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KOSRAE STATE QUARTERLY REPORT FOR 4th Quarter FY 26

4.0 Project Management Office Administrative

So far only one applicant for the Quality Assurance Position has been certified by the FSM Personnel Office. A second application was submitted this quarter and still under review by Personnel Office.

Renovation of KHS T-3 (Voc Ed) building under SEEP was completed in August.

The repair project for KHS buildings was bid in September. Padma Power was the low bidder. Award is on hold awaiting CO/DoE decision on recommend scope reduction required to meet budget.

The job description and recruitment action for Hospital Maintenance Manager has been drafted and submitted to PMU in early October.

An application for the Quality Assurance Rep was received in September and forwarded to the FSM personnel office for screening.

The PMO submitted draft RFP for office space lease to PMU for review, approval and posting.

PMO finished the fiscal year with payables of $11,179 in 7 invoices dating back to January 2026.

PMO completed floor tiling project for office and lobby in early October.

4.1 Arthur P. Sigrah Memorial Hospital Construction

Designer: BECA Consultants
Contractor: GPPC, Inc.
Grant Award Number: D23AF00067
Grant Expiration Date: 9/30/2027
Grant Amount: $41,532,163.00

Fund and Program account: A3-19-04-19073-23/8301
Contract Number: C156507
Original Cost: $35,888,988.00
Current Contract Cost: $36,888,988.00
Project Start Date: June 8, 2023
Original Contract Completion Date: January 23, 2027
Current Contract Completion Date: July 9, 2027
Expected Completion Date: January 30, 2029 based on contractor's draft schedule.
Percent Complete: 36%
Payments to Date: $8,538,530.41 No new payments this quarter due to lack of approved progress schedule and submittal log. During the month of September, 10 contract non compliance letters were issued to GPPC by SSFM.
Material Compliance Submittals Approved to date: 172
Material Compliance Submittals Under Review: 17
Requests for Information Closed to Date: 199
Requests for Information Pending: 1
Number of Expat Employees: Increased from 83 to 106 due to ongoing recruitment efforts. GPPC continues to use skilled workers for unskilled work.
Number of Locally Hired Employees: 3
Approved Change Orders to Date: 14
Value of Approved Changes: $2,450,589.65
Pending Change Orders: 8
Estimated Value of Pending Changes: $1,198,015.43.
Potential Claims: 6
Estimated Value of Potential Claims: $78,000.

Work Summary for this quarter
1. Royal Rock Quarry:

a. Concrete aggregate production.
b. Sand production.
c. Basecourse production

2. Senny's Quarry: None

3. Tofol Staging Area:

a. Crusher producing aggregate
b. Washing sand & aggregates.
c. Concrete production.

4. General site works:
a. Housekeeping
b. Grass Cutting
c. Maintaining safety barriers and signage.
d. Maintaining environmental protection controls.
e. Cutting CMU blocks
f. Mixing CMU mortar

5. Building 100: Water Treatment Plant

a. Plastering Walls

6. Building 200 Inpatients Wing

a. Roof & ceiling steel erection including purlins and bracing

b. Steel column erection.

7. Building 300: Surgical

a. Plastering Walls

b. Footing earthwork

8. Building 400 Ancillary Services

a. Slab backfill and damp proof membrane.

b. Slab rebar, formwork and concrete.

c. Demolition for ramp slab.

d. Drainage and bedding.

e. Electrical rough in and boxes

9. Building 500 General Outpatients

a. Slab rebar formwork and concrete

b. CMU Walls

c. Lintel beams

d. Electrical rough in and boxes

e. Demolition and earthwork.

10. Stormwater

a. B 500 Trenching, laying, bedding and backfill.

b. B 400 Trenching

11. Sanitary Sewer

a. Pipelaying bedding and backfill behind retaining wall from SMH 3 to SMH2

12. Electrical Compound

a. Dedicated Outside Air Supply (DOAS) pad, retaining walls, drainage and backfill.

b. DOAS column footing earthwork, rebar and concrete.

c. Doas pad, slab & column rebar, formwork and concrete.

d. Pavement slab earthwork preparation.

13. Retaining Wall Stage 3 of 4

a. Upright rebar, formwork & concrete

b. Subsoil drainage installation and backfill

14. Water Supply

a. Investigation work between stream and fire hydrants

15. Power Supply: Low Voltage from Main Load Center to Motor Control Cabinet 6
    a. Trenching, duct laying, bedding and backfill.
16. Temporary Trash Rooms
    a. Slab prep, building frame and roofing.

Significant Events

- Construction of temporary trash rooms started.
- Renewed KIRMA Permit received.
- Reduced manpower due to public holiday observance.
- Charles Schiers visited site in early September
- Non Complince Notice issued by USACE for non compliant progress schedule.
- Assistant Project Manager Cesar Ragudo arrived on site.
- FF&E Group 2.1 confirmed
- PMO initiated regular FF&E group 3 coordination meetings with DoHS staff.

4.2 Arthur P. Sigrah Memorial Hospital Independent Technical Review of Design

Contractor: USACE
Grant Award Number: D16AF00039-20: $470,725
Grant Expiration Date: March 31, 2018
Fund and Program account: A3-19-04-14-19040-16/8310
Contract Number: C101177/FSMK18-002
Original Cost: $221,000.00
Project Start Date: November 15, 2017
Original Contract Completion Date: None
Current Contract Cost: $221,000.00
Percent Complete: 100% (original scope)
Financial % Complete: 98%

The ITR process was completed in August 2020 just prior to the second bidding. Based on most recent report from USACE, the balance as of 6/3/2026 was $3,789.76. We have requested USACE to provide fund status as of 9/30/2026,

4.3 Arthur P. Sigrah Memorial Hospital Rehab Construction Phase Design Services

Contractor: Beca International Consultants Ltd.
Grant Award Number: D22AF00240: $200,000
D23AF00067: $248,150
$136,475
$600,000
DF19AF00045 $483,067

Grant Expiration Date: September 30, 2024/September 30, 2027/Extended to December 31, 2027
Fund and Program account: A3-19-70-70-19811-22/8310: $200,000.00
A3-19-04-14-19703-23-8310: $848,150.00
3/19/04F002/19/83/000000: $ 483,067.00
Contract Number: C153553
Original Cost: $448,150.00
Current Cost: $1,667,692.00
Notice to Proceed Date: August 1, 2023
Original Contract Completion Date: December 8, 2023 Design tasks only not counting Car parks and generator site
Current Contract Completion Date: August 15, 2027
Percent Complete (financial): 89%

Beca continues to review requests for information, material compliance submittals and shop drawings as needed.

4.4 Malem Elementary School Improvement Design Services

The design criteria document has been finalized and Beca is preparing their fee proposal for the first phase of the design work.

4.5 Port Improvement (IMF)

Grant amount: $100,000
Grant Award Number: D17AF00015-00020
Task: Kosrae Airport Terminal Fencing Upgrade
Contractor PMW Construction Company
Contract Number State: C174769
Amount: $88,621.25
Contract Number FSM: CK25004
Amount: $11,351.25
Total Contract Cost: $99,972.50
IMF Share: $49,986.25
Local Share: $49,986.25
Contract Completion: 100%

The project has reached substantial completion and a punchlist has been generated. Joint inspection with KPA was held on July 24. Final payments from State and National Fund sources have been now paid. The project is now closed.

4.6 Okat Bridge Utility Relocation Design

Consultant: Pryzm Consulting, LLC.
Grant Award Number: D21AF100116: $150,000.00

Grant Expiration Date: September 30, 2025 (expired)
Contract Notice to Proceed: April 27, 2021
Contract Number: C133254
Original Cost: $142,713.00
Project Start Date: May 11, 2021
Original Contract Completion Date: October 23, 2021
Current Contract Cost: $142,713.00
Percent Complete: 100%
Current Estimated Completion date: Completed

USACE has given approval of the plans specs, draft contract and bidding documents. The project will remain on hold until sufficient construction funding is available. Partial funding has been requested in FY 27 AIP. The remaining funding needed will be requested in FY 28. Pryzm's additional documentation to justify the closing of their design contract is under review by the PMU now.

4.7 USACE Program Management Support for FY 19 FSM (K) 19-001

Grant Award Number: D21AF0015-00
Grant Amount: $141,000
Original Grant Expiration Date: 9/30/2022
Current Grant Expiration Date:
Contract Number: C133431
Work Agreement Original Cost: $141,000.00
Project Start Date: 6/24/2021
Original Contract Completion Date: December 2022
Current Contract Cost: $141,000.00
Percent Complete: 96%
Current Estimated Completion date: December 31, 2025

This project is ongoing. Most of USACE support at this time is under the hospital construction project in support of their resident engineer. Based on the last fund status report received this this Work Agreement had a balance of $4,095.35 as of June 3, 2026. Fund status for ending of 4th quarter FY 26 has been requested.

4.8 USACE Technical Support for MES Improvement and Okat Bridge Utility Relocation FSM(K) 21-002

Grant Award Number: D22AF0049-00
Original Grant Amount: $141,000
Current Grant Amount: $143,800

Original Grant Expiration Date: 9/30/2023
Current Grant Expiration Date: 12/31/2025
Contract Number: C158273
Work Agreement Original Cost: $143,800.00
Project Start Date: April 1, 2024
Original Contract Completion Date: December 2024
Percent Complete: 90%
Current Estimated Completion date: December 2026

Refer to item 4.6 for status of ITR for Okat Bridge project. Once the Malem Elementary School 35% design submittal is received, it will be submitted to USACE for review. The balance of this work agreement as of 6/3/2026 was $113,247.08. A fund status update for 9/30 has been requested.

4.9 USACE Construction Oversight Services for Kosrae Hospital Rehab Project FSM(K) 23-001

Grant Award Number: D23AF0067-00
Original Grant Amount: $41,532,163.00
Original Grant Expiration Date: 9/30/2027
Contract Number: C156080
Work Agreement Original Cost: $1,287,822.00
Project Start Date: February 1, 2024
Original Contract Completion Date: May 31, 2027
Current Contract Cost: same as above
Percent Complete: 80%
Current Estimated Completion date: May 31, 2027

Mr. Lees continues to provide resident engineer services for the project on behalf of Argo Consulting, SSFM Inc. and USACE. Fund status as of 9/30 has been requested from USACE.

4.10 Agriculture Station Improvement

Grant Award Number: D21AF0017-00
Grant Amount: $294,000
Original Grant Expiration Date: 9/30/2024
Current Grant Expiration Date: 3/31/2027

PIGGERY REHAB
Contractor: VCS Construction and Supplies
Contract Number: C175298
NTP Date: 9/22/2025
Contract Completion Date: 3/21/2026
Contract Cost $66,077.00
Per Cent Complete: 100%
Substantial Completion Date: December 30, 2025

This project is complete and closed. PMO invited bids in June to install a new water system for the piggery building. Once this work is completed the building will be fully functional.

PIGGERY WATER SUPPLY
Contractor: Pacific Landscaping, Engineering and Construction, Inc.
Contract Number: KOBL-26-2124
NTP Date: 7/28/2026
Contract Completion Date: 9/26/2026
Original Contract Cost $15,507.00
Final Contract Cost: $16,102.00
Per Cent Complete: 100%
Substantial Completion Date: August 20, 2026

The water system consists of interior and exterior water supply piping, repair or water catchment tanks and installation of ½ hp booster pump. One change order was executed to provide a short concrete stairway to the main entrance of the building. With completion of this contract the piggery building is fully functional.

CITRUS GREENHOUSE

Contractor: VCS Construction and Supplies
Contract Number: C175299
NTP Date: 9/22/2025
Contract Completion Date: 3/21/2026
Contract Cost $72,736.00
Per Cent Complete: Completed
Substantial Completion Date: January 6, 2026

The project is completed and in use by DREA Agriculture division at this time.

After completion of these buildings, the DREA Agriculture utilized some of the remaining consumable budget to purchase tools and equipment to support the operation of piggery and greenhouse.

4.11 COM Kosrae Campus Student Center

Kosrae State budgeted $104,288 for this project in FY 25. In June 2025 this amount was reprogrammed to FY 26 to provide lacking matching funds for the runway rehabilitation project. The Kosrae Campus has constructed a security fence that is with the limits of construction of this project. Some small sections of fence will have to be removed to accommodate the new project.

4.12 USACE Site Inspection for Kosrae Hospital Rehabilitation Project

Grant Award Number: D19AF00045-00
Grant Amount: $2,220,500

Account Number: A3-70-70-14-19800-19-8310
Original Grant Expiration Date: 9/30/2023
Current Grant Expiration Date: 12/31/2027
Contractor: USACE
USACE Contract No: FSM (K) 25-002
Kosrae State Contract No: C171669
Original Contract Amount: $1,108,000
Project Start Date: May 27, 2025
Original Contract Completion Date: 12/31/2027
Percent Complete: 52%

The purpose of this Work Agreement is to provide the services of an on site construction inspector to support USACE construction manager, Mr. Mark Lees. Site inspector Mr. Eric Escano continues to provide inspection and quality assurance services for the project on a full time basis. Fund status as of 9/30 has been requested from USACE.

4.13 Kosrae Hospital Quarantine Facility Repair and Maintenance FY 25 IMF

Grant Award Number: D24AF00349-00
Grant Amount: $1,067,220
Account Number: A1-18-80-81-92093-25
Original Grant Expiration Date: 9/30/2026
Current Grant Expiration Date: 9/30/2026
Contractor: VCS Construction and Supplies
Contract No: C250676
Original Contract Amount: $49,554.00
Project Start Date: October 1, 2025
Original Contract Completion Date: May 29, 2026
Substantial Completion date: May 14, 2026
Percent Complete: 100%

The project is substantially complete. Accounting of minor work added and deleted needs to be completed in order to close the contract.

4.14 Kosrae Utwe Water System Repairs FY 24 IMF

Grant Award Number: D24AF00349-00
Grant Amount: $1,067,220
Account Number: A1-18-80-81-92093-24
Original Grant Expiration Date: 9/30/2026
Current Grant Expiration Date: 9/30/2026
Contractor: VCS Construction and Supplies
Contract No: C250687
Original Contract Amount: $159,285.00
Project Start Date: October 1, 2025
Original Contract Completion Date: May 29, 2026

Percent Complete: 0%

PMO provided VCS a revised scope to include extending the water main to Mosral Malem and for VCS to turn over select materials to the government that are already in the BOQ. VCS is reviewing at this time.

4.15 Okat Water Well Rehab

This project was bid out in May. One bid was received but was not responsive so the project is being rebid. Status of bidding is unknown.

IMF Backlog

4.151 Hospital O&M Plan

Fiscal Year: 2024
Budgeted Amount: $150,000.00

Requested support from USACE for guidance on how to initiate. No response to date. Perhaps the construction project needs to progress further before we can begin. A facility maintenance manager is being funded in FY27. Once on board this person will be responsible for the O&M plan.

4.152 Hospital Well Pump and Water Main

Fiscal Year: 2024
Budgeted Amount: $50,000.00

DT&I submitted scope, drawings and BOQ to PMU on third week of July. An on line meeting was held to resolve scope questions.

4.153 State Admin Building Repair 1

Fiscal Year: 2024
Budgeted Amount: $150,000.00

The scope of the project has been revised to include only repairs to the State Administration building. New BOQ, Scope of Work and Cost estimate will be submitted to PMU by November 15th.

4.154 DREA Building Roof Repairs

Fiscal Year: 2024
Budgeted Amount: $100,000.00

PMO to inspect, prepare scope of work and BOQ.

4.155 Airport Fire Station Building Painting

Fiscal Year: 2024
Budgeted Amount: $100,000.00

PMO to inspect, prepare scope of work, specifications, and BOQ

4.156 Airport Runway Repairs

Fiscal Year: 2024
Budgeted Amount: $100,000.00

PMO preparing BOQ for taxiway striping and replacement of primary windcone.

4.157 Lelu-Tofol Water System Deak Detection and Repairs

Fiscal Year: 2024
Budgeted Amount: $25,000.00

DT&I to prepare scope of work and BOQ.

4.158 Tofol Oxidation Ponds Excavation

Fiscal Year: 2024
Budgeted Amount: $2,000.00

DT&I preparing scope of work and BOQ.

4.159 Okat Well Rehab

Fiscal Year: 2024
Budgeted Amount: $75,000.00

DT&I to update scope and BOQ from previous project.

4.160 Elementary School Repairs

Fiscal Year: 2024
Budgeted Amount: $325,000.00

PMO preparing scope of work, specifications and BOQ

4.161 State Admin Building Atrium Conference Room and Small Repairs

Fiscal Year: 2025

Budgeted Amount: $325,000.00

This project was cancelled as it included construction elements.

4.162 Road Maintenance

Fiscal Year: 2026
Budgeted Amount: $742,958.00

DT&I preparing revised scope to show where hot asphalt will be used.

4.163 Mutunte Water System Repairs

Fiscal Year: 2026
Budgeted Amount: $80,000.00

PMO is currently preparing a layout plan for the new water main.

4.164 Hospital Medical Waste Incinerator Repairs

Fiscal Year: 2026
Budgeted Amount: $30,000.00

Scope and BOQ complete. Ready to submit for bidding.

4.195 Hospital Oxygen Generator Maintenance

Fiscal Year: 2026
Budgeted Amount: $60,000.00

Scope and BOQ complete. Ready to submit for bidding.

Prepared by Bruce Howell, November 2, 2026

