


Upgrades to the Guam International Airport by Black Construction are valued at more than \$100 million.
PHOTO COURTESY BLACK CONSTRUCTION CORP.

Guam MILCON Reaches \$1.2B

Massive military construction buildup will extend through 2025

BY BRETT ALEXANDER-ESTES



Black Construction is general contractor for the \$178 million Andersen Air Force Base Replace Family Housing project.
PHOTO COURTESY BLACK CONSTRUCTION CORP.

Site prep work at Camp Blaz, Guam's new \$8.7 billion U.S. Marine Corps base, "is nearing completion," reports Frank Humay, vice president of Baldrige & Associates Structural Engineering Inc. (BASE), one of many Hawaii firms busy on the island.



Frank Humay

This clears the way for new projects worth hundreds of millions of dollars, many of them supporting the approximately 5,000 U.S. Marines who will start deploying to Guam over the next few years.



The BASE/Hensel Phelps design-build P-601 aircraft maintenance hangar project on Guam uses reinforced concrete and long-span structural steel trusses, and will continue in 2021.
PHOTO COURTESY HENSEL PHELPS

“Currently, ongoing military projects are estimated at \$1 billion for 2020, with a projection of another \$1 billion in projects slated to begin for 2021,” says James Martinez, president of the Guam Contractors Association. “The military construction projects ... will remain robust through 2025 as we see the peak in military projects around this time.”



James Martinez

Naval Facilities Engineering Systems Command (NAVFAC) Marianas Commanding Officer Capt. Timothy Liberatore provides a lower, but no less impressive assessment. “The Department of Defense (DOD) spent approximately \$527 million on construction projects in Fiscal Year 2020, which is expected to grow to over \$700 million in FY 2021,” Liberatore says. “This information only includes NAVFAC contracts, which comprise almost all DOD construction on Guam.”

Michael Grossi, managing director and executive vice president at Aon



Michael Grossi

Risk Services, a Hawaii surety firm, says he is “definitely seeing a continued increase in the size and number of projects being released in Guam. Currently we have contractors who have pending outstanding bids in excess of \$500 million. In 2021, there are several very large federal projects scheduled to bid, including a large BEQ complex with a government estimate of \$500 million to \$750 million.”



Leonard K. Kaa Sr.

At Black Construction Corp., a leading Guam builder, Senior Vice President and General Manager Leonard K. Kaa Sr. says “we have a

number of major contracts underway on Guam.” The combined value of these contracts—many of them with the DOD—is approximately \$2.6 billion.

Current Black contracts include the \$100 million-plus Guam International Airport Upgrades, the \$84 million P-715 Live Fire Training Range, the \$86 million P-250 MALS & P-260 Corrosion Control Hangar, the \$28 million Pacific Unlimited Inc. Cold and Dry Storage Facilities, the \$120 million Northern District Waste Water Treatment Plant Upgrades and the \$178 million Replace Family Housing project at Andersen Air Force Base. In July, Black completed the \$45 million Route 3 Road Widening project for the Government of Guam Public Works.

For the coming year, “Black was



Black Construction spreads topsoil on a slope at the \$84 million P-715 Live Fire Training Range project.
PHOTO COURTESY BLACK CONSTRUCTION CORP.



Core Tech is GC on the Tumon Lateral Conversion project. PHOTO COURTESY CORE TECH INTERNATIONAL

recently awarded the P-491 Explosive Ordinance Disposal (EOD) Combined Facility at Naval Station Guam with a current contract value of \$47 million," Kaae says. "Black awaits award notification on a number of projects bid in 2020 and, if successful, we anticipate

starting construction in 2021." Black is also currently a task holder for a \$990 million design-build multiple award construction contract (MACC) and also selected on the \$990 million Mamizu MACC. "Both these programs will run beyond 2022," Kaae

says. "Based on additional information released by the Navy, the current Marine buildup for Guam is expected to continue on through 2024. We are optimistic to get our fair share."

Core Tech International, another leading Guam builder, has "a total of 10 ongoing projects, including joint venture projects with a total backlog of \$163 million," says Chit Bathan, Core Tech CEO. These include two military projects, the J-755 Urban Combat project (a JV under Core Tech-HDCC-Kajima LLC) and the P-3105 Munition Storage Igloos Phase 3 (a JV project under Core Tech-Hawaiian Dredging LLC).

Summer Towers Villa (residential) and the Guam Power Authority Tumon Lateral Conversion Project (infrastructure) will be joined with "other projects that may be awarded to us between now and 2021," Bathan says, adding that she expects more



Chit Bathan

construction through 2022.

Like many Hawaii builders on Guam, Humay says that apart from the recently completed Tsubaki Tower resort, BASE projects on Guam are "primarily with the military. Many of the large (DOD) facilities our office has been working on in design for the past several years are being awarded at the end of this year/beginning of 2021," he says. "We are also involved with several large warehouse/distribution facilities, a public works building and training facilities. These projects are all at the new Marine Corps Base in Guam."

Currently, Nan Inc. is bolstering its longtime presence on Guam with several DOD projects—a medical/dental clinic, three BEQs and an ordinance facility. "We are anticipating a lot more opportunities in 2021 and 2022 as the Navy continues to ramp up its relocation program,"



Ryan Nakaima

1st DPRI Guam Contract Awarded for \$26.6M

Naval Facilities Engineering Systems Command (NAVFAC) Pacific in October awarded the first of 12 planned Defense Policy Review Initiative (DPRI) Guam contracts to Reliable Builders Inc., a small business in Tamuning.

The \$26.6 million firm-fixed price contract includes two projects—Area Distribution Nodes (ADN) and Site Telecommunications Cabling—which are expected to be complete in May 2022.

The contract provides for a state-of-the-art digital communications backbone at Guam's new Marine Corps Base Camp Blaz (MCBCB), which will provide on-island connectivity to more than 60 facilities within the base, along with worldwide connectivity.

"This is great news for the Guam DPRI program," said NAVFAC Pacific Guam Program Management Office Director Will Boudra. "Not only did the NAVFAC Pacific team include two projects into this one contract award, we were able to award the Telecommunications Cabling project three months ahead of schedule."

says Ryan Nakaima, Nan Inc. vice president.

Healy Tibbitts is also busy with "onsite work for the Guam Waterworks Authority," says Rick Heltzel, Healy Tibbitts Builders Inc. president. The GWA contract, he says,

is for Project No. S18-002-OEA—an outfall effluent diffuser installation project that will upgrade the Northern District Wastewater Treatment Plant to a secondary treatment facility. "We are currently performing planning and

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Clockwise from left: Hale Moena Kupuna Ph. 1 & 2, Mauna Lani - Auberge Resorts Collection, The Queen's Medical Center - West Parking Structure



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Chung Rejoins Belt Collins as VP

John Chung, previously vice president and chief engineer at Honolulu-based planning, engineering and landscape architecture firm Belt Collins Hawaii, rejoined BCH earlier this year in the same capacity. Chung left BCH in 2016 and served for nearly four years as public works manager and administrator for the Hawaii State Department of Education.

At BCH, Chung is serving as a principal engineer and project manager for the firm's civil engineering projects, overseeing site development, master planning, infrastructure assessments and roadway and infrastructure design.

BCH in January merged with Bowers + Kubota Consulting, a Hawaii-based architectural/engineering firm.



John Chung

Five Join G70

Hawaii design firm G70 has hired Jeff Merz as a senior planner/project manager and Dylan Fong as a civil designer.

Merz, who was at AECOM, specializes in master planning, facility assessments and environmental reviews. He will work alongside both clients and principals to lead project teams through the completion of master plans, environmental reviews and project completion.



Dylan Fong



Jeff Merz

Fong will assist project managers with the preparation of drawings and reports, construction documentation, material reviews and project coordination

with subconsultants. His background includes an internship at Coughlin Porter Lundeen in Seattle, and Wiss, Janney, Elstner Associates in Honolulu.

Earlier, G70 also announced the addition of three staff members.

Michael Beason joins as civil project manager. A 30-year industry veteran and certified engineer in Hawaii and California, Beason will oversee projects, prepare and present project engineering and public reports, and supervise project teams.

Erin Chow joins as architectural designer. Most recently a G70 intern, Chow will assist in review and preparation of working drawings, coordinate with architect/engineer subconsultants, and synthesize design information for clients and consultants.

Julia Kimoto joins as a civil designer. Kimoto will assist project managers with drawings and reports, construction documentation, material reviews and project coordination with subconsultants.

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engineering for this deep-water pipeline installation," he says, "and will begin mobilizing specialized marine equipment and deep diving gear along with materials for the project in the first quarter of 2021."



Rick Heltzel

Going forward, Humay says, BASE expects "to remain busy on Guam for the foreseeable future. Whereas we are exploring a number of private sector opportunities, our backlog of work

Work Suspended

Guam's Department of Public Health and Social Services (DPHSS) suspended all construction on the island following the Nov. 5 discovery of clusters of coronavirus-positive workers on job sites.

According to the DPHSS, "application of the directive to military-affiliated construction activities will be coordinated between Public Health and Department of Defense public health authorities."

is primarily with the military. We are involved with several multi-year indefinite delivery/indefinite quantity contracts for Navy design work, along with pursu-

ing design-build opportunities."

Nan Inc., says Nakaima, is likewise "making the appropriate adjustments" on Guam. This includes "mobilizing additional personnel, equipment and other strategic resources." In 2021 and beyond, Heltzel says, Healy Tibbitts "will continue to pursue both water-front and deep foundation work on Guam for both NAVFAC and the Government of Guam."

As these and other big-ticket projects gain momentum, Hawaii builders with the capabilities and financial resources to work in Guam, says Grossi, "should do very well." 🏠



Black Construction's P-250 MALS project, combined with the P-260 Corrosion Control Hangar project, is valued at \$86 million.

PHOTO COURTESY BLACK CONSTRUCTION CORP.