



**GWA RESOLUTION NO 18- FY2022**

**RELATIVE TO INCREASING THE LIQUID CHLORINE SUPPLY CONTRACT FOR WATER PRODUCTION AND TREATMENT FACILITIES ISLANDWIDE**

**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**, on May 28, 2019 the CCU approved Resolution 31-FY2019, Relative to Approving the Liquid Chlorine Supply Contract for Water Production and Treatment Facilities Island-wide with Island Equipment Company for an initial three (3) year term with the option to renew for an additional two (2) one (1) year terms with Island Equipment Company; and

**WHEREAS**, a total cost of Two Million Five Hundred Fifty-Five Thousand Five Hundred Sixty Dollars and Eight Cents (\$2,555,560.08) was authorized for the first three (3) year term; and

**WHEREAS**, the renewal cost for an additional two (2) one (1) year terms is best projected by calculating the costs of the prior two year’s average usage; and

**WHEREAS**, FY2022 is the third (3rd) year of GWA’s Five (5) Year contract and GWA chlorine usage to date reflects a need to increase the authorized amount to ensure compliance with both water treatment and procurement authorizations; and

1           **WHEREAS**, as of April 29, 2022 GWA has spent a cumulative total of Two Million  
2 Two Hundred Sixty-Seven Thousand Three Hundred Eighty-Two Dollars and Eighty Cents  
3 (\$2,267,382.80) since the start of the contract; and  
4

5           **WHEREAS**, GWA projects spending another Four Hundred Twenty-Four Thousand  
6 One Hundred Eighteen Dollars and Sixty-Six Cents (\$424,118.66) before the end of the Fiscal  
7 Year 2022 bringing the total cost to Two Million Six Hundred Ninety-One Thousand Five  
8 Hundred One Dollars and Forty-Six Cents (\$2,691,501.46); and  
9

10           **WHEREAS**, GWA management seeks CCU approval to increase the original funding  
11 authorization by One Hundred Thirty-Five Thousand Nine Hundred Forty-One Dollars and  
12 Thirty-Eight Cents (\$135,941.38); and  
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14           **WHEREAS**, in anticipation of opting for the additional two (2), one (1) year terms,  
15 GWA projects requiring an average of Eight Hundred Eighty-Five Thousand Three Hundred  
16 Fifty-Four Dollars (\$885,354.00) each year for a total of One Million Seven Hundred Seventy  
17 Thousand Seven Hundred Eight Dollars (\$1,770,708.00); and  
18

19           **WHEREAS**, GWA management seeks CCU approval for the increase funding to the  
20 chlorine contract to Four Million Four Hundred Sixty-Two Thousand Two Hundred Nine  
21 Dollars and Forty-Six Cents (\$4,462,209.46) plus a Ten Percent (10%) contingency of Four  
22 Hundred Forty-Six Thousand Two Hundred Twenty Dollars and Ninety-Five Cents  
23 (\$446,220.95) to bring the total authorized funding amount to Four Million Nine Hundred  
24 Eight Thousand Four Hundred Thirty Dollars and Forty-One Cents (\$4,908,430.41).  
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26  
27           **NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities  
28 does hereby approve and authorize the items listed herein:  
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30           **Section 1.** The foregoing recitals hereby constitute the findings of the CCU.

31           **Section 2.** The increase in the Liquid Chlorine contract with Island Equipment  
32 Company is authorized up to Two Million Six Hundred Ninety-One Thousand Five Hundred

1 One Dollars and Forty-Six Cents (\$2,691,501.46) for the first three (3) year term, an increase  
2 of One Hundred Thirty-Five Thousand Nine Hundred Forty-One Dollars and Thirty-Eight  
3 Cents (\$135,941.38) from prior authorization; and

4 **Section 3.** Should GWA opt to continue with the existing contract for the additional  
5 two (2), one (1) year terms, an additional Eight Hundred Eighty-Five Thousand, Three  
6 Hundred Fifty-Four Dollars (\$885,354.00) for each year or One Million Seven Hundred  
7 Seventy Thousand Seven Hundred Eight Dollars (\$1,770,708.00) for both years is authorized.

8 **Section 5.** A Ten Percent (10%) contingency of Four Hundred Forty-Six Thousand  
9 Two Hundred Twenty Dollars and Ninety-Five Cents (\$446,220.95) is authorized.

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

13  
14 **DULY AND REGULARLY ADOPTED,** this 24<sup>th</sup> day of May 2022.

15 Certified by:

15 Attested by:

16  
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16  
17 

18 **JOSEPH T. DUENAS**  
19 Chairperson

18 **MICHAEL T. LIMTIACO**  
19 Secretary

20  
21  
22 **SECRETARY'S CERTIFICATE**

23 I, Michael T. Limtiaco, Board Secretary of the Consolidated Commission on  
24 Utilities as evidenced by my signature above do hereby certify as follows:

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

29 AYES: \_\_\_\_\_ 4  
30 NAYS: \_\_\_\_\_ 0  
31 ABSENT: \_\_\_\_\_ 0  
32 ABSTAIN: \_\_\_\_\_ 0

