipates that the

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<sup>1</sup> GWA Petition for Approval of the Bid and Proposed Contract with Giant Construction Corporation for the Tai Road/S13 and Canada-Toto Loop/Blas Street Waterline Replacement Project, GWA Docket 21-03, filed April 14, 2021.

<sup>2</sup> Letter from GWA General Counsel Kelly Clark to PUC ALJ Fred Horecky, dated April 13, 2021.

<sup>3</sup> Id.



CCU will approve the project on April 27, and that the CCU resolution supporting the project will be provided to PUC on April 28, 2021.<sup>4</sup>

5. If the PUC receives the CCU resolution prior to its April meeting, the Commission may address this matter at its meeting on April 29, 2021.

### **BACKGROUND**

6. On January 7, 2021, GWA advertised the Invitation for Bid IFB-02-ENG-2021 for the Tai Road/S13 and Canada-Toto Loop/Blas Street Waterline replacement.<sup>5</sup>
7. The IFB solicited bid proposals to provide construction service lateral upgrade and replacement of approximately 5,720 LF of existing 2-inch and 6-inch asbestos cement pipe (ACP), with new polyvinyl chloride (PVC) pipes ranging from 6-inch to 12-inch diameter and disconnection from an existing 6-inch ACP and reconnect to an existing 12-inch PVC waterline along Canada-Toto Loop.<sup>6</sup>
8. On February 26, 2021, GWA received a total of four (4) bid proposals. However, after a voluntary declination of the project by the lowest bidder ("MEGA United"), and the disqualification of the second lowest bidder ("Infra Tech International"), GWA determined that the bid proposal submitted by Giant Construction Corporation was the lowest responsive and responsible bid, meeting all the bid requirements set forth by GWA.<sup>7</sup>

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<sup>4</sup> Id.

<sup>5</sup> GWA Petition, Id., at p. 1.

<sup>6</sup> Id., at pgs. 1-2.

<sup>7</sup> Id., at p. 2.



9. The total bid of Giant Construction is the amount of \$1,945,720.00, which includes the Base Bid, an additive Bid No. 1, and additive Bid No. 2.<sup>8</sup>
10. GWA has added a ten percent (10%) contingency of \$194,572.00 to the Contract, bringing the total authorized funding amount to \$2,140,292.00. The pricing proposal of Giant Construction (Exhibit D to GWA's Petition) is attached hereto as Exhibit "1".

### ANALYSIS

11. As GWA states, the Contract with Giant Construction Corporation must have prior PUC approval because its total price exceeds \$1,000,000.00.<sup>9</sup>
12. GWA indicates that, to resolve the recurring waterline breaks along the Tai Road, S13 and Canada-Toto Loop/Blas Street, the existing meters will need to be disconnected from an existing 6-inch asbestos cement pipe (ACP) and then reconnected to the existing 12-inch PVC waterline. This project will also replace old and persistently leaking 2-inch and 6-inch ACP with new polyvinyl chloride (PVC) pipe ranging from 6-inches to 12-inches in diameter, including upgrade of service laterals of various lengths, along Tai Road, S13, and Blas Street.<sup>10</sup>
13. GWA has established that the increasing frequency of water outages in the Canada-Toto Loop area has caused a "serious issue" to the customers in that area.

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<sup>8</sup> Id.

<sup>9</sup> Contract Review Protocol for Guam Waterworks Authority, Docket 00-04, dated October 27, 2005 at par. 1(a).

<sup>10</sup> Id., at pgs. 2-3.



Expeditious action, in the form of the contract with Giant Construction Corporation, is necessary and prudent.

14. The PUC should approve GWA's bid and Proposed Contract for the Waterline Replacement Project so that these serious issues can be addressed as soon as possible.

15. This project is consistent with GWA's waterline replacement program, which seeks to reduce the non-revenue water rate, as well as to improve the system where service delivery has been below standard.<sup>11</sup>

### **RECOMMENDATION**

16. The Administrative Law Judge recommends that the PUC approve the Bid and Proposed Contract with Giant Construction Corporation for the Tai Road/S13 and Canada-Toto Loop/Blas Street Waterline Replacement Project.

17. GWA should be authorized to expend up to the amount of \$2,140,292.00.

18. A Proposed Order is submitted herewith for the consideration of the Commissioners.

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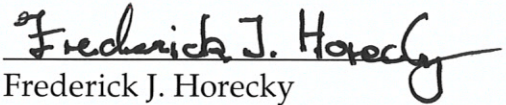
<sup>11</sup>Id., at p. 3.



ALJ Report  
Approval for Water Replacement Project  
With Giant Construction Corporation  
GWA Docket 21-03  
April 19, 2021

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Dated this 19<sup>th</sup> day of April 2021.

  
Frederick J. Horecky  
Chief Administrative Law Judge



**GUAM WATERWORKS AUTHORITY**  
**TAI ROAD/S-13 AND CANADA-TOTO LOOP/BLAS STREET WATERLINE**  
**REPLACEMENT DESIGN**  
**GWA Project No. M19-001-BND**

**UNIT PRICE BID FORM**

**Base Bid Description: Tai Road and Canada-Toto Loop Work**

Work consists of replacing an existing 6-inch asbestos cement pipe (ACP) water line with a new 8-inch polyvinyl chloride (PVC) water line and reconnecting all branch water lines, service connections and other water appurtenance connections, and performing disinfection of the new PVC water line and providing temporary traffic control as necessary to complete the work along Tai Road. Additional work consists of reconnecting existing branch water lines, service connections and other water appurtenance connections from an existing 6-inch ACP water line to an existing 12-inch PVC water line along Canada-Toto Loop and providing temporary traffic control as necessary to complete the work along Canada-Toto Loop.

Item No.	Description	Unit	Unit Price	Qty	Bid Amount
1	Mobilization and Demobilization	Lump Sum	\$ 228,000.00	1	\$ 228,000.00
2	Erosion Control Measures (Includes silt fence and all other required temporary best management practices necessary to control sediment runoff)	Lump Sum	\$ 40,000.00	1	\$ 40,000.00
3	2" PVC Pressure Pipe (Includes excavation, bedding, pipe, backfill and any necessary asphalt or grass replacement)	Lin. Ft.	\$ 145.00	48	\$ 6,960.00
4	6" PVC Pressure Pipe Class 235 psi (DR 18) (Includes excavation, bedding, pipe, backfill and any necessary asphalt or grass replacement)	Lin. Ft.	\$ 160.00	135	\$ 21,600.00
5	8" PVC Pressure Pipe Class 235 psi (DR 18) (Includes excavation, bedding, pipe, backfill and any necessary asphalt or grass replacement)	Lin. Ft.	\$ 176.00	3,640	\$ 640,640.00
6	12" PVC Pressure Pipe Class 235 psi (DR 18) (Includes excavation, bedding, pipe, backfill and any necessary asphalt or grass replacement)	Lin. Ft.	\$ 600.00	111	\$ 66,600.00



Item No.	Description	Unit	Unit Price	Qty	Bid Amount
7	12" Gate Valve	Ea.	\$ <u>5,000.00</u>	4	\$ <u>20,000.00</u>
8	8" Gate Valve	Ea.	\$ <u>4,500.00</u>	4	\$ <u>18,000.00</u>
9	6" Gate Valve	Ea.	\$ <u>3,800.00</u>	9	\$ <u>34,200.00</u>
10	1" Service Line	Lin. Ft.	\$ <u>87.00</u>	1,264	\$ <u>109,968.00</u>
11	1-1/2" Service Line	Lin. Ft.	\$ <u>92.00</u>	321	\$ <u>29,532.00</u>
12	Reconnection of 3/4" Single Meter Installation on 8-inch Water Main (Includes Service Saddle and all Fittings necessary to make the reconnection)	Ea.	\$ <u>2,750.00</u>	19	\$ <u>52,250.00</u>
13	Reconnection of 3/4" Single Meter Installation on 12-inch Water Main (Includes Service Saddle and all Fittings necessary to make the reconnection)	Ea.	\$ <u>2,920.00</u>	19	\$ <u>55,480.00</u>
14	Reconnection of 3/4" Dual Meter or Multi-Meter Installation on 8-inch Water Main (Includes Service Saddle and all Fittings necessary to make the reconnection)	Ea.	\$ <u>2,850.00</u>	9	\$ <u>25,650.00</u>
15	Reconnection of 3/4" Dual or Multi-Meter Installation on 12-inch Water Main (Includes Service Saddle and all Fittings necessary to make the reconnection)	Ea.	\$ <u>2,980.00</u>	7	\$ <u>20,860.00</u>
16	Reconnection of 2" Water line on 8-inch Water Main (Includes Service Saddle and all Fittings necessary to make the reconnection)	Ea.	\$ <u>2,800.00</u>	3	\$ <u>8,400.00</u>
17	Reconnection of 2" Water line on 12-inch Water Main (Includes Service Saddle and all Fittings necessary to make the reconnection)	Ea.	\$ <u>2,850.00</u>	1	\$ <u>2,850.00</u>
18	Reconnection of Fire Hydrant Assembly on 8-inch Water Main (Includes Tapping Sleeve and all Fittings necessary to make the reconnection)	Ea.	\$ <u>8,000.00</u>	2	\$ <u>16,000.00</u>
19	Reconnection of Fire Hydrant Assembly on 12-inch Water Main (Includes Tapping Sleeve and all Fittings necessary to make the reconnection)	Ea.	\$ <u>8,400.00</u>	2	\$ <u>16,800.00</u>



Item No.	Description	Unit	Unit Price	Qty	Bid Amount
	reconnection)				
20	Fire Hydrant Assembly (Includes 5 L.F of 6-inch PVC lateral service line and all pipe, bends and thrust blocks necessary to complete the installation)	Ea.	\$ <u>6,800.00</u>	3	\$ <u>20,400.00</u>
21	Combination Air Release Valve in Valve Box	Ea.	\$ <u>5,500.00</u>	2	\$ <u>11,000.00</u>
22	Relocate Meter Box and Assembly	Ea.	\$ <u>4,700.00</u>	5	\$ <u>23,500.00</u>
23	Pressure Testing and Disinfection of New Waterline and Service Connections (Tai Rd. and Canada-Toto Loop)	Lump Sum	\$ <u>20,000.00</u>	1	\$ <u>20,000.00</u>
24	Fittings	Tons	\$ <u>8,000.00</u>	2	\$ <u>16,000.00</u>
25	Traffic Control including traffic control work, all traffic control devices, placement and removal of devices and detours, cleanup, restoration, and incidentals.	Lump Sum	\$ <u>45,000.00</u>	1	\$ <u>45,000.00</u>
26	As-builts	Lump Sum	\$ <u>5,000.00</u>	1	\$ <u>5,000.00</u>
<b>BASE BID (TOTAL Items 1 through 26, inclusive)</b>					\$ <u>1,554,690.00</u>
<b><u>(Please write out total bid amount in words below)</u></b>					
\$ <u>One Million Five Hundred Fifty Four Thousand Six Hundred Ninety Exactly</u>					



**GUAM WATERWORKS AUTHORITY**  
**TAI ROAD/S-13 AND CANADA-TOTO LOOP/BLAS STREET WATERLINE**  
**REPLACEMENT DESIGN**  
**GWA Project No. M19-001-BND**

**UNIT PRICE BID FORM**

**Additive Bid #1 Description: S-13 Road Work**

Replacing an existing 2-inch water line with a new 6-inch water line along S-13 and reconnecting all service connections and other water appurtenance connections.

Item No.	Description	Unit	Unit Price	Qty	Bid Amount
1	Mobilization and Demobilization (For additional costs associated with bonding, insurance and permits for this additive bid)	Lump Sum	\$ 28,000.00	1	\$ 28,000.00
2	Erosion Control Measures (Includes silt fence and all other required temporary best management practices necessary to control sediment runoff)	Lump Sum	\$ 3,500.00	1	\$ 3,500.00
3	6" PVC Pressure Pipe Class 235 psi (DR 18) (Includes excavation, bedding, pipe, backfill and any necessary asphalt or grass replacement)	Lin. Ft.	\$ 135.00	680	\$ 91,800.00
4	1" Service Line	Lin. Ft.	\$ 120.00	112	\$ 13,440.00
5	Reconnection of 3/4" Single Meter Installation on 6-inch Water Main (Includes Service Saddle and all Fittings necessary to make the reconnection)		\$ 1,800.00	5	\$ 9,000.00
6	2" Temporary Blowoff Assembly in Vault (Complete in Place)	Lump Sum	\$ 5,000.00	1	\$ 5,000.00
7	Pressure Testing and Disinfection of New Waterline and Service Connections (S-13 Rd.)	Lump Sum	\$ 4,000.00	1	\$ 4,000.00



Item No.	Description	Unit	Unit Price	Qty	Bid Amount
8	Fittings	Tons	\$ <u>10,000.00</u>	0.1	\$ <u>1,000.00</u>
9	Traffic Control including traffic control work, all traffic control devices, placement and removal of devices and detours, cleanup, restoration, and incidentals.	Lump Sum	\$ <u>4,500.00</u>	1	\$ <u>4,500.00</u>
10	As-builts	Lump Sum	\$ <u>1,800.00</u>	1	\$ <u>1,800.00</u>
<b><u>ADDITIVE BID #1 (TOTAL Items 1 through 10, inclusive)</u></b>					\$ <u>162,040.00</u>
<b><u>(Please write out total bid amount in words below)</u></b>					
\$ <u>One Hundred Sixty Two Thousand Forty Exactly</u>					



**GUAM WATERWORKS AUTHORITY**  
**TAI ROAD/S-13 AND CANADA-TOTO LOOP/BLAS STREET WATERLINE**  
**REPLACEMENT DESIGN**  
**GWA Project No. M19-001-BND**

**UNIT PRICE BID FORM**

**Additive Bid #2 Description: Blas Street Work**

Work consists of replacing an existing 6-inch ACP water line with a new 6-inch PVC water line along Blas Street and reconnecting all service connections and other water appurtenance connections.

Item No.	Description	Unit	Unit Price	Qty	Bid Amount
1	Mobilization (For additional costs associated with bonding, insurance and permits for this additive bid)	Lump Sum	\$ <u>38,000.00</u>	1	\$ <u>38,000.00</u>
2	Erosion Control Measures (Includes silt fence and all other required temporary best management practices necessary to control sediment runoff)	Lump Sum	\$ <u>8,400.00</u>	1	\$ <u>8,400.00</u>
3	6" PVC Pressure Pipe <b>Class 235 psi (DR 18)</b> (Includes excavation, bedding, pipe, backfill and any necessary asphalt or grass replacement)	Lin. Ft.	\$ <u>85.00</u>	1,152	\$ <u>97,920.00</u>
4	6" Gate Valve	Ea.	\$ <u>3,500.00</u>	1	\$ <u>3,500.00</u>
5	1" Service Line	Lin. Ft.	\$ <u>60.00</u>	142	\$ <u>8,520.00</u>
6	Reconnection of 3/4" Single Meter Installation on 6-inch Water Main (Includes Service Saddle and all Fittings necessary to make the reconnection)	Ea.	\$ <u>2,900.00</u>	6	\$ <u>17,400.00</u>



Item No.	Description	Unit	Unit Price	Qty	Bid Amount
7	Fire Hydrant Assembly (Includes 5 L.F of 6 inch PVC lateral service line and all pipe, bends and thrust blocks necessary to complete the installation)	Ea.	\$ <u>6,800.00</u>	1	\$ <u>6,800.00</u>
8	2" Permanent Blowoff Assembly in Vault (Complete in Place)	Lump Sum	\$ <u>5,200.00</u>	1	\$ <u>5,200.00</u>
9	Combination Air Release Valve in Valve Box	Ea.	\$ <u>5,500.00</u>	2	\$ <u>11,000.00</u>
10	Pressure Testing and Disinfection of New Waterline and Service Connections (Blas St.)	Lump Sum	\$ <u>12,500.00</u>	1	\$ <u>12,500.00</u>
11	Fittings	Tons	\$ <u>8,500.00</u>	0.7	\$ <u>5,950.00</u>
12	Traffic Control including traffic control work, all traffic control devices, placement and removal of devices and detours, cleanup, restoration, and incidentals.	Lump Sum	\$ <u>10,000.00</u>	1	\$ <u>10,000.00</u>
13	As-builts	Lump Sum	\$ <u>3,800.00</u>	1	\$ <u>3,800.00</u>
<b><u>ADDITIVE BID #2 (TOTAL Items 1 through 13, inclusive)</u></b>					\$ <u>228,990.00</u>
<b><u>(Please write out total bid amount in words below)</u></b>					
\$ <u>Two Hundred Twenty Eight Thousnad Nine Hundred Ninety Exactly</u>					



**GUAM WATERWORKS AUTHORITY**  
**TAI ROAD/S-13 AND CANADA-TOTO LOOP/BLAS STREET WATERLINE**  
**REPLACEMENT DESIGN**  
**GWA Project No. M19-001-BND**

<b>SUMMARY OF BIDS</b>	
<u>BASE BID (TOTAL Items 1 through 26, inclusive)</u>	\$ <u>1,554,690.00</u>
<u>ADDITIVE BID #1 (TOTAL Items 1 through 10, inclusive)</u>	\$ <u>162,040.00</u>
<u>ADDITIVE BID #2 (TOTAL Items 1 through 13, inclusive)</u>	\$ <u>228,990.00</u>
<b><u>GRAND TOTAL BASE BID + ADDITIVE BID #1 TO ADDITIVE BID #2</u></b>	\$ <u>1,945,720.00</u>
<i><b><u>(Please write out grand total bid amount in words below)</u></b></i>	
<u>\$ One Million Nine Hundred Forty Five Thousand Seven Hundred Twenty Exactly</u>	