



RESOLUTION NO. 45-FY2023

**RELATIVE TO INCREASING FUNDING AUTHORIZATION FOR WASTEWATER
CHEMICALS SUPPLY CONTRACTS**

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 July 23rd, 2019 the CCU approved Resolution No. 39-FY2019 authorizing GWA management to enter into a contract with Total Chemical Resources, Inc. and JMI Edison to purchase chemicals for the Northern District WWTP and Hagatna WWTP, which were upgraded, at the time, to Chemical Enhanced Primary Treatment facilities; and

WHEREAS, the secondary treatment processes employed at the Agat-Santa Rita Wastewater Treatment Plant (ASRWWTP), also require the use of chemicals as part of the solids (sludge) handling process; and

WHEREAS, GWA management entered into a contract for Inorganic Coagulant (“ACH”) (for sludge dewatering) to Total Chemical Resources, Inc. (“Total Chemical”); and

WHEREAS, GWA management entered into a contract for Anionic and Cationic Polymer with JMI-Edison (“JMI”); and

1 **WHEREAS**, The contract amount for GWA's contract with Total Chemical was Two
2 Million Six Hundred Twenty-Seven Thousand Five Hundred Thirty-Six Dollars and Fifty-Six
3 Cents (\$2,627,536.56) for the purchase of Inorganic Coagulant (“ACH”), plus a ten percent
4 (10%) contingency for a total of Two Million Eight Hundred Ninety Thousand Two Hundred
5 Ninety Dollars and Twenty-Two Cents (\$2,890,290.22) for three (3) years, with the option to
6 renew an additional two (2) one (1) year term; and

7
8 **WHEREAS**, The contract amount for GWA’s contract with JMI Edison was One
9 Million Sixty-Four Thousand Fifty-Three Dollars and Fifty-Three Cents (\$1,064,053.53) for the
10 purchase of Anionic Polymer and Cationic Polymer, plus a ten percent (10%) contingency for a
11 total cost of One Million One Hundred Seventy Thousand Four Hundred Fifty-Eight Dollars
12 and Eighty-Eight Cents (\$1,170,458.88) for a three (3) year contract, with the option to renew
13 for an additional two (2) one (1) year term; and

14
15 **WHEREAS**, GWA management received PUC approval in November of 2022 to take
16 the option for the first one-year renewal and as such issued in December 2022 a contract
17 renewal with Total Chemical and JMI Edison which extended both contract periods to
18 December 2023; and

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20 **WHEREAS**, the PUC Docket 23-02 that approved the one-year contract renewal also
21 approved a funding authorization increase of Three Hundred Ninety-Two Thousand Eight
22 Hundred Eighty-One Dollars and Thirty-Four Cents (\$392,881.34) for JMI-Edison and One
23 Million Three Hundred Twenty-Three Thousand Eight Hundred Twenty -One Dollars and
24 Twenty Cents (\$1,323,821.20) for Total Chemical; and

25
26 **WHEREAS**, the use of Anionic and Cationic Polymer for sludge handling at the noted
27 wastewater treatment facilities continues but with unanticipated increase of usage specifically at
28 the Northern District WWTP after the facility was upgraded to secondary treatment; and

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30 **WHEREAS**, since the execution and extension of both chemical contracts, GWA has
31 received notification of and requests for price adjustments in accordance with Guam
32

1 Procurement Law from the vendors for all chemicals, which had the practical effect of reducing
2 the overall quantities delivered for the authorized funding levels; and

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4 **WHEREAS**, GWA management anticipates a need to exercise the second one-year
5 renewal option with the chemical vendors however the current available funding authorization
6 has been reached therefore this resolution is seeking a funding authorization increase in the
7 amount of Seven Hundred Thousand Dollars and Zero Cents (\$700,000.00) for Cationic
8 Polymer, Seven Hundred Thousand Dollars and Zero Cents (\$700,000.00) for Anionic Polymer
9 and One Million Dollars and Zero Cents (\$1,000,000.00) for ACH for the estimated quantities
10 needed for each of the respective chemicals; and

11
12 **WHEREAS**, the source of funding for the purchase of wastewater chemicals will be
13 from the GWA Operations and Maintenance Budget (revenue funds).

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

- 17 1. The recitals set forth above hereby constitute the findings of the CCU.
- 18 2. The CCU hereby authorizes the funding authorization increase to the contract
19 with Total Chemical Resources, Inc. an additional One Million Dollars and
20 Zero Cents (\$1,000,000.00) for ACH.
- 21 3. The CCU hereby further authorizes the funding authorization increase with
22 JMI Edison an additional Seven Hundred Thousand dollars and Zero Cents
23 (\$700,000.00) for Cationic Polymer and Seven Hundred Thousand dollars
24 and Zero Cents (\$700,000.00) for Anionic Polymer.
- 25 4. GWA Management is hereby authorized to seek PUC approval as required by
26 Docket No. 00-04.

27
28 **RESOLVED**, that the Chairman certified and the Board Secretary attests to the
29 adoption of this Resolution.

1 **DULY AND REGULARLY ADOPTED**, this 27th day of September, 2023.

2
3 Certified by:

Attested by:

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7 **JOSEPH T. DUENAS**
8 Chairperson

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10 

11 **PEDRO ROY MARTINEZ**
12 Secretary

13 **SECRETARY'S CERTIFICATE**

14 I, Pedro Roy Martinez, Board Secretary of the Consolidated Commission on Utilities as
15 evidenced by my signature above do hereby certify as follows:

16
17 The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular
18 meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally
19 held at a place properly noticed and advertised at which meeting a quorum was present and the
20 members who were present voted as follows:

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23 AYES: 5

24 NAYS: 0

25 ABSENT: 0

26 ABSTAIN: 0



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