



GWA RESOLUTION NO. 09-FY2024

**RELATIVE TO FURTHER AMENDING THE GUAM WATERWORKS AUTHORITY'S
SEWER HOOKUP REVOLVING FUND RULES AND REGULATIONS**

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, the Guam Waterworks Authority Sewer Hookup Revolving Loan Fund is also known as the GWA Wastewater Revolving Loan Program and the GWA Sewer Revolving Loan Program and has been established since 2006; and

WHEREAS, on March 13, 2007, the CCU through Resolution 09-FY2007 adopted and approved GWA’s Wastewater Revolving Loan Program including the related rules and regulations setting priorities and limiting loan amounts to \$9,000.00; and

WHEREAS, in July 2008, a Memorandum of Understanding between Guam EPA (GEPA) and GWA provided \$75,000 from GEPA to support the GWA Wastewater Revolving Loan Program (“Loan Program”) and \$2,000 to GWA in administrative costs for managing the funding of Loan Program; and

WHEREAS, on September 12, 2022, the FY2023 Budget Act, enacted as Public Law 36-107, Chapter XI, *Miscellaneous Appropriations*, Section 8, *Appropriation to the Guam Waterworks Authority Sewer Loan Revolving Fund* appropriated \$2,000,000 to the GWA Sewer Loan Revolving Fund for the purpose of assisting customers with the cost of sewer connections; and

1 **WHEREAS**, on January 24, 2023, following recommendations from a 2021 *Cesspool and*
2 *Septic Tank Elimination Study* and to encourage property owners to take advantage of the Sewer-Hook
3 loan program and the increased funding available, the CCU, through Resolution 08-FY2023, adopted
4 and approved amendments to GWA’s Wastewater Revolving Loan Program and increased the sewer-
5 hook up loan amounts from \$9,0000 to \$25,0000; and

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7 **WHEREAS**, to date, only three loans have been issued under this program and GWA and the
8 CCU further desire for property owners to take advantage of this program; and

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10 **WHEREAS**, increased construction costs have been observed since the onset of the COVID
11 pandemic and have continually increases since GWA’s 2021 *Cesspool and Septic Tank Elimination*
12 *Study* was completed and the current loan limit of \$25,000.00 was recommended; and

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14 **WHEREAS**, to account for the increased construction costs observed since 2021 and because
15 this fund has the potential to be utilized for many years to come, GWA management now recommends
16 that the maximum loan limits be increased from \$25,000 to \$50,000 per applicant;

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18 **WHEREAS**, notwithstanding the recommendation to increase loan limits by double, loan
19 terms still require applicants to provide between two and three cost estimates OR proposals so
20 awards are still to be made based on the representative fair market value;

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22 **WHEREAS**, the increased loan amounts should encourage property owners to take advantage
23 of the Sewer Hook-Up loans to assist with the cost of sewer connections; and

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25 **WHEREAS**, more sewer connections to the GWA sewer system will contribute to the
26 enhanced protection of Guam’s water resources and its environment;

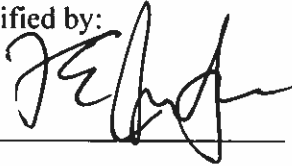
27
28 **NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does
29 hereby approve the following:

1. The CCU hereby authorizes the management of GWA to increase the maximum Sewer Hook-Up Loan amount from \$25,000.00 to \$50,000.00 per applicant and to amend the current Rules and loan terms as required.
2. The CCU hereby further authorizes the management of GWA to notify the Public Utilities Commission of the updates made to the revolving fund.

RESOLVED, that the Vice Chairman certified, and the Board Secretary attests to the adoption of this Resolution.

DULY AND REGULARLY ADOPTED, this 23rd day of January 2024.

Certified by:



FRANCIS E. SANTOS

Vice Chairman

Attested by:



PEDRO ROY MARTINEZ

Secretary

SECRETARY'S CERTIFICATE

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

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

AYES:	<u>4</u>
NAYS:	<u>0</u>
ABSENT:	<u>1</u>
ABSTAIN:	<u>0</u>



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