



**CONSOLIDATED COMMISSION ON UTILITIES**  
Guam Power Authority | Guam Waterworks Authority  
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

**REGULAR BOARD MEETING**  
**CCU Conference Room, Gloria B. Nelson Public Service Building**  
**5:30 p.m., Tuesday, February 27, 2024**

**\*AMENDED AGENDA**

1. **CALL TO ORDER**
2. **[APPROVAL OF MINUTES](#)**
3. **PUBLIC COMMENTS** (Limit to 2 Minutes)
4. **GWA**
  - 4.1. [GM Report](#)
  - 4.2. [Financial](#)
  - 4.3. [GWA Resolution No. 10-FY2024 – Relative to Approval of Design-Build of GWA Upper Tumon Campus Improvements](#)
  - 4.4. [GWA Resolution No. 11-FY2024 – Relative to Approval of the FY2025-FY2029 5-Year Financial Plan and CIP GPA](#)
  - 4.5. [GWA Resolution No. 12-FY2024 - Relative to the Approval and Recommendation to Establish a New Article 9 within 28 GAR, Chapter 2, for GWA's Sewer Hook-Up Revolving Loan Fund](#)
5. **GPA**
  - 5.1. [GM Report](#)
  - 5.2. [Financial](#)
  - 5.3. **GPA Resolution No. FY2024-17** – Relative to the Approval of the Energy Conversion Agreement (ECA) Amendment for Ukudu Power Plant
  - 5.4. [GPA Resolution No. FY2024-18 – Relative to Authorizing the Refunding of 2014 Revenue Bond](#)
6. **OTHER DISCUSSION**
7. **EXECUTIVE SESSION**
  - 7.1. [\\*GWA Litigation Matter](#)
8. **ANNOUNCEMENT**
  - 8.1. Next CCU Meetings:   March 19, 2024 – GWA WS, 8:30 AM  
                                  March 21, 2024 – GPA WS, 8:30 AM  
                                  March 26, 2024 – CCU Regular Board Meeting, 5:30 PM
9. **ADJOURNMENT**



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**REGULAR BOARD MEETING**  
**CCU Board Room, Gloria B. Nelson Public Service Building**  
**5:30 p.m., Tuesday, August 23, 2022**

**MINUTES**

**1. CALL TO ORDER**

Chairman Duenas calls CCU Regular Board Meeting to order, August 23, 2022 at 5:30 p.m. For the record, present are Chairman Duenas and Commissioners Limtiaco, Sanchez, and Martinez. Chairman Duenas requests if the Commissioners would like to discuss the Board vacancy of the at the beginning of the meeting or keep it at the end just as stated in the agenda. Comm. Limtiaco states it will be best to discuss it at the end.

**Commissioners:**

Joseph T. Duenas	CCU Chairman
Pedro Roy Martinez	CCU Secretary
Michael T. Limtiaco	Commissioner
Simon Sanchez	Commissioner

**Executive Mgmt.:**

John Benavente	GM/GPA
Miguel Bordallo	GM/GWA
John Kim	CFO/GPA
Tricee Limtiaco	AGMA/GPA
Taling Taitano	CFO/GWA
Therese Rojas	Legal Counsel/GWA
Graham Botha	Legal Counsel/GPA

**Management & Staff:**

Candice Ananich	Management Analysis/GPA
Ann Borja-Gallardes	Management Analysis/GWA
Reginald Diaz	Management Analysis/GPA
Allan McDonald	IT/GWA
John Dixon	IT/GWA

**2. PUBLIC COMMENTS**

No public comments.

**3. APPROVAL OF MINTUES**

Minutes up for approval. Comm. Sanchez moves to approve the minutes; Comm. Martinez second. Minutes are subject to written corrections.

Chairman Duenas states with no further questions, calls for a vote; motion passes with four ayes. [Aye = 4, Nay = 0]

**4. GPA**

**4.1 GPA Resolution No. FY2022-27 Relative to Use of Grant Funds for the Energy Efficiency Upgrade at UOG School of Business and Public Administration building Project under Siemens Contract** - GM John Benavente states this resolution is to provide energy efficient measures, include LED lighting retrofit, HVAC control retrofit, and Solar PV at the UOG School of Business and Public Administration to help in reducing UOG's recurring energy and operational costs and deploying addition renewable power generating asset. This is located at the UOG School of Business and Public Administration. It will cost \$1,291,938 and is scheduled to be completed by December 31, 2023. Funding source is the US Department of the Interior Energizing Insular Communities Grant. Comm. Martinez motions to approved Resolution No. FY2022-27; Comm. Sanchez second.

Chairman Duenas calls for the vote for Resolution No. FY2022-27, motion passes with four Ayes. [Aye = 4, Nay = 0]

**4.2 GPA Resolution No. FY2022-28 Relative to Macheche CT Turbine** – The project's objective is to replace the existing Macheche CT Turbine, which has exceeded its safe running hours with a refurbished, low-hours GE certified unit. The project is urgent because the reliability of Macheche CT is critical to support the demands of the island wide power system. It is located in Harmon Loop. The replacement of the engine is \$3,953,417.60. The engine will be delivered within 100 days with the site installation scheduled for three weeks. Revenue Funds will be used. All services will be provided by TEMES, Inc. Three bids were received and GTI – Gas Turbine Investments was the lowest bidder at \$3,953,417.60. Comm. Sanchez motions to approve Resolution FY2022-28; Comm. Martinez second.

Chairman Duenas states with no further questions, call for a vote, motion passes with four Ayes. [Aye = 4, Nay = 0]

**4.3 GPA Resolution No. FY2022-29 Relative to Bond Financing Savings Utilization** – This is the GPA Bond Refunding Program will result in a cumulative debt service reduction of \$10,056,536 from year 2024 to 2034 and a cumulative debt service reduction of \$4,297,438 from year 2031 to 2034. As per Guam PL 36-80, Section 2(h), GPA must notify I Liheslaturan within ninety (90) days of refinancing of its intent and plan regarding the savings achieved from refinancing. GPA desires to reserve these savings for the benefit of the community by making a strategic investment in Ukudu Power Project. GPA proposes to use the Bond Refunding Program savings towards the capital lease and Operating and Maintenance Expense of Ukudu Power Project. Comm. Martinez motions to approve Resolution FY2022-29; Comm. Limtiaco second.

GPA Legal Counsel, Graham Botha points out a correction on line six of the resolution. It must be corrected from 2034 to 2030. Comm. Sanchez motion to amend line six of Resolution No. FY2022-29 to change the year number 2034 to 2030; Comm. Martinez second.

Chairman Duenas states with no further questions on the first motion, calls for a vote, motion passes with four Ayes. [Aye = 4, Nay = 0]

Chairman Duenas continues with no further questions on the main motion as amended, calls for a vote, motion passes with four Ayes. [Aye = 4, Nay = 0]

## 5. GPA GM REPORT

GM Benavente states Cabras, Piti No. 8 came on the line has been working well and operating at 40 megawatts. Cabras 2 came on the line on Saturday and it's now up at 45 megawatts and operating well. Piti 9 still on schedule for early September returning to service. That will bring our three units back. The next overhaul will be covers Cabras 2 in October 2 for about 50 days. Thank you know our sister company we're using the GWA assets during this period of time. The Airport Authority, the Port Authority, the Guam Regional Medical Center, Pacific Unlimited, generally just wanted to help the system at this point. The military and the community and large helped us. We're establishing interoperable load program and we have sent out signal invitations to hotels and other major loan centers. We don't have many that have come back on except the team that was mentioned. We will do what needs to be done to move forward.

Comm. Sanchez states he was a little that in that presentation on hedging GPA wasn't invited to hear anything...why wouldn't why wouldn't you want to share the information plus we could have provided feedback. CFO Kim was asked to look at it discuss what he notices. CFO Kim states, yes, we do hedge but there's two types of hedging when we brought in a consultant right before the COVID so they look at the hedging program and see our capabilities. The consultant is Utilities Financial Services and the person looking at us is Dr. Axelrod. He's been with the Massachusetts Municipality Electric Powers. The things we looked at is what kind of asset we have. So, we looked at the Energy Storage Systems (ESS), utility bound battery renewables, and we also looked at new power plants and what kind of fuels we'll be running. Right now, we stopped buying RFO, in the future we'll be buying 0.2 Low Sulfur RFO and diesels. Those indexes are in base priced on diesel going forward. We also looked at compliance with the Consent Decree and US Clean Air Act. Our objective was to reduce or minimize the lowest cost possible or have it the lowest cost possible.

GM Benavente felt it really just wasted a lot of our time in his opinion. Being straightforward with this, first, of all they have no idea...they didn't ask us any information about the utility before they made that recommendation and give the people of Guam, they thought that perhaps something could be done. CFO John itemized so many items of things that we've been doing which is similar to hedging, not the hedging that they're talking about. The hedging that they're talking about is high risk. We go out there we hedge one time we lost 10 million dollars... what the heck, excuse my language, what do you think is going to happen? We've been burned before. We're also in the process of changing from three fuel, to five fuels, down to one fuel. The conversion to get to Ultra Low Sulfur diesel... so we have all of this different fuel, which one you're going to hedge on? Eventually, the team here will look at the opportunity of the financial heads for diesel fuel. It's unfair to bring it up there, it's a big disappointment to me that they bring it up there and not once anyone ask us any information on what we're doing in which we could have provided picture as to what

we're doing. Then the consultant could take a look at that and say, okay, what opportunity do do this company really have? That strategy, to be very honest with everyone, is something that was being done 20 years ago. They may have their expertise but, please, don't come in making a conclusion of Guam Power Authority before understanding the information. We can have a discussion to agree to agree or to disagree and then from there we can take it to town but don't get our rate payers so riled up that we're not doing the best we can because we have many people in the Authority that are doing the best that they can. That's when I get irritated.

Furthermore, most people that hedge, the majority of them don't have time kits. We hedge because we have 30 to 90 days of time kits. We buy on the low and if their costs go up, we don't buy fuel for a month and a half...we can delay it depending on our inventory. They don't. Hedging is not really about a savings is more to make sure that you're within your budgeted cost so that you don't have to increase the rates for everybody

CFO Kim states, we had a consultant look at it and they said there's two types of hedging there's a fiscal hedging and a financial hedging. He said was for operation is too small you need like three different departments so he said for financial hedging you should outsource that. But he said what we could implement was the physical hedging so that's something that we've been doing. We implemented physical hedging but some of the practices we've been doing for years. It's not something new but it was more of a documented process. Comm. Sanchez states he is disappointed that the group didn't talk to the stakeholders to find out how it work and how it was being done here.

CFO Kim goes on, so, on the physical hedging, something we do have, is called inventory management. I believe they discussed that in their presentation. We do have two big 250kb tanks so we could actually leverage and we also outsource those tankers. So, what we do is when the price is low, we just acquire more and just be common practice when the price and when the price is high, we just slow down. This time around for Cabras 8 and 9, we knew were going to burn diesel in July, so, we actually bought that early on when the price was lower. But at the RFO, the low sulfur RFO, we knew that the prices will be high so, we delayed the purchase of that. Right now, the price of diesel has gone down with this index down so we're going to buy at a lower price. That's one other way we do hedging.

## 6. GWA

- 6.1 GWA Resolution No. 27-FY2022 Relative to Approving the Charge-Off of Guam Waterworks Authority Receivables Deemed Uncollectible** – GM Bordallo defers to CFO Taling Taitano to present the resolution. CFO Taitano states it's good accounting practice to regularly review accounts receivables to ensure the Allowance for Doubtful Accounts is appropriate and to write off accounts that are deemed uncollectible. If uncollectible receivables are not written off regularly, for example, annual, Accounts Receivable and the related Allowance become overstated. The last write off was performed in March 2021. We are proposing the resolution to prepare for the year end closing. The proposed amounts to be charged off are \$973,916. The Trade Receivables total \$908,951; Government accounts is \$13,944; other accounts receivables are \$12,872. Comm. Sanchez moves to approve Resolution 27-FY2022; Comm. Martinez second.

Chairman Duenas ask for discussion. Chairman Duenas calls for a vote. Motion passes with four Ayes. [Aye = 4, Nay = 0]

**6.2 GWA Resolution No. 28-FY2022 Relative to Approving FY22 Budget Amendments and Rate Stabilization Fund Transfers** – CFO Taitano states, the final FY2022 Budget has been pending Public Utility Commission (PUC) action on the Comprehensive Review and Update of GWA’s 5-year Financial Plan submitted in May 2021. Due to the delay, the CCU approved a rollover of the FY21 cost containment budget in Resolution 26-FY2021 in anticipation that the PUC would act before the end of FY2021 as required by February 2020 Stipulation and Rate Order.

GWAS management seeks CCU authorization to increase its Operations and Maintenance budget not to exceed \$95,609,096. The projected increase of \$6M is driven primarily by the increases in power costs of \$5M, plus a general increase in the cost of goods and services due to the supply chain issues, the increasing cost of transportation, and inflation.

On February 23, 2021, the CCU approved Resolution 11-FY2021 Establishment of the GWA Rate Stabilization Fund. The RSF serves as a tool to manage financial risks without the need for immediate rate relief. Such risks include the uncertainties of the COVID-19 related impacts on the economy and its effects of GWA revenues and debt service coverage. In September 2021, GWA transferred the authorized \$11.4M from GWA’s general fund formally approved as part of the annual budget.

Because of the delays in PUC action on rate relief, CCU Resolution 06-FY2022 authorized transfers up to \$2M and CCU Resolution 19-FY2022 authorized transfers up to \$3.3M for a total of up to \$5.3M from the RSF to the GWA general fund. Both resolutions were passed in anticipation that the PUC would schedule the rate hearing in the near future. However, although the PUC Administrative Law Judge has issued that proposed rate order on May 13, 2022, the PUC has yet to schedule a meeting to consider the proposed rate order. To ensure the GWA does not fall below the required 1.25 DSC as required by the bond indenture, approval is requested to transfer up to an addition \$6.1M out of the RSF into the GWA general fund for a combined total authorization of \$11.4M. Additionally, if sufficient revenues exist to replenish the \$11.4M, approval is requested to transfer from revenues to the RSF up to the authorized amount. Once the PUC has issued the rate order, currently anticipated for some time in September 2022, GWA management will submit an updated budget resolution for the CCU’s consideration and will include any proposed updates for RSF transfers in and transfers out.

In the CCU approved May 1<sup>st</sup> CR&U submittal to the PUC, transfers from the RSF were planned for FY2022 largely because projected demand is lower than normal as a result of the impacts of the COVID-19 pandemic. Adding to this, PUC action on proposed rate increases have been delayed, creating further impacts to correct revenues and financial performance.

Although GWA has continued cost containment measures, for the reasons noted increasing the FY22 budget authorization is necessary and urgent to cover the increases in costs beyond GWA’s control and ensure that operations continue without disruption. Similarly, transfers from the RSF have been necessary to meet the minimum required debt service coverage and additional transfers may be necessary prior to the end of the current Fiscal Year to avoid

technical default on bond indenture requirements. Comm. Limtiaco motions to approve Resolution 28-FY2022; Comm. Martinez second.

With no further discussion, Chairman Duenas calls for a vote. Motion passes with four Ayes. [Aye = 4, Nay = 0]

**6.3 GWA Resolution No. 29-FY2023 - Relative to Approval of Series 2016 and 2020A Bond Proceeds Reallocation** –The objecting of the bond proceeds reallocation is to allocate additional funding for the remaining court ordered water tank projects. Construction costs are significantly higher than originally estimated during the development of the 2018 Water Resources Master Plan and funds must be identified so that the projects can be obligated and completed timely. The reallocation funding will be applied to tank construction and repair and rehabilitation projects at several locations island-wide.

There is no additional cost proposed over previously approved 2020A bond expenditures, GWA management seeks to reallocate \$30,425,00 of the 2020A Bond proceeds, from projects for which have already completed, or can be deferred and for which funds are not immediately needed. It is the intent that these projects will be funded from future proceeds.

GWA intends to issue the bid documents for the largest new tank construction projects in October, with some rehabilitation, repair projects being funded in the near term as on-going inspections and assessments are completed. The reallocation is necessary so the funds can be certified for these upcoming construction contracts. The funding source 2020A Bonds. Comm. Limtiaco motions to approve Resolution 29-FY2022; Comm. Martinez second.

With no further questions, Chairman Duenas calls for a vote and motion passes with four Ayes. [Aye = 4, Nay = 0]

#### **6.4 GM Report**

GM Bordallo points out just make sure nobody's alarmed we the last couple months we've noticed the tank reservoir levels may have been coming down in terms of our total capacity. Typically, we like to stay between 40 and 50 of the tank capacity which takes into account the fluctuations during the day. You'll notice that these have been trending more towards 30, 35 and I just wanted to point out that we do have as part of the ongoing tank projects we've been the distribution crews and the engineering section have been working hard to take some of these tanks offline so we can do the assessments for the major repairs. These are for tanks that we're not replacing but we're repairing. In order to know what the repairs are, we have to take them offline empty them and so on. These numbers reflect that we do have in the south four tanks offline at the moment which accounts for about 3.5 million gallons of total of 8.8 million gallons capacity in the south. That's just what those four tanks...were already down 40 percent so the numbers may look low but there's a reason why they're low and I just wanted to point out to the commissioners it's not necessarily that we're not paying attention to the distribution system. Quite the contrary, we're working on rehabilitating those tanks and we do have tanks offline similarly in the north, we have five tanks offline accounting for about 9 million gallons of storage out of 28.4 million gallons. That's about 32 percent of our capacity offline just because we're doing these assessments.

**7. OTHER DISCUSSION**

**7.1 CCU Vacancy**

Chairman Duenas states, there is a vacancy for vice chairman and we need to fill that vacancy. Comm. Sanches proposes Michael Limtiaco becomes the Vice Chairman and Pedro Roy Martinez becomes the new secretary to replace the departed administration who vacated the vice chairmanship; Chairman Duenas second the motion. Chairman asks if the nominations are accepted and Commissioners Limtiaco and Martinez accepts the nominations.

With no further questions, Chairman Duenas calls for a vote and motion passes with four Ayes.  
[Aye = 4, Nay = 0]

**8. ADJOURNMENT**

Comm. Limtiaco motions to adjourn; Comm. Martinez second. Meeting adjourned at 7:15 p.m.

//s/

Lourissa L. Gilman

Attested

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JOSEPH T. DUENAS, Chairman

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PEDRO ROY MARTINEZ, Secretary

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**REGULAR BOARD MEETING**  
**CCU Board Room, Gloria B. Nelson Public Service Building**  
**5:30 p.m., Tuesday, November 28, 2023**

**MINUTES**

**1. CALL TO ORDER**

Chairman Duenas calls CCU Regular Board Meeting to order, November 28, 2023 at 5:39 p.m. For the record, present are Chairman Duenas and Commissioners Limtiaco, Sanchez, Santos, and Martinez.

**Executives, Management, & Staff:**

**GPA**

John Benavente, GM  
Jennifer Sablan, AGMO  
John Cruz, AGMET  
John Kim, CFO  
Tricee Limtiaco, AGMA  
Marianne Woloschuk, Legal Counsel  
Joyce Sayama, Communications  
Melvyn Kwek, CITO  
Joleen Cruz, Communications  
Vien Wong, IT  
Vladimir Navasca, IT  
Candice Ananich, MAIV  
Lourissa Gilman, UBS

**GWA**

Miguel Bordallo, GM  
Chris Budasi, AGMA  
Thomas Cruz, AGMO  
Taling Taitano, CFO  
Jeanet Owens, AGME  
Therese Rojas, Legal Counsel  
Evangaline Lujan, Compliance/Safety  
Michael Schniep, HR  
Manny Apuron, IT Administrator  
Janae Perez, IT  
Ann Borja-Gallardes, MAIV

**Guests:**

Annmarie Muna, AM Insurance  
Stanley Wilson, Public  
Jung Kim, Public  
David Castro, Guam Daily Post  
George Castro, Depo Resources

**Online:**

Sen. Parkinson's Office

**2. APPROVAL OF MINUTES**

Minutes up for approval are CCU Regular Board Meetings on January 12, 2023 Oath of Office and October 24, 2023 Regular Board Meeting. Comm. Santos moves to approve both minutes; Comm. Sanchez second.

Chairman Duenas states with no further discussion, calls for a vote; motion passes with five ayes. [Aye = 5, Nay = 0]

### 3. PUBLIC COMMENTS

#### 3.1. Stan Wilson

Chairman explains, we are in the Public Comments portion of the meeting. Mr. Stan Wilson states, he has a lot more to say than it's going to take two minutes. Chairman asks if he can condense it.

Wilson begins, new generators for the wells, those were put in 30 years ago and they either no longer exist or they don't work. My generator is older, and it works just fine, but you're talking about buying 104 generators for either \$11.4 or \$9.5 million dollars? I did the math...that's either \$91,000 or \$109,000 dollars each. How big are the generators? I went online and the retail prices of brand name, U.S. made generators the most expensive one was 40KW and it's under \$25,000.

Wilson, continues, Marbo Cave, he's talked to 25 people that have built homes on Guam. Nobody gets plans, signs a contract with a contractor and goes home and stays home until the contractor calls them and says that, "Oh, you can move in tomorrow!" Everybody he knows, went to visit their house, if not daily, at least once a week during the construction period. Nobody from GPA ever took a trip up to Marbo Cave area? I haven't spoken to a single person that doesn't know what a ponding basin is. Nobody from GPA ever looked! Unbelievable!

New generator that you're building...number one, it's not legal because you have a contract to buy power from it for 25 years after it starts operating and that is several years past the law! Guam law says that you have to be 100% renewable. I understand that law is stupid, I understand it's not possible, but change the law before you sign a contract. Don't do like you did like the other little generator thing up near Jose Rios. Force the Legislature to do what you have to do. Why don't you do anything in advance? Doesn't anybody ever think ahead? Load shedding again? You got to be kidding me.

I think the Board members ought to represent the people that voted for them rather than the management of the Board. It appears that you don't. I haven't spoken to anybody that is happy with GPA or GWA. I had a water outage after the storm... I hate to say this, but I used to be Chairman of the Waterworks Board when it was part of GovGuam. I believe, if I'm not correct, that I was the one that bought those generators. I think it was GPA that was supposed to maintain them, is that not, correct? Who's supposed to maintain those generators, GPA or GWA?

Chairman Duenas addresses Mr. Wilson, his two-minute are up but he may continue his comments.

Wilson continues, nobody ever did their job and maintained them or at least reported them that their broken or missing or whatever? That's why we have water outage after a typhoon. Yes, it's been 13 years, but we get typhoons maybe tomorrow and now we're going to start a process to buy new generators that will take you a year to get through the bidding process and maybe another year maybe or so. That's two years away probably the way government works. Anyhow, I'm disgusted and everybody I've talked to is discussed with GWA and GPA. Not the guys that go out last week and put a new drop on my house. Those three guys worked their butt off, you know, they were hard working, conscientious, and knowledgeable knowing what they're doing. The problem is not with your line workers. The problem is with the management. Either at the very top or the next couple of layers down. Nobody holds anybody responsible or accountable...nobody!

### **3.2. Jung Kim**

Jung Kim is a resident of Dededo and has a home in Yigo. He is requesting a refund regarding his waterline extension. He was denied and he would like more clarification. He received response from engineering, but that response is not acceptable. I don't agree and clearly, it's really different from what is written on rules and regulations. He hasn't contacted the General Manager because he doesn't know anyone else to contact.

Chairman Duenas states at GWA staff and get Mr. Kim's contact number so the general manager's office will give you a call to arrange a meeting so that he can further discuss your issue. This is an operational issue he needs to take care of. Mr. Kim states, I think the General Manager is aware of this situation. Chairman replies that this is an issue that needs to take place in meeting with the GM and he will explain and you will get your answer. Mr. Kim states he understands. With no further public comments, the board meeting move forward.

## **4. NEW BUSINESS**

### **4.1. Joint Cyber Security Briefing**

Melvyn Kwek, Chief Information Technology Officer, and Manny Apuron, IT Administration, are presenting a GPWA Cyber Security Update.

In the last two years the cyber security landscape has shifted considerably. The pandemic which brought across an increase in digitization of services and new processes this of course has increased the potential for expanded security issues. We have our increased geopolitical agendas rising ongoing concerns with electronic warfare and cyber security. The war in Ukraine ramped up cyber security activity from Nation State Actors and leading to targeted attacks on Guam. Growing demand for Cyber and IT professionals and leading to a shortage of skill sets and staffing. Ever changing technology requirements and of course supply chain issues and delays in procuring new technology.

Volt Typhoon, this was mentioned specifically, Guam, this came out in the New York Times in May 24, 2023, Chinese malware hit systems on Guam. This is related to Guam's strategic location with DOD presence. We had a couple incidents where there were targeted attacks on Guam a local ISP telecom company plus another GovGuam agency. Ironically, we actually had the FBI assessment team here for both GPA and GWA and they were actually here when this news broke out. This is just the tip of the iceberg.

GPA and GWA has been ongoing Cybersecurity and Network Assessments. We had our Department of Homeland Security, Infrastructure Security Agency (CISA) here in February 2023 doing the risk and vulnerability assessment. The FBI Network and Vulnerability Assessment Team was here in May 2023 for both GPA and GWA. And, the Coast Guard Cybersecurity Protection Team was here for GWA in 2022 August and they were here in September 2023 for GPA. During that time, they've put numerous network sensors on both our networks GPA and GWA and the sensors are still here and they're going to be here for indefinite amount of time. We have another Network and Host Assessment scheduled forthcoming. I'm looking at first quarter of 2024. We have been the focus of multiple federal agencies to make sure that we are trying to be secure and that we don't have any intrusions by Nation State Actors.

Another thing driving additional cybersecurity concerns is Digitizing of Services. In the past two years

because of pandemic, we've actually done more conversion of physical manual processes to automated solutions. Energy Sense Rebate applications before you would have to come in turn an application by hand and now you can go online. Actually, that's the only way to do it. Go online, submit the forms, and everything gets processed electronically even the approval process and the notification process. Prior to implementation no applications were processed within 20 days. A new KPI is 50% of applications are processed within 30 days. Meter provisioning and exchange process using Mobile Workforce. If you notice, we actually have a lot of vehicles with two antennas coming out which gives the vehicles mobile connectivity. We're using that to connect to tablets to make meter change outs faster in the field. Online Energy Audit Application roll out in April and May 2024. Distribution Troubleshooting and Planning using Smart Grid Big Data Applications and exploring AI for grid controller. All this automation also exposes us to more cybersecurity concerns because this is using technology in a different.

Some of the challenges for GPWA, Technology Upkeep, keeping up with the everchanging technology landscape, evaluating and implementing to new technology that is constantly improving has proven to be challenging. Ensuring that such technology can coexist with GPA and GWA's IT environment and future proofing such technologies are complex. Increased acquisition cost and maintenance of such technologies are driving up the price of implementing new technologies. Many times, when we're purchasing new technologies by the time we get them through the procurement process, implementation process, something new comes up. A better way or end of life equipment has always caused us challenges and concerns. Another challenge for us is End of Life (EOL) Equipment. End of Life Equipment is equipment which is no longer being supported by the vendor. It doesn't have spare parts, doesn't have really available backups, GPA and GWA are working on addressing End of Life equipment. For GPA and GWA, this covers replacement aging equipment estimated to be over \$1.2 and \$1.4 million respectively. GPA and GWA is currently working with Federal Partners to assist in funding for the replacement of such equipment. Another issue we have is Supply Chain Issues. Issues with the availability of equipment and delivery. Specialized equipment purchases have an estimate delivery time of over 6 to 10 months because of the pandemic and because of the shortage of production. Also, enforcing cybersecurity requirements from vendors adds additional costs and also limits vendor participation in the procurement process. Another major challenge Development of Skillsets/Workforce Retention. There's a high need for training and certification of IT personnel for cybersecurity, networking, and communication. Because of the military buildup, there is actually a high demand for IT personnel at the moment, cybersecurity personnel. Private sector and public sector are having hard time recruiting qualified technical people at the moment. Within the last two years GPA and GWA have lost total of five qualified, very good staff either DOD, NAVFAC or DOD contractors. Majority of the loss is because of salary benefits.

Comm. Santos asks what is it that we need to do for you so our IT are not going over to different positions with the federal government? CITO Kwek states, there is a salary bump, it's not incredibly high but there's also additional benefits. People going to work for DOD going to work for DOD even NAVFAC get those base privileges and guaranteed COLA every single year...those are some of the benefits that they get. Comm. Santos asks what are we doing to protect our staff to make sure they're not running over to the federal government? CITO Kwek states GPA is a great training ground because we have all the cutting-edge technology right now. In fact, a lot of our technologies compared to some other federal government agencies are actually higher. So, what are we doing? We're offering more training, we're working with HR, we got development programs...I'll show you additional staff positions, we're working on reclassing additional staff for their responsibilities. That's an ongoing issue and we recognize is there's always going to be season staff looking for an endpoint which is just more money so we actually

are developing also apprenticeship programs, we're trying to develop of HR, a cybersecurity long-term apprenticeship program, we do have one for three months and we've actually hired two of them. When they're developing skills then we have them for the long term compared to the those who are seasoned already who've been working with private Industries and government agencies all over they're only they're only in game or most of the time, it's leaving because of money. If we develop someone from within, long-term wise, then we at least we can keep them for a longer term. That's what we're trying to do. We can never compete against the military or private sector because if someone really wants that person with a skill set, certifications and we have good members down there, the knock team network operations, they have certifications up the ying-yang and trust me they are very valuable but they're here with us because they've been here for a long term compared to some of the people that we lost who've only been here for three or four years. Once again, no criticism to them, but maybe they're looking for the higher salary range.

Chairman Duenas states, so, Melvyn the follow up to commissioner Santos's concern, you and Manny, both need to be talking to your general managers and making sure that they understand your concerns. Then it's up to them and if they're the ones that let us down then that's a different question... we'll have to talk about that but you really need to present at the budget call... you need to put in now. You're constantly replacing equipment but you don't replace everything in one year...you have a program where you're replacing desktops, you're replacing equipment and then as you go through, you're replacing then come back and start replacing again. You need to make sure that your general managers understand so that they can put it in their budget and they can they can make sure that it has the priority.

Staff Operation Support and Address Current Shortfalls. We did that last fiscal year and we're doing it again this year. As mentioned, GPA has a cybersecurity internship for three months. We've done that the last round and we picked up two people, very good qualified people. Finished UOG cybersecurity program and one of them passed the Security Plus Certification which is great. We're looking at development of long-term internships for cybersecurity and network technicians for the GPWA workforce. We've actually also worked with GCC to bring on board internships as part of their computer science degree and we're working with HR to address the pay gaps for the technical related positions. Recruitment/Development Positions. In 202,1 the CCU approved the IT integration plan and part of the plan required additional positions Cybersecurity Manager, Cybercity Administrator, Incident Response Analyst, Compliance Analyst, Infrastructure Support Supervisor, Programmer Analyst Supervisor, OT Integration Supervisor, etc. etc. The ones in red are the ones being developed now. So, we're not waiting for the end game. We're working on those position descriptions now to draw those skillsets in.

GPA Future Goals. Once again, based on a GPWA IT Integration Plan, Converge Infrastructure, move towards a shared internet Edge utilizing next generation firewalls. Share network infrastructure, configure GWA SSID on Headquarters Wireless Infrastructure, expand GPA SolarWinds Orion installation, complete Island Wide Fiber Ring Project. The Island Wide Fiber Ring Project is actually a big one for us. We currently have 84 miles of fiber in the ground right now and we're developing more and more fiber just to make sure that we have connectivity on island. As you know, we've already experienced the loss of communications during the last storm. In fact, we were actually able to assist one of the local Tele problems with connectivity back to the office just because we had our own underground fiber. And, complete buildout of a disaster recovery site for both GPWA. Right now, it's in-house...we had a temporary location with Docomo but now it's in house. It is a priority for us as Docomo is going to be sold...yes, we realize that. GM has the new TMD building coming up and we've

actually designed out a separate building next to it for a DR site to also include a secondary site for PSCC operations in case this building goes. GPA and GWA was part of those detail build outs already.

Converge Policies. Converge IT infrastructure between GPA and GWA will offer savings, synergies, and shared resources. So, that goes to development of governance policies documentations. Converge OT Applications, OT Applications in this case, include, SCADA and the GSCAI system right and then of course Shared Business Applications, implement customer care and billing management centralized administration, customer service web applications development support and maintenance. GPA and GWA has separate applications for customer maintenance and support. Our customers are both a GPA and GWA customers so only makes sense to have them combine as one. And, shared ERP environment with JD Edwards.

Shared IT Services, Shared services ticketing and change management systems. A shared Disaster Recovery (DR) site capabilities and a remote data center and a shared services email solution for GPA and GWA. Consolidate to a shared virtual environment, implement asset and inventory management tools and merge customer record databases. On the cybersecurity side, GovGuam has ask us they actually have a cybersecurity working group. They're asking us to help participate in that working group and so far, we've sat in couple sessions both GPA and GWA. We listened in but they're still developing certain policies and procedures. They just got their cybersecurity plan approved by SISA which is Homeland Security but GPA and GWA have their cybersecurity plan whereas GPA had the plan approved by Department of Energy with the Smart Grid Implementation back in 2013. Chairman Duenas asks, you're helping them in terms of imparting knowledge trying to help them build their system but there's no connectivity between us and them, right? CITO Kwek replies, no, there is no connectivity between us and them. We're completely separate from the government of Guam. The reason why is because being a utility for both GPA GWA, we have a lot of operational technology that we need to protect. Whereas the objectives of the Office of Technology have different objectives for their data. Comm. Santos asks, the ring that we're developing around the island is exclusive to u? Kwek replies, yes, it is exclusive to us. The fiber that is going around the island is in a conduit. There is room in there for other fiber that doesn't get connected to ours. So, we have a fiber swap project ongoing and the reason why is it's not just a giveaway fiber but with 31 substations, we need fiber connectivity to the substations because we're putting so much automation in there. Right now, at the 31 substations, we have nine substations which are on GPA owned and fiber and the remainder is on GTA ISP connected devices. The problem with the last storm, GTA, they lost connectivity and so if you lose connectivity to those substations then PSCC is blind. So that's why we need our own fiber... during the storm our own fiber was working. Any ISPs that we use, both GTA and Docomo, were down and so we actually lost visibility.

AGMET, John Cruz, and I have been working with other ISPs for the fiber Swap and with GovGuam...yes, the infrastructure money available for us. AGMET Cruz states, there's \$156 million. I've been helping them along and providing some technical guidance background. It allows us right now with the fiber swap... they will connect the fiber conduits that are actually GWAs that are between Baza Gardens and the Agat/Santa Rita wastewater treatment plant. They're going to connect those into the northern ring and into the Southern ring with the Talofofu Substation. We've informed them through the RFI responses that we provided the Broadband Infrastructure Team that we would like to have another ring coming down from the Eastern side of the island...down and connecting and creating an entire island ring. We've been posturing ourselves by all the large Power Plant projects and renewable energy and energy storage projects they have to provide fiber from their substation to the substation that they're

interconnecting with. So, a lot of this network has been built either through Federal funding or to those types of large project. So, the handout is the future state of GPWA.

Comm. Sanchez interrupts, Mr. Chairman and maybe counsel could help us...I'm concerned that it's not on the slide but it's on a handout and we're in an open session and that handout is public record. There's a concern that we that there are some things you wish not to share publicly. So, counsels, how do you protect this handout from being shown to the public if for security reasons we don't want to show this to the public. Atty. Rojas, GWA Legal Counsel states, so, under the FOIA statute, we are able to limit disclosure for security. If there are security risk and issues or security details that would expose the utilities to some harm, it's not FIOA-ble. We can limit disclosure and it's not available to the public. Comm. Sanchez asks, but in Open Session, every document handed to the commission, isn't that, other than litigation, isn't that public record. Atty. Rojas responds, so any document falls under the FIOA Statute. There isn't an exception because we're in a regular board meeting and this is an open session...disclosure can be limited. If it's not on the slide, it's not being disclosed to the public even though it's being handed to the board physically. So, we did have a discussion with IT before this meeting, so IT is aware and they exercise their discretion to determine what information would pose a risk if it was disclosed to the public, so we're okay. CITO Kwek continues, so, on the handouts was just basically the IT GPWA organization future state and some of the positions and how many positions will be created based on that to address the new technology. Any questions?

Chairman Duenas clarifies, there is one team for cybersecurity IT for both GPA and GWA working together with both GM support. I think Commissioner Santos' concern is specifically to GPA and GWA, you need to do more training that's where the focus has to be. So, wrapping this up, thank you very much for the presentation.

Chairman Duenas asks Comm. Sanchez to bring up his concerns, colleagues I was think thinking through if would we be comfortable and would it be appropriate for us to just ask our legal counsel, that there's been a representation by one attorney that we're inorganic, and I was wondering whether we wanted our own counsels to write their own their own opinions? The legal counsels can write a legal opinion either it can be two different ones or it could be one collaborative...we leave it up to you.

Chairman Duenas addresses something that Mr. Wilson did bring up...John B, there's a question about people who have rooftop solar and are getting a credit and they're getting a credit of \$100 but their bill every month is \$15 because they have solar back in solar back out and their bill is always just for customer service so that \$100 credit is accumulating. And, that is really not GPA's money. That that money was given to the customer as a subsidy to the customer so you need, John, to work with your legal counsel and your customer service people to see if that qualifies as an overpayment. And therefore, the person that customer, does he have the right to request a refund but you have to go through your service rules and regulations. I think it's an unintended consequence...nobody thought about when they passed the law...they just said give a \$100 credit to everybody...to each ratepayer account. I'm talking specifically about the ones who actually paid and put their own rooftop on they usually get a bill \$15 a month so \$100 is coming in minus the if they don't pay the \$15, they get to use that as a credit but whatever credit is in there really belongs to them not to GPA but double check it with your legal counsel and work on work on it with your finance people and your customer service. And, advise us of your findings. Atty. Marianne Woloschuk, GPA Legal Counsel states, I am looking into that, we are looking into that. I think the law provides for a different result so we'll come to a conclusion.

GM Bordallo suggests to defer to GPA GM Benavente to go first since GWA has and Executive Session. The Board agrees.

## 5. GPA

**5.1. GPA Resolution No. FY2024-05 Relative to Increase Contract Expenditures for the Supply of Diesel Fuel Oil No. 2 for the GPA Water System Diesel (WSD) Generators** – GM Benavente asks in order to provide Ultra-low sulfur Diesel to GPA WSD generators located at Guam Waterworks Authority sites. The initial approved costs estimated for the is contract did not include the extended generator operations and fuel consumption during Typhoon Mawar. This includes various GWA sites including water wells, treatment plants, pump station and lift locations. The estimated additional const for contract years two through five over the approved \$1,150,200 is \$2,146,077 for a total contract cost of \$3,296,277. The five-year contract term will expire September 20, 2027. Comm. Santos motions to approved Resolution 03-FY2024; Comm. Sanchez second.

Chairman Duenas states with no further discussion, calls for a vote; motion passes with five ayes. [Aye = 5, Nay = 0]

**5.2. GPA Resolution No. FY2024-06 Relative to Approving the Purchase of WSD Generators** – To initiate the replacement program of Water System Diesel (WSD) generators which ae the backup power supply for the Guam Waterworks Authority water wells, waste water facilities, and water booster pump stations. The initial procurement of 104 generators includes 94 generators for priority sites identified in coordination with GWA as well as 10 portable generators with trailers to serve as additional backup for other critical sites as needed. Most of the generators are over 29 years old, nearing end of life, which has become difficult to maintain their availability and reliability. This will be for various GWA sites including water wells, treatment plants, pump stations, and lift stations. The estimated cost is \$11.4M total. So, estimated \$9.5M plus 20% contingency. Funds will be coming from our Revenue funds. It would be a good investment for us to begin this process...we were trying to do this before COVID occurred. We did put this in for mitigation funds with FEMA, but we want to start the process. Comm. Santos motions to approved Resolution FY2024-06; Comm. Sanchez seconds. Comm. Limtiaco asks, are these just generators? Or, do they include day tanks, Ats or anything else? GM Benavente confirms it includes an automatic transfer switch and day tanks.

Chairman Duenas states with no further discussion, calls for a vote; motion passes with five ayes. [Aye = 5, Nay = 0]

**5.3. GPA Resolution No. FY2024-08 To Authorize the Management of Guam Power Authority to Petition the Guam Public Utilities Commission to Adjust the Levelized Energy Adjustment Clause (LEAC) for the Period of February 1, 2024 through July 31, 2024** – The objective is to meet the December 15, 2023 upcoming LEAC filing deadline with the PUC. GPA proposes to adjust the LEAC factor to \$0.264327/kWh for the periods of February 1, 2023 through July 31, 2024. The most recent Morgan Stanley market projects the average fuel price is expected to be \$120.28/bbl for the period ending July 31, 2024. Projected under-recovery for the same period at the proposed reduced LEAC rate of \$0.264327/kWh is about \$19.5M. The LEAC is billed and collected through the monthly electric billings of customers. Comm. Sanchez states this is an example of how to help the rate payers and keep the LEAC lower... we use our working capital which we built because we've protected the rate payer's money, we're investment grade, and we have the resources to help the



rate payers get through difficult oil prices. Our working capital is like a hedge because it allows us to delay the payment of actual fuel price that we're paying today and spread that out over time. Comm. Limtiaco asks CFO Kim what will this do to the average rate payer's monthly bill? CFO Kim replies, it will increase the consumer's bill about 10% at about 1000/kWh. CFO also confirms it is about \$33.18/per monthly bill for the LEAC adjustment. For commercial customer should be about the same. Chairman Duenas confirms with CFO Kim that the Department of Defense pay the actual LEAC costs. Comm. Sanchez moves to approve Resolution FY2024-08; Comm. Santos second.

Chairman Duenas states with no further discussion, calls for a vote; motion passes with five ayes. [Aye = 5, Nay = 0]

**5.4. GPA Resolution No. FY2024-09 Relative to Authorizing the Increase of Contract Amount for Janitorial Services for Various Locations** – GM Benavente states to provide janitorial services on daily basis, excluding holidays and weekends. The Gloria B. Nelson Public Service Building, the Transmission & Distribution buildings, Generation Administrative buildings, and the GPA satellite office in the Julale Shopping Center. The annual cost is \$251,856. The contract cost through the five-year terms is \$1,259,280. The second and final extension year ends July 31, 2025. The funding source will be from Revenue Funds. Comm. Santos motions to approved Resolution FY2024-09; Comm. Limtiaco second.

Chairman Duenas states with no further discussion, calls for a vote; motion passes with five ayes. [Aye = 5, Nay = 0]

#### **5.5. Generation Capacity Shortfalls Update**

GM Benavente states that Comm. Limtiaco asked what the numbers and the percentages of load shedding. We did work very hard to put it together. Our capacity shortfall today the peak demands up to November 16 the highest we're in the highest period and it starting to go down to January and February. Daily peak demand for October August September and November as you can see the demand was going up. We're short in capacity in the highest demand period. Oe base load down and two base loads down as we can see the peak time is really our issue. It would be nice if we had the batteries that would have shaved the peak time with our other generators but right now that's why we're short. Even the solar...that 2,500 solar in the evening coming right on the peak and so that's what we have to take care of. As of September, the total percent of unserved energy, every day we serve everyone as much as we can. When we load shed, we estimate how much that unserved energy is and when you put it together the amount of unserved energy for September is 0.59%. The amount of October is 0.25 of a percent. For November, 0.7 of a percent. Why did November go up? Because it the demand was actually higher in November. As you can see in October/November the demand was creeping up the average demand, hotter 223, 224, 233. December starts to decrease, January 218, 221 stays down until March, it starts to climb up until May. If we don't accomplish the getting temporary power, we're going to have issues by May. November is higher because we had two days when we had two and a half base loads down and the demand was high. Although there was only eight days of load shedding versus 20 in September, 12 in October, and 8 in November. We're doing our best to try and get this capacity out.

I did go to the Legislature and testified on Bill 201 Senator Parkinson is trying to get it into this session, but I'm not sure that is successful. There's another bill, Bill 36-37 which is supposed to help us, but not sure it's going to help us. I've asked them to help us in temporary power because if PUC approves it next week, we're going to issue the bid in December and we can award something in in January. If no protest,

great, then I can get it on the line within 100 days before May. Comm. Sanchez asks, we've already authorized you to buy 40-Megs, right? You're repairing Yigo CT for 25-Megs, so, that's 65-Megs right? You reported a total up to around 80 megawatts of being put back on the grid between now and May...that's your goal right? One is to procure 40-Megs, one is to fix the protest that is hurting us from putting Yigo CT back online that was damaged by Mawar...not by failed maintenance...Mawar, that's 25-Megs so that's 65. GM Benavente states, it's similar to the diesel units. But the key here is really the Yigo PMC we have three bidders that is ready to open and qualified and I can't open it. Our legal counsels are doing a great job they're going to the OPA and they're trying to get it through. We're trying to get through another avenue, but we're not getting help from some areas that could help us. At the end of the day, when they don't help us, what can I say, I'm constrained with what I can do we're going to have to find something else. The laws of today does not work for us and we're not afraid...our decisions have been very sound but the process takes too long.

Comm. Limtiaco asks to clarify in September, the average hours per feeder in September was out 5.9 hours and the days of load shedding were 20 days so on average I would divide those hours by the number of days and the average rate pair had a 17-minute outage per day. GM Benavente replies, no, actually you take the number, this is the number that a feeder goes out it, could be the same feeder for three times, another feeder for 10 times, but the total feeder out is on a total 349. GM Benavente explains, you divide the total hours for each of these feeders. They were out for 70 minutes, for every outage so you add all the minutes that total the hours, divided by the total number of feeders which in this case, is 49 feeders. So that's how you get the 5.9 hours for the month. Comm. Limtiaco asks, let me let me ask the question a different way, so, on my feeder Tamuning in September is it accurate to say that I experienced 5.9 hours in September of low shedding? GM Benavente states, you could be more or less on average. Comm. Limtiaco continues, so over that 20-day period, each day average 17 minutes of load shedding. That's what that those numbers seem to portray. I think that's one of the things we need to do a better job communicating is because, yes, load shedding is a problem, we all know that we don't want to do it. Really how inconvenience has a particular feeder or group of people on that feeder of you know what was their average minutes per load ship and based on that data in September it's 17.7 minutes. In November, per day, per day over 20 days right but in November it was a lot higher. In November, it was 6.1 hours on average per feeder divided by eight days so that that that load shed was more significant in November. I just want to make sure that we communicate to the public. Yes, this is a problem but you know in reality this is a number of minutes less than an hour that you've been Inc convenience. Not that it's good because it's not good, but it's not the end of the world and what we're doing to fix it to get it to zero.

Comm. Sanchez asks, the column on the right that in the 91 days of September through November there was load shedding of a circuit in 39 days is that the way to read that? Far right column in 39 days all of the total out of 90 September, October, November is about 90 days? So, there was 39 days a circuit was load? GM states, at least one circuit was in load shed. Comm. Sanchez continues, but that means on 61 days of the last three months no circuit was load shed is that? GM Benavente states, that is correct. Comm. Sanchez reiterates as unfortunate and as horrible as we feel not only did it average only 17 minutes a day of the inability of GPA to meet the average demand for a customer, was 17 minutes a day and in the 90-day period where load shedding became problematic there was 39 days of load shedding and there was 51 days in which there was no load shedding...am I doing that right? GM Benavente states, that's correct. The way I explain it is the 6.1 hours for the month of November is the average feeder outputs. If you're in that feeder, you experience 6 hours for the whole month. Some feeders maybe a little more than six and some a little less than six on the average six. We have about 60 feeders. So, in one

day so feeders may go out and for that one day only went out for 1 hour before feeders but it's a load shedding day. We haven't load shed since the day before Thanksgiving. Cabras 2 has been staying on the line. The reason why we ended up load shedding in that period is because we had to do maintenance. We're not running the machines to death. We have to do the maintenance otherwise it will pass out on us. We didn't have the capacity to make up for the down maintenance. That's why we need the reserves... I have to get this up...if I had enough reserves, I can schedule it around low period and get it done without anybody feeling anything.

Comm. Sanchez adds, to better explain to our rate payers, we had reserves when Cabras 3 and 4 left due to the industrial accident we lost 80 megawatts of reserves. Had it stayed online, had it not exploded, there would have been no load shedding because we would have had an extra 80-Megs. Since the explosion in 2015, we've been living with 80 megawatts of lost reserve for 8 years and it wasn't until September of this year that load shedding returned. In the last eight years, it's been roughly seven years and nine months since we've lost Cabras 3. We weren't loading shedding with Cabras 3 and 4 even before that so that's the frustration of all of us is, until the last three months, we didn't have load shedding even when we lost Cabras... 80 megawatts 7 years ago. Until the last 90 days when the cascading effect of losing 80 megawatt 24/7 the pressure on the remaining generation.

GM Benavente adds, the other thing that's not being understood here is right around 2015 or so we were making the decision to avoid the millions of fines from US EPA. That's why we decided that the combined cycle was the best put good money into new machines and save money and pay for the machine itself that's in 2016. We did have a contract which was going to come on the line in 2022. Even though we were short 40 than the original reserve we were going to write as much as possible in because saving on the cost and plus putting machines that you're not going to use once Ukudu comes on line. Let's not forget, there's been a lot of pressure on Renewables. Put in more Renewables and don't put in any new capacity conventional unit...that's why we had to go out on a technology neutral bid. No Renewables came out to be the combined cycle did so again all of those are drivers towards the shortage that we are today. No excuses, but at least you know we just want to lay it out as to how this all happened. We can fix it...I just need help. I need Bill 201 passed. I need help with temporary power, I hope don't we don't get protested on that again, and let me get to work and put this machine in place. You can't hand cuff me and expect me to work. Our counsels can say we've been trying every which way to get this done, but for the record, if they don't help, then believe me, at some point machines are not up by May, we don't have enough this the demand that's here is going up and those numbers are going to start screaming.

Comm. Sanchez responds, things occur beyond anyone's control, but the real test of management is when you have to deal with things that occur beyond your control. When we lost Cabras 3 and 4, we dealt with it, we kept the lights on. GM Benavente states, again, load shedding is only during the peak period of the day and not during the day time when schools are functioning. Everything and the economy are functioning. When everybody goes home at night, that's when it impacts everyone. That is all Mr. Chairman.

## 6. GWA

- 6.1. GWA Resolution No. 03-FY2024 Relative to Approval of Additional Funding for the Hagåtña Main Sewage Pump Station Redundant Force Main and Station Rehabilitation Design Project, GWA Project No. S20-002-EPA** - GM Bordallo begins the original scope of this was for a Redundant Force Main and the concept was laid out when we proceeded with the design with the first deliverable. The estimated cost to put in two directionally drilled force main...the price

had increased dramatically between the range of \$17.7M and \$20.6M for a single force main. In order to keep the costs within reason, for what we needed to do to satisfy the requirements for this project with USEPA, we pivoted our design to include a temporary bypass surface mounted over the causeway and to take the old one out of service and then rehabilitate it. Keeping of course, the infrastructure in place if we needed a temporary bypass to put that in again. In anticipation of the consent decree, we are seeking additional funding so that we can take care of the pump station rehabilitation for this critical Pump Station which is a tier one pump station and requires our urgent action once the Consent Decree is signed. The additional cost we're seeking is \$695,000. \$350,000 of which is the design allowance for the pump station assessment. It could turn out to be less but that's our estimate at this point. A 20% contingency for a total estimated funding authorization of \$1.63M. This will be completed by September of 2024 and it will be USEPA Grant funded. Comm. Santos motions to approved Resolution 03-FY2024; Comm. Limtiaco second.

Chairman Duenas states with no further discussion, calls for a vote; motion passes with five ayes. [Aye = 5, Nay = 0]

**6.2. GWA Resolution No. 04-FY2024 Relative to Approval of Additional Funding for the Fujita Sewage Pump Station Redundant Force Main and Station Rehabilitation Design Project, GWA Project No. S20-003-EPA** - This Fujita Pump Station serves tourism sector and so the project involved the Rehabilitation of the force main that takes the waste water from the Tumon Sub-basin out to the Route 16 Pump Station which then pushes it all the way to Northern District Wastewater Treatment Plant. Because of the Consent Decree, there is an additional assessment work that needs to be done and also the rehabilitation of the pump station. This is a top tier priority project for the Consent Decree and so we're seeking additional funding to add those elements onto the original design contract which was at \$930,000. We're seeking an additional \$670 for the pump station assessment and design and additional assessment services plus a 15% contingency. The total contract amount will be \$1.6M with the contingency that would put the total authorized funding at \$1.84M. This is USEPA grant funded. Comm. Santos motions to approved Resolution 04-FY2024; Comm. Sanchez second.

Chairman Duenas states with no further discussion, calls for a vote; motion passes with five ayes. [Aye = 5, Nay = 0]

**6.3. GWA Resolution No. 05-FY2024 Relative to Approval of Additional Funding for the Yigo Sewer Pump Station Flood Mitigation and Facility Rehabilitation Construction Project, GWA Project No. S18-001-BDN** - We're seeking additional funding to handle a change order for cleaning that was required after Typhoon Mawar and also an additional change order for some safety improvements that were required and replacement of instrumentation that was damaged during the flooding. The original contract amount with a previously approved change orders is at \$1.1M we're seeking additional funding in the amount of \$84,000 roughly for the two change orders. This would bring the total cost to make it \$1.95M for the potential total contract amount. This is Bond funded and we do anticipate that the long need item here is just getting the instrumentation in. So, once that comes in, it'll be an additional two months to complete the project. Comm. Limtiaco motions to approve Resolution 05-FY2024; Comm. Martinez second.

Chairman Duenas states with no further discussion, calls for a vote; motion passes with five ayes. [Aye = 5, Nay = 0]

**6.4. GWA Resolution No. 06-FY2024 Relative to Approval of an Increase in Funding and Scope of Work for Construction Management Contract of Santa Rosa, Sinifa and Santa Rita Tank and System Upgrades** - There are essentially three components of the additional scope that we're seeking to uh additional funding for. The first is due to a contractor's delay in construction of the Santa Rosa Reservoir Booster Pump Station and the similarly the station and control building at the Sinifa Reservoir. Also, some site work. This has extended the contractor's schedule out to May of 2024 which means we have additional CM services that are going to be required for that but because it is a contractor's delay, we are seeking special damages from the contractor as opposed to liquidated damages but special damages specifically to pay for the CM services on this. The second component is for engineering consultation support and CM constructability reviews for work that needs to be done at the Santa Rita site resulting from the landslides. So, that is additional work that we need done until we complete that project. The third component is for CM services for Santa Rosa #1 and Sinifa #1 the steel tank repairs. This is optional. We're looking at other avenues to see if we can do it but we want to because it's a court order project. We want to build in this additional scope in the event that we need it. So, all of these uh three items will result in a total, not to exceed additional funding request, of about \$1.1M and will bring the total authorized funding to \$7.7M. We anticipate that all of this work will be completed by January of 2025 and this is going to be funded by bond funds and also from funds that are recovered as special damages from the contractor. Comm. Martinez motions to approve Resolution 06-FY2024; Comm. Santos second.

Chairman Duenas states with no further discussion, calls for a vote; motion passes with five ayes. [Aye = 5, Nay = 0]

**7. GWA GM Report**

GM Bordallo states there are no changes in the management report and there are no changes in the financial report. The board can go into Executive Session.

Chairman Duenas motions to rise up and move into Executive Session; Comm. Sanchez responds, so moved; and Comm. Santos second.

Chairman Duenas calls for a vote; motion passes with five ayes. [Aye = 5, Nay = 0]

**8. EXECUTIVE SESSION**

**GWA Litigation Matter**

Chairman Duenas announces the meeting is back in open session and there is a Ratification before the Board. Comm. Santos motions to approved Ratification No. 01-FY2024 Relative to the Ratification of a GWA as a class member in the proposed 3M at Dupont Water Provider Settlement; Comm. Limtiaco second.

Chairman Duenas states with no further discussion, calls for a vote; motion passes with five ayes. [Aye = 5, Nay = 0]

**9. ADJOURNMENT**

Comm. Santos motions to adjourn; Comm. Sanchez second and meeting adjourns at 7:37 PM.

//s/

Lourissa L. Gilman

Attested

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JOSEPH T. DUENAS, Chairman

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PEDRO ROY MARTINEZ, Secretary

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**CONSOLIDATED COMMISSION ON UTILITIES**  
 Guam Power Authority | Guam Waterworks Authority  
 P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

**REGULAR BOARD MEETING**  
**CCU Board Room, Gloria B. Nelson Public Service Building**  
**5:30 PM, Tuesday, January 23, 2024**

**MINUTES**

**1. CALL TO ORDER**

The Vice-Chairman Santos opens CCU Regular Board Meeting, January 23, 2024, at 5:35 PM. For purposes of establishing a quorum, Vice Chairman Santos, and Commissioners Sanchez and Martinez are present in the CCU conference room. The meeting is called to order.

**Commissioners:**

Joseph T. Duenas	Chairman (Absent - Excused)
Francis E. Santos	Vice-Chairman
Pedro Roy Martinez	Secretary
Michael T. Limtiaco	Commissioner
Simon Sanchez	Commissioner

**Executive Mgmt.:**

John Benavente	GM/GPA
Miguel Bordallo	GM/GWA
Tricee Limtiaco	AGMA/GPA
Chris Budasi	AGMA/GWA
Jennifer Sablan	AGMO/GPA
Thomas Cruz	AGMO/GWA
Jeanet Owens	AGME/GWA
John Kim	CFO/GPA
Taling Taitano	CFO/GWA
Therese Rojas	Legal Counsel/GWA
Marianne Woloschuk	Legal Counsel/GPA

**Management & Staff:**

Joyce Sayama	Comm Director/GPA	Vladimir Navasca	IT/GPA
Vangie Lujan	Comp-Safety/GWA	John Dixon	IT/GWA
Mauryn McDonald	Engineering/GWA	Lourissa Gilman	UBS
Bianca DeSoto	Legal/GWA		
Tricia Guzman	Legal/GWA		
Candice Ananich	MA/GPA		
Reginald Diaz	MA/GPA		
Joleen Cruz	Comm/GPA		

**Guest:**

David Castro	Guam Daily Post
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## 2. APPROVAL OF MINTUES

Commissioner Sanchez motions to approve meeting minutes for CCU Regular Meeting April 25, 2023, and October 31, 2023, and Special Meeting on November 1, 2023; Comm. Martinez second. Approval subject to written correction.

With no further questions, Vice Chairman Santos calls for the vote, motion passes with three Ayes. [Aye = 2, Nay = 0, Absent = 2]

## 3. PUBLIC COMMENTS

No public comments.

## 4. GWA

**4.1 GWA Resolution No. 08-FY2024 Relative to Approval of Construction Contract for the Aplacho Drainage and Roadway Improvements** – GM Bordallo states, the Aplacho Sewer Pump Station (SPS) was constructed to meet a Court Order requirement to convey wastewater from the Baza Garden Wastewater Treatment Plant (WWTP) to the Agat-Santa Rita WWTP, in order to decommission the Baza Gardens WWTP when it was converted to the Baza Gardens Pump Station. The existing groundwater table is relatively high as close as one (1) foot underneath Route 17 in Santa Rita which is adjacent to the Aplacho SPS and the roadway does not have a drainage system. The construction of the Aplacho SPS inadvertently contributed to the additional groundwater upwelling that damaged the Route 17 roadway.

GWA partnered with the Department of Public Works (DPW), as DPW had design plans ready for construction for a new drainage system and rehabilitate Route 17 roadway to enhance motorist safety. GWA will lead construction of the Aplacho drainage system and road repairs. DPW will own and maintain the drainage system and repaired road.

The original Invitation for Bid (IFB) was advertised on June 16, 2022, but bids exceeded the government estimate by more than \$2,000,000.00. The design was adjusted to reduce costs and still meet project goals. The second IFB was advertised on September 13, 2023 and GWA determined A & R Pacific, who submitted the lowest bid proposal. The lowest bid is \$1,053,819.91. A twenty percent (20%) contingency in the amount of \$210,763.98 is requested. The total authorized amount (bid plus contingency) would be \$1,264,583.89. Two bids were received. The lowest responsible and responsive bid was from A & R Pacific. All work is anticipated to be completed as early as the 4th quarter of 2024. 2020 MP-WW-Pump-01 Bonds and other bonds and available grants, as needed. Comm. Sanchez moves to approve Resolution 08-FY2022; Comm. Martinez second.

Vice Chairman Santos calls for the vote for Resolution FY2023-22, motion passes with three Ayes. [Aye = 2, Nay = 0, Absent = 2]

**4.2 GWA Resolution No. 09-FY2024 – Relative to Further Amending the Guam Waterworks Authority’s Sewer Hookup Revolving Fund Rules and Regulations** – Atty. Rojas, GWA Legal Counsel, presents, last January, the CCU through Resolution 08-FY2023, adopted and approved amendments to GWA’s Wastewater Revolving Loan Program. The amendments included an increase from \$9,0000 to \$25,0000 for the maximum Sewer-Hook Up Loan amounts.

Comm. Sanchez motions to approve Resolution 09-FY2024 relative to amending the existing GWA sewer hookup revolving fund rules and regulations; Comm. Martinez second.



Atty. Rojas states the essence of the resolution is the \$25,000 resulted from recommendations within GWA's March 2021 Cesspool and Septic and Elimination study. However, since that time increased construction costs have been observed; therefore, to account for the increased construction costs since 2021 and because this fund has the potential to be utilized for many years to come, GWA management now recommends that the maximum loan limits be increased from \$25,000 to \$50,000 per applicant. Reason is because construction costs have increased.

To date, only three (3) loans have been issued under this program and GWA management desires for property owners to take advantage of the loan program to continually assist customers with the cost of sewer connections. The Sewer Hook-Up Loan program is available to all property owners on Guam and is particularly targeting property owners in northern Guam who live near water wells and above the Aquifer. In particular, GWA is also targeting property owners who live in areas where GWA currently has existing sewer collection lines OR where GWA will be expanding its sewer collection lines. The Guam Legislature in the FY2023 Budget Act provided \$2 million for the revolving loan program. Administrative and staffing costs are related to the amendment of the rules but no new costs are expected with this amendment by increasing the maximum loan amounts.

GWA has initiated the Administrative Adjudication Act rule-making procedures to update these rules. And, within the rules, it shall be proposed that all loan amounts, terms, and conditions (to include this Amendment) shall be established by GWA subject to the CCU's approval. Therefore, the remainder of the rule making process may likely take another three to four months to complete. The initial funds for the revolving loan program of \$75,000 were provided by GEPA. The legislation recently appropriated \$2 million in the FY2023 Budget Act.

GM Bordallo states, these loans would only cover the lateral connection. This is not intended to cover main extensions. If you are within the required distance and you're supposed to hook up already under Guam EPA's rules and regulations this loan program provides assistance in order to get that done but it does not extend sewer mains out so that you can connect to it. It only covers from your home to the sewer near you. Atty. Rojas states the term of the loan is a 10-year term except if you if you do qualify for a public assistance program, we can approve the loan for a 15-year term. Comm. Limtiaco asks, are terms still having to qualify by traditional lending institutions before you can qualify...is that still in play? Atty. Rojas states, those are still the load terms as of today.

[With no further questions, Vice Chairman Santos calls for the vote for Resolution 09-FY2024, motion passes with four Ayes. \[Aye = 4, Nay = 0, Absent = 1\]](#)

**5. GWA Self-Insurance Fund**

GM Bordallo states, CFO Taitano will briefly discuss. CFO Taitano begins, it's our intention to look at putting together a Self-Insurance Fund. We anticipate that our insurance premiums will be going up and one way to keep the premiums down is to increase the deductible. So, we're trying to put a mechanism together so that we could start a Self-Insurance Fund to help us set up the funding for the deductible as well as to mitigate any risk for items that are that that we currently aren't able to ensure like cybercrimes. When we were at the last PUC meeting to talk about The Five-Year Plan schedule, the PUC seemed amenable to us making a proposal for this. Our hope is that we would come to the CCU with the resolution and then eventually go to the PUC and likely set it up similar to how GPA has set it up. As for the timeline, we've got a couple of things before the PUC right now where we have the refi that's this month and then the rate design next month. We'll also be providing the draft five-

year plan and so my hope is to do it within shortly after that. So probably before summer. Comm. Santos asks, so, you're not trying to build it into the 5-year rate plan? GM Bordallo states, not right now.

Comm. Sanchez asks, any idea why our water and waste water flows are lower this year versus last year annualized is that the Mawar effect? Just curious why are the water and wastewater flows are 3% less in November compared to last November and year to date is 2% right? CFO Taitano responds, a lot of our demand and flows are directly related to residential because they're such a large part and if you look at the average daily consumption that's been going down for the last several years. We have a new program where we send leak reminders and we've all gotten calls from friends that have gotten a call. I also believe it's more efficient fixtures so are focusing on trying to reduce their demand.

## 6. GPA

**6.1 GPA Resolution No. FY2024-10 Relative to Authorize Expenditure for the Procurement of 45-Foot Class B Concrete Power Poles** – GM Benavente begins, this procurement is to replenish GPA stock 45' concrete power poles. 45' concrete power poles are required to replace damaged power poles, replace existing wooden power poles, and for line extensions to service new customers. GPA's current balance of power poles is 64 ea. The minimum safety stock amount is 189. GPA's current stock is below the minimum safety stock level of 189. The cost will be \$1,098,800.00 over the GM's authorized amount. GPA anticipates delivery of power poles by August 2024. The funding source from Revenue Funds. Benson Guam Enterprises, Inc. submitted a bid for GPA's consideration. GPA's evaluation committee has determined Benson Guam Enterprises, Inc. to be the lowest responsive bidder for the 45-foot Class B concrete power poles. Comm. Limtiaco motions to approved Resolution FY2024-10; Comm. Martinez second.

With no further questions, Vice Chairman Santos calls for the vote for Resolution FY2024-10, motion passes with four Ayes. [Aye = 4, Nay = 0, Absent = 1]

GM Benavente asks Vice Chairman Santos to discuss **GPA Resolution No. FY2024-11** after **GPA Resolution No. FY2024-16** because both resolutions are related to each other so he will present both at the same time.

Also, GM Benavente states, **GPA Resolution No. FY2024-17** is tabled. Vice Chairman Santos agreed.

**6.2 GPA Resolution No. FY2024-12 Relative to Approval of Two-Year Extension of RFO No. 6 Supply Contract for Hyundai** – GM Benavente states, the first-year extension of the contract with Hyundai Corporation for Supply of Residual Fuel Oil No.6 (RFO) for the Baseload Plants is expiring in August 31, 2024. Extension of the contract for two consecutive years is necessary to provide uninterrupted supply of RFO, considering that the Cabras plant operation will continue until 2026 with the delayed commissioning of the Ukudu plants. RFO will be supplied to the Cabras 1 and 2 baseload plants. The retirement of Cabras maybe early March 2026...six months after the commissioning of Ukudu. The estimated total cost for the 2-year contract extension is approximately \$213,686,333, requiring prior approval from the PUC. The premium fee for the 2-year contract extension is reduced from \$79.000/MT to \$75.000 for a potential total savings of approximately \$1,000,000. The two-year contract extension shall commence around September 2, 2024 and expire on August 31, 2026. Comm. Sanchez moves to approve Resolution FY2024-12; Comm. Limtiaco second.

Vice Chairman Santos states, with no discussion, calls for the vote of Resolution No. FY2024-12. Motion passes with five Ayes. [Aye = 4, Nay = 0, Absent = 1]

**6.3 GPA Resolution No. FY2024-13 Relative to Approval of Two-Year Extension of Diesel Fuel Storage Agreement with TriStar**

– The extension of the ULSD Storage Agreement under TriStar Terminal Guam is set to expire on May 31, 2024 for Tank 1906 and on June 30, 2024 for Tank 1907, respectively. With the delay in the completion of the refurbishment of GPA Tank 1934 and Tank 1935 for conversion to ULSD storage anticipated to be fully completed in year 2026, GPA needs to continue the lease of the TTGI tanks to ensure an uninterrupted supply of bulk ULSD by pipeline transfer to the power plants...Tenjo Vista, Piti 7, Piti 8 and 9. The TTGI ULSD storage tanks are located at the TTGI Terminal in Agat.

The lease fee for each tank is approximately \$98,000.00 per month (excluding handling and throughput fees). Tank 1906 lease cost for the extension period from June 1, 2024 thru June 30, 2026 is approximately \$2,450,000.00. Tank 1907 lease cost for the extension period from July 1, 2024 thru June 30, 2026 is approximately \$2,352,000.00. The aggregate total lease cost for both tanks thru June 30, 2026 is approximately \$4,802,000.00. Contract extension will expire on June 30, 2026. Funding source will be under the fuel revenue budget. TTGI is the sole source provider for the ULSD Storage Facility in Guam meeting EPA requirements. Comm. Sanchez moves to approve Resolution FY2024-13; Comm. Limtiaco second.

With no further discussion, Vice Chairman Santos calls for the vote of Resolution FY2024-13; motion passes with five Ayes. [Aye = 4, Nay = 0, Absent = 1]

**6.4 GPA Resolution No. FY2024-14 Relative to Approval to Procure a New Contract for the Supply of Diesel Fuel Oil No. 2 to Various GPA Plant Site Locations**

– The Guam Power Authority intends to procure a contractor for the Supply of Diesel Fuel Oil No. 2 to the various GPA plant site locations. The bulk fuel supply contract is necessary to provide uninterrupted supply of fuel to the plants. Locations are Yigo CT, Yigo Diesel, Dededo CT, Macheche CT, Cabras 1 and 2, Piti 7, Manenggon and Talofoto. The three (3) year contract, with two (2) additional one-year extension options is estimated to exceed \$1.5M requiring prior approval from the PUC. The three (3) year contract, with two (2) additional one-year extension options is estimated to exceed \$1.5M requiring prior approval from the PUC. Fuel supplier is IP&E and Mobil. Comm. Sanchez moves to approve Resolution No. FY2024-14; Comm. Limtiaco second.

With no further questions, Vice Chairman Santos calls for a vote of Resolution FY2024-14; motion passes with five Ayes. [Aye = 4, Nay = 0, Absent = 1]

**6.5 GPA Resolution No. FY2024-15 Relative to Approval to Authorize the Management of the Guam Power Authority to Enter into a Month-to-Month Extension for its Professional Printing, Mailing, Processing and Other Services, Due to Ongoing Litigation**

– To ensure that GPA has continued printing services in order to issue monthly billings. GPA management seeks a month-to-month extension up to 12 months or up to when a new contract is awarded in the event a new vendor is selected. Below is the timeline of events.

- In April 2016, GPA entered into a contract with Graphics Center for a one-year period with option to extend for four additional one-year periods.
- In 2020, GPA issued a bid for such services but the bidder did not meet the bid requirements.
- In 2021, the CCU approved management’s request to exercise the month-to-month contract extension up to 8 months or until a new contract is awarded. GPA also issued a Request for Proposal for Professional Printing, Mailing, and Processing Services. GPA received three offers

and selected InfoSend as the most qualified offeror, GPA selected Graphic Center as the second most qualified offeror, and GPA rejected Moonlight BPO's offer.

- In August 2021, Graphic Center filed a procurement protest disputing GPA's evaluation process for the RFP and GPA denied the protest.
- In October 2021, Graphic Center filed a procurement protest appeal with the OPA. In March 2022, the OPA issued its decision denying Graphic Center's appeal, and in April 2022, Graphic Center appealed the OPA decision in the Superior Court of Guam.
- In February 2023 the CCU approved the extension of the GPA-Graphic Center Contract and GPA may exercise the month-to-month contract extension up to twelve months or until a new contract is awarded.
- The PUC approved the month-to-month request in March 2023.

This matter continues to be with the Superior Court of Guam and it is imperative for GPA to have the bill printing, mailing, and processing service, which is the revenue lifeline of GPA. It will cost approximately \$420,000 for a 12-period. Comm. Sanchez moves to approved Resolution FY2024-15; Comm. Limtiaco second.

Vice Chairman Santos calls for a vote; motion passes with four Ayes. [Aye = 4, Nay = 0, Absent = 1]

#### **6.6 GPA Resolution No. FY2024-11 Relative to Approval of Temporary Power – and...**

**6.7 GPA Resolution No. FY 2024-16 – Relative to Approval of Temporary Power.** GM Benavente states, both Yigo CT and the Ukudu Power Plant Project sustained significant damages from Super Typhoon Mawar resulting in reduction of 20 MW to GPA's reserve capacity and a significant delay to the Ukudu Power Plant Commercial Online Date (COD). Yigo Diesels, another critical generation site, has also significantly declined in capacity due to required repairs or replacement, held up by several procurement protests. Due to these generation capacity shortages, GPA has solicited for up to 40MW of emergency Temporary Power. The Yigo Diesel site was determined to be the optimal site for permitting and commissioning the Temporary Power within the 100-day solicitation requirement. GPA has selected Aggreko to be the most qualified and responsive vendor and has completed negotiations with Aggreko for the contracting of 20MW of temporary power at Yigo Diesels. In addition to the temporary power, GPA has negotiated the assessment and repair of up to 18 Yigo Diesel units in order to restore up to an additional 20MW of capacity at the Yigo Diesel site. Costs is expected to be \$25M over a two-year period. GPA expects units to be operational with 100 days for a two-year base period with no option to extend. Revenue funded.

Vice Chairman Santos asks next time, the resolution must be ready and uploaded into Board Books. Nex time if it's not ready, Vice Chairman Santos ask that the resolution is presented at a later date. GM Benavente apologized for the delay, but negotiations just concluded and the temporary power is needed and is very important. Comm. Sanchez moves to approve Resolution FY2024-16; Comm. Limtiaco second.

After a five-minute recess, GM Benavente begins, there are units spread out around Yigo, 40 units existing which will help things get done within 100 days. Out of the bids, Aggreko is the only one that could achieve 100 days. We want to cut down as much time as possible. Aggreko will take on take control of almost 50% of the left side and that's where they will put their 24-25 units that would provide us 20 megawatts of temporary power. There are some generators that are working that are 6-8 megawatt generators so we're going put it over here and remove all the ones not working one or half working ones here and this will be the GPA site. In addition, the remaining

generators that we pulled out could be repaired and give us some additional capacity. Our goal under this contract is, one, Aggreko will give us 20 megawatts strong of capacity they will operate and maintain it and then they will also assist us in making repairs. Try increase this now from 8 to 20 because only now, 20 can fit and we can't put any more than 20 here. We're working with the CLTC to least part of the property for three years so that we can store the other units that we own here, about 20 of them and see how we're going to repair or replace or do what's necessary to achieve another 20 megawatts at Tenjo Vista which is the second resolution (FY2024-16) that you see there. So, our goal is to try, probably six months or a little more, to get that 20 operational. The strategy of this approval is to achieve 20 Aggreko new units then trying to repair 14 megawatts more from the 20 remaining that we can fit in this this area. Then try and take the remaining units to repair replace and bring that 20 down to Tenjo Vista. Part of our long-term strategy was to relocate about 20 units down to Umatac or Tenjo or somewhere in the area so that they can serve the South. The best way to do this now is to get some benefit in our strategy towards the long term by doing this contracting with Aggreko.

Comm. Limtiaco asks to explain the \$25 million in the resolution says \$25M for the capacity charge, fixed O&M charge, energy conversion charge, assessment and repair of Yigo diesel units, how much of that \$25M is appropriated to the assessment and repair of the additional 20 megs that you're referring to? GM Benavente states, \$3M. That's our budget to repair as much as we can to make the 6-8 to make 20. Vice Chairman Santos states, just to be clear, \$1M for initial mobilization cost, then an additional \$3 million to repair possibly up to 20 of our one meg generators, right? GM Benavente states, correct. Comm. Limtiaco asks, in resolve item number two, the \$8.1M for 2024 that jumps to \$10.1M, is this due to the bringing the additional 20 online is that that \$2 million is to operate the additional 20 megs that are coming online? GM Benavente replies, the way they set this up was the \$8.1M for the first fiscal year...that's the \$7M for the Aggreko and plus \$1M for the mobilization that's what we're budgeting...that's \$8.1M. Then the \$10M is for O&M... the second year. The third year is actually around \$6.1M but because we're only asking for approval for 24-25 because that's what we have approved today. In the following fiscal year, we will come back for a budget and then we will include that. Comm. Sanchez clarifies, but none of these expenditures will require any change in the base rate? GM Benavente states, none of this will require that. The reason why the 20 megawatts relocation or getting new or repair could work is because that would be a CIP program. The relocation to Tenjo Vista we will use CIP money instead of money. GM Benavente states line 20 will be corrected to state \$1M for mobilization cost in the resolution.

Comm. Sanchez states, the public knows we're short of capacity and this is your plan to address the shortage as a bridge to Ukudu and so we want to make sure it's very clear to the public that 20 Megs is coming from the new Aggreko units. We're hoping to get 12 to 14 additional megs up in Yigo when Aggreko fixes the current 6 to 8 and get it up to 20. So, that's another 12 to 14 so that's now 32 to 34 and then Yigo CT is 20 there's 54. How much new capacity from today with this plan would be added to the system in the next 4 to 6 months from a capacity point of view to bridge us to Ukudu. The location is good but ultimately people want to know how much more capacity do you see bringing online to increase capacity you're now revealing the results of a procurement bid. Aggreko won the bid and you're requesting our approval and the PUC's approval of this winning bid and how much new capacity will emerge from new capacity they're bringing and the repairing of existing capacity to get it up to more output and then you add g go and when you add all that up that gets to 60 megs, 70 Megs, 80 megs if you can make sure we understand that. GM Benavente states, to answer your question, you're correct 20 Mega for Aggreko, we're going present the resolution to be approve by the CCU. Tenjo Vista that's 20, that's 40, plus in this Aggreko contract a provision to allow us to try and repair as much as they can to get at least

another 14 megawatts back to the stream, that's 54. Again, the Yigo CT we're looking at towards the end of February adding 20 megawatts. We're trying to air freight that in to get that done, so that's 74. Yigo CT, we're trying to get it on at the end of February. We're working with the Air Force to see about flying it in. If I fly it in, then I can get it on the line by the end of February or sometime in March at the latest. Comm. Sanchez reconfirms, CT repair by March is 20, Aggreko, this new award based on a procurement, is another 20, plus Aggreko would try to squeeze out another 12 to 14 out of the existing machines up in Yigo. So, 20 plus 20 and plus 12 to 14 so that's 52 to 54. Then relocate 20 megawatts to Teno Vista. Then Yigo CT repair is ongoing that's going to get you to 74. GM Benavente states, right.

Comm. Sanchez states, so, there's two resolutions before us and should we approve the two, this is really important for Joyce and her team, if I understand it correctly, your plan now before us would increase capacity by 54 megawatts and then Yigo CT comes in because it's being repaired there's another 20 that's 72 to 74 depending on how much more Aggreko can squeeze out of the 40 Megs that we got up there. Which we got 6 to 8 and 20 is working right but it's that's going to Teno Vista but Aggreko fixes all of that in this proposal. Make sure that's very clearly spelled out for the public. GM Benavente states, our goal is to try to get to 100 megawatts of additional capacity. It's an accelerated commissioning of Ukudu from January 15, 2026 to September 30, 2025. I'm talking about a \$4 million acceleration cost if they go to September 15, another million so that's 5 million. That's what it would take to get it here earlier. Another part of that equation is that our customers will be saving about \$5 million on fuel cost. Based on the new schedule, September 30, they can see the first unit tested around February of 2025. One unit now is 45 so they'll test it. The first test of the first unit test, the second unit for so long, the third unit for so long, then they test one unit with the steam turbine and that's 45 plus 1 half of that is 70 about 70 megawatts for so long. Then the second unit so long during that whole period of time then we will have capacity coming up and down. Starting in February. Under the temporary power, here I'm estimating that we're going to run about 60% capacity factor that generates about 105 million kilowatt hours per year so here's the capacity charts that you're seeing. And again, what you seeing there is the fiscal year but this is for the two-year period. 6.5 million capacity the fixed O&M this is the labor and all the all the other fix expense \$2.3 so that's \$8.8. ECA this takes care of the oil, the filters all of that are variable. If you run it, you pay by megawatt hours...if you don't run it, you don't pay it, right. So, \$9.8 million. This is Aggreko we do have Urea here but again it doesn't apply to Aggreko because we've taken care of Urea. So, if you take the estimated heat rate 13.3 kilowatt hours per gallon for this diesel units the new ones that they have, 13.3 the annual consumption of fuel is \$7 million... \$7.9 million gallons per year. The annual cost at \$120 a barrel is \$22 million. Our non-base unit which is what we're running today, are reserves they're not deficient units. On the average, is about 10.5. So, what is costing us today is a consumption of about 10 million gallons a year at \$128 million so the annual fuel cost savings from the new machines the 20 Megawatts we're putting in is \$6 million. Therefore, really our net cost is about \$3.8. The temporary power is more efficient than the system. The new ones that are coming in and therefore we reduce our total so although we're paying 25 million... not \$25 actually take away \$3 million there, \$22, in 2 years we're saving \$8 million. So really cost us net about \$12 million from the fuel and this is real because this is that's the average 10.5 year. Unfortunately, our other constraint is the debt service coverage. Depth service coverage is all this cost up here in the top so we have to limit that now. That's why I keep saying repair or replace. When we look at the 20, we're really looking to relocate to Tenjo Vista, they are my understanding the same type of units upgraded more efficient. We get us this kind of efficiency versus the one we get today which is around 12. The self-efficiency will help pay for the machines and actually can be delivered within six-month period. This \$6 million is really passed on to the rate payers. We won't see that cost...it reduces the total cost to the rate payers. It just means that the rate payers are going to save money and this will help us catch up

with us under recovery. So again, that's the same for the second year. These are in the two resolutions we're asking the CCU to approve.

GM Benavente states, if the CCU approves the resolution then it will go to the PUC on Thursday. If the PUC passes then I think they can do that then you're talking about 100 days. So, we're looking about anywhere in April for the new 20. Comm. Sanchez reiterates, so, that's March, April for the... Yigo CT hopefully by March, then the new Aggreko 20 is March, April. GM Benavente continues, then we're going to and get 14 megawatts more about March, April. The other Yigo because it requires some site work, we're looking at September. Comm. Sanchez reconfirms, 20 from Yigo February March; 20 from Aggreko March April; 12 to 14 more because Aggreko will start to fix some of our 40 megs by March April; and then the final 20 Megs with the relocation of Tenjo is more like September. But, in the next, with everything working out, 120 days is 20 from Yigo and then new capacity from an Aggreko of 20 plus squeezing out 12 to 14 more by fixing what we have. That's 32 to 34 and then another 20 megawatts by September becomes available. I add that up to 74 Megs all together. Including Yigo coming back online. It's 54 from Aggreko and from 20 Yigo. Make sure that Tricee, Joyce and team, make sure that you guys do a great job of explaining this to our because this is the bridge to the capacity to Ukudu. Create 74 megawatt of capacity in addition to what is currently on the system to eliminate significantly reduce load shedding.

GM Benavente states, in the GM report it shows the that there some of the other things that we're working on. I'm very happy that Orote has 6 megawatts and we're working with them on an agreement to get the rest of Orote power plant up...the minimum another six maybe 12. I'm trying to get on the line by May. We have Wartsilla units we're increasing that from three up to 8 megawatts this is the Manenggon units we're working on. Caterpillar units, we have 12 megawatts and we're trying to increase that to 25. This miscellaneous capacity you're looking at 30 megawatts by around May. We're really not stressing Cabras 1 and 2 too much. I know they can push 40 or 45 megawatts but every time in in the past several months when we tried to go up pass 35 in Cabras 2, we've had a boiler tube leak from the increased pressure. Right now, it's been running very well at 30 or 34. Knock on wood it's been running like that for a month and a half. Remember Cabras 2 was the issue before. Cabras 1 has been running as much as 43. If I can get those up to 40, 45 on a regular basis and if you have reserves, it gives you a chance to go in and make the repairs. Without reserves as soon as goes, you it loses it. Comm. Sanchez asks, should we adopt these resolutions, please organize how much additional capacity is being put back onto the grid above what is existing today, Aggreko, by repairs, by Yigo CT coming back online, by squeezing another 12, getting up miscellaneous capacity getting that from 15 to 30... let's make sure that's well explained plus it helps us keep the plan accountable. Obviously, as we add capacity, we reduce the risk of load shedding which is everybody's desire and it bridges us to when Ukudu does come online which should eliminate load shedding. We can't forget the battery...we forget that the battery actually is capacity. When do you turn it on? At Peak. I say it provides capacity for the peak. GM Benavente states, the way it is, is this is the peak and the battery comes and takes a big chunk of the peak so the reserve units only have to handle this. Therefore, the use of the battery is the same. So, it is capacity to shave the peak that's what I'm talking about. The more you do that, the more your reserve requirements are less. That means the more that you can start to reduce some of the capacity. Comm. Sanchez responds, and no base rate increase and actually when we get this plan implemented there's actually fuel savings over a couple of years that will help us with the LEAC.

Comm. Limtiaco asks, why do we jump from September 2024 to September 2026 without a no net increase in capacity? Ukudu information should be added somewhere in 2025? GM Benevente responds, that was meant to be, September 25 Ukudu and actually there is an increase. It's up there to show that when Ukudu comes on the line which is here 198... so this is the existing but then we have to retire Cabras 1 and 2...80 which is the right and then release temporary power

takes away the zero so now our total capacity is 495. If you estimate the demand and if you notice it's rising to take the growth 275 is what we estimate in 2025 you take away...there's 220 megawatts left of reserve. You take away the largest unit 63 which is 145 plus it's a gas that produces steam, the second largest was 63 and then 1 half of the third largest which is better than one day and 4 and a half the target of the PUC that said, that's 140, so what capacity balance after having all your reserve requirements do you have you have? You have 72 megawatts more that you can bring in additional capacity. Comm. Limtiaco mentions, I was referring to the prior slide. The prior slide shows the September 2025 and there's no change in capacity number. GM Benavente says, targeted megawatt increase, I guess this is just before bringing on board the revised agreement. It will be updated.

Vice Chairman Santos asks for a motion. Comm. Limtiaco motion to approve Resolution No. FY2024-11 Relative to Approval for Relocation of Yigo Diesels; Comm. Sanchez second.

Vice Chairman Santos calls for a vote for Resolution No. FY2024-11; motion passes with four Ayes. [Aye = 4, Nay = 0, Absent = 1]

Comm. Sanchez motions to approve Resolution FY2024-16 Relative to Approval of Temporary Power; Comm. Limtiaco second.

Vice Chairman Santos calls for a vote for Resolution No. FY2024-16; motion passes with four Ayes. [Aye = 4, Nay = 0, Absent = 1]

Comm. Limtiaco asks for an update on Ukudu, has there been any new development since the working session? GM Benavente they 80% complete. They are already into the second tier of the of the tanks. So, the tanks and materials are here and they're being built. The treatment for the water it should be coming but they anticipate...the construction of the pipeline from the airport road they're announcing that. That has to be completed this year so that we can fuel the tanks before February. So, they can start testing. Based on the September 30 deadline, they're looking to start firing units in February.

**7. ADJOURNMENT**

Comm. Limtiaco motions to adjourn; Vice Chairman Santos second. Meeting is adjourned at 7:31 PM.

//s/

Lourissa L. Gilman

Attested

\_\_\_\_\_  
JOSEPH T. DUENAS, Chairman

\_\_\_\_\_  
PEDRO ROY MARTINEZ, Secretary

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Presentation To:

Consolidated Commission on Utilities

CCU Regular Board Meeting  
February 27, 2024



# Management Report

## CCU Regular Board Meeting

### February 27, 2024

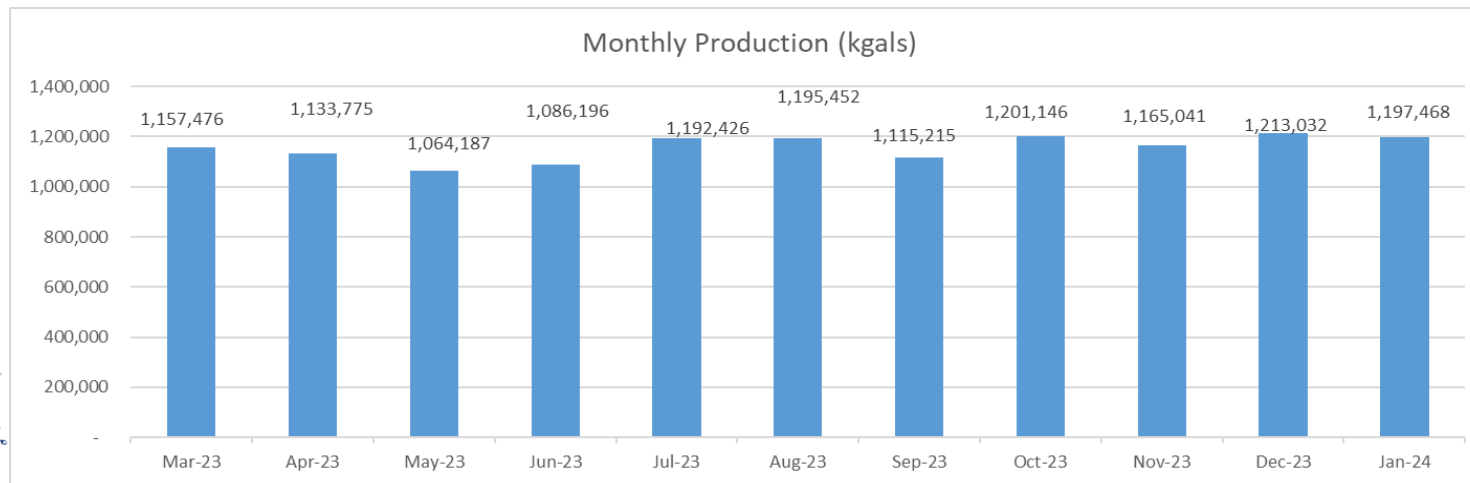




## Operations Update

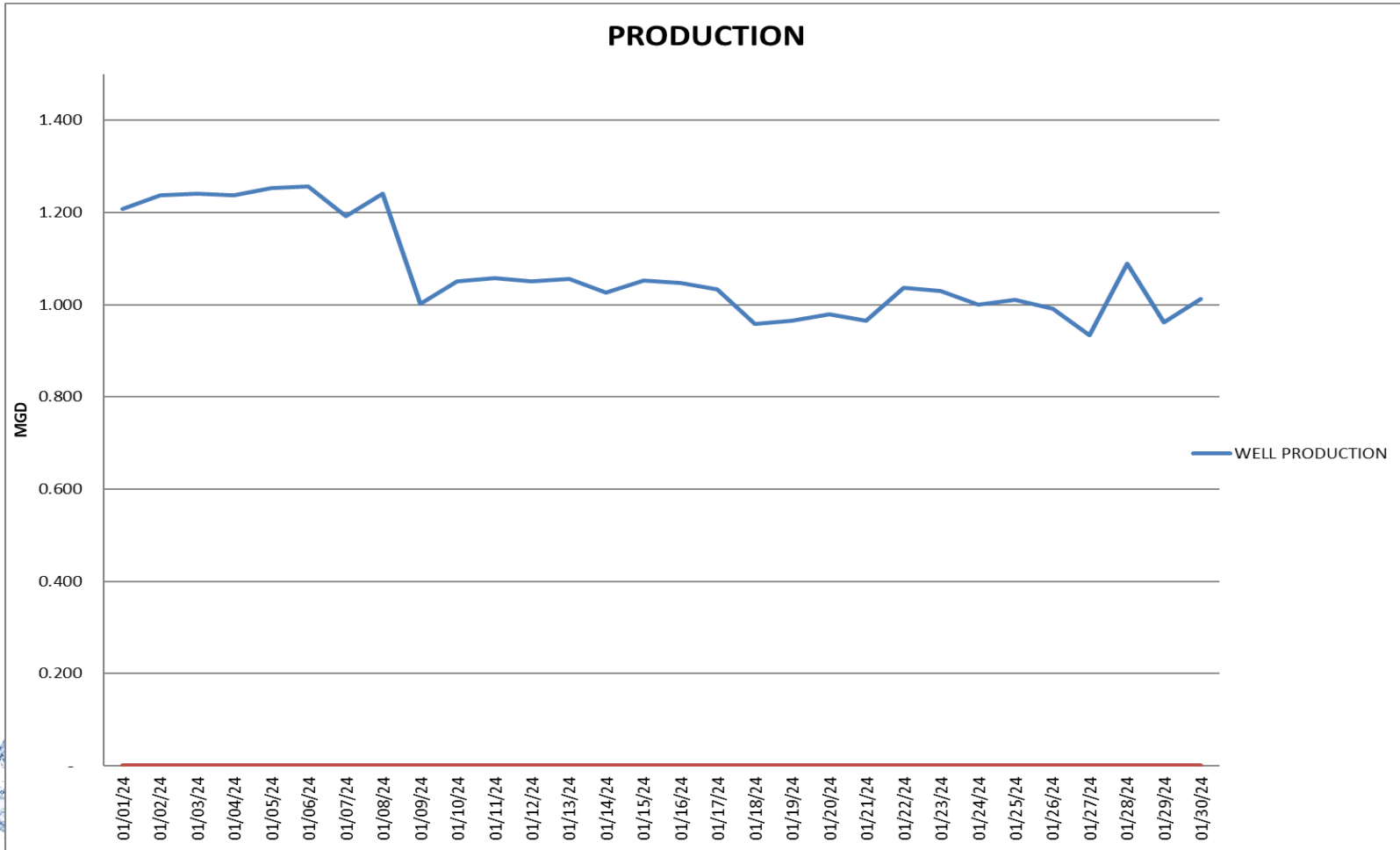
### Water Production (January 2024)

Monthly Production Summary - January 2024				DW Status as of 1/31/2024		REMARKS	
Deep Wells			35.5 MGD		<b>Active</b>	<b>93</b>	DW units on line
Active wells =	93	of 120			<b>Standby</b>	<b>1</b>	<b>A29</b>
Avg days in operation =	31	days					
Total Production =	1,099,434	Kgals					
Springs			0.27 MGD		<b>Grounded Motors</b>	<b>15</b>	<b>A09-A18-A26-D01-D03-D09-D12-D14-F01-F10-F13-F20-M05-M12-Y16</b>
Avg days in operation =	31	days					
Total Production =	8,244	Kgals					
Ugum Surface Water Plant			1.7 MGD		<b>Out of Commission</b>	<b>9</b>	<b>A02-A07-A28-D05-D13-M01-M14-MJ01-MJ05</b>
Avg days in operation =	31	days					
Total Production =	53,565	Kgals					
Tumon Maui Well			1.21 MGD		<b>Secured - PFO</b>	<b>2</b>	<b>A23 and-A25</b>
Avg days in operation =	30	days					
Total Production =	36,225	Kgals					
			<b>1,197,468</b>	<b>Kgals</b>	<b>38.7</b>	<b>MGD</b>	
				<b>TOTAL</b>	<b>120</b>		





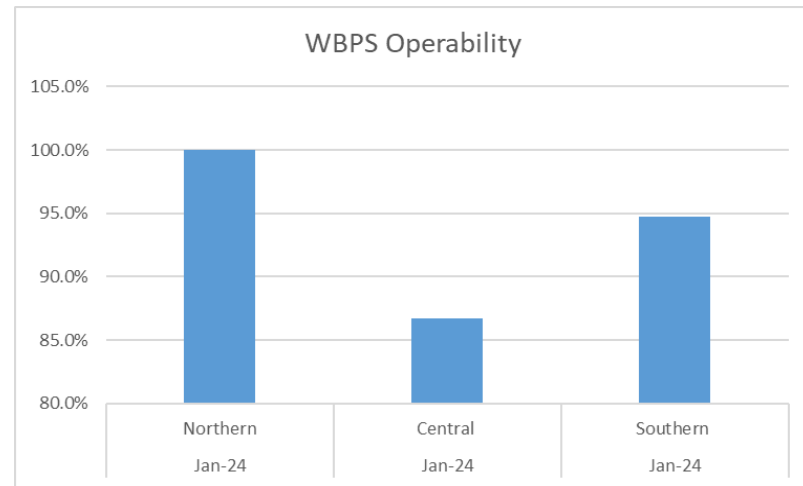
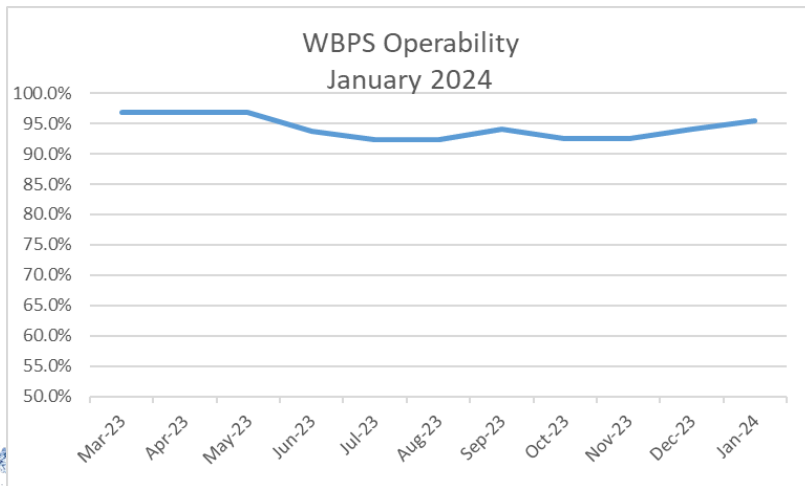
Tumon Maui Well Production (January 2024)





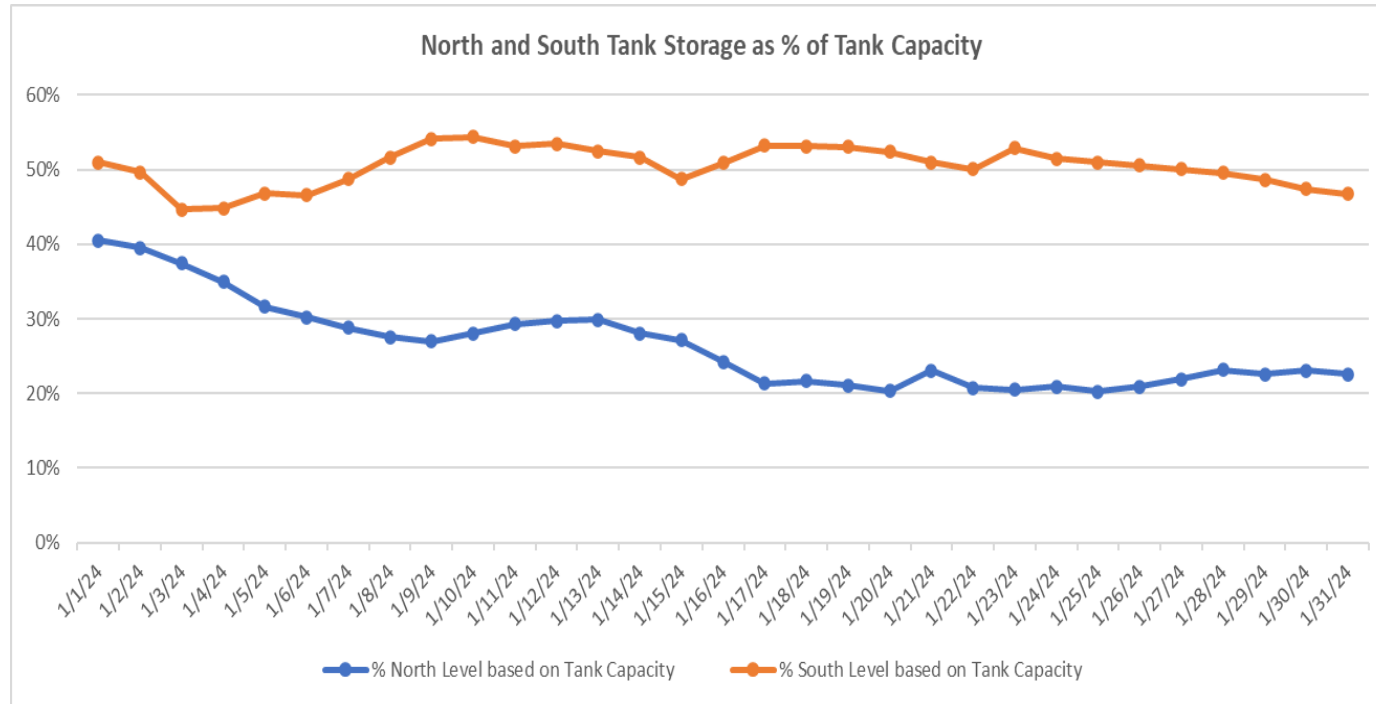
Water Distribution (January 2024)

Monthly Distribution Summary - January 2024					
Water Booster Pump Stations					
	District	No. of Stations	Total Pumps	Pumps Operating	% Operational
	Northern	14	33	33	100.0%
	Central	7	15	13	86.7%
	Southern	8	19	18	94.7%
		29	67	64	95.5%





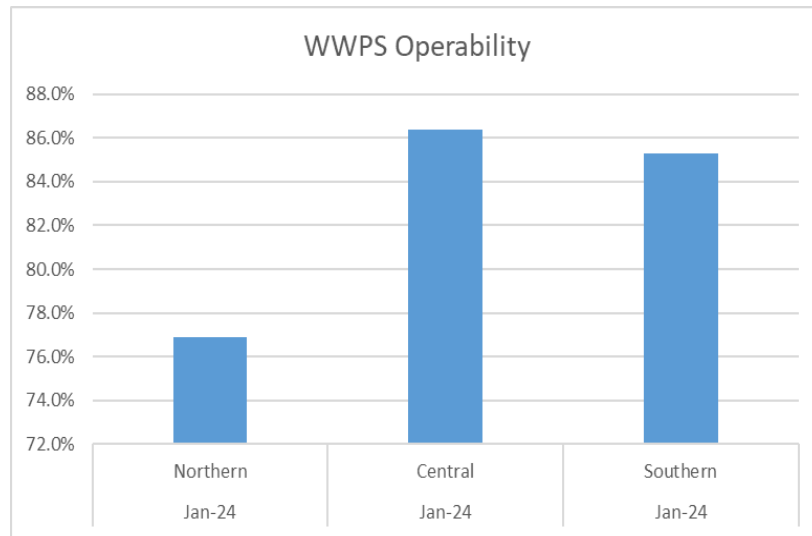
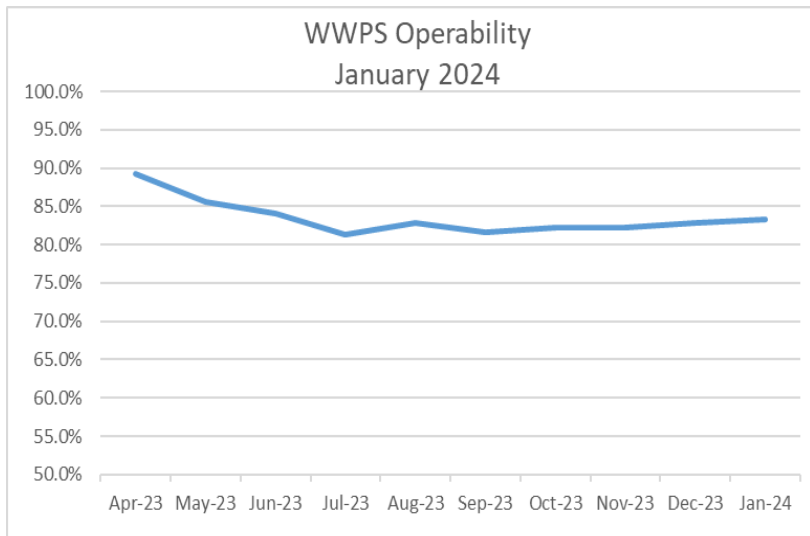
Water Distribution – Tank Levels (January 2024)





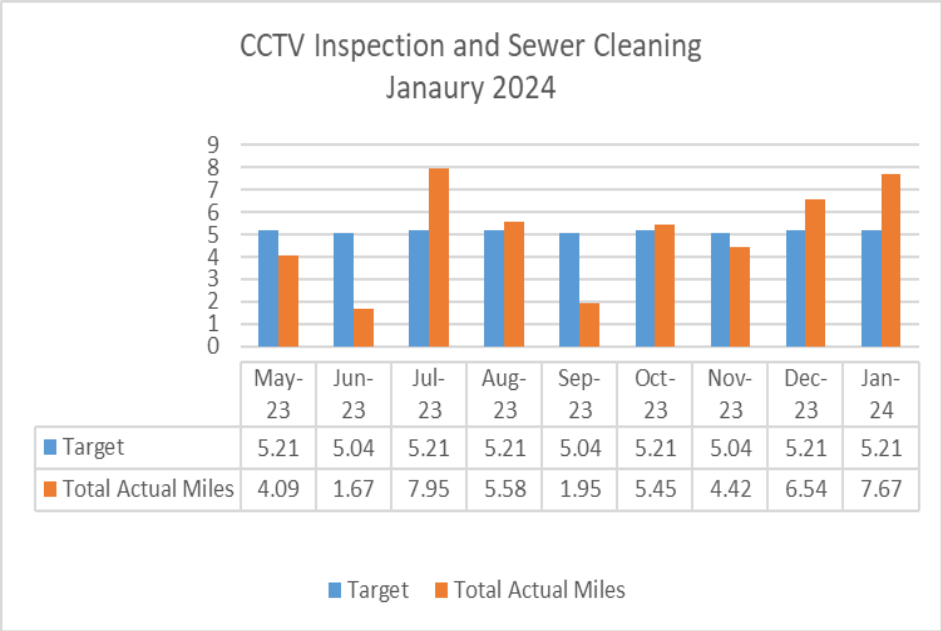
Wastewater Collections (January 2024)

Monthly Collections Summary - January 2024					
Wastewater Pump Stations					
	District	No. of Stations	Total Pumps	Pumps Operating	% Operational
	Northern	22	52	40	76.9%
	Central	30	66	57	86.4%
	Southern	32	68	58	85.3%
		84	186	155	83.3%





Wastewater Collections – CCTV (January 2024)

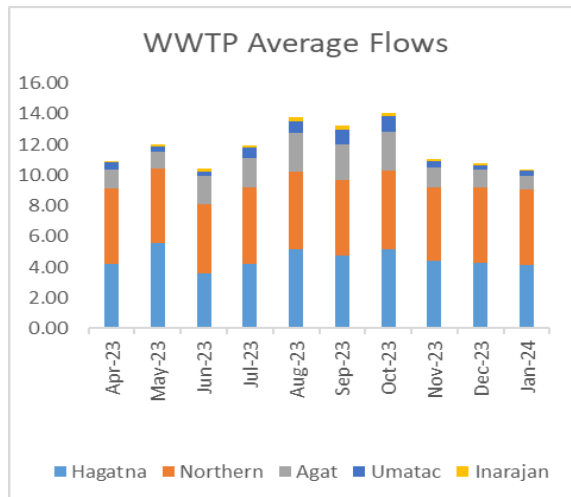






## Wastewater Treatment (January 2024)

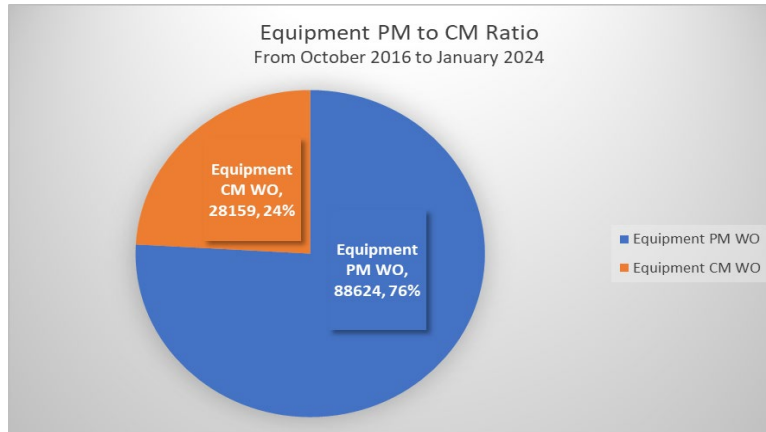
Monthly Wastewater Treatment Summary - January 2024				
WW Treatment Plants - Flows				
	Facility	Avg. Daily Flows	Sludge (lbs)	Sludge Disp. (\$)
	Hagatna	4.14	294,880	\$ 26,539
	Northern	4.93	708,340	\$ 63,751
	Agat	0.91	49,540	\$ 6,012
	Umatac	0.30		
	Inarajan	0.11		
		10.39	1,052,760	\$ 96,302



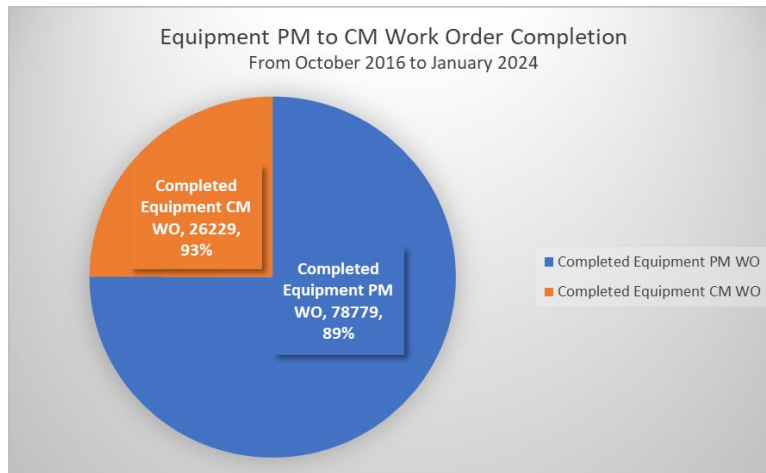


Asset Management (through January 2024)

I. Equipment Preventive Maintenance to Corrective Maintenance *Ratio*



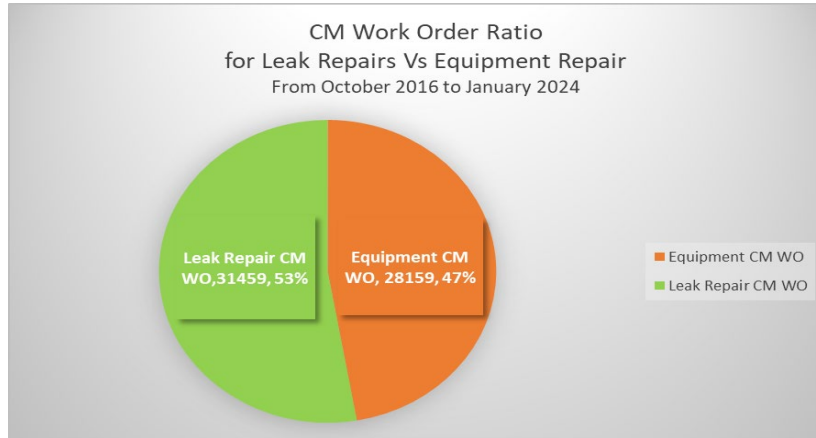
II. Equipment Preventive Maintenance to Corrective Maintenance *Work Order Completion*



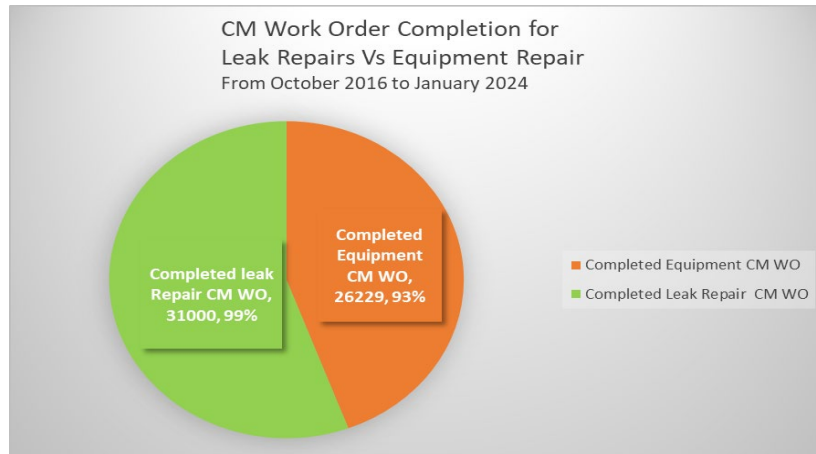


Asset Management (through January 2024)

III. Corrective Maintenance Work Order **Ratio** for Leak Repairs vs. Equipment Repair



IV. Corrective Maintenance Work Order **Completion** for Leak Repairs vs. Equipment Repair





### One Guam Update (January 2024)

- TMW- inspection on January 17, 2024. No major issues
  
- Interagency Billing & Contracts/Agreements
  - Still working on this. No response on the water for trade idea from DOD Finance.
  - Preparing new (separate) contract with GWA for purpose of PFAS study.
  
- Other
  - PFAS – Allonia
    - Navy and GWA will be sending samples to Allonia for the PFAS study. GWA and Navy will coordinate the shipping of the samples. Shipping carboys may require a preservative. GWA will need to confirm with Allonia.
  - USGS
    - Stephen Zhaniser from USGS attended the One Guam meeting
    - Working on the OGWRIP program; collecting data on all monitoring wells. USGS is working with WERI to provide reports using that data.
    - Data from new wells started about a year ago; however not all well's location points were surveyed yet. For next visit, will have a survey team come out and collect those measuring points for reference. Once that's done, USGS can make meaningful interpretations and chart the results. Mr. Zhaniser met with Miguel B. earlier; GWA will approve the release of as-builts for the new wells to USGS. Contractors for new wells did collect some survey points. GWA is not sure of the level of accuracy from those survey points. DOD will provide the list of wells that need verification of survey points for well location.
    - USGS is hoping to set up a meeting in April so can go through where at with One-Guam the progress of the data collection and analysis. Would like to get all parties involved to talk about deliverables and responsibilities.



*(continued on next page)*



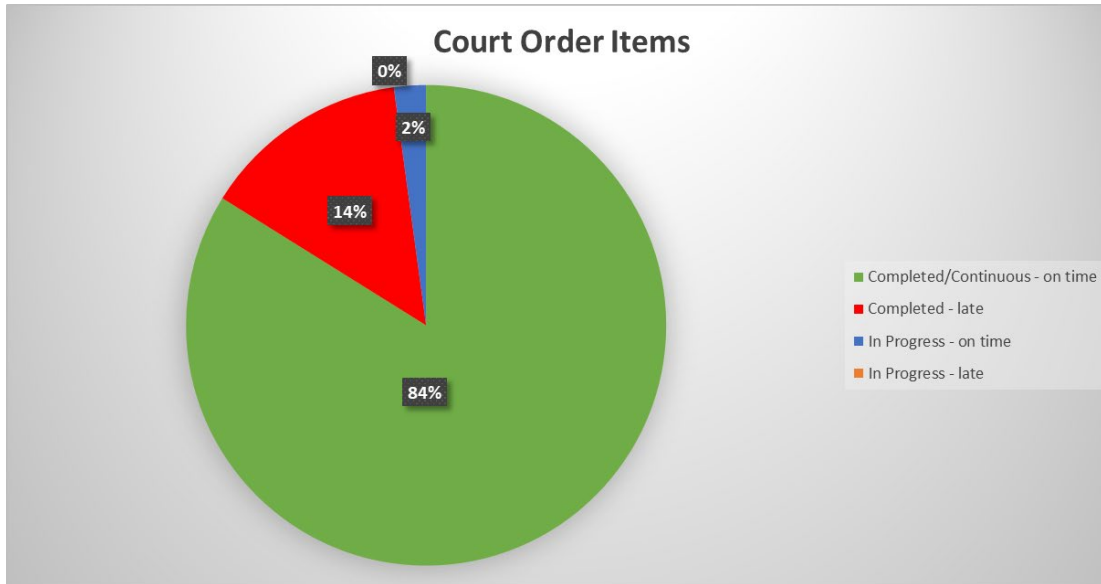
## One Guam Update (January 2024 - continuation)

- Other
  - Stream Gauges
    - USGS is interested in replacing at least 2 stream gauges that are in very bad condition; Umatac which is not being used currently because not functioning, and Pago River which is barely functioning and in danger of collapsing. Navy team trying to get information on Pago because apparently built by Seabees but research is need on the ownership of the stream gauges and the property.
  - Construction Activity within Radio Barrigada by Route 16 near Navy's Reservoir
    - Modeling was done for the area. Don't anticipate a problem with the load from DOD. DOD did review the project and not much of a load; they have a fire suppression system and may put their own pump but will draw water from Navy Barrigada tank.
    - DOD stated they are requesting a *Sewer Systems Assessment Study* to verify if existing infrastructure is sufficient for the ongoing DOD projects. The fact that sewer in that area will discharge to GWA. GWA advised having a holding tank at Radio Barrigada in event of in-rush for sewage that GWA's lift station may not be able to handle. Once assessment study released, DOD will communicate with GWA. GWA Engineering/Permits would like to get information to analyze the data.
    - That there would likely be a System Development Charge (SDC) because of the heavy loading. GWA Engineering will analyze the demand and work with Customer Service on the SDC.





Court Order Summary (through January 2024 – no changes)



**Court Order Summary**

	Court Order Items	%	Performance % Completed	Performance (on-time or completed)
Completed/Continuous - on time	78	84%	97.8%	100.0%
Completed - late	13	14%		
In Progress - on time	2	2%		
In Progress - late	0	0%		
<b>Totals</b>	<b>93</b>	<b>100%</b>		





### Court Order – Status Information (January 2024)

The following SSO was reported for January 2024:

- Jan. 20, 2024, SSO#1422212: Ypao Beach Road, Tamuning - Ypao Pump Station Failure
- Jan. 23, 2024, SSO#1420812: Chagami Street, Inalahan - Inalahan Pump Station Failure





### Land Acquisition Summary (through January 2024)

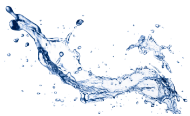
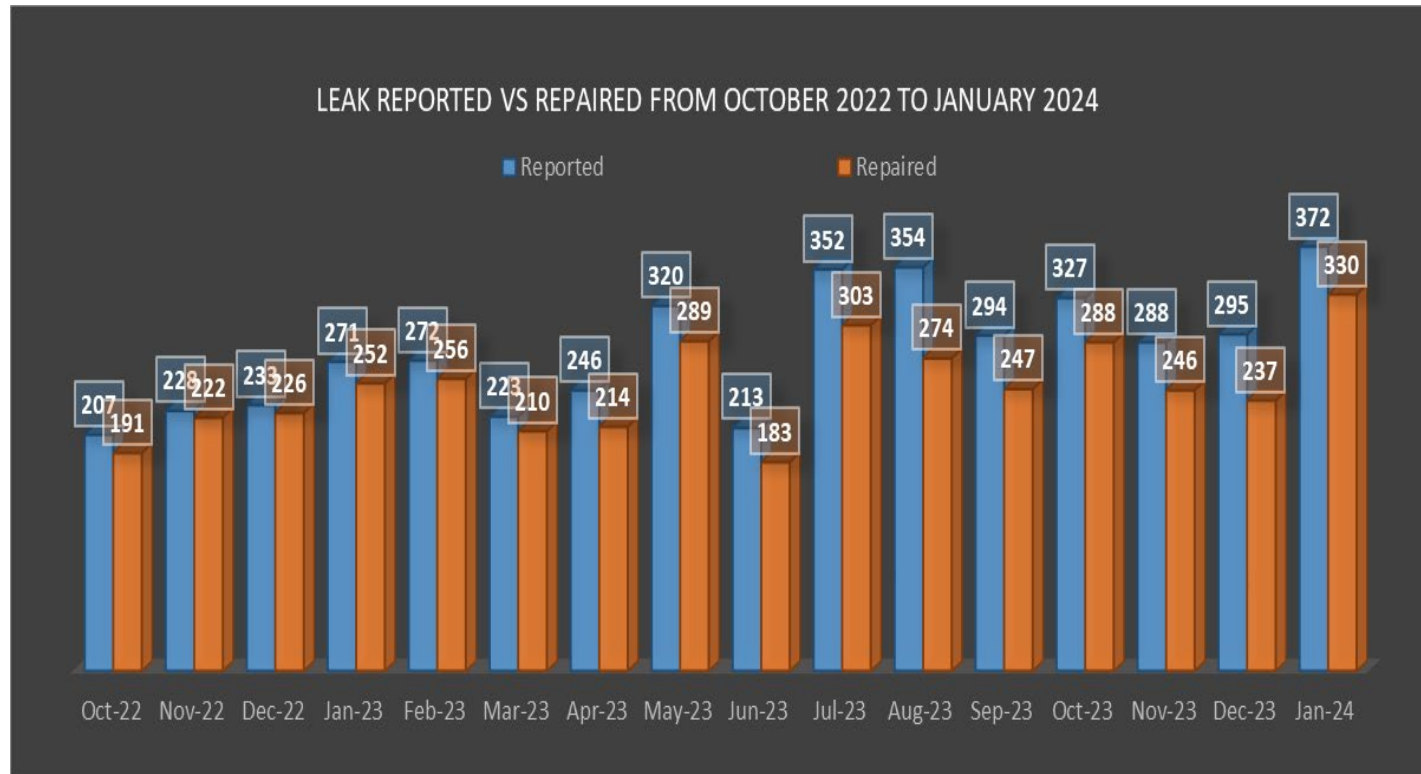
GWA Facility	Location	Gov. or Private Property	Land Acquisition Status
Tanks	Astumbo-L10164	Gov't. - CLTC	Petition of Land Registration package forwarded to Attorney General by DLM 11/04/19. AG pending court filing 06/30/2021 – Follow up status sent to DLM 10/06/2021; 11/03/2021; 01/27/2022; 03/04/2022; 05/12/2022; 07/07/2022;09/12/2022; 12/27/2022; DLM response 07/11/2023 have not been able to meet with Assignment AG for LR proceedings. Land Agent has followed up and emailed multiple times with Margarita at DLM on meeting with DLM attorney on status of Land Registration proceedings 10/02/2023. This process is crucial for GWA to acquire property for GWA reservoir. <b>02/01/2024: Follow up sent to Margarita at DLM</b>
	Piti-L259	Private/Federal	Received final comments from DoAg. Waiting on the archaeological report before we can submit 299 forms. Waiting for permission from NPS to access the lot and perform the Archeological survey.
	Ugum River Intake/Booster Pump Station	Private	When the UGUM Water treatment plant was built in 1990, no land reservations for the area by the booster pump station, the Ugum river intake and access road. Land Agent currently researching the area under Lot 292, owned by the Aguon Family. GWA would need to secure a Grant of Easement for the access road and booster pump facility along the river intake. 12/19/2023: GWA coordinating with DCA for survey services to perform a boundary retracement survey of the subject lot to establish the limits of the survey; as-built existing facilities, structures, and road, to obtain + 2,376 square meters for the parcel and create the easement for GWA reservation.
Deep Wells	AG-12-L10154-4	Dept. of Agriculture/Manhita Farms	Right of Entry Agreement sent to Manhita Farms for signature 05/24/18. 2 <sup>nd</sup> follow up sent on 04/10/19; 08/03/2021. ROE Agreement information sent to GWA legal counsel for further review and processing 01/28/2022; 08/11/2023 –GM signed and submitted to DCA for final review and processing at DLM; 09/26/2023-Submitted to DCA for final map processing
Booster Pump Station	Agfayan-T3734 B19 L28	Private	TGE working on structural design for pump station area for L28, B19, T3734, Inarajan 11/07/19. Letter of Decision received by CLTC 06/09/2021. CLTC has responded for in-kind service letter 10/08/2021. 1 <sup>st</sup> appraisal report submitted to GWA 05/11/2022. 2 <sup>nd</sup> appraisal submittal to GWA 09/20/2022. Appraisal report sent to GM/legal counsel for review, approval and response 09/22/2022. Garrett stated updated appraisal report cost is \$2500 each. Funding needs to be requested 10/02/2023.
Asan Springs	Asan-L501	Federal	<ul style="list-style-type: none"> <li>Revised Environmental Assessment report with NPS for review. 1/25/24</li> <li>09/18/2023: The Office of Congressman Moylan has offered assistance to work with the NPS in completing the EA and Finding of No Significant Impact (FONSI) along with the Right of Way agreement to GWA, the EA is a prerequisite of the ROE agreement.</li> </ul>





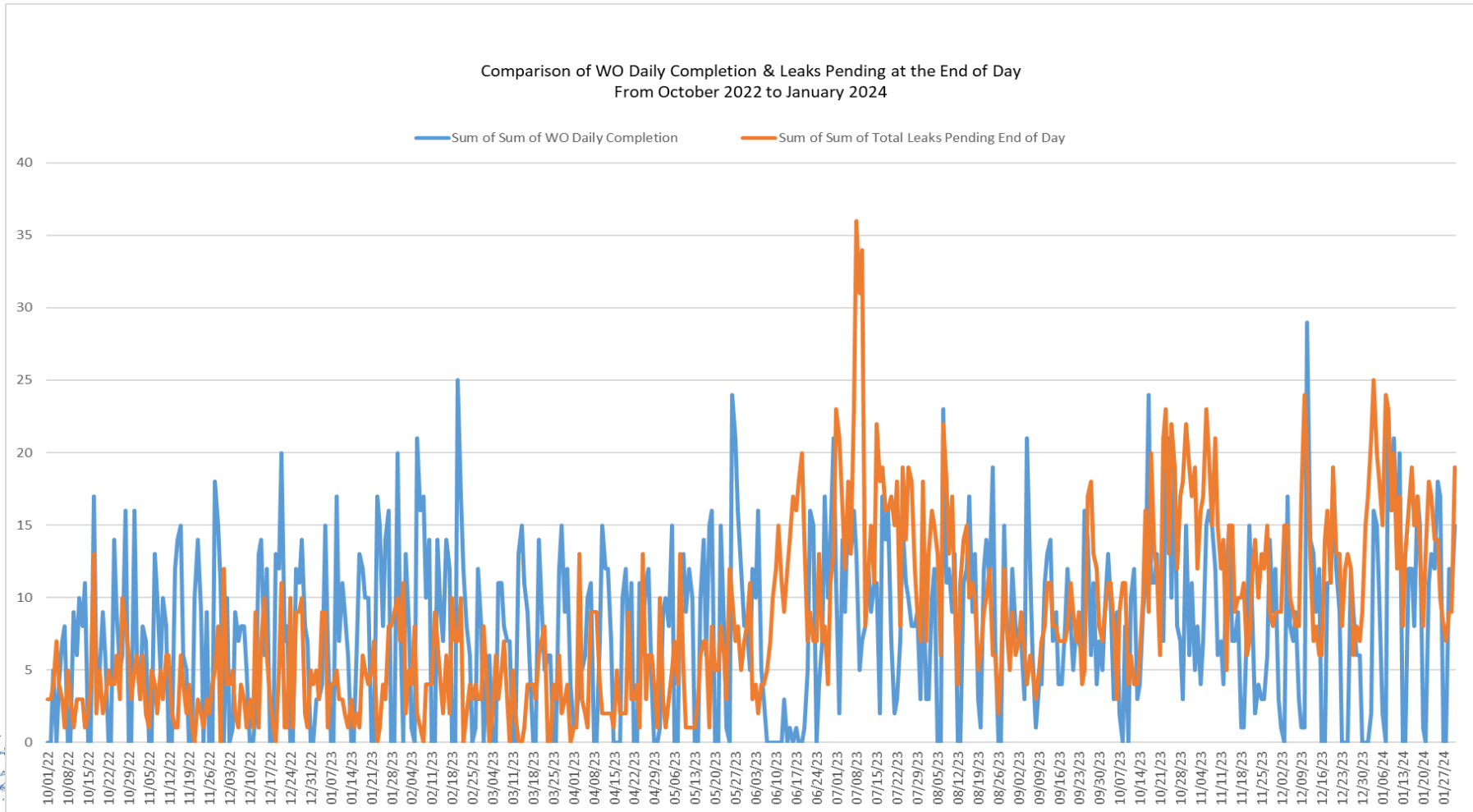


### Comparison of Leaks Reported vs. Leaks Repaired (through January 2024)



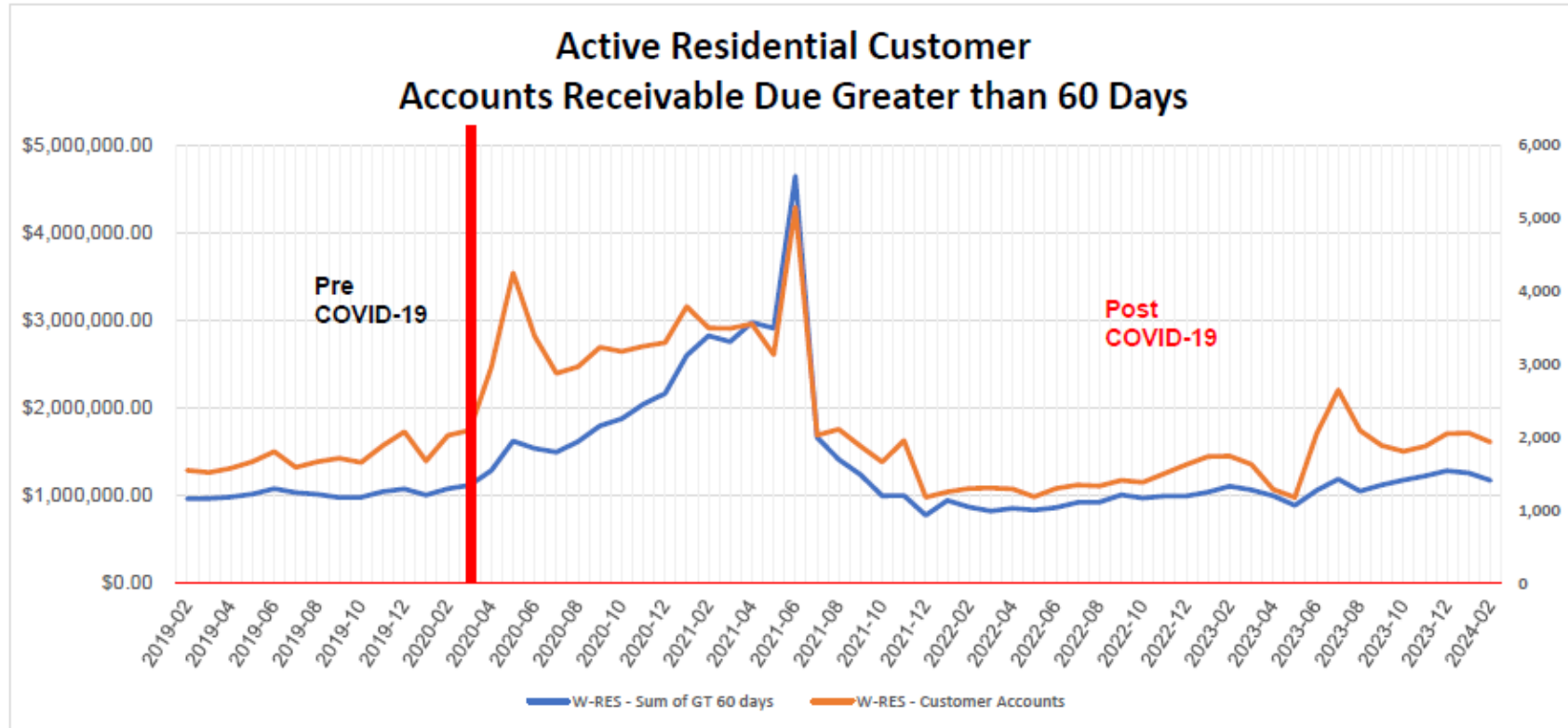


### Daily Leak Repairs (through January 2024)





Accounts Receivables – Active Residential Customers (for January 2024)

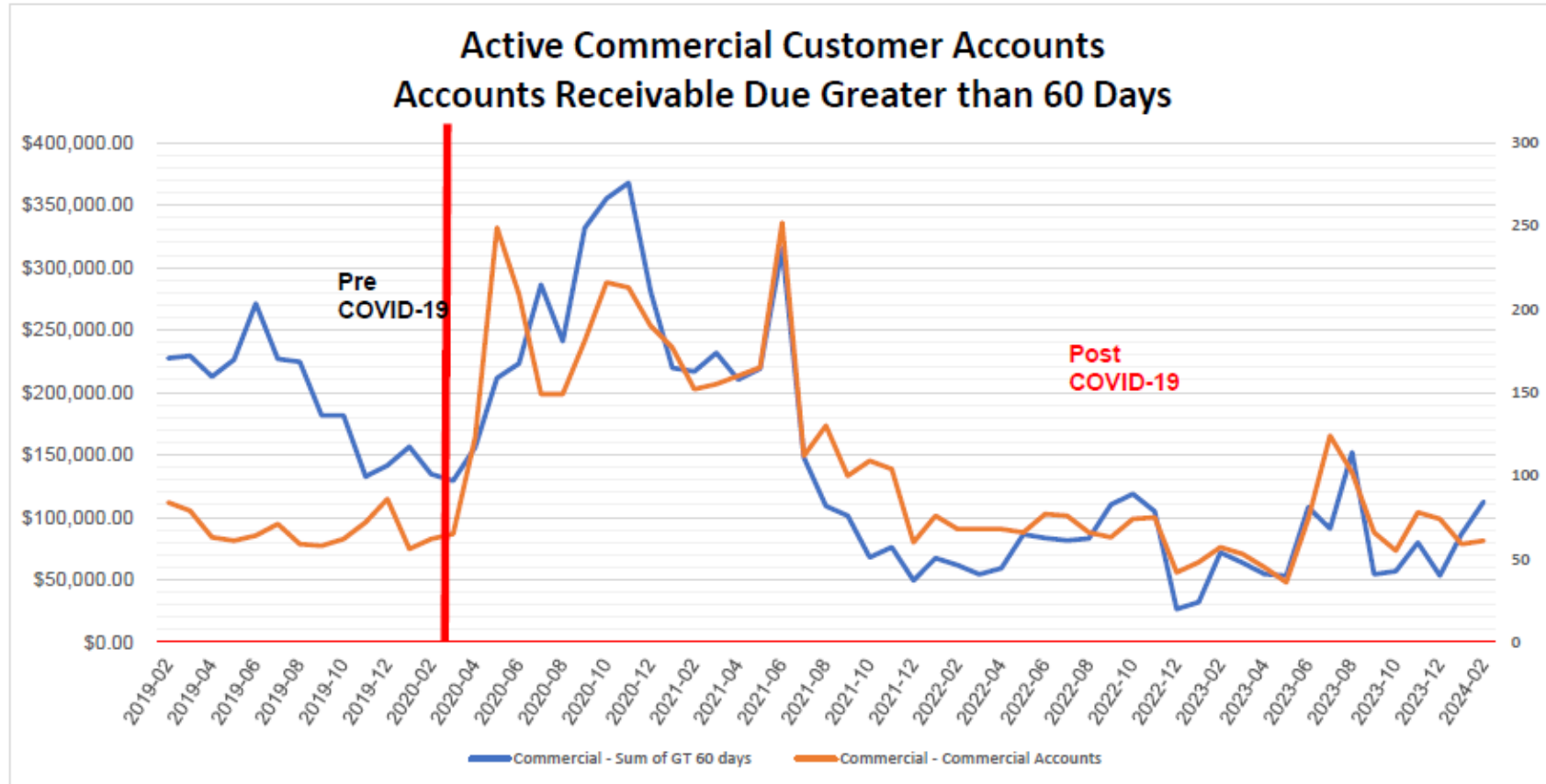


\* Excluding customers on payment plans





Accounts Receivables – Active Commercial Customers (January 2024)



\* Excluding customers on payment plans

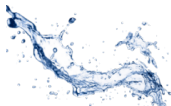




## Highlights of Customer Care Section Operations (January 2024)

### Highlights of Customer Care Section Operations – January 2024:

- There are 2 total holidays in Jan 2024
- The average wait time for all 3 locations is 4.3 as compared to 4.0 for Dec 2023.
- The number one reason for visit for each GPWA location is:
  - Gloria B Nelson Public Service Bldg. Fadian = Apply for water
  - Julale Satellite Office = Copy of bill
  - Upper Tumon Satellite Office = Bill Dispute
- The average number of Facebook visits is 7023 for January 2024, down from 17,461 for Dec 2023. December's large numbers were the direct result of several water outages with January 2024 having fewer outages than December 2023.
- Instagram profile visits for Jan 2024 decreased to 302 as compared to 695 for Dec 2023. Again, this is due to fewer outages in January than December.
- Jan 2024 average number of active pay plans is 396 which compares similarly to Dec 2023 average number of active pay plans @ 361.
- There was an increase in emails received for Jan 2024 @ 521 as compared to Dec 2023 @ 480.
- Meter Reading Unit reported a 96.17% successful electronic read percentage as compared to 96.75% for Dec 2023.
- 12.9% of GWA customer meters recorded ongoing private side leakages in January 2024 which compares similarly to Dec 2023 @ 13%.





# Issues for Resolution

## CCU Regular Board Meeting

### February 27, 2024



# Design-Build of Upper Tumon Campus Improvements

## Relative to Approval to Procure Design-Build of Upper Tumon Campus Improvements

### GWA Resolution No. 10-FY2024

#### What is the project's objective and is it necessary and urgent?

- GWA Upper Tumon Campus Improvements project is needed to make necessary repairs, rehabilitation and renovations of the Customer Service Center, Compliance Laboratory, Warehouse and Meter Testing Facility which will be implemented in two phases. Phase I is comprised of Warehouse Rehabilitation and Meter Testing Facility Repair and Phase II includes the Customer Service Center Renovation and replacement of essential laboratory equipment.
- The Upper Tumon Warehouse was constructed in 1993. Normal wear in Guam's tropical environment over the span of 30 years contributed to deterioration of roofing and other structural components. In May 2023, Typhoon Mawar caused additional damage to the Warehouse and Meter Testing Facility affecting the integrity of stored materials and the safety for occupants of both buildings.
- The existing Customer Service Center that houses both GWA and GPA personnel, has not seen significant renovation or rehabilitation for many years, and renovations are necessary to improve customer experience, working conditions for utility personnel, and to meet current requirements of the building code, fire/safety code, and other relevant code standards. The GWA Compliance Laboratory has three laboratories served by a special laboratory ventilation and exhaust systems, components of which are beyond their useful life or no longer meet current standards. Replacement of equipment in the laboratory is necessary to meet acceptable indoor air quality requirements and ensure continued operation of the laboratory.
- The objective of this project is to procure the design-build renovation/rehabilitation and repair of these facilities in the following phases:
  1. Phase I - Upper Tumon Warehouse and Meter Testing Facility
  2. Phase II – Upper Tumon Customer Service Center and Laboratory Equipment Replacement

## **Design-Build of Upper Tumon Campus Improvements** *(continuation)*

### Relative to Approval to Procure Design-Build of Upper Tumon Campus Improvements

#### **GWA Resolution No. 10-FY2024**

##### **Where is the project located?**

- Both Phase I and Phase II projects are located in Upper Tumon.

##### **How much will it cost?**

- Phase I is estimated to cost \$3,167,500.00
- Phase II is estimated to cost \$5,080,900.00
- Total estimated cost for Phase I and Phase II is \$8,248,400.00.

##### **When will it be completed?**

- Phase I and Phase II will be advertised as separate projects. Phase I is expected to take up to three years to complete; Phase II will require up to four years to complete.

##### **What is the funding source?**

- GWA intends to use multiple sources including bonds funds, Internal Funded Capital Improvement Project (revenue) funding, FEMA Public Assistance Program funding, GWA Property Insurance Claims as applicable.

##### **The RFP/BID responses (if applicable):**

- Not applicable.



# Five-Year Financial Plan and Capital Improvement Program

## Relative to Approving the Five-Year Financial Plan and Capital Improvement Program

### GWA Resolution No. 11-FY2024

#### **What is the project's objective and is it necessary and urgent?**

- The Guam Waterworks Authority (GWA, the Authority) has prepared its fourth consecutive Five-Year Financial Plan (Financial Plan) to support the continued improvement of the operations and maintenance of the Authority, invest in critical infrastructure, and enhance GWA's financial stability while ensuring just and reasonable rates. The CCU's approval of the Financial Plan is necessary and urgent to authorize and enable the Authority to obtain necessary resources to continue its operations and to timely meet regulatory compliance requirements, including the Clean Water Act (Consent Decree compliance), impending additions to federal Safe Drinking Water Act (PFAS) and local regulations for emerging contaminants (Dieldrin).
- On September 28, 2023, the Public Utilities Commission (PUC) ordered GWA to provide its next multi-year rate plan on or before April 1, 2024. Because of the notice requirements in the Ratepayers Bill of Rights, GWA requested, and PUC agreed to modify the order to allow for an advance draft of the rate plan to be provided on or before March 4, 2024, and the final submission of the rate plan on or before June 3, 2024. GWA believes this schedule will help to facilitate the review and approval of the rate plan before the start of FY2025.

#### **Where is the location?**

- Approval of the Financial Plan will impact utility operations at all GWA sites and the provision of water/wastewater services to all GWA customer locations.

*(continued on next page)*

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# Five-Year Financial Plan and Capital Improvement Program *(continuation)*

## Relative to Approving the Five-Year Financial Plan and Capital Improvement Program

### GWA Resolution No. 11-FY2024

#### How much will it cost?

- Revenue requirements are projected to be:

FY2025	\$155,271,144
FY2026	\$169,933,072
FY2027	\$182,505,875
FY2028	\$200,707,639
FY2029	\$221,593,952

#### When will it be completed?

- As stated above, an advance draft of the Financial Plan will be submitted to the Public Utilities Commission (PUC) on March 4, 2024, and, after the Ratepayer Bill of Rights public notice requirements are met, the final Financial Plan and Rate Petition will be submitted to the PUC on or before June 3, 2024.

#### What is the funding source?

- The Financial Plan provides for the primary funding source for overall revenue requirements from operating revenues. The Capital Improvement Plan will be funded through a combination of revenues, debt financing, grants and SDC sources.

#### The RFP/BID responses (if applicable):

- Not applicable.

## Sewer Hook-Up Revolving Loan Fund

### Relative to the Approval and Recommendation to Establish a New Article 9 within 28 GAR, Chapter 2, for GWA's Sewer Hook-Up Revolving Loan Fund

#### **GWA Resolution No. 12-FY2024**

##### **What is the project's objective and is it necessary and urgent?**

- As authorized by the CCU in GWA Resolution No. 08-FY2023, GWA has been working through the requirements of the public rule-making process to add a new Article 9 to 28 GAR, Chapter 2, to add the Guam Waterworks Authority's Sewer Hookup Revolving Loan Fund into the Guam Administrative Rules and Regulations.
- To complete the rule-making process, GWA is required to show board approval of the FINAL proposed rules and provide a certification of the entire agency record to support compliance with the rule-making procedures before filing copies of the proposed rules to the Governor of Guam, the Attorney General, and the Guam Legislature.
- Resolution 12 is being introduced for the Board's review and consideration to seek approval of the FINAL proposed rules.

##### **Where is the location?**

- If adopted, the rules will be added to Title 28 of Guam's Administrative Rules and Regulations to be formally added and incorporated by the Compiler of Laws.

##### **How much will it cost?**

- There are no fees assessed by the Compiler or the Guam Legislature for the adoption of these rules; however, a total cost of \$560 was paid to the Guam Daily Post for two Notice of Public Hearing publications first publicized on or about October 16, 2023.

##### **When will it be completed?**

- Upon approval, the FINAL rules shall be transmitted to the Attorney General and to the Governor for initial review and approval as to constitutionality and policy and then to the Legislative Secretary of the Guam Legislature for adoption. The rules are to be adopted into law after 90 days has elapsed without action from the Guam Legislature.

##### **What is the funding source?**

- The initial funding source for the Sewer Revolving Fund and Loan Program of \$75,000 was provided by Guam EPA; but additionally, and by the FY2023 Budget Act, local legislation recently appropriated an additional \$2 million to support the Fund.

##### **The RFP/BID responses (if applicable):**

- Not applicable.



# GWA Financial Overview

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JANUARY 2024

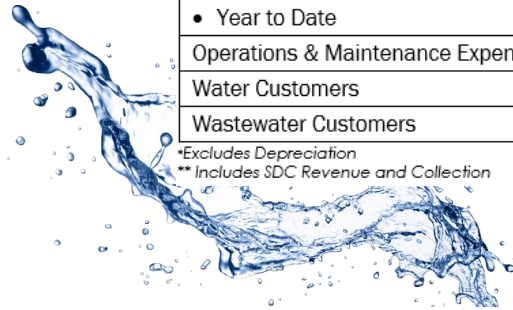




## Key Financial Indicators

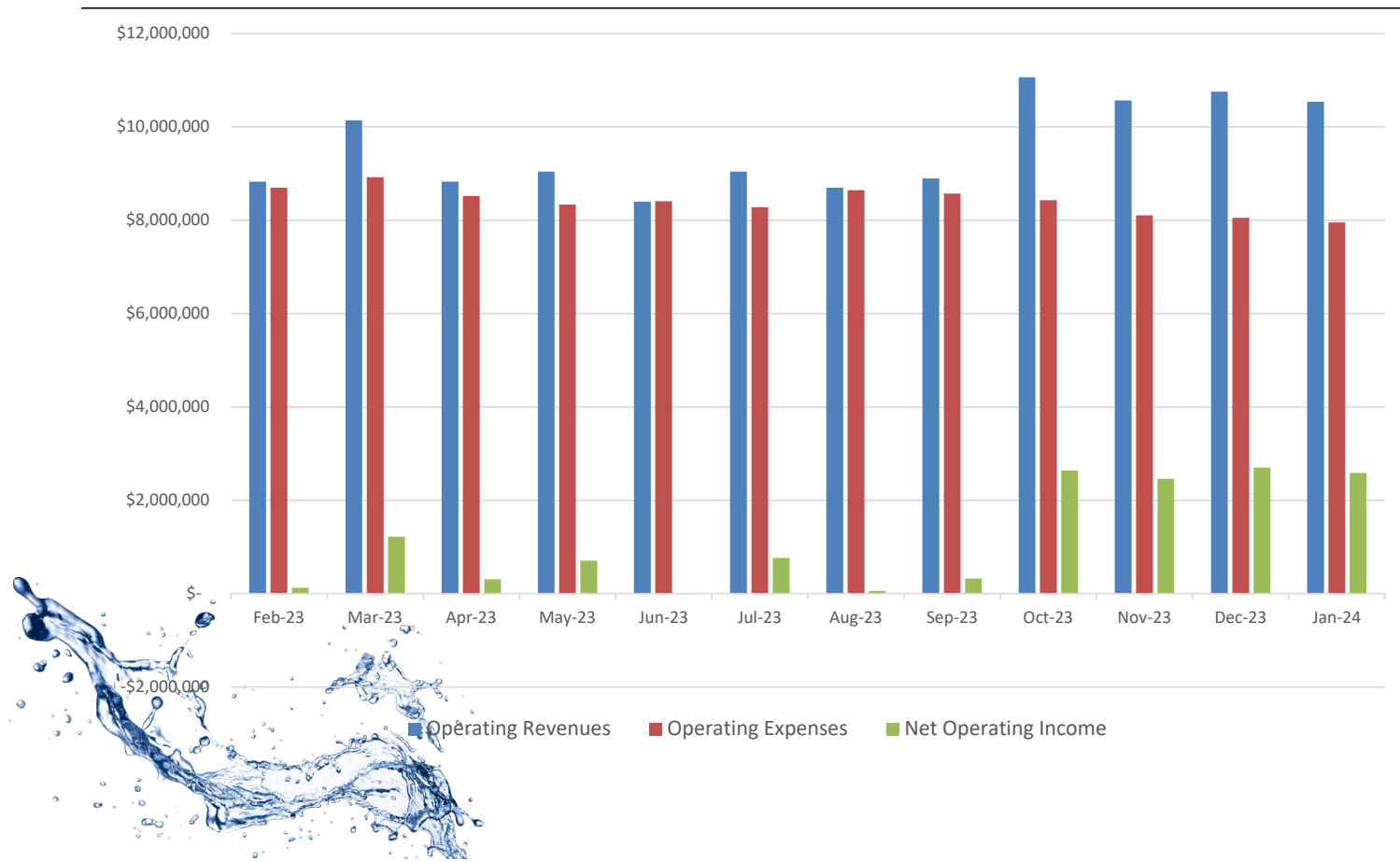
Indicator	Target	November 2023	December 2023	January 2024
DSC YTD				
• Per Section 6.12 of Indenture	1.25	1.54	1.57	1.59
• Per PUC / CCU	1.30	1.54	1.57	1.59
Days - Cash on Hand	120 days	267 days	271 days	278 days
Collection Ratio**				
• Month to Date	99%	75%	88%	98%
• Year to Date	99%	81%	83%	87%
Days Billed	30 days	31 days	29 days	30 days
Account Receivable Days	30 days	37 days	39 days	39 days
Account Payable Days	45 days	40 days	40 days	38 days
Employee Count	400 FTE	359 FTE	359 FTE	357 FTE
Water Demand				
• Month to Date	451,933	425,213	431,731	424,459
• Year to Date	1,807,733	831,499	1,263,230	1,687,688
Wastewater Flow				
• Month to Date	317,500	303,650	316,817	309,902
• Year to Date	1,270,000	609,437	926,255	1,236,157
Operations & Maintenance Expense*	\$6,567,186	\$5,701,402	\$5,653,023	\$5,552,981
Water Customers	43,978	43,565	43,539	43,525
Wastewater Customers	30,781	30,946	31,083	30,879

\*Excludes Depreciation  
 \*\*Includes SDC Revenue and Collection



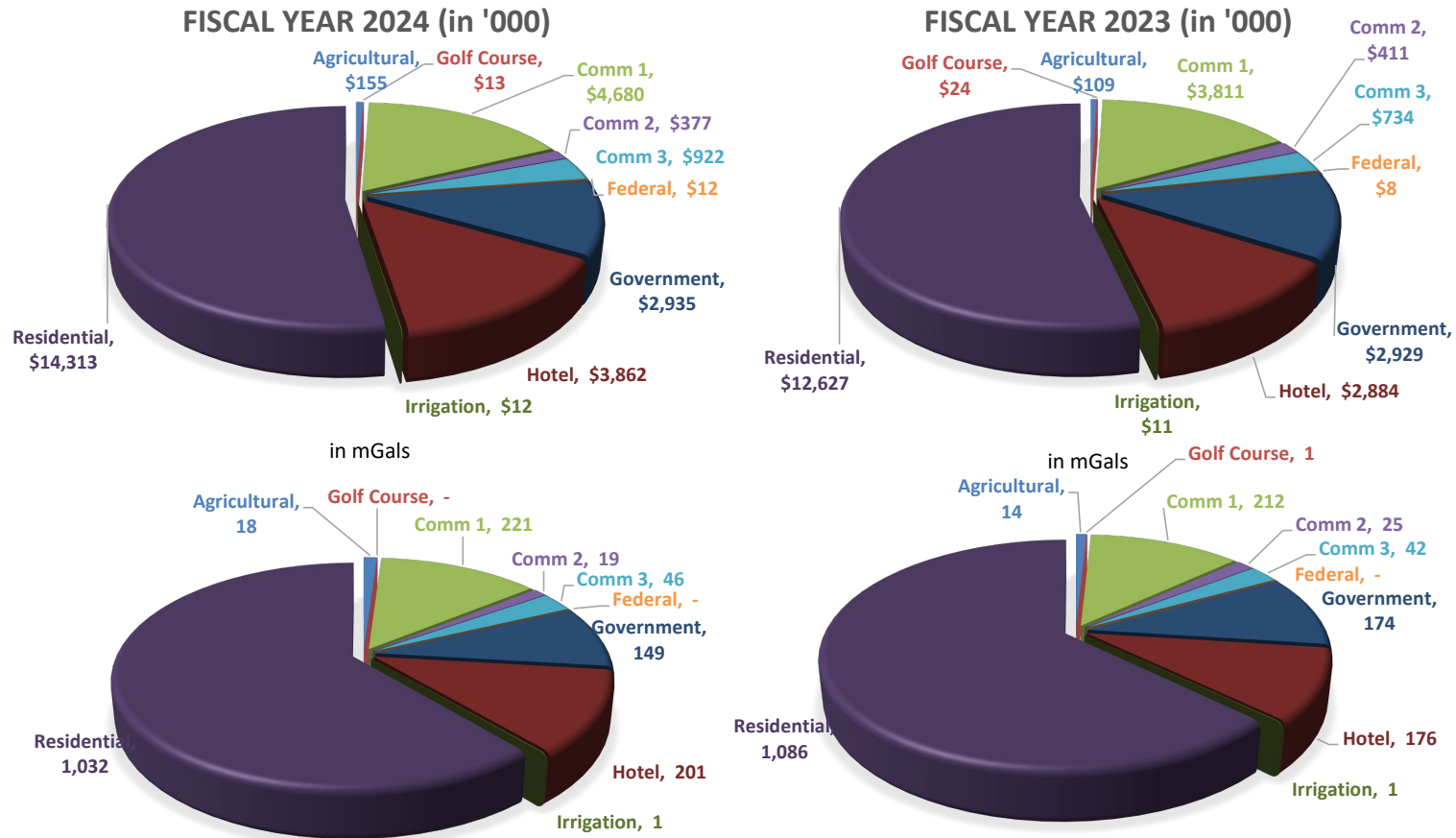


## Income Statement



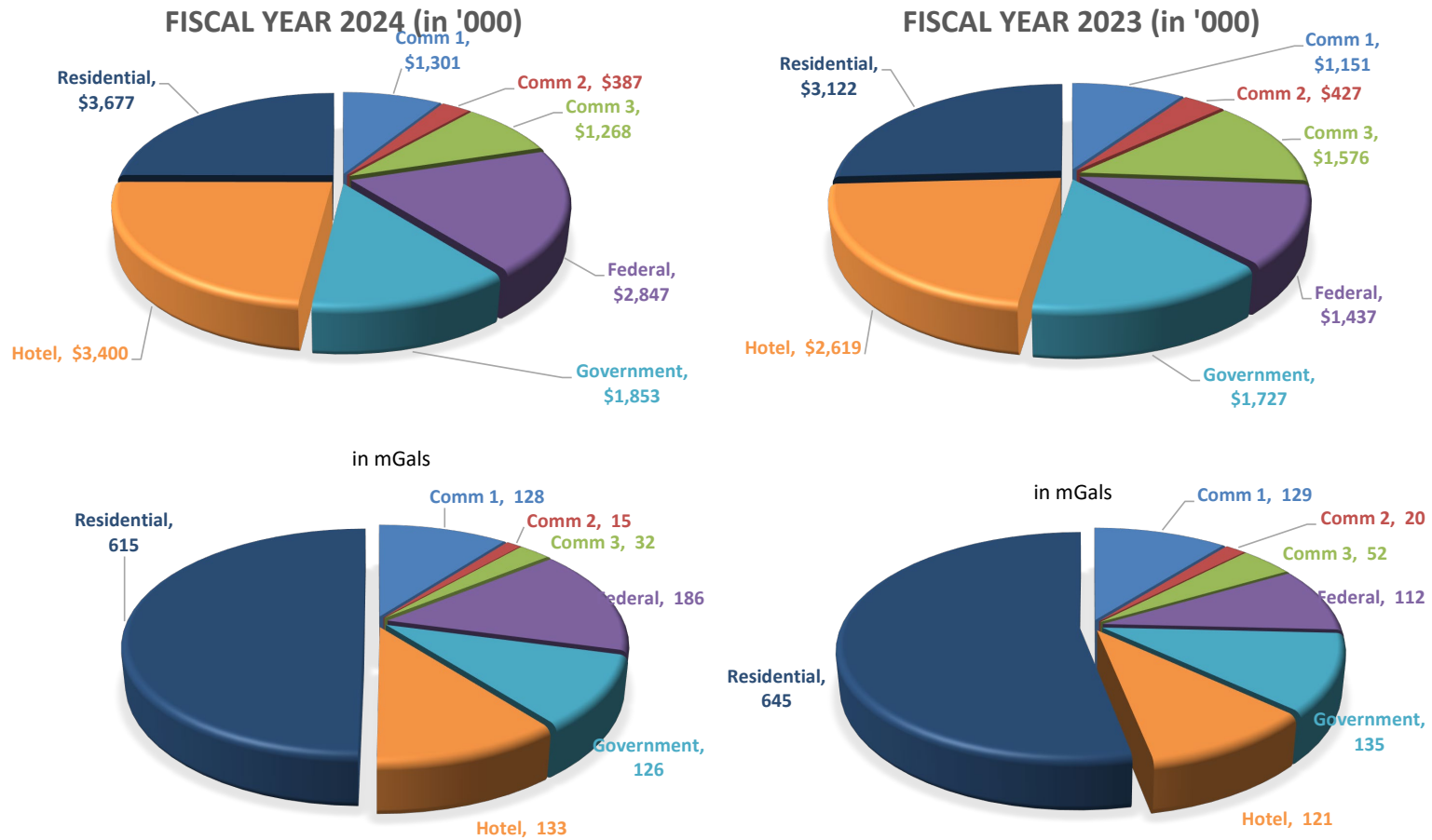


## JANUARY YTD Water Revenue/Demand by Rate Class





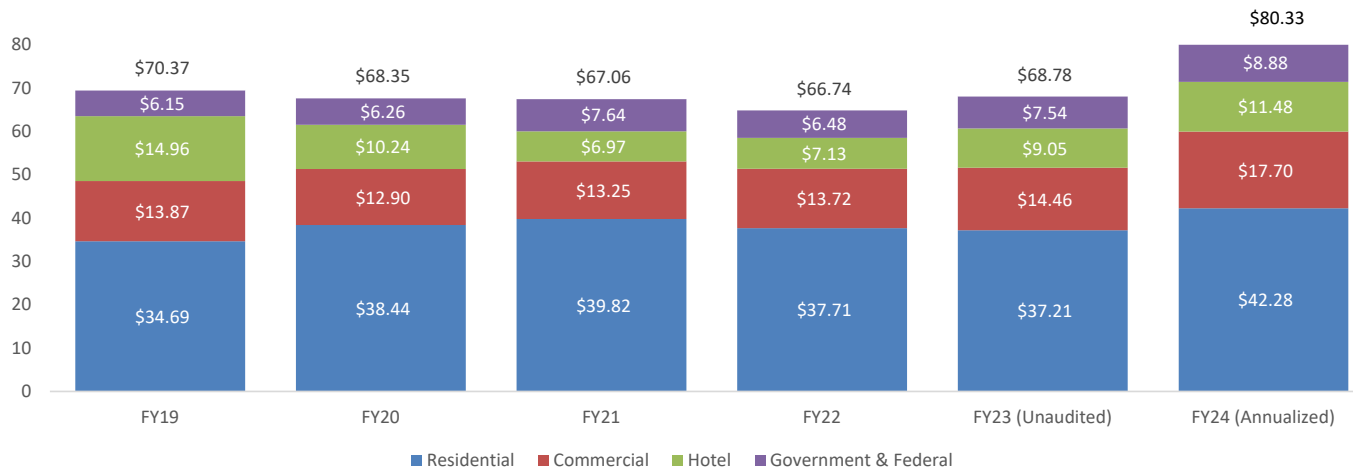
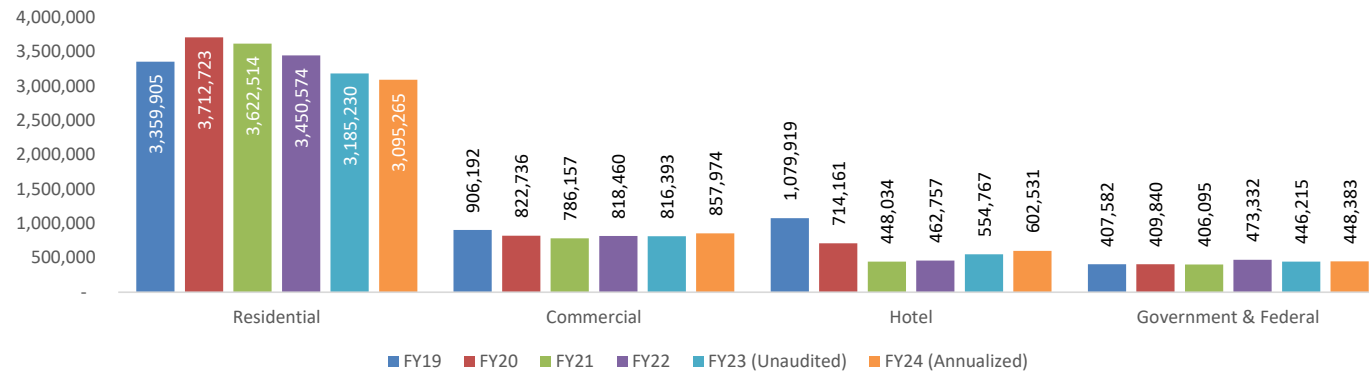
## JANUARY YTD Waste Water Revenue/FLOW by Rate Class





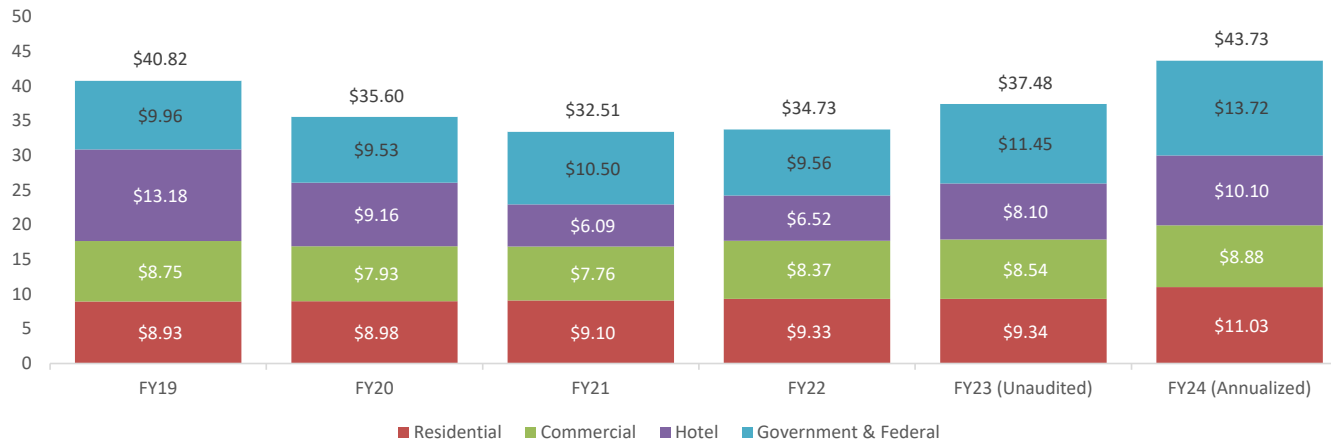
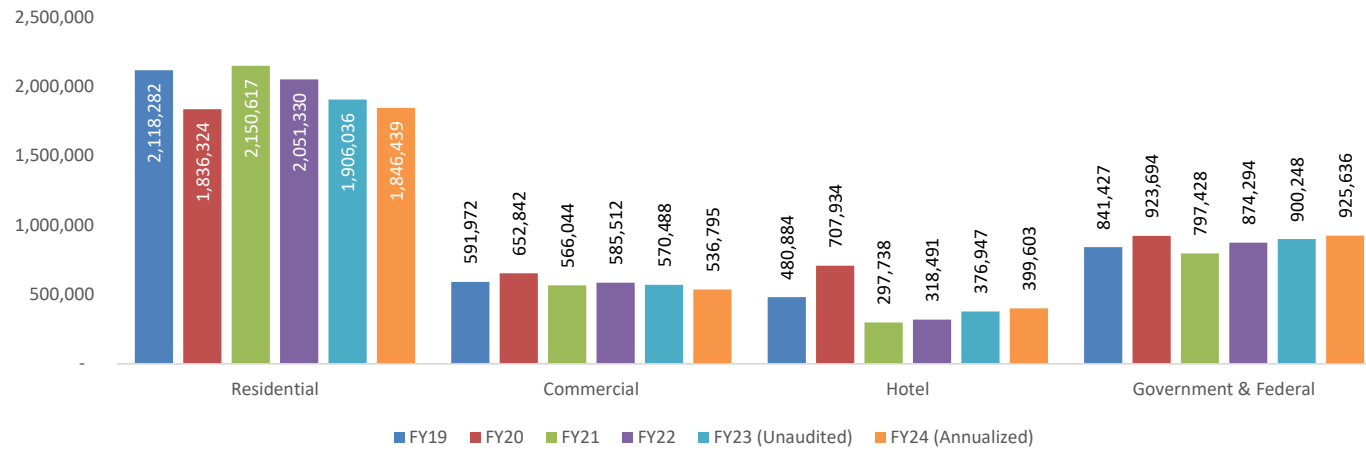


## Annual Water Demand and Revenues by Rate Class



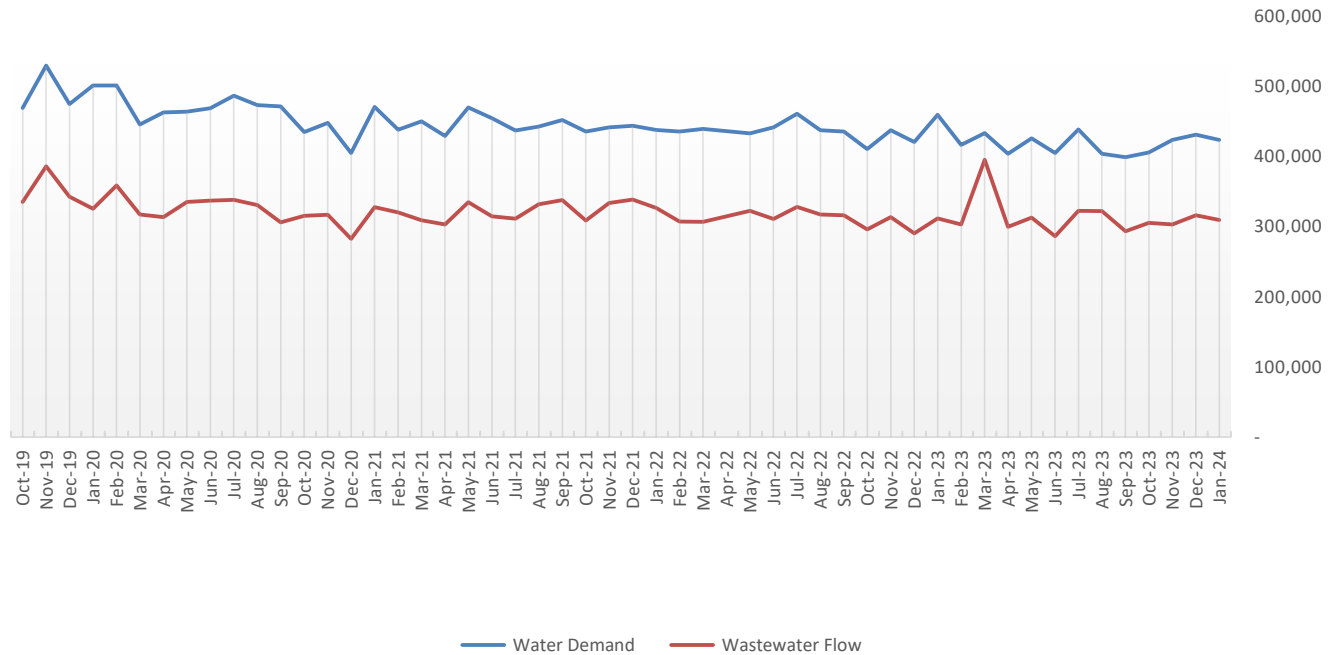


## Annual Wastewater Billable Flows and Revenues by Rate Class





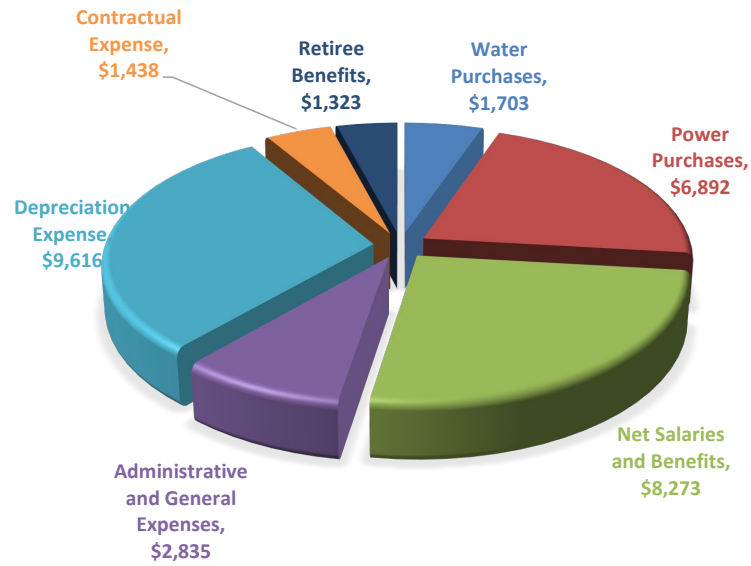
## Water Demand & Wastewater Flow – 4 Years



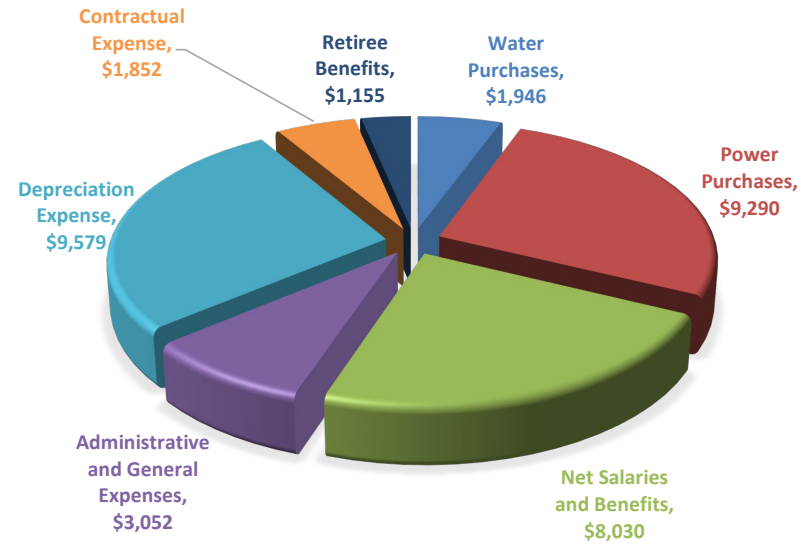


## JANUARY YTD Expenses by Categories

FY2024 (IN '000)

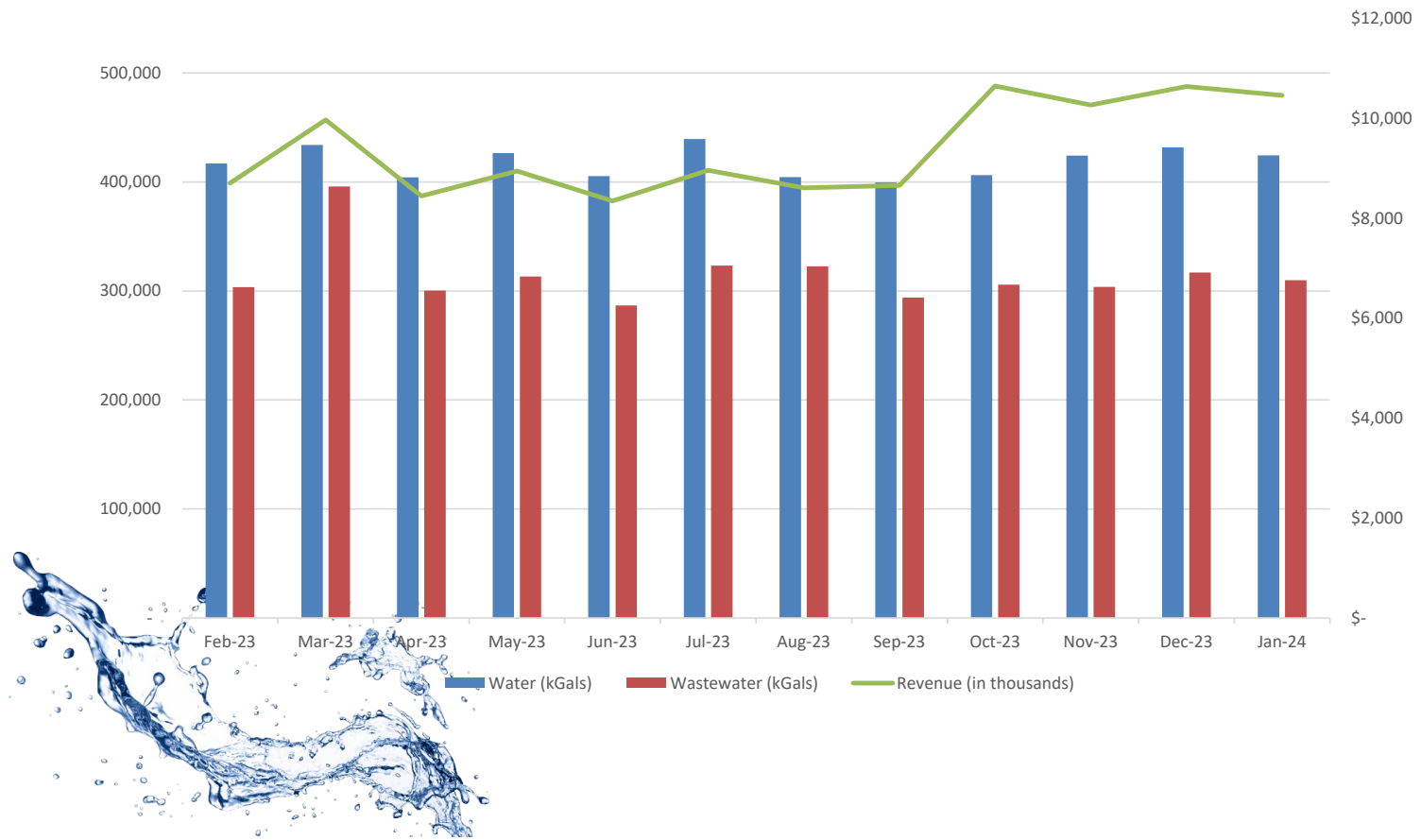


FY2023 (IN '000)



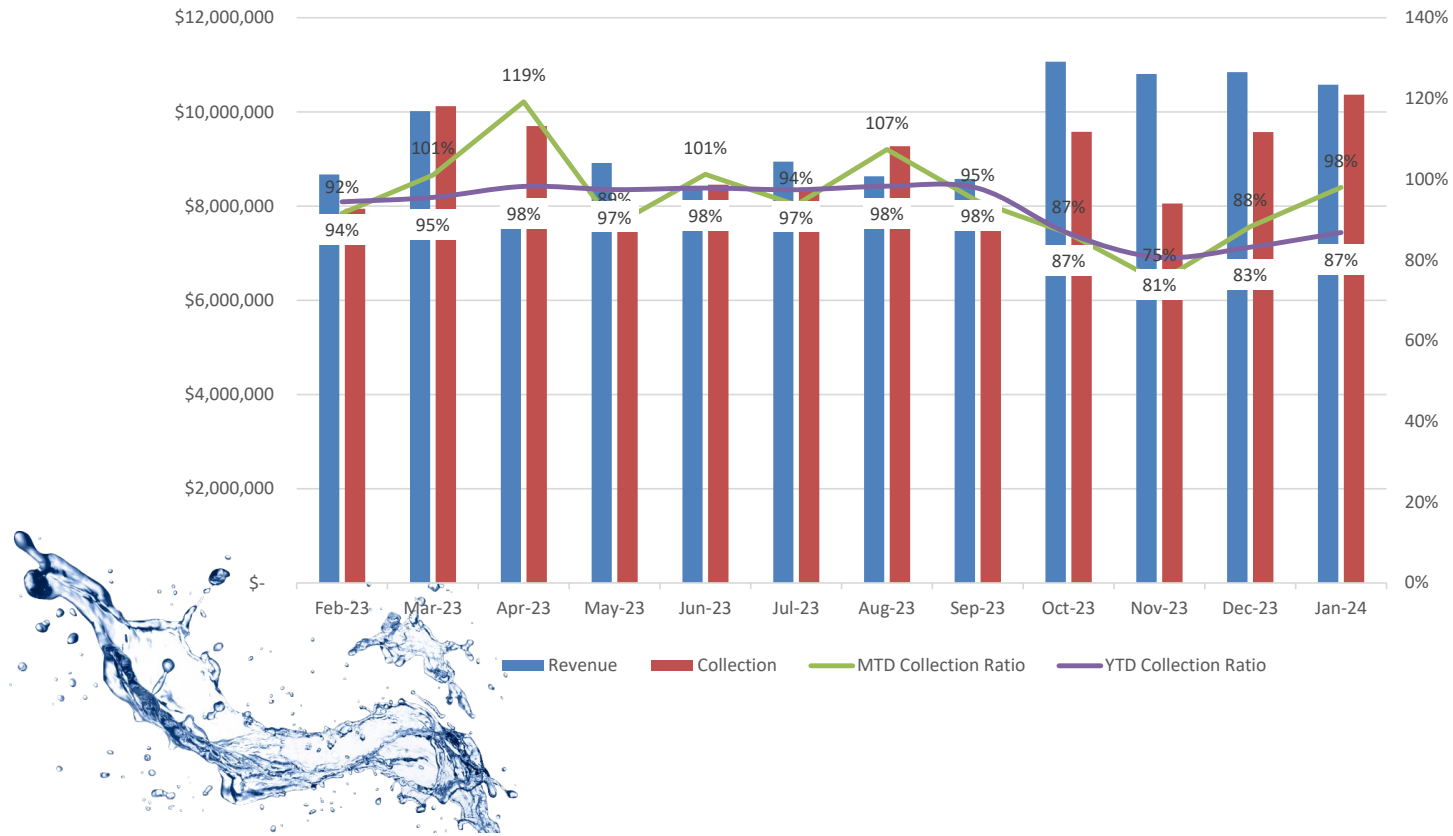


## Overall Revenues and Demand





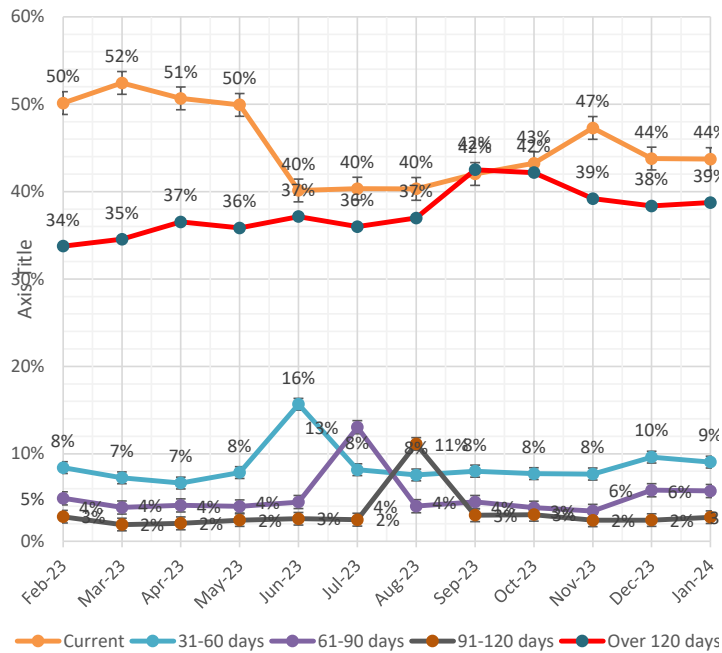
## Overall Revenues and Collections



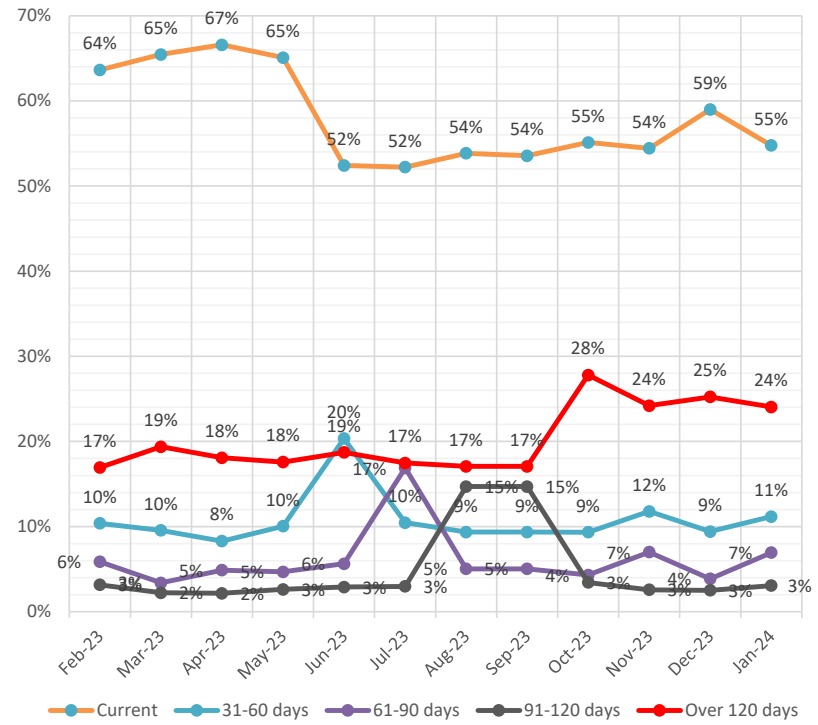


## Overall – AR Aging

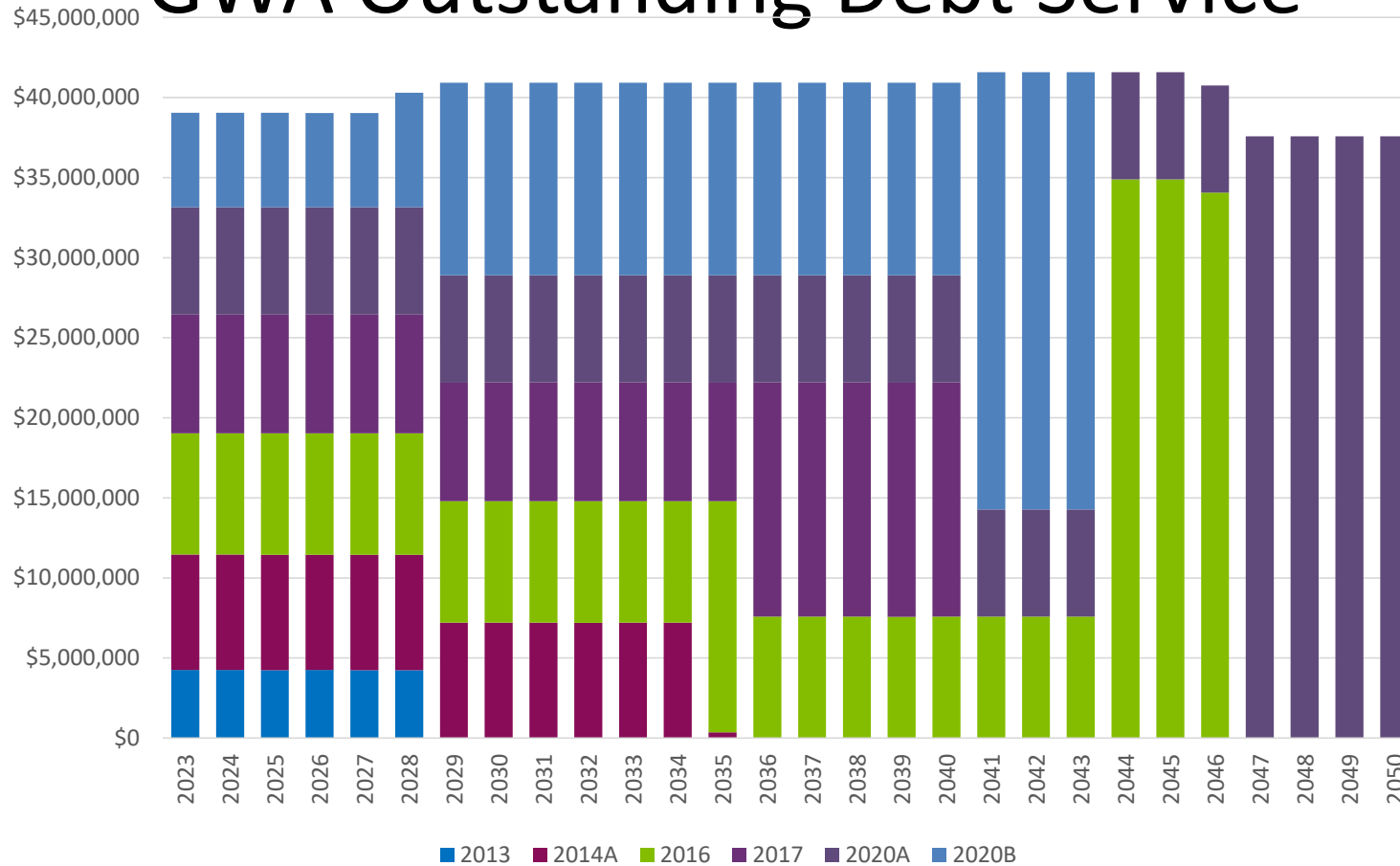
% of Aged AR Balance to Total AR Balance



% of Aged AR Balance to Total AR Balance (without Inactive Accounts)



# GWA Outstanding Debt Service



Source: Guam Waterworks Authority.  
 Aggregated by Fiscal Year Ending September 30.





## Financial Statement Overview January 2024

### Key Financial Indicators

Indicator	Target	November 2023	December 2023	January 2024
DSC YTD				
• Per Section 6.12 of Indenture	1.25	1.54	1.57	1.59
• Per PUC / CCU	1.30	1.54	1.57	1.59
Days – Cash on Hand	120 days	267 days	271 days	278 days
Collection Ratio**				
• Month to Date	99%	75%	88%	98%
• Year to Date	99%	81%	83%	87%
Days Billed	30 days	31 days	29 days	30 days
Account Receivable Days	30 days	37 days	39 days	39 days
Account Payable Days	45 days	40 days	40 days	38 days
Employee Count	400 FTE	359 FTE	359 FTE	357 FTE
Water Demand				
• Month to Date***	451,933	425,213	431,731	424,459
• Year to Date***	1,807,733	831,499	1,263,230	1,687,688
Wastewater Flow				
• Month to Date	317,500	303,650	316,817	309,902
• Year to Date	1,270,000	609,437	926,255	1,236,157
Operations & Maintenance Expense*	\$6,567,186	\$5,701,402	\$5,653,023	\$5,552,981
Water Customers	43,978	43,565	43,539	43,525
Wastewater Customers	30,781	30,946	31,083	30,879

\*Excludes Depreciation

\*\* Includes SDC Revenue and Collection

\*\*\*Includes Nov MTD & YTD revised amounts

### Water and Wastewater Consumption

Water consumption is 8% less and wastewater flows are 1% less for the month of January compared to last year. Increases in Hotel, Agricultural, and Federal Government demand was not sufficient to offset decreases in other customer classes. Wastewater flows Increases in the Federal Government and Hotels largely offset decreases in other customer classes. Note that billing days in January were 2 days less than last year, 30 days compared to 32 days.

Year-to-date water consumption as of January 2024 was 3% below prior year and wastewater flows were 2% above prior year. Decreases in water consumption for the Government of Guam and Residential customer classes were the main reasons for the decrease in water consumption. Increases in wastewater flows from the Federal Government and Hotels were the reasons for the increase in overall wastewater flows. Note that many of the public schools remained closed during the initial part of the school year as they worked with Public Health on required inspections; GWA is also looking into reductions of GPA water use.



Year-to-date average daily water consumption (ADC) as of January 2024 of 14,064 kgals is 3% less than the prior year's 14,431 kgals. Decreases in the Government of Guam and residential customer classes largely drove the reduction in ADC. Year-to-date billing days at 120 days were the same as the prior year.

**Balance Sheet (Schedule A)**

- Total Assets & Deferred Outflows of Resources of \$1.220B in September 2023 increased by \$771.2K or less than 1% to \$1.219B in January 2024. Current Assets increased by \$6.2M primarily due to increases in internally restricted cash and accounts receivable. Property, Plant and Equipment decreased by \$3.9M due to increases in depreciation. Other Noncurrent Assets decreased by \$2.4M.
- Liabilities & Deferred Inflow of Resources of \$886.3M in September 2023 decreased by \$8.1M or 1% to \$878.1M in January 2024 primarily due to decreases in contractors payable and interest payable. Bond interest is paid in January and July of every year.
- Accounts Receivable days in January 2024 and December 2023 were 39 days. Accounts Payable days were 2 days less at 38 days in January 2024 compared to 40 days in December 2023. Schedule I presents Accounts Receivable Aging by Customer Class and Schedule H contains a breakdown of Government Receivables. Schedule J reports Accounts Payable Aging.

**Statement of Operations and Retained Earnings (Schedules B-E)**

- Total Operating Revenues for January 2024 of \$10.5M is \$290.0K or 3% less than the budget of \$10.8M. January 2024 Total Operating Revenues are 13% or \$1.3M more than January 2023's \$9.3M. Note there was a rate increase of 16.7% effective October 2023.
- Year-to-date Operating Revenues as of January 2024 of \$42.9M were \$390.5K less than budget and \$6.6M or 18% more than Year-to-date Operating Revenues as of January 2023 of \$36.3M.
- Below are the percentages of operating revenues (water and wastewater) contributed by GWA's customer classes for FY2024 and FY2023 as well as the revenue totals:

Customer Class	FY2024		FY2023	
o Residential	\$17,989,937	42.82%	\$15,748,680	44.23%
o Commercial	8,934,602	21.27%	8,110,187	22.78%
o Hotel	7,261,873	17.28%	5,502,633	15.45%
o Government of Guam	4,788,211	11.40%	4,656,459	13.08%
o Federal Government	2,858,486	6.80%	1,444,934	4.06%
o Agriculture, Golf Course, Irrigation	180,183	0.43%	144,282	0.41%
TOTALS	\$42,013,292	100%	\$35,607,174	100.00%

- Total Operating Expenses for January 2024 of \$7.95M were \$935.0K or 11% less than budget of \$8.9M. January 2024 Total Operating Expenses were 11% or \$1.0M less than January 2023's \$8.98M.
- Year-to-date Operating Expenses as of January 2024 of \$32.1M were 10% or \$3.5M less than the budget of \$35.6M and 8% or \$2.8M less than January 2023's \$34.9M. The decrease year over year was mainly due to the decrease in utilities.



- Earnings from Operations for January 2024 of \$2.6M were 33% or \$645.0K more than the budget of \$1.9M and \$2.3M more than January 2023’s \$310.5K. Change in Net Assets for January 2024 of \$2.8M was 51% or \$931.8K more than the \$1.8M budget and \$2.4M more than January 2023’s \$356.3K. The increase in the Change in Net Assets year over year was mostly due to the increase in Earnings from Operations, Interest Income, and Federal Grants.
- Year-to-date Earnings from Operations as of January 2024 of \$10.8M is 40% or \$3.1M more than the budget of \$7.8M and \$9.4M more than prior year’s \$1.4M. Year-to-date Change in Net Assets as of January 2024 of \$7.35M is \$13.9K or less than 1% less than budget of \$7.36M and \$1.6M or 29% more than prior year’s \$5.7M
- No Rate Stabilization Funds were used in January 2024. There is a balance of \$950K in the RSF at the end of January 2023 due to a transfer of settlement monies.

**Cash Flow (Schedule F)**

- FY2024 cash flows from operating activities were \$14.3M, cash used in capital and financing activities was \$19.96M, and cash from investing activities was \$2.5M resulting in a decrease in cash of \$3.2M. Days Cash on Hand for January 2024 was calculated at 278 days compared to December 2023’s 271 days. Schedule G contains a schedule of restricted and unrestricted cash and investments.

**Customer Payments**

While only 7% of payments are made in cash, more than a third of payments continue to be made in person. The Upper Tumon drive through continues to remain open.

On April 28, 2020, CCU Resolution 24-FY2020 granted the lifting of credit card limits on payments for non-residential accounts. In FY2024, approximately 53% of payments were made with credit cards. Below is a summary of non-residential credit card payments and related fees.

Month	Customer Count	Amount Paid	Fees	% Of Fees to Payments
May – September 2020	140	\$241,335	\$4,952	2.05%
October 2020–September 2021	526	\$1,119,286	\$22,505	2.01%
October 2021– September 2022	738	\$3,076,971	\$61,588	2.00%
October 2022 -September 2023	783	\$3,420,468	\$66,158	1.93%
October – December 2023	192	\$1,035,322	\$20,816	2.01%
January 2024	80	\$323,378	\$6,502	2.01%

The recent merchant services bids are currently undergoing evaluation.

The Upper Tumon office is open for payments on Saturdays. For the four Saturdays in January, 526 payments totaling \$127,367 were made towards GWA billings and 720 payments totaling \$173,352 were made for GPA.

For the month of January, Finance posted \$82,915 in utility payments from the Department of Administration (DOA) for eligible renters as part of the Guam Emergency Rental Assistance Program (GERAP). There were



\$4,515 in payments received for eligible homeowners as part of the Guam Homeowners Assistance Fund (GHAFF).

**Guam Solid Waste (GSW) Customer Payments**

GPWA began to accept GSW payments on June 6, 2022. For the month of January 2024, GWA accepted \$69,607 GSW payments at the Upper Tumon Office. GWA will bill \$1,194 to GSW for processing fees.

**CIP Update**

Below is a table providing a summary of the various sources of funding available for GWA CIPs. The expenditures are life to date. Note that Department of Interior Grants also include funding for training and the USEPA balances include a grant that expired in September 2023..

Funding Source	Balance net of CIF Transfer	Expenditures as of 1/31/2024	Outstanding Encumbrances	Funding Request	Total Expenditures, Encumbrances, & Funding Requests	Unobligated Project Costs 1/31/2024	% Unobligated
B2016	\$ 142,364,134	\$ 117,987,338	\$ 19,300,167	\$ 929,212	\$ 138,216,717	\$ 4,147,417	2.91%
B2017	\$ 87,854,347	\$ 84,181,686	\$ 561,736	\$ 177,272	\$ 84,920,694	\$ 2,933,654	3.34%
B2020A	\$ 130,389,175	\$ 18,521,760	\$ 69,106,319	\$ 4,225,132	\$ 91,853,210	\$ 38,535,964	29.55%
B2020B	\$ 140,435,788	\$ 137,223,946	\$ 1,471,969	\$ 1,468,808	\$ 140,164,724	\$ 271,065	0.19%
Construction Fund	\$ 4,789,102	\$ -	\$ 1,798,477	\$ -	\$ 1,798,477	\$ 2,990,625	62.45%
SDC	\$ 17,564,105	\$ 12,185,510	\$ 260,303	\$ 1,094,000	\$ 13,539,814	\$ 4,024,292	22.91%
DOI	\$ 2,133,783	\$ 102,921	\$ 25,000		\$ 127,921	\$ 2,005,863	94.00%
USEPA	\$ 120,828,094	\$ 33,102,377	\$ 10,351,714		\$ 43,454,090	\$ 77,374,004	64.04%
ARPA	\$ 8,637,400	\$ 478,035	\$ 686,287		\$ 1,164,322	\$ 7,473,078	86.52%
IFCIP	\$ 22,089,895	\$ 13,497,777	\$ 1,471,382	\$ 7,046,978	\$ 22,016,138	\$ 73,757	0.33%
Totals	\$ 677,085,825	\$ 417,281,349	\$ 105,033,355	\$ 14,941,403	\$ 537,256,107	\$ 139,829,718	20.65%

**FY2025-FY2029 Financial Plan**

The Rate Payers Bill of Rights (RPBR) requires a 3-month and 1-month notice prior to the filing of the plan with the PUC. The update of the master plan will help to build the 5-year CIP which will be an integral part of the financial plan. The PUC in December agreed to GWA’s proposed timeline to ensure compliance with the RPBR while facilitating a timely review and approval of the financial plan.

The FY2025-FY2029 Financial and Rate Plan is being presented at this month’s meeting for approval before it is circulated for public comment. A copy of the CCU approved plan will be provided to the PUC but will not be formally filed until the public notice period per the RPBR has been met. GWA had a discussion with the PUC consultants this month to go over the proposed plan and hope to continue discussions to facilitate a timely review and rate order.

**Refinancing Update**

In the PUC December meeting, the PUC approved the GWA Bond Refunding and Tender presented for their consideration. The tender invitation was published on February 14, 2024, and pricing for the refunding is scheduled for February 29<sup>th</sup>. A copy of the Preliminary Official Statement was circulated to the CCU. After action is taken by the CCU at the February 27, 2024 meeting, the POS will be updated with a summary of the FY2025-FY2029 Financial Plan and the FY2025-FY2029 CIP plan. As the 2024 Partial Consent Decree (CD) was filed in District Court at the end of January, a summary of the CD was included in the POS,

**GUAM WATERWORKS AUTHORITY**  
**January 31, 2024**  
**FINANCIAL AND RELATED REPORTS**  
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GUAM WATERWORKS AUTHORITY  
Balance Sheet  
January 31, 2024

SCHEDULE A

ASSETS AND DEFERRED OUTFLOWS of RESOURCES	Unaudited January 31, 2024	Unaudited September 30, 2023	Increase (Decrease)
<b>Current Assets</b>			
Cash			
Unrestricted (Schedule G)	47,129,263	50,324,888	(3,195,624)
Restricted Funds (Schedule G)	37,701,990	32,707,733	4,994,257
Accounts Receivable Trade, Net of Allowance for Doubtful Receivables of \$9,582,684 at Dec 31, 2023 and \$9,365,376 at Sep 30, 2023	15,012,056	11,484,716	3,527,340
Federal Receivable	1,326,772	2,191,346	(864,574)
Other Receivable	6,044,537	4,831,548	1,212,990
Prepaid Expenses	1,807,575	1,206,948	600,627
Materials & Supplies Inventory, Net of Allowance for Obsolescence of \$122,856 at Dec 31, 2023 and \$122,856 at Sep 30, 2023	4,973,091	5,096,658	(123,566)
<b>Total Current Assets</b>	<b>113,995,285</b>	<b>107,843,836</b>	<b>6,151,449</b>
<b>Property, Plant and Equipment</b>			
Utility plant in service			
Water system	445,396,874	444,848,078	548,796
Wastewater system	680,614,327	679,249,470	1,364,857
Non-utility property	34,167,148	33,683,228	483,920
<b>Total property</b>	<b>1,160,178,349</b>	<b>1,157,780,776</b>	<b>2,397,573</b>
Less: Accumulated Depreciation	(434,850,920)	(425,426,791)	(9,424,129)
Land	5,287,305	5,287,305	-
Construction Work in Progress	77,305,917	74,149,217	3,156,699
<b>Property, Plant and Equipment, net</b>	<b>807,920,650</b>	<b>811,790,507</b>	<b>(3,869,858)</b>
Lease and subscription IT assets	1,112,482	1,112,482	-
<b>Noncurrent assets</b>			
Restricted cash (Schedule G)	148,192,823	150,366,788	(2,173,964)
Investments (Schedule G)	70,035,974	70,239,665	(203,691)
<b>Total other noncurrent assets and deferred charges</b>	<b>218,228,797</b>	<b>220,606,453</b>	<b>(2,377,656)</b>
<b>Total Assets</b>	<b>1,141,257,214</b>	<b>1,141,353,278</b>	<b>(96,064)</b>
<b>Deferred outflows of resources</b>			
Regulatory assets	2,858,947	2,858,947	-
Debt defeasance due to bond refunding	26,509,282	27,184,464	(675,182)
Deferred outflows from pension	7,405,025	7,405,025	-
Deferred outflows from OPEB	41,247,962	41,247,962	-
<b>Total Assets and Deferred Outflows of Resources</b>	<b>1,219,278,430</b>	<b>1,220,049,676</b>	<b>(771,246)</b>
<b>LIABILITIES, DEFERRED INFLOWS of RESOURCES AND NET ASSETS</b>			
<b>Current Liabilities</b>			
Current maturities of long-term debt			
Series 2013 Revenue Bond	3,315,000	3,315,000	-
Series 2014 Refunding Bond	4,205,000	4,205,000	-
Series 2016 Revenue Bond	875,000	875,000	-
Series 2017 Refunding Bond	2,365,000	2,365,000	-
Lease and subscription IT liabilities	375,103	375,103	-
Accounts Payable -Trade	3,605,059	4,329,683	(724,624)
Accrued and Other Liabilities	15,032,503	14,216,960	815,542
Interest Payable	2,356,839	7,070,516	(4,713,678)
Accrued Payroll and Employee Benefits	1,199,481	1,334,022	(134,541)
Current portion of employee annual leave	729,390	729,390	-
Contractors' Payable	5,804,144	8,565,009	(2,760,866)
Customer and Other Deposits	2,294,599	2,268,968	25,632
<b>Total Current Liabilities</b>	<b>42,157,118</b>	<b>49,649,651</b>	<b>(7,492,534)</b>
<b>Long Term Debt, less current maturities</b>			
Series 2013 Revenue Bond	15,050,000	15,050,000	-
Series 2014 Refunding Bond	55,845,000	55,845,000	-
Series 2016 Revenue Bond	133,265,000	133,265,000	-
Series 2017 Refunding Bond	98,565,000	98,565,000	-
Series 2020A Revenue Bond	134,000,000	134,000,000	-
Series 2020B Refunding Bond	166,075,000	166,075,000	-
Unamortized Bond Premium/Discount	36,662,014	37,287,410	(625,396)
Lease and subscription IT liabilities	192,245	192,245	-
Net pension liability	46,038,335	46,038,335	-
Net OPEB obligation	116,272,057	116,272,057	-
Employee Annual Leave, Less Current Portion	913,289	913,289	-
Employee Sick Leave	1,429,998	1,429,998	-
<b>Total Liabilities</b>	<b>846,465,056</b>	<b>854,582,986</b>	<b>(8,117,930)</b>
<b>Deferred inflows of resources:</b>			
Contribution in Aid of Construction	646,937	646,937	-
Deferred inflows from pension	5,176,746	5,176,746	-
Deferred inflows from OPEB	25,852,937	25,852,937	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>878,141,676</b>	<b>886,259,606</b>	<b>(8,117,930)</b>
<b>Net Assets</b>	<b>341,136,754</b>	<b>333,790,070</b>	<b>7,346,684</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Assets</b>	<b>1,219,278,430</b>	<b>1,220,049,676</b>	<b>(771,246)</b>

**GUAM WATERWORKS AUTHORITY**  
**Statement of Operations and Retained Earnings**  
**Comparative Budget vs. Actual for the period ending January 31, 2024**

**SCHEDULE B**

	Month to Date		Variance Favorable / (Unfavorable)
	Actual (Unaudited) January-24	Budget January-24	
<b>OPERATING REVENUES</b>			
Water Revenues	6,524,009	6,706,635	(182,626)
Wastewater Revenues	3,607,906	3,652,565	(44,659)
Legislative Surcharge	330,892	327,945	2,947
Other Revenues	42,325	39,525	2,800
System Development Charge	33,521	102,000	(68,479)
<b>Total Operating Revenues</b>	<b>10,538,652</b>	<b>10,828,670</b>	<b>(290,017)</b>
<b>OPERATING AND MAINTENANCE EXPENSES</b>			
Water Purchases	488,780	491,667	2,887
Power Purchases	1,733,412	1,935,131	201,719
Total Utility Costs	<u>2,222,192</u>	<u>2,426,797</u>	<u>204,606</u>
Salaries and Wages	1,647,590	1,825,560	177,971
Pension and Benefits	691,505	649,877	(41,628)
Total Salaries and Benefits	<u>2,339,095</u>	<u>2,475,437</u>	<u>136,342</u>
Capitalized Labor and Benefits	(419,381)	(346,595)	72,786
Net Salaries and Benefits	<u>1,919,714</u>	<u>2,128,842</u>	<u>209,128</u>
<b>Administrative and General Expenses</b>			
Sludge removal	91,280	27,993	(63,287)
Chemicals	178,815	159,944	(18,870)
Materials & Supplies	87,136	207,083	119,947
Transportation	43,892	64,580	20,688
Communications	9,172	13,268	4,096
Claims	-	14,917	14,917
Insurance	148,838	161,333	12,496
Training & Travel	2,644	16,763	14,119
Advertising	7,668	11,199	3,531
Miscellaneous	127,005	111,992	(15,013)
Regulatory Expense	17,354	18,250	896
Bad Debts Provision	(16,898)	188,520	205,418
Total Administrative and General Expense	<u>696,904</u>	<u>995,841</u>	<u>298,937</u>
<b>Depreciation Expense</b>	<b>2,399,885</b>	<b>2,401,423</b>	<b>1,538</b>
<b>Contractual Expense</b>			
Audit & Computer Maintenance	117,146	165,771	48,625
Building rental	49,985	50,264	279
Equipment rental	41,187	46,774	5,587
Legal	4,994	125,000	120,006
Laboratory	38,846	43,829	4,984
Other	78,013	190,403	112,390
Total Contractual Expense	<u>330,171</u>	<u>622,041</u>	<u>291,871</u>
Retiree Supp. Annuities and health care costs	325,543	252,159	(73,384)
Contribution to Government of Guam	58,458	60,809	2,350
Total Retiree Benefits	<u>384,002</u>	<u>312,968</u>	<u>(71,033)</u>
<b>Total Operating Expenses</b>	<b>7,952,866</b>	<b>8,887,913</b>	<b>935,047</b>
<b>Earnings (Loss) from Operations</b>			
	<b>2,585,786</b>	<b>1,940,757</b>	<b>645,030</b>
Interest Income - 2010/13/14/16/17/20 Series Bond	1,402,756	647,004	755,752
Interest Income - Other Funds	200,191	22,917	177,274
Interest Income - SDC	80	873	(793)
Interest Expense - 2010/13/14/16/17/20 Series Bond	(2,356,839)	(2,356,839)	-
Contributions from Local Government	-	-	-
Loss on Asset Disposal	-	(56,499)	56,499
Amortization of Discount, Premium and Issuance Costs	156,349	124,228	32,121
Defeasance due to bond refunding	(168,795)	(170,449)	1,654
Prior Year Adjustment	(7,852)	(7,229)	(623)
Total non-operating revenues (expenses)	<u>(774,111)</u>	<u>(1,795,994)</u>	<u>1,021,884</u>
<b>Net Income (Loss) before capital contributions</b>	<b>1,811,675</b>	<b>144,762</b>	<b>1,666,913</b>
<b>Capital Contributions</b>			
Grants from US Government	960,304	1,686,437	(726,133)
Grants from GovGuam & Others	-	8,937	(8,937)
Total Capital Contributions	<u>960,304</u>	<u>1,695,374</u>	<u>(735,070)</u>
<b>Change in Net Assets</b>	<b>2,771,979</b>	<b>1,840,136</b>	<b>931,843</b>
<b>Debt Service Calculation</b>			
Earnings From Operations	2,585,786	1,940,757	
System Development Charge	(33,521)	(102,000)	
Retiree COLA	58,458	60,809	
Interest/Investment Income	200,191	22,917	
Depreciation	2,399,885	2,401,423	
Plus withdrawals (deposits) to Rate Stabilization Fund	-	79,167	
ARPA Grant	-	-	
<b>Balance Available for Debt Service per Section 6.12</b>	<b>5,210,799</b>	<b>4,403,072</b>	
<b>Debt Service</b>			
Principal	896,667	896,667	
Interest	2,356,839	2,356,839	
<b>Total</b>	<b>3,253,505</b>	<b>3,253,505</b>	
<b>Debt Service Coverage (1.25X) - per Section 6.12 (Indenture)</b>	<b>1.60</b>	<b>1.35</b>	
<b>Debt Service Coverage (1.30X) (PUC)</b>	<b>1.60</b>	<b>1.35</b>	

**GUAM WATERWORKS AUTHORITY**  
**Statement of Operations and Retained Earnings**  
 Comparative for the period ending January 31, 2024 and 2023

SCHEDULE C

	Month to Date		Variance Increase / (Decrease)
	Actual (Unaudited) January-24	Actual (Unaudited) January-23	
<b>OPERATING REVENUES</b>			
Water Revenues	6,524,009	6,021,759	502,250
Wastewater Revenues	3,607,906	2,897,827	710,079
Legislative Surcharge	330,892	268,968	61,924
Other Revenues	42,325	41,672	653
System Development Charge	33,521	58,175	(24,654)
<b>Total Operating Revenues</b>	<b>10,538,652</b>	<b>9,288,401</b>	<b>1,250,252</b>
<b>OPERATING AND MAINTENANCE EXPENSES</b>			
Water Purchases	488,780	484,856	3,924
Power Purchases	1,733,412	2,330,907	(597,495)
Total Utility Costs	2,222,192	2,815,763	(593,572)
Salaries and Wages	1,647,590	1,597,808	49,782
Pension and Benefits	691,505	620,133	71,373
Total Salaries and Benefits	2,339,095	2,217,941	121,154
Capitalized Labor and Benefits	(419,381)	(155,097)	(264,284)
Net Salaries and Benefits	1,919,714	2,062,844	(143,130)
<b>Administrative and General Expenses</b>			
Sludge removal	91,280	37,906	53,374
Chemicals	178,815	188,144	(9,329)
Materials & Supplies	87,136	134,235	(47,099)
Transportation	43,892	45,176	(1,285)
Communications	9,172	16,785	(7,614)
Claims	-	12,429	(12,429)
Insurance	148,838	142,010	6,828
Training & Travel	2,644	7,912	(5,269)
Advertising	7,668	5,655	2,013
Miscellaneous	127,005	136,825	(9,820)
Regulatory Expense	17,354	11,242	6,113
Bad Debts Provision	(16,898)	183,771	(200,669)
Total Administrative and General Expense	696,904	922,090	(225,186)
<b>Depreciation Expense</b>	<b>2,399,885</b>	<b>2,340,261</b>	<b>59,624</b>
<b>Contractual Expense</b>			
Audit & Computer Maintenance	117,146	156,495	(39,349)
Building rental	49,985	47,515	2,469
Equipment rental	41,187	49,821	(8,634)
Legal	4,994	-	4,994
Laboratory	38,846	26,103	12,743
Other	78,013	268,716	(190,702)
Total Contractual Expense	330,171	548,649	(218,478)
Retiree Supp. Annuities and health care costs	325,543	232,191	93,353
Contribution to Government of Guam	58,458	56,100	2,358
Total Retiree Benefits	384,002	288,291	95,711
<b>Total Operating Expenses</b>	<b>7,952,866</b>	<b>8,977,898</b>	<b>(1,025,032)</b>
<b>Earnings (Loss) from Operations</b>			
Interest Income - 2010/13/14/16/17/20 Series Bond	1,402,756	854,912	547,844
Interest Income - Other Funds	200,191	130,800	69,391
Interest Income - SDC	80	9,124	(9,045)
Interest Expense - 2010/13/14/16/17/20 Series Bond	(2,356,839)	(2,400,140)	43,301
Contributions from Local Government	-	1,450,000	(1,450,000)
Loss on Asset Disposal	-	(27,400)	27,400
Amortization of Discount, Premium and Issuance Costs	156,349	124,228	32,121
Defeasance due to bond refunding	(168,795)	(170,449)	1,654
Prior Year Adjustment	(7,852)	(8,125)	273
Total non-operating revenues (expenses)	(774,111)	(37,049)	(737,061)
<b>Net Income (Loss) before capital contributions</b>	<b>1,811,675</b>	<b>273,454</b>	<b>1,538,222</b>
<b>Capital Contributions</b>			
Grants from US Government	960,304	82,895	877,409
Grants from GovGuam & Others	-	-	-
Total Capital Contributions	960,304	82,895	877,409
<b>Change in Net Assets</b>	<b>2,771,979</b>	<b>356,348</b>	<b>2,415,631</b>
<b>Debt Service Calculation</b>			
Earnings From Operations	2,585,786	310,503	
System Development Charge	(33,521)	(58,175)	
Retiree COLA	58,458	56,100	
Interest/Investment Income	200,191	130,800	
Depreciation	2,399,885	2,340,261	
Plus withdrawals (deposits) to Rate Stabilization Fund	-	-	
ARPA Grant	-	1,450,000	
<b>Balance Available for Debt Service per Section 6.12</b>	<b>5,210,799</b>	<b>4,229,489</b>	
<b>Debt Service</b>			
Principal	896,667	852,917	
Interest	2,356,839	2,400,140	
<b>Total</b>	<b>3,253,505</b>	<b>3,253,056</b>	
<b>Debt Service Coverage (1.25X) - per Section 6.12 (Indenture)</b>	<b>1.60</b>	<b>1.30</b>	
<b>Debt Service Coverage (1.30X) (PUC)</b>	<b>1.60</b>	<b>1.30</b>	



**GUAM WATERWORKS AUTHORITY**  
**Statement of Operations and Retained Earnings**  
**Comparative Budget vs. Actual for the period ending January 31, 2024**

**SCHEDULE D**

	Year to Date		Variance Favorable / (Unfavorable)
	Actual (Unaudited) January-24	Budget January-24	
<b>OPERATING REVENUES</b>			
Water Revenues	26,349,037	26,826,538	(477,501)
Wastewater Revenues	14,325,974	14,610,260	(284,286)
Legislative Surcharge	1,338,280	1,311,780	26,500
Other Revenues	138,352	158,100	(19,748)
System Development Charge	772,491	408,000	364,491
<b>Total Operating Revenues</b>	<b>42,924,134</b>	<b>43,314,678</b>	<b>(390,544)</b>
<b>OPERATING AND MAINTENANCE EXPENSES</b>			
Water Purchases	1,702,523	1,966,667	264,144
Power Purchases	6,891,666	7,740,523	848,857
Total Utility Costs	8,594,188	9,707,189	1,113,001
Salaries and Wages	6,505,265	7,302,242	796,977
Pension and Benefits	2,685,450	2,599,507	(85,943)
Total Salaries and Benefits	9,190,715	9,901,749	711,034
Capitalized Labor and Benefits	(917,787)	(1,386,380)	(468,593)
Net Salaries and Benefits	8,272,927	8,515,369	242,442
<b>Administrative and General Expenses</b>			
Sludge removal	373,053	111,972	(261,081)
Chemicals	450,529	639,777	189,248
Materials & Supplies	396,821	828,331	431,511
Transportation	176,793	258,320	81,527
Communications	35,288	53,070	17,783
Claims	-	59,667	59,667
Insurance	595,351	645,333	49,982
Training & Travel	59,728	67,051	7,323
Advertising	10,780	44,795	34,015
Miscellaneous	502,613	447,969	(54,645)
Regulatory Expense	50,348	73,000	22,652
Bad Debts Provision	184,109	754,079	569,970
Total Administrative and General Expense	2,835,414	3,983,364	1,147,951
<b>Depreciation Expense</b>	<b>9,616,208</b>	<b>9,605,692</b>	<b>(10,516)</b>
<b>Contractual Expense</b>			
Audit & Computer Maintenance	595,088	663,086	67,998
Building rental	194,281	201,055	6,774
Equipment rental	112,138	187,097	74,959
Legal	96,603	500,000	403,397
Laboratory	110,323	175,317	64,993
Other	329,912	761,611	431,698
Total Contractual Expense	1,438,344	2,488,165	1,049,820
Retiree Supp. Annuities and health care costs	1,088,774	1,008,637	(80,136)
Contribution to Government of Guam	233,833	243,235	9,402
Total Retiree Benefits	1,322,607	1,251,872	(70,735)
<b>Total Operating Expenses</b>	<b>32,079,689</b>	<b>35,551,652</b>	<b>3,471,963</b>
<b>Earnings (Loss) from Operations</b>	<b>10,844,444</b>	<b>7,763,026</b>	<b>3,081,418</b>
Interest Income - 2010/13/14/16/17/20 Series Bond	4,208,829	2,588,016	1,620,812
Interest Income - Other Funds	818,740	91,667	727,073
Interest Income - SDC	44,421	3,492	40,929
Interest Expense - 2010/13/14/16/17/20 Series Bond	(9,427,355)	(9,427,355)	-
Contributions from Local Government	-	-	-
Loss on Asset Disposal	(4,211)	(225,995)	221,785
Amortization of Discount, Premium and Issuance Costs	625,396	496,912	128,484
Defeasance due to bond refunding	(675,182)	(681,797)	6,615
Prior Year Adjustment	(48,702)	(28,916)	(19,785)
Total non-operating revenues (expenses)	(4,458,064)	(7,183,977)	2,725,913
<b>Net Income (Loss) before capital contributions</b>	<b>6,386,380</b>	<b>579,049</b>	<b>5,807,331</b>
<b>Capital Contributions</b>			
Grants from US Government	960,304	6,745,746	(5,785,443)
Grants from GovGuam & Others	-	35,749	(35,749)
Total Capital Contributions	960,304	6,781,495	(5,821,191)
<b>Change in Net Assets</b>	<b>7,346,684</b>	<b>7,360,544</b>	<b>(13,860)</b>
<b>Debt Service Calculation</b>			
Earnings From Operations	10,844,444	7,763,026	
System Development Charge	(772,491)	(408,000)	
Retiree COLA	233,833	243,235	
Interest/Investment Income	818,740	91,667	
Depreciation	9,616,208	9,605,692	
Plus withdrawals (deposits) to Rate Stabilization Fund	-	316,667	
ARPA Grant	-	-	
<b>Balance Available for Debt Service per Section 6.12</b>	<b>20,740,735</b>	<b>17,612,287</b>	
<b>Debt Service</b>			
Principal	3,586,667	3,586,667	
Interest	9,427,355	9,427,355	
<b>Total</b>	<b>13,014,022</b>	<b>13,014,022</b>	
<b>Debt Service Coverage (1.25X) - per Section 6.12 (Indenture)</b>	<b>1.59</b>	<b>1.35</b>	
<b>Debt Service Coverage (1.30X) (PUC)</b>	<b>1.59</b>	<b>1.35</b>	

**GUAM WATERWORKS AUTHORITY**  
**Statement of Operations and Retained Earnings**  
**Comparative for the period ending January 31, 2024 and 2023**

**SCHEDULE E**

	Year to Date		Variance Increase / (Decrease)
	Actual (Unaudited) January-24	Actual (Unaudited) January-23	
<b>OPERATING REVENUES</b>			
Water Revenues	26,349,037	22,814,134	3,534,903
Wastewater Revenues	14,325,974	11,757,918	2,568,056
Legislative Surcharge	1,338,280	1,035,122	303,158
Other Revenues	138,352	156,980	(18,629)
System Development Charge	772,491	562,289	210,202
<b>Total Operating Revenues</b>	<b>42,924,134</b>	<b>36,326,444</b>	<b>6,597,690</b>
<b>OPERATING AND MAINTENANCE EXPENSES</b>			
Water Purchases	1,702,523	1,945,580	(243,057)
Power Purchases	6,891,666	9,290,370	(2,398,704)
Total Utility Costs	8,594,188	11,235,949	(2,641,761)
Salaries and Wages	6,505,265	6,389,214	116,051
Pension and Benefits	2,685,450	2,498,074	187,376
Total Salaries and Benefits	9,190,715	8,887,288	303,427
Capitalized Labor and Benefits	(917,787)	(857,500)	(60,287)
Net Salaries and Benefits	8,272,927	8,029,788	243,140
<b>Administrative and General Expenses</b>			
Sludge removal	373,053	150,824	222,229
Chemicals	450,529	444,801	5,728
Materials & Supplies	396,821	422,408	(25,587)
Transportation	176,793	157,756	19,037
Communications	35,288	38,676	(3,389)
Claims	-	17,326	(17,326)
Insurance	595,351	591,707	3,644
Training & Travel	59,728	39,483	20,245
Advertising	10,780	11,922	(1,142)
Miscellaneous	502,613	417,752	84,861
Regulatory Expense	50,348	47,323	3,025
Bad Debts Provision	184,109	712,143	(528,035)
Total Administrative and General Expense	2,835,414	3,052,124	(216,710)
<b>Depreciation Expense</b>	<b>9,616,208</b>	<b>9,579,020</b>	<b>37,188</b>
<b>Contractual Expense</b>			
Audit & Computer Maintenance	595,088	629,939	(34,852)
Building rental	194,281	189,761	4,519
Equipment rental	112,138	173,628	(61,491)
Legal	96,603	143,769	(47,166)
Laboratory	110,323	103,320	7,004
Other	329,912	611,192	(281,280)
Total Contractual Expense	1,438,344	1,851,609	(413,265)
Retiree Supp. Annuities and health care costs	1,088,774	930,345	158,428
Contribution to Government of Guam	233,833	224,400	9,433
Total Retiree Benefits	1,322,607	1,154,745	167,861
<b>Total Operating Expenses</b>	<b>32,079,689</b>	<b>34,903,235</b>	<b>(2,823,546)</b>
<b>Earnings (Loss) from Operations</b>			
Interest Income - 2010/13/14/16/17/20 Series Bond	4,208,829	2,588,016	1,620,812
Interest Income - Other Funds	818,740	357,308	461,432
Interest Income - SDC	44,421	3,492	40,929
Interest Expense - 2010/13/14/16/17/20 Series Bond	(9,427,355)	(9,600,559)	173,204
Contributions from Local Government	-	4,600,000	(4,600,000)
Loss on Asset Disposal	(4,211)	(225,995)	221,785
Amortization of Discount, Premium and Issuance Costs	625,396	496,912	128,484
Defeasance due to bond refunding	(675,182)	(681,797)	6,615
Prior Year Adjustment	(48,702)	(28,916)	(19,785)
Total non-operating revenues (expenses)	(4,458,064)	(2,491,540)	(1,966,524)
<b>Net Income (Loss) before capital contributions</b>	<b>6,386,380</b>	<b>(1,068,332)</b>	<b>7,454,712</b>
<b>Capital Contributions</b>			
Grants from US Government	960,304	6,745,746	(5,785,443)
Grants from GovGuam & Others	-	35,749	(35,749)
Total Capital Contributions	960,304	6,781,495	(5,821,191)
<b>Change in Net Assets</b>	<b>7,346,684</b>	<b>5,713,163</b>	<b>1,633,521</b>
<b>Debt Service Calculation</b>			
Earnings From Operations	10,844,444	1,423,208	
System Development Charge	(772,491)	(562,289)	
Retiree COLA	233,833	224,400	
Interest/Investment Income	818,740	357,308	
Depreciation	9,616,208	9,579,020	
Plus withdrawals (deposits) to Rate Stabilization Fund	-	1,300,000	
ARPA Grant	-	4,600,000	
<b>Balance Available for Debt Service per Section 6.12</b>	<b>20,740,735</b>	<b>16,921,647</b>	
<b>Debt Service</b>			
Principal	3,586,667	3,411,667	
Interest	9,427,355	9,600,559	
<b>Total</b>	<b>13,014,022</b>	<b>13,012,226</b>	
<b>Debt Service Coverage (1.25X) - per Section 6.12 (Indenture)</b>	<b>1.59</b>	<b>1.30</b>	
<b>Debt Service Coverage (1.30X) (PUC)</b>	<b>1.59</b>	<b>1.30</b>	

**SCHEDULE F**

**Guam Waterworks Authority  
Statement of Cash Flows (Unaudited)  
FY2024**

**YTD  
Jan-24**

<b>Cash flows from operating activities:</b>	
Cash received from trade and others	38,025,327
Cash payments to suppliers/contractors for goods and services	(13,069,980)
Cash payments to employees for services	(10,647,863)
<b>Net cash provided by operating activities</b>	<u>14,307,484</u>
<b>Cash flows from noncapital financing activities:</b>	
Receipts from the Local Government operating grant	-
Proceeds from legal settlement	-
	<u>-</u>
<b>Cash flows from capital and related financing activities:</b>	
Contributed capital received (grants)	1,824,877
Acquisition of utility plant	(7,593,639)
Repayment of Long Term Debt	49,786
Interest expense	(14,239,520)
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>(19,958,496)</u>
<b>Cash flows from investing activities:</b>	
Transfers from (to) restricted fund	(2,616,602)
Interest income received	5,071,989
<b>Net cash provided by investing activities</b>	<u>2,455,387</u>
 Net increase (decrease) in cash	 (3,195,624)
 Unrestricted cash at beginning of the period	 50,324,888
<b>Unrestricted cash at end of period</b>	<u>47,129,263</u>
 Reconciliation of operating loss to net cash provided by operating activities:	
<b>Operating Income (loss)</b>	10,844,444
Adjustments to reconcile to net cash provided by operating activities:	
Depreciation expense	9,616,208
Bad debts (recovery)	184,109
Capitalized labor and benefits	(917,787)
Recovery of provision for inventory obsolescence	-
Non-cash pension costs	-
(Increase) decrease in assets:	
Accounts receivable	(4,924,439)
Materials and supplies inventory	123,566
Prepaid expenses	(600,627)
Regulatory Assets	-
Increase (decrease) in liabilities:	
Accounts payable	(724,624)
Accrued payroll and employee benefits	(134,541)
Customer deposits	25,632
Other liabilities	815,542
<b>Net cash provided by operating activities</b>	<u>14,307,484</u>

**GUAM WATERWORKS AUTHORITY**  
**Restricted and Unrestricted Cash Summary**  
**FY2024**

**SCHEDULE G**

Description	Unaudited January 31, 2024	Unaudited September 30, 2023	Increase (Decrease)
<b>UNRESTRICTED</b>			
Change Fund	2,000	2,000	-
Petty Cash	3,930	3,930	-
BOG Deposit Accounts	22,861,048	26,112,801	(3,251,753)
BOG O & M Reserve	14,720,167	14,477,230	242,937
BOG CapEx Fund	8,592,118	8,778,927	(186,809)
BOG Rate Stabilization Fund	950,000	950,000	-
<b>Sub-total Unrestricted</b>	<b>47,129,263</b>	<b>50,324,888</b>	<b>(3,195,624)</b>
<b>RESTRICTED</b>			
Bank Pacific	12,815	6,345	6,469
Bank of Hawaii	232,213	167,390	64,823
Community First FCU	1,577	2,538	(961)
First Hawaiian Bank	63,788	82,921	(19,134)
Bank Pacific Surcharge	945,809	6,863	938,945
Bank Pacific Escrow Deposit	958,743	958,711	32
BOG Customer Refunds	2,202,282	2,157,517	44,765
BOG Sewer Hookup Revolving Fund	2,137,651	2,079,769	57,882
BOG Operation and Maintenance Fund	3,083,482	3,083,482	-
BOG Revenue Trust	1,197,979	(137,922)	1,335,901
BOG Revenue Trust Fund	8,798,598	10,471,820	(1,673,222)
BOG Capital Improvement Revenue Fund	11,912,094	8,452,503	3,459,591
	<b>31,547,030</b>	<b>27,331,937</b>	<b>4,215,092</b>
BOG - SDC Deposit	3,154,961	1,125,796	2,029,165
BOG - SDC CDs	3,000,000	4,250,000	(1,250,000)
<b>Total SDC</b>	<b>6,154,961</b>	<b>5,375,796</b>	<b>779,165</b>
<b>Total Restricted</b>	<b>37,701,990</b>	<b>32,707,733</b>	<b>4,994,257</b>
<b>Reserve Funds</b>			
BOG Series 2013 Construction Fund	3,486,848	3,459,448	27,400
BOG Series 2016 Construction Fund	24,376,797	27,091,177	(2,714,381)
BOG Series 2017 Refunding Construction Fund	3,672,661	3,648,718	23,944
BOG Series 2020A Construction Fund	111,867,415	111,457,380	410,035
BOG CIF-Construction Fund Transfers	4,789,102	4,710,065	79,038
<b>Total Restricted - Held by Trustee</b>	<b>148,192,823</b>	<b>150,366,788</b>	<b>(2,173,964)</b>
BOG OMRRRF Fund	17,423,213	17,423,213	-
USB Series 2013 Debt Service Fund	2,475,484	1,494,615	980,868
USB Series 2013 Debt Service Reserve Fund	12,031,688	12,031,688	-
USB Series 2014 Refunding Debt Service Reserve Fund	11,725,431	10,100,975	1,624,456
USB Series 2016 Debt Service Fund	1,282,473	2,061,782	(779,310)
USB Series 2016 Debt Service Reserve Fund	7,591,999	7,591,999	-
USB Series 2017 Refunding Debt Service Reserve Fund	7,566,460	7,566,460	-
USB Series 2017 Debt Service Fund	2,008,240	2,015,191	(6,950)
USB Series 2020A Debt Service Fund	677,178	1,753,543	(1,076,366)
USB Series 2020A Debt Service Reserve Fund	6,659,700	6,659,700	-
USB Series 2020B Debt Service Reserve Fund	594,109	1,540,498	(946,389)
<b>Total Investments</b>	<b>70,035,974</b>	<b>70,239,665</b>	<b>(203,691)</b>
<b>Total Restricted and Unrestricted Cash</b>	<b>303,060,051</b>	<b>303,639,073</b>	<b>(579,023)</b>

Guam Waterworks Authority  
Accounts Receivable - Government (Active)  
January 31, 2024

SCHEDULE H

Customer Name	A G I N G						Total
	No. of Accounts	Current	31 - 60 days	61 - 90 days	91 - 120 days	Over 120 days	
<b>Autonomous Agencies (Active)</b>							
Guam Int'l Airport Authority	8	123	97	117	115	262,179	262,631
Guam Power Authority	25	32,994	30,945	-	-	-	63,939
Guam Housing & Urban Renewal Authority	10	7,277	-	-	-	-	7,277
Port Authority of Guam	5	1,753	-	-	-	-	1,753
Guam Solid Waste Authority	4	630	57	68	35	-	790
Guam Housing Corporation	1	42	-	-	-	-	42
<b>Total Autonomous Agencies</b>	<b>53</b>	<b>42,819</b>	<b>31,099</b>	<b>185</b>	<b>151</b>	<b>262,179</b>	<b>336,433</b>
<b>Semi-Autonomous Agencies (Active)</b>							
Guam Memorial Hospital Authority	3	49,333	44,355	50,317	32	13,824	157,861
University of Guam	48	108,070	221	-	-	-	108,291
Guam Environmental Protection Agency	2	230	-	-	-	-	230
<b>Total Semi-Autonomous Agencies</b>	<b>53</b>	<b>157,633</b>	<b>44,576</b>	<b>50,317</b>	<b>32</b>	<b>13,824</b>	<b>266,382</b>
<b>Line Agencies (Active)</b>							
Department of Education	52	388,120	488,937	461,632	103,564	1,878,078	3,320,331
Department of Corrections	9	107,487	113,919	48,214	1,263	-	270,884
Department of Parks & Recreation	13	57,128	33,443	20,011	2,482	-	113,063
Department of Public Works	10	18,263	8,656	97	74	4,495	31,585
Department of Agriculture	7	4,931	4,876	4,929	2,246	54	17,036
Guam Fire Department	11	9,080	5,044	1,073	-	-	15,197
Department of Public Health & Social Services	9	4,998	1,537	1,719	1,532	1,875	11,661
Department of Chamorro Affairs	7	6,733	321	-	-	-	7,054
Department of Military Affairs/GUARNG	1	2,796	-	-	-	-	2,796
Guam Police Department	7	1,983	263	-	-	-	2,246
Guam Visitors Bureau	2	2,122	-	-	-	-	2,122
Guam Homeland Security/Civil Defense	1	1,297	771	-	-	-	2,068
Guam Veterans Affairs Office	2	787	802	268	-	-	1,857
Department of Administration	3	148	154	158	133	-	593
Department of Mental Health and Substance	2	572	-	-	-	-	572
Guam Association of Retired Persons	1	342	-	-	-	-	342
Guam Public Library	6	250	-	-	-	-	250
Guam Energy Office	1	240	-	-	-	-	240
							-
							-
<b>Total Line Agencies</b>	<b>144</b>	<b>607,275</b>	<b>658,725</b>	<b>538,100</b>	<b>111,295</b>	<b>1,884,502</b>	<b>3,799,897</b>
<b>Other Government of Guam Entities (Active)</b>							
Mayors Council of Guam	63	19,291	19,181	22,405	22,382	42,630	125,889
The Office of the Dededo Mayor	1	806	375	585	847	682	3,294
Merizo Mayor	1	127	-	-	-	-	127
							-
<b>Total Other Government of Guam Entities</b>	<b>65</b>	<b>20,224</b>	<b>19,556</b>	<b>22,990</b>	<b>23,229</b>	<b>43,311</b>	<b>129,310</b>
<b>Total as of January 31, 2024 (Active)</b>	<b>315</b>	<b>827,952</b>	<b>753,956</b>	<b>611,592</b>	<b>134,706</b>	<b>2,203,816</b>	<b>4,532,022</b>

CCU Regular Board Meeting, February 27, 2024 - GWA

GUAM WATERWORKS AUTHORITY  
Accounts Receivable Aging Summary by Rate Class  
As of January 31, 2024

SCHEDULE I

ACTIVE AND INACTIVE

Rate Class	A G I N G							Total	
	No. of Accounts	Current	31 - 60 days	61 - 90 days	91 - 120 days	Over 120 days			
Government	442	\$ 1,742,947	\$ 824,632	\$ 646,094	\$ 135,984	\$ 2,415,570	\$ 5,765,227	23%	
Agriculture	418	30,728	8,268	4,403	2,155	27,656	73,210	0%	
Commercial I	2,690	1,534,286	246,484	94,899	143,454	468,485	2,487,609	10%	
Commercial II	38	254,716	31,272	4,049	185	80,916	371,138	2%	
Commercial III	289	637,984	133,834	54,910	40,843	316,108	1,183,679	5%	
Golf Course	16	15,119	675	650	1,331	18,317	36,093	0%	
Hotel	55	2,241,445	116,219	85,334	2,702	695,888	3,141,587	13%	
Irrigation	32	2,741	501	446	80	1,295	5,063	0%	
Residential	47,527	4,292,814	864,264	522,366	346,624	5,505,064	11,531,133	47%	
	<b>51,507</b>	<b>10,752,779</b>	<b>2,226,160</b>	<b>1,413,153</b>	<b>673,360</b>	<b>9,529,299</b>	<b>24,594,740</b>	<b>100%</b>	
		44%	9%	6%	3%	39%			
Less Allowance for Doubtful Accounts: (9,582,684)									
Net Accounts Receivable: 15,012,056									
Days Receivables Outstanding: 39									

As of December 31, 2023

Rate Class	A G I N G							Total	
	No. of Accounts	Current	31 - 60 days	61 - 90 days	91 - 120 days	Over 120 days			
Government	441	\$ 1,899,938	\$ 907,493	\$ 637,884	\$ 93,592	\$ 2,429,068	\$ 5,967,974	24%	
Agriculture	416	35,160	8,056	2,481	1,901	27,413	75,011	0%	
Commercial I	2,686	1,626,934	228,611	175,314	55,439	464,946	2,551,245	10%	
Commercial II	38	202,720	21,370	6,884	2,492	80,943	314,409	1%	
Commercial III	289	680,037	83,086	46,609	65,394	308,699	1,183,825	5%	
Golf Course	16	15,128	655	1,331	13,425	5,160	35,699	0%	
Hotel	55	2,082,068	162,913	38,998	42,372	686,549	3,012,900	12%	
Irrigation	32	3,280	521	583	-	1,295	5,679	0%	
Residential	47,400	4,260,187	962,702	532,297	320,031	5,462,712	11,537,929	47%	
	<b>51,373</b>	<b>10,805,451</b>	<b>2,375,408</b>	<b>1,442,382</b>	<b>594,646</b>	<b>9,466,784</b>	<b>24,684,671</b>	<b>100%</b>	
		44%	10%	6%	2%	38%			
Less Allowance for Doubtful Accounts: (9,582,684)									
Net Accounts Receivable: 15,101,987									
Days Receivables Outstanding: 39									

ACTIVE ONLY

Rate Class	A G I N G							Total	
	No. of Accounts	Current	31 - 60 days	61 - 90 days	91 - 120 days	Over 120 days			
Government	441	\$ 1,742,947	\$ 824,632	\$ 646,094	\$ 135,984	\$ 2,415,570	\$ 5,763,337	30%	
Agriculture	398	30,728	8,268	4,403	1,725	4,115	49,240	0%	
Commercial I	2,549	1,530,252	245,253	91,324	138,428	220,228	2,225,484	11%	
Commercial II	38	254,716	31,272	4,049	185	80,916	371,138	2%	
Commercial III	276	637,931	133,803	54,879	40,809	278,379	1,145,800	6%	
Golf Course	16	15,119	675	650	1,331	18,317	36,093	0%	
Hotel	53	2,241,445	116,219	85,334	2,702	55,365	2,501,065	13%	
Irrigation	31	2,741	501	446	80	-	3,768	0%	
Residential	40,209	4,224,884	817,056	466,680	277,436	1,618,967	7,405,021	38%	
	<b>44,011</b>	<b>10,680,762</b>	<b>2,177,678</b>	<b>1,353,859</b>	<b>598,682</b>	<b>4,689,967</b>	<b>19,500,947</b>	<b>100%</b>	
		55%	11%	7%	3%	24%			
Less Allowance for Doubtful Accounts: (9,582,684)									
Net Accounts Receivable: 9,918,263									

Rate Class	A G I N G							Total	
	No. of Accounts	Current	31 - 60 days	61 - 90 days	91 - 120 days	Over 120 days			
Government	440	\$ 1,899,938	\$ 907,493	\$ 637,884	\$ 93,592	\$ 2,427,178	\$ 5,966,084	30%	
Agriculture	396	35,160	7,983	2,125	1,771	3,953	50,991	0%	
Commercial I	2,555	1,625,138	225,104	170,555	31,100	241,831	2,293,729	12%	
Commercial II	38	202,720	21,370	6,884	2,492	80,943	314,409	2%	
Commercial III	277	680,037	83,086	46,609	65,191	271,336	1,146,260	6%	
Golf Course	16	15,128	655	1,331	13,425	5,160	35,699	0%	
Hotel	53	2,082,068	162,913	38,998	42,372	46,027	2,372,377	12%	
Irrigation	31	3,280	521	583	-	-	4,384	0%	
Residential	40,220	4,222,557	921,425	479,544	259,569	1,710,469	7,593,563	38%	
	<b>44,026</b>	<b>10,766,025</b>	<b>2,330,550</b>	<b>1,384,514</b>	<b>509,512</b>	<b>4,786,896</b>	<b>19,777,497</b>	<b>100%</b>	
		54%	12%	7%	3%	24%			
Less Allowance for Doubtful Accounts: (9,582,684)									
Net Accounts Receivable: 10,194,813									

**GUAM WATERWORKS AUTHORITY**  
**Accounts Payable Aging**

**SCHEDULE J**

As of	AGING						Total	Days Payable Outstanding
	Current	31 - 60 Days	61 - 90 Days	91 - 120 Days	> 120 Days			
<b>January 31, 2024</b>	\$ 2,674,753 74%	\$ 174,117 5%	\$ 142,961 4%	\$ 104,700 3%	\$ 508,528 14%	\$ <b>3,605,059</b> <b>100%</b>	38	
<b>December 31, 2023</b>	\$ 2,681,118 64%	\$ 334,474 8%	\$ 336,958 8%	\$ 374,018 9%	\$ 491,783 12%	\$ <b>4,218,351</b> <b>100%</b>	40	
<b>November 30, 2023</b>	\$ 3,319,708 77%	\$ 475,285 11%	\$ 219,440 5%	\$ 20,148 0%	\$ 280,449 6%	\$ <b>4,315,030</b> <b>100%</b>	40	

CCU Regular Board Meeting, February 27, 2024 - GWA

GUAM WATERWORKS AUTHORITY  
WATER DEMAND BY RATE CLASS  
FY2015 - FY2024

SCHEDULE K

CLASS	AUDITED								UNAUDITED	Annualized Based on 4 months	% Inc / (Dec.)
	FY2015 TOTAL CONSUMPTION (kGal)	FY2016 TOTAL CONSUMPTION (kGal)	FY2017 TOTAL CONSUMPTION (kGal)	FY2018 TOTAL CONSUMPTION (kGal)	FY2019 TOTAL CONSUMPTION (kGal)	FY2020 TOTAL CONSUMPTION (kGal)	FY2021 TOTAL CONSUMPTION (kGal)	FY2022 CONSUMPTION (kGal)*	FY2023 TOTAL CONSUMPTION (kGal)	FY2024 TOTAL CONSUMPTION (kGal)	
R Residential	3,415,662	3,429,689	3,206,811	3,313,613	3,359,905	3,712,723	3,622,617	3,450,574	3,185,230	3,095,265	11%
C Commercial	1,020,089	1,022,890	964,639	910,905	906,192	822,029	786,054	818,460	816,393	857,974	-9%
F Federal	1,168	1,180	2,508	1,813	1,602	1,338	2,069	1,389	1,099	1,367	-16%
G Government	515,974	475,366	448,430	450,165	405,980	408,502	404,026	470,581	445,116	447,016	1%
H Hotel	999,116	1,008,087	1,004,525	989,723	1,079,919	714,161	448,034	462,757	554,767	602,531	-34%
G Golf	6,850	6,770	5,252	2,741	2,793	5,835	2,855	3,796	6,415	952	109%
A Agriculture	67,376	78,628	69,482	81,127	90,803	84,492	68,805	65,719	49,748	54,831	-7%
I Irrigation	<u>10,385</u>	<u>11,351</u>	<u>10,143</u>	<u>8,504</u>	<u>7,896</u>	<u>8,654</u>	<u>5,404</u>	<u>4,888</u>	<u>3,242</u>	<u>3,127</u>	10%
GRAND TOTAL	<u>6,036,620</u>	<u>6,033,960</u>	<u>5,711,790</u>	<u>5,758,590</u>	<u>5,855,091</u>	<u>5,757,733</u>	<u>5,339,864</u>	<u>5,278,164</u>	<u>5,062,012</u>	<u>5,063,063</u>	-2%



**Guam Waterworks Authority  
System Development Charges Project Status  
As of January 31, 2024**

**SCHEDULE L**

**Funding Summary**

Total available project funds	\$ 17,564,105
Total project expenditures and encumbrances	12,445,814
Total unobligated project funds	<b>\$ 5,118,292</b>

**Projects Funded**

<b>Project Description</b>	<b>Expenditures</b>	<b>Outstanding Encumbrances</b>	<b>Expenditures and Encumbrances</b>
Agat-Santa Rita Wastewater Treatment Plant Replacement	1,202,006	-	1,202,006
Baza Gardens Wastewater Cross Island Pumping & Conveyance	1,151,116	2,854	1,153,971
Central Guam Reservoirs	276,008	4,032	280,040
Line Replacement Phase IV	256,937	-	256,937
Northern District WWTP	7,552,513	-	7,552,513
Northern District WWTP (Land Purchase)	1,000,000	-	1,000,000
Route 4 Relief Sewerline Rehab & Replacement	519,227	-	519,227
South Paulino Heights Waterline Upgrade	84,056	4,714	88,770
Talofofo Sewer Improvement	-	241,142	241,142
Groundwater Well Production Meter Rep.	143,647	7,560	151,207
	<b>\$ 12,185,510</b>	<b>\$ 260,303</b>	<b>\$ 12,445,814</b>

**Future planned projects**

**FY 2024-2025**

Water Distribution System Pipe Replacement & Upgrades	500,000
Capacity Enhancement - Well Development and Construction Progr	394,000
Well Repair Program	200,000
	<b>\$ 1,094,000</b>



**GUAM WATERWORKS AUTHORITY**

“Better Water, Better Lives.”

Gloria B. Nelson Public Service Building | 688 Route 15 | Mangilao, Guam 96913

Tel: (671) 300-6846/7

**ISSUES FOR DECISION**

**Resolution 10-FY2024**

Relative to Approval to Procure Design-Build of Upper Tumon Campus Improvements

**What is the projects’ objective and is it necessary and urgent?**

GWA Upper Tumon Campus Improvements project is needed to make necessary repairs, rehabilitation and renovations of the Customer Service Center, Compliance Laboratory, Warehouse and Meter Testing Facility which will be implemented in two phases. Phase I is comprised of Warehouse Rehabilitation and Meter Testing Facility Repair and Phase II includes the Customer Service Center Renovation and replacement of essential laboratory equipment.

The Upper Tumon Warehouse was constructed in 1993. Normal wear in Guam’s tropical environment over the span of 30 years contributed to deterioration of roofing and other structural components. In May 2023, Typhoon Mawar caused additional damage to the Warehouse and Meter Testing Facility affecting the integrity of stored materials and the safety for occupants of both buildings.

The existing Customer Service Center that houses both GWA and GPA personnel, has not seen significant renovation or rehabilitation for many years, and renovations are necessary to improve customer experience, working conditions for utility personnel, and to meet current requirements of the building code, fire/safety code, and other relevant code standards. The GWA Compliance Laboratory has three laboratories served by a special laboratory ventilation and exhaust systems, components of which are beyond their useful life or no longer meet current standards. Replacement of equipment in the laboratory is necessary to meet acceptable indoor air quality requirements and ensure continued operation of the laboratory.

The objective of this project is to procure the design-build renovation/rehabilitation and repair of these facilities in the following phases:

1. Phase I - Upper Tumon Warehouse and Meter Testing Facility
2. Phase II – Upper Tumon Customer Service Center and Laboratory Equipment Replacement

**Where is the project located?**

Both Phase I and Phase II projects are located in Upper Tumon.

**How much will it cost?**

Phase I is estimated to cost \$3,167,500.00

Phase II is estimated to cost \$5,080,900.00

Total estimated cost for Phase I and Phase II is \$8,248,400.00.

**When will it be completed?**

Phase I and Phase II will be advertised as separate projects. Phase I is expected to take up to three years to complete; Phase II will require up to four years to complete.

**What is the funding source?**

GWA intends to use multiple sources including bonds funds, Internal Funded Capital Improvement Project (revenue) funding, FEMA Public Assistance Program funding, GWA Property Insurance Claims



**CONSOLIDATED COMMISSION ON UTILITIES**  
Guam Power Authority | Guam Waterworks Authority  
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

**GWA RESOLUTION NO. 10-FY2024**

**RELATIVE TO REQUESTING APPROVAL TO PROCURE DESIGN-BUILD OF GWA  
UPPER TUMON CAMPUS IMPROVEMENTS**

**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**, GWA will be utilizing the Design-Build project delivery method for the GWA Upper Tumon Campus Improvements project to make necessary repairs, rehabilitation and renovations of the Customer Service Center, Compliance Laboratory, Warehouse and Meter Testing Facility; and

**WHEREAS**, the GWA Upper Tumon Campus Improvements project will be implemented in two phases: Phase I (Warehouse Rehabilitation and Meter Testing Facility Repair) and Phase II (Customer Service Center Renovation and Laboratory Equipment Replacement); and

**WHEREAS**, the existing Upper Tumon Warehouse was originally constructed in 1993 to store and manage the inventory of equipment and spare parts needed for immediate repairs to maintain the water and wastewater assets in good working condition; and.

**WHEREAS**, the normal wear in Guam’s tropical conditions over the span of 30 years contributed to deterioration of metal roofing, gutters, z-purlins and other structural members of the warehouse resulting in rain water leaking through the damaged roof. In addition, Typhoon Mawar caused further extensive damage to the warehouse and the adjacent Meter Testing

1 Facility in May 2023, damaging the existing roof, offices, some stored parts and equipment (see  
2 Exhibits A and B); and

3  
4 **WHEREAS**, the extensive damage to Upper Tumon Warehouse and Meter Testing  
5 Facility have affected the integrity of stored materials and the safety for occupants of both  
6 buildings. GWA staff at the Upper Tumon Warehouse and the Asset Management office on the  
7 second floor of Meter Testing Facility have been temporarily relocated to the Upper Tumon  
8 Customer Service Center or the GBN Public Service Building in Mangilao; and

9  
10 **WHEREAS**, the rehabilitation of the Upper Tumon Warehouse and the repair of Meter  
11 Testing Facility are necessary and urgent to make the facility safe for GWA employees and  
12 visitors, and to properly protect and maintain the inventory of spare parts while in storage; and

13  
14 **WHEREAS**, in Resolution No. 2009-16 (Exhibit C), the CCU directed GPA and GWA  
15 to explore opportunities for the Upper Tumon Customer Service Center wherein services  
16 provided to customers may be improved by combining resources of the two utilities; and

17  
18 **WHEREAS**, the renovation of existing Customer Service Center, currently housing both  
19 GWA and GPA customer service, is necessary to improve general comfort and convenience for  
20 customers and staff, and to meet current requirements of the building code, fire/safety code, and  
21 other relevant codes and standards; and

22  
23 **WHEREAS**, the GWA Compliance Laboratory facility has three (3) laboratories served  
24 by a special laboratory ventilation and exhaust systems, components of which are beyond their  
25 useful life or no longer meet current standards; and

26  
27 **WHEREAS**, based on a condition report prepared by an engineering firm (see Exhibit  
28 D), a replacement of the existing ventilation equipment with new Dedicated Outside Air Units  
29 (DOAUs) is necessary to meet acceptable indoor air quality requirements per national standards  
30 and ensure continued operation of the laboratory; and

31 //

1           **WHEREAS**, the recommended Scope of Work includes design analysis, environmental  
2 clearance technical support, detailed engineering drawings, specifications, all regulatory  
3 approval and permits, and construction including labor, tools, equipment and materials; and  
4

5           **WHEREAS**, GWA management seeks CCU approval to procure a competitive design-  
6 build contract among experienced and qualified companies for the Design-Build of Upper  
7 Tumon Campus Improvements Phase I (Upper Tumon Warehouse Rehabilitation and Meter  
8 Testing Facility Repair) and Phase II (Customer Service Center Renovation and Laboratory  
9 Equipment Replacement); and  
10

11           **WHEREAS**, funding in the amount of Three Million One Hundred Sixty-Seven  
12 Thousand Five Hundred Dollars (\$3,167,500.00) for Phase I and Five Million Eighty Thousand  
13 Nine Hundred Dollars (\$5,080,900.00) for Phase II, for a total funding amount to Eight Million  
14 Two Hundred Forty-Eight Thousand Four Hundred Dollars (\$8,248,400.00), is available  
15 through GWA bonds funds, Internally Funded Capital Improvement Project (revenue) funding,  
16 GWA Property Insurance Claims and reimbursement through FEMA Public Assistance Program  
17 funding as applicable; and  
18

19           **WHEREAS**, GWA management further seeks CCU authorization to submit a petition to  
20 the PUC for approval under the PUC contract review protocol.  
21

22           **NOW BE IT THEREFORE RESOLVED**; the Consolidated Commission on Utilities  
23 does hereby approve the following:

- 24           1. The recitals set forth above hereby constitute the findings of the CCU.
- 25           2. The CCU finds that solicitation of bids for Design-Build of GWA Upper  
26 Tumon Campus Improvements is necessary to ensure public safety, equipment  
27 protection, continued operations and improve customer service (Exhibits A, B,  
28 and D).
- 29           3. The CCU hereby authorizes the amount for Design-Build of GWA Upper  
30 Tumon Campus Improvements Phase I (Warehouse Rehabilitation and Meter  
31 Testing Facility Repair) and Phase II (Customer Service Center Renovation

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and Laboratory Equipment Replacement) of Eight Million Two Hundred Forty-Eight Thousand Four Hundred Dollars (\$8,248,400.00).

- 4. The CCU hereby further authorizes the management of GWA to fund the Design-Build project delivery of GWA Upper Tumon Campus Improvements through GWA bonds funds, Internally Funded Capital Improvement Project (revenue) funding, FEMA Public Assistance Program, GWA Property Insurance Claims as applicable and other appropriate funding sources.
- 5. The CCU hereby further authorizes GWA management to petition the PUC for approval of the procurement of Design-Build of GWA Upper Tumon Campus Improvements.

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

**DULY AND REGULARLY ADOPTED**, this 27th day of February 2024.

Certified by:

Attested by:

\_\_\_\_\_  
**JOSEPH T. DUENAS**

\_\_\_\_\_  
**PEDRO ROY MARTINEZ**

Chairperson

Secretary

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**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: \_\_\_\_\_  
NAYS: \_\_\_\_\_  
ABSENT: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_

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EXHIBIT A1  
UPPER TUMON WAREHOUSE  
TYPHOON DAMAGES

**DAMAGE ASSESSMENT/PROJECT WORKSHEET**

DATE: 06/02/2023

APPLICANT AGENCY: Guam Waterworks Authority

DAMAGED FACILITY: UPPER TUMON WAREHOUSE FACILITY

LOCATION: UPPER TUMON, GUAM

CATEGORY OF WORK: A, B, C, D, E, **F**, G (circle one)

INITIAL ASSESSMENT OF DAMAGE (DESCRIPTION AND DIMENSIONS):

1. APPROXIMATELY 4,469 SQUARE FEET OF BUTLERIB ROOFING WAS RIPPED OFF REQUIRING REPLACEMENT OF ROOF PANELS AND INSULATION.
2. ROOF FLASHING AND ROOF GUTTER WERE RIPPED OFF.
3. THE ENTIRE ACOUSTIC CEILING TILES AT THE SECOND FLOOR NEED REPLACEMENT. MANY TILES DROPPED DOWN TO THE FLOOR AND DAMAGED, THOSE THAT REMAINED IN THE CEILING WERE ALSO WATER DAMAGED.
4. REMOVAL AND REPLACEMENT OF WATER DAMAGED GYPSUM BOARD WALLS INCLUDING DOORS AND WINDOWS BOTH AT GROUND FLOOR AND MEZZANINE FLOOR.
5. REPAINTING OF NEW GYPSUM BOARD WALLS AND DOORS AT GROUND FLOOR AND MEZZANINE FLOOR.
6. REMOVAL AND REPLACEMENT OF WATER DAMAGED GYPSUM BOARD WALLS INCLUDING DOORS AND WINDOWS, ROOF, AND CEILING AT GROUND FLOOR STORE KEEPER OFFICE.
7. REPAINTING OF NEW GYPSUM BOARD WALLS AND DOORS, CEILING AT GROUND FLOOR STORE KEEPER'S OFFICE.
8. REMOVE AND REPLACE WATER DAMAGED LIGHTING FIXTURES AND WIRING (INTERIOR AND EXTERIOR OF WAREHOUSE)
9. REMOVE AND REPLACEMENT OF ROLL-UP DOORS INCLUDING MOTORS.
10. REPLACEMENT OF ASSORTED SHELVES AND CONTAINMENT PALLETS

INTERIOR/EQUIPMENT DAMAGE:

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SCOPE OF WORK:

1. REMOVE DAMAGED BUTLERIB ROOF PANELS UP TO THE RIDGE INCLUDING INSULATION.
2. REPLACE DAMAGED BUTLERIB ROOFING PANELS UP TO THE RIDGE INCLUDING INSULATION.
3. REMOVE AND REPLACE ROOF FLASHING
4. REMOVE AND REPLACE ROOF GUTTER
5. REMOVAL AND DISPOSAL OD DAMAGED ACOUSTIC CEILING
6. REPLACE/INSTALL NEW ACOUSTIC CEILING TILES (GROUND AND Mezzanine FLOORS)
7. REMOVE AND REPLACED WATER DAMAGED GYPSUM BOARDS, DOORS, AND WINDOWS AT GROUND FLOOR AND MEZZANINE FLOOR.
8. REPAINTING OF GYPSUM BOARDS, DOORS, AND WINDOWS AT GROUND FLOOR AND MEZZANINE FLOOR.
9. REMOVE AND REPLACED WATER DAMAGED GYPSUM BOARDS, DOORS, AND WINDOWS, ROOF AND CEILING AT GROUND FLOOR STORE KEEPER OFFICE.
10. REPAINTING OF GYPSUM BOARDS, DOORS, AND CEILING AT STORE KEEPER OFFICE GROUND FLOOR.
11. REMOVE AND REPLACE WATER DAMAGED LIGHTING FIXTURES AND WIRING (INTERIOR AND EXTERIOR OF WAREHOUSE)
12. REMOVE AND REPLACE STEEL ROLL-UP DOORS INCLUDING MOTORS
13. REPLACEMENT OF ASSORTED SHELVES AND CONTAINMENT PALLETS DAMAGED BY WATER.

ESTIMATED PROJECT COST: \$438,998.00

ITEM	NARRATIVE	QUANTITY/UNIT	UNIT PRICE	COST
1.	LABOR, MATERIAL, & EQUIPMENT	1 LS	\$67,035.00	\$67,035.00
2.	LABOR, MATERIAL, & EQUIPMENT	1 LS	\$111,725.00	\$111,725.00
3.	LABOR AND MATERIAL	1 LS	\$560.00	\$560.00
4.	LABOR AND MATERIAL	1 LS	\$600.00	\$600.00
5.	LABOR AND MATERIAL	1 LS	\$1,000.00	\$1,000.00
6.	LABOR AND MATERIAL	1 LS	\$41,118.00	\$41,118.00
7.	LABOR AND MATERIAL	1 LS	\$59,000.00	\$59,000.00
8.	LABOR AND MATERIAL	1 LS	\$22,500.00	\$22,500.00
9.	LABOR AND MATERIAL	1 LS	\$22,444.00	\$22,444.00
10.	LABOR AND MATERIAL	1 LS	\$8,310.00	\$8,310.00
11.	LABOR AND MATERIAL	1 LS	\$45,000.00	\$45,000.00
12.	LABOR AND MATERIAL	1 LS	\$16,500.00	\$16,500.00
13.	LABOR AND MATERIAL	1 LS	\$43,206.00	\$43,206.00

TOTAL ESTIMATED PROJECT COSTS \$438,998

DOES THE SCOPE OF WORK CHANGE THE PRE-DISASTER CONDITIONS AT THE SITE?  
YES  NO

SPECIAL CONSIDERATIONS ISSUES INCLUDED? YES  NO

HAZARD MITIGATION PROPOSAL INCLUDED? YES  NO

IS THERE INSURANCE COVERAGE ON THIS FACILITY? YES  NO

PREPARED BY: ERNESTO VILLARIN  
Agency Point of Contact (POC)

TITLE: SENIOR ENGINEER

BUSINESS ADDRESS: GLORIA B. NELSON BUILDING, 688 ROUTE 15, MANGILAO

BUSINESS TELEPHONE: 671-300-6063

ALTERNATE POC: \_\_\_\_\_

BUSINESS TELEPHONE: \_\_\_\_\_

VERIFIED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
FEMA Inspector

ATTACHMENTS:

- Photos or Videos
- Site Plan
- Agency Specific Forms or Worksheets



**ROOF TOP VIEW – GWA UPPER TUMON WAREHOUSE**



**ITEMS 1 & 1A- DAMAGED ROOFING BACKSIDE**



**ITEMS 2, 3 & 4– DAMAGED ROOFING AND FLASHING**  
**(RIGHT SIDE OF WAREHOUSE)**



**ITEM 5 – DAMAGED ROOF**  
**GUTTER**  
**(FRONT OF WAREHOUSE)**



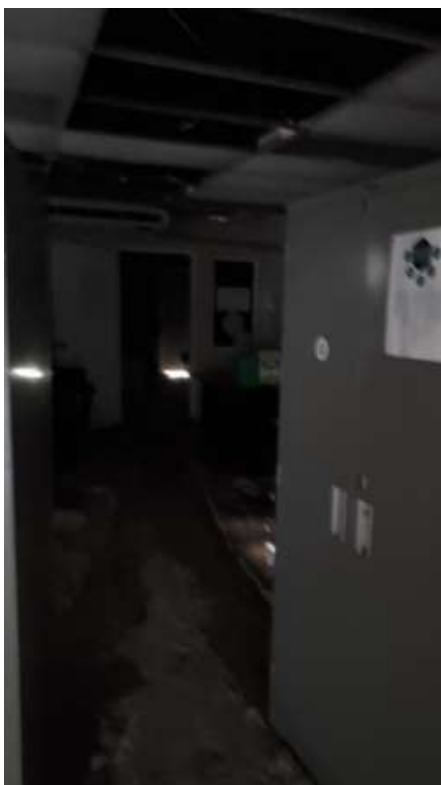
**ITEM 6 – DAMAGED ROOF RIDGE**



**ITEM 7 & 7A – DAMAGED ROOFING NEAR THE RIDGE OF THE WAREHOUSE**



**ITEM 8 – DAMAGED ACOUSTIC CEILING AND WATER  
DAMAGED GYPSUM BOARD WALL  
WAREHOUSE MEZZANINE FLOOR**



**ITEM 8 – DAMAGE AT  
GROUND FLOOR OFFICE  
(ACOUSTIC CEILING TILES, WATER  
DAMAGED GYPSUM BOARD  
WALL)**

**NO POWER – INSIDE IS DARK**



EXHIBIT A2  
METER TESTING FACILITY  
TYPHOON DAMAGES

**DAMAGE ASSESSMENT/PROJECT WORKSHEET**

DATE: 08/09/2023

APPLICANT AGENCY: Guam Waterworks Authority

DAMAGED FACILITY: METER TESTING FACILITY

LOCATION: UPPER TUMON, GUAM

CATEGORY OF WORK: A, B, C, D, **F**, G (circle one)

INITIAL ASSESSMENT OF DAMAGE (DESCRIPTION AND DIMENSIONS):

1. APPROXIMATELY 99 SQUARE FEET OF BUTLERIB ROOFING WAS RIPPED OFF CAUSING WIND AND WATER DAMAGE TO THE OFFICE AREA AT THE SECOND FLOOR.
2. THE ENTIRE ACOUSTIC CEILING TILES AT THE SECOND FLOOR NEED REPLACEMENT. MANY TILES DROPPED DOWN TO THE FLOOR AND DAMAGED, THOSE THAT REMAINED IN THE CEILING WERE ALSO WATER DAMAGED.
3. REMOVAL AND REPLACEMENT OF WATER DAMAGED GYPSUM BOARD WALLS INCLUDING DOORS AT SECOND FLOOR OFFICE.
4. REPAINTING OF NEW GYPSUM BOARD WALLS AND DOORS AT SECOND FLOOR.
5. REMOVAL AND REPLACEMENT OF "NEW" AIR-CONDITIONING UNITS
6. CLEANUP OF AIR INTAKE DUCTING.

INTERIOR/EQUIPMENT DAMAGE:

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SCOPE OF WORK:

1. REMOVE DAMAGED BUTLERIB ROOF PANELS UP TO THE RIDGE INCLUDING INSULATION.
2. REPLACE DAMAGED BUTLERIB ROOFING UP TO THE RIDGE INCLUDING INSULATION.
3. REMOVE AND DISPOSE OF ALL ACOUSTIC CEILING TILES
4. REPLACE ALL ACOUSTIC CEILING TILES.
5. REMOVE MOLD INFESTED GYPSUM BOARD WALL
6. REMOVE AND REPLACE WOODEN DOORS
7. REPLACE GYPSUM BOARD WALL
8. REPLACE WOODEN DOORS
9. REPAINTING OF WALLS AND DOORS
10. REMOVE AND REPLACE OF "NEW" AIR-CONDITION UNITS
11. CLEAN FREE OF MOLDS THE AIR-INTAKE DUCTING

ESTIMATED PROJECT COST: \$164,622.70

ITEM	NARRATIVE	QUANTITY/UNIT	UNIT PRICE	COST
1.	LABOR, MATERIAL, & EQUIPMENT	1 LS	\$5,285.20	\$5,285.20
2.	LABOR, MATERIAL, & EQUIPMENT	1 LS	\$11,765.00	\$11,765.00
3.	LABOR AND MATERIAL	1 LS	\$3,500.00	\$3,500.00
4.	LABOR AND MATERIAL	1 LS	\$16,100.00	\$16,100.00
5.	LABOR AND MATERIAL	1 LS	\$2,500.00	\$2,500.00
6.	LABOR AND MATERIAL	1 LS	\$2,500.00	\$2,500.00
7.	LABOR AND MATERIAL	1 LS	\$96,737.50	\$96,737.50
8.	LABOR AND MATERIAL	1 LS	\$2,500.00	\$2,500.00
9.	LABOR AND MATERIAL	1 LS	\$17,985.00	\$17,985.00
10.	LABOR AND MATERIAL	1 LS	\$5,250.00	\$5,250.00
11.	LABOR AND MATERIAL	1 LS	\$500.00	\$500.00
			<b>TOTAL</b>	<b>\$164,662.70</b>

TOTAL ESTIMATED PROJECT COSTS \$164,662.70

DOES THE SCOPE OF WORK CHANGE THE PRE-DISASTER CONDITIONS AT THE SITE?

YES  NO

SPECIAL CONSIDERATIONS ISSUES INCLUDED? YES  NO

HAZARD MITIGATION PROPOSAL INCLUDED? YES  NO

IS THERE INSURANCE COVERAGE ON THIS FACILITY? YES  NO

PREPARED BY: ERNESTO VILLARIN

Agency Point of Contact (POC)

TITLE: SENIOR ENGINEER

BUSINESS ADDRESS: GLORIA B. NELSON BUILDING, 688 ROUTE 15, MANGILAO

BUSINESS TELEPHONE: 671-300-6063

ALTERNATE POC: \_\_\_\_\_

BUSINESS TELEPHONE: \_\_\_\_\_

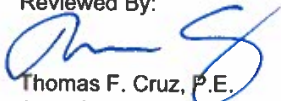
VERIFIED BY: \_\_\_\_\_ DATE: \_\_\_\_\_

FEMA Inspector

ATTACHMENTS:

- Photos or Videos
- Site Plan
- Agency Specific Forms or Worksheets

Reviewed By:



Thomas F. Cruz, P.E.  
Asst. General Manager Operations



**METER TESTING FACILITY TOP VIEW**



**ITEMS 1 AND 2 – REMOVE AND REPLACE DAMAGED ROOFING  
PANELS UP TO ROOF RIDGE**





**ITEMS 3, 4, 5 AND 6 – METER TESTING FACILITY**

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**GUAM CONSOLIDATED COMMISSION ON UTILITIES  
RESOLUTION NO. 2009-16**

**RELATIVE TO THE EXTENSION OF A MEMORANDUM OF  
UNDERSTANDING REGARDING COST SHARING BETWEEN THE GUAM  
WATERWORKS AUTHORITY AND THE GUAM POWER AUTHORITY**

**WHEREAS**, the Guam Power Authority and the Guam Waterworks Authority are governed by a common board – the Consolidated Commission on Utilities; and

**WHEREAS**, the Consolidated Commission on Utilities has undertaken a number of initiatives to identify opportunities wherein the ratepayers of Guam may be better served if the Parties were to work together as a consolidated utility; and

**WHEREAS**, one of the initiatives was to hire a consolidated general manager to serve as a liaison between the Consolidated Commission on Utilities and the Utilities – the General Manager of Consolidated Utility Services; and

**WHEREAS**, the General Manager of Consolidated Utility Services has been directed to explore and make recommendations as to the eventual consolidation of the two utilities under the purview of the Consolidated Commission on Utilities; and

**WHEREAS**, the Utilities require a legal structure under which resources can be provided back and forth between the Guam Waterworks Authority and the Guam Power Authority; and

**WHEREAS**, the Guam Waterworks Authority and the Guam Power Authority entered into a Memorandum of Understanding (MOU) in 2003 which has now expired its own terms and both GWA and GPA wish to extend out the MOU; and

**WHEREAS**, under the initial MOU, GWA has struggled to repay GPA for resources which were provided at the direction of the General Manager of Consolidated Utility Services; and



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**WHEREAS**, a new MOU has been drafted under which GWA is being allowed a four year period in which to repay amounts owed to GPA and pledges to remain current on any payments for resource provision in the future as well as setting forth some protocol requirements for future resource sharing; and

**NOW THEREFORE, BE IT RESOLVED BY THE CONSOLIDATED COMMISSION ON UTILITIES, AS THE GOVERNING BODY OF THE GUAM WATERWORKS AUTHORITY, AS FOLLOWS:**

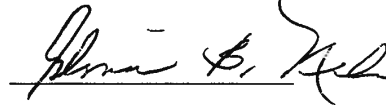
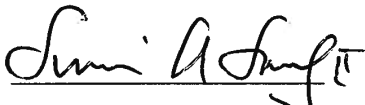
1. The General Managers of the Guam Power Authority, the Guam Waterworks Authority, and Consolidated Utility Services are authorized to sign the attached Memorandum of Understanding
2. The Commission reaffirms its desire for the Utilities to continue to explore opportunities wherein services provided to customers may be improved by combining the resources of the two utilities.

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

**DULY AND REGULARLY ADOPTED AND APPROVED THIS 23rd day of June, 2009.**

Certified by:

Attested by:



**SIMON A. SANCHEZ, II**  
Chairperson

**GLORIA B. NELSON**  
Secretary

I, Gloria B. Nelson, Secretary for the Consolidated Commission on Utilities do hereby certify as follows:

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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 on April 28, 2009, at which meeting a quorum was present and the members who were present voted as follows:

AYES:	4
NAYS:	0
ABSTENTIONS:	0
ABSENT:	1





GUAM **WATERWORKS** AUTHORITY

**CONDITION FOUND REPORT (CFR)**

- **DOAS Basis of Design**
- **Specifications**
- **Scope of Work**



[INFO@PNJFACILITIES.COM](mailto:INFO@PNJFACILITIES.COM)

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## 1.0 Background

The Guam Waterworks Authority (GWA) Compliance Facility has three (3) laboratories served by a designated package unit (PCU) for each zone. The PCU's utilize an outside air (OA) economizer where OA enters the return air mixing box for conditioning the humid air. The PCUs are constant volume.

The design intent specified a Dedicated Outside Air Unit (DOAU) that have specific technical features. A DOAUs are designed to condition 100% outside air at all times. Not all units PCUs are designed to handle 100% latency load. The GWA laboratories should adhere to ASHRAE guidelines for laboratory HVAC design. There are fume hoods in these spaces that require air to be all positively pressured.

### 1.1 Design Specification

The following table contains the cooling load profile and the electrical characteristics as per the design requirement during the construction of the GWA Compliance Laboratory.

MARK	QTY	AREA SERVED	COOLING CAPACITY (BTUH)		OA (CFM)	ELECTRICAL
			TOTAL	SENSIBLE		
DOAU-PAC-1	1	Waste Water Lab (114)	220,000	87,000	2500 - 3100	208-230/3ø/60
DOAU-PAC-2	1	Micro/Bacterial Lab (112)	97,000	39,000	1100	208-230/3ø/60
DOAU-PAC-3	1	Wet Chem Lab (111)	97,000	39,000	1100	208-230/3ø/60

### 1.2 Purpose

The purpose of this document is establish the minimum acceptable technical requirements for the replacement of the DOAU equipment that serves the lab areas that includes the installation of a central controller dedicated for all three (3) DOAUs and permits further expansion utilizing an open protocol framework. This document also establishes the technical requirements for the contractors to comply with for submission.

### 1.3 References and Compliance

- ASHRAE 90.1-2019 Energy Standard for Buildings Except Low-Rise Residential Buildings
- ASHRAE Standard 62.1-2019 Ventilation for Acceptable Indoor Air Quality

### 1.4 Humidity Control

Active humidity control is the driver for the selection of the replacement equipment for the GWA labs. The DOAUs must have deep cooling coils and/or desiccant dehumidification components that are typically used to remove high latent loads or humidity. A standard PCU

with an OA economizer is not acceptable for the design intent for the proper cooling, conditioning (Indoor Air Quality), and dehumidification of the lab spaces.

### 1.5 Room Pressurization Monitoring

Each lab should be equipped with a stand alone pressure monitoring system that allows the occupants of the lab to monitor positive pressurization.

### 1.6 Conditions Found







— END SECTION —



**2.0 Rough Order of Magnitude (ROMs)**

The following table provides a budget overview of the replacement of the existing PCUs with the correct DOAUs as per design.

<b>Category</b>	<b>Equipment</b>	<b>Installation / Materials</b>	<b>Crane Rental</b>	<b>TOTAL</b>
<b>1. DOAU-PAC-1: Waste Water Lab (114)</b>	\$ 90,764.00	\$ 27,229.20	\$ 1,800.00	\$ 119,793.20
<b>2. DOAU-PAC-2: Micro/Bacterial Lab (112)</b>	\$ 86,719.00	\$ 26,015.70	\$ 1,800.00	\$ 114,534.70
<b>3. DOAU-PAC-3: Wet Chem Lab (111)</b>	\$ 86,719.00	\$ 26,015.70	\$ 1,800.00	\$ 114,534.70
<b>4. Central Controller (Open Protocol Framework)</b>	\$ 9,365.00	\$ 6,280.00		\$ 15,645.00
<b>5. In-Room Pressure Sensors / Monitor</b>	\$ 3,752.00	\$ 600.00		\$ 4,352.00
<b>Extended Totals</b>	<b>\$ 277,319.00</b>	<b>\$ 86,140.60</b>	<b>\$ 5,400.00</b>	<b>\$ 368,859.60</b>

The ROMS provide complete installed costs. This include all ductwork transitions, electrical works, equipment, appurtenances, coil corrosion protection, and crane rental to position the equipment on the roof of the building.

— END SECTION —

### 3.0 Scope of Work (SOW)

**This scope of work only defines the SOW for the replacement of DOAU-PAC-1, DOAU-PAC-2, and DOAU-PAC-3, the transition ductwork, related components, installation of the new control system, and start-up and commissioning (Cx) of the system with final Operations and Maintenance (O&M) documentation.**

Each DOAU have designated roof curbs that require air conveyance transitions. The existing pedestals would need to be removed and the area field inspected, before and after photos of the existing equipment and disposed of, and reporting of any concerns prior to the commencement of the installation of the new equipment. The contractor is responsible to submit all requisite administrative documentation and all equipment submittals inclusive of components, appurtenances, and utilized installation materials. Submittals shall require approval prior to ordering and the issuance of a Notice to Proceed (NTP).

Start-up and commissioning documentation shall include start-up reports, installation, operations, and maintenance manuals (IOMs), and the equipment manufacturer's warranty.

Performance of work activities include:

- Supply, delivery, and mechanical installation of three (3) DOAU units as per equipment schedule, duct work transition, control system, and related appurtenances
- Field verification, safety precautions, quality assurance, briefings, and coordinated work activities with GWA
- Recover refrigerant from existing systems in accordance with U.S. EPA 608 guidelines, removal of existing PCUs, and dispose equipment complying with industry and regulatory standards for disposal
- Placement, mounting, and installation of the DOAUs at the designed locations
- Installation of roof curbs, duct transition, drain, electrical works and appurtenances (e.g. voltage monitor, disconnect, conduits, etc. or as prescribed in the solicitation request)
- Installation of independent lab space pressure sensor for monitoring positive pressure when the DOAUs are running
- Termination of electrical works from provided disconnects
- Installation and programming of new control system, wiring and thermostats
- Charging of system with R410a following the manufacturer's design guidelines
- Calibration of system for proper operations as per defined SOOs
- Start-up and commissioning
- Provide manufacturer's warranty based on authorized Start-up and Commissioning report

### **3.1 Exclusions**

This excludes any work activities and supply of materials not specified in this scope of work and what will be specified in the solicitation request and engineered specifications. Exclusions are as follows:

- Civil works: concrete pads, protective barriers, etc.
- Electrical works outside the purview of the defined SOW
- Demolition works outside scope of mechanical installation

— END SECTION —

#### **4.0 Basis of Design (BOD)**

The BOD defined herewith is meant to establish the minimum evaluation requirements for the replacement of the PCUs from a package unit variety with an outside air (OA) economizer to a unit that can condition 100% outside air: Dedicated Outside Air System (DOAS).

The BOD will contain the technical features required for this project and shall be included in GWA's solicitation request.

---

## **PART 1 - GENERAL**

### **1.1 SUMMARY**

- A. This section includes units with integral cooling for outdoor installation. Integral cooling source shall be packaged DX. Airflow arrangement shall be Outdoor Air only. Each unit shall incorporate additional product requirements as listed in Section 2 of this specification.

### **1.2 SUBMITTALS**

- A. Product Data: For each type or model include the following:
  - 1. Complete fan performance curves for both Supply Air and Exhaust Air, with system operating conditions indicated, as tested in an AMCA certified chamber.
  - 2. Sound performance data for both Supply Air and Exhaust Air, as tested in an AMCA certified chamber.
  - 3. Motor ratings, electrical characteristics and motor and fan accessories.
  - 4. Performance ratings for all chilled water or DX coils.
  - 5. Dimensioned drawings for each type of installation, showing isometric and plan views, to include location of attached ductwork and service clearance requirements.
  - 6. Estimated gross weight of each installed unit.
  - 7. Installation, Operating and Maintenance manual (IOM) for each model.
  - 8. Microprocessor Controller (DDC) specifications to include available options and operating protocols. Include complete data on all factory-supplied input devices.

### **1.3 QUALITY ASSURANCE**

- A. Source Limitations: Obtain unit with all appurtenant components or accessories from a single manufacturer.
- B. For the actual fabrication, installation, and testing of work under this section, use only thoroughly trained and experienced workers completely familiar with the items required and with the manufacturer's current recommended methods of installation.
- C. Product Options: Drawings must indicate size, profiles and dimensional requirements of unit and are to be based on the specific system indicated. Refer to Division 1 Section "Product Requirements".
- D. End of line test with full report available upon request.
- E. Certifications
  - 1. Entire unit shall be ETL Certified per U.L. 1995 and bear an ETL sticker.
  - 2. Coils shall be Recognized Components for ANSI/UL 1995, CAN / CSA C22.2 No 236.05.

#### **1.4 COORDINATION**

- A. Coordinate size and location of all building penetrations required for installation of each unit and associated plumbing and electrical systems.
- B. Coordinate location of water system fittings to ensure correct positioning for connection to the water coil and condensate drain pipe.
- C. Coordinate sequencing of construction of associated plumbing, HVAC, electrical supply, roofing contractor.

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### **PART 2 - PRODUCTS**

#### **2.1 MANUFACTURERS**

- A. Available Manufacturers: Subject to compliance with specifications contained within this document, manufacturers offering products that may be incorporated into the work include, but are not limited to:
  - 1. Mitsubishi Electric US, Inc.

#### **2.2 MANUFACTURED UNITS**

- A. Unit shall be fully assembled at the factory and consist of an insulated metal cabinet, downturn outdoor air intake with 2" aluminum mesh filter assembly, evaporator coil, hot gas reheat coil, packaged DX system, phase and brownout protection, motorized dampers, motorized recirculating damper, curb assembly, filter assembly intake air, supply air blower assembly, and an electrical control center. All specified components and internal accessories factory installed are tested and prepared for single-point high voltage connection except with electric post heat and exhaust fan only power which have dual point power.

#### **2.3 MANUFACTURED UNITS**

- A. Materials: Formed, double wall insulated metal cabinet, fabricated to permit access to internal components for maintenance.
  - 1. Unit's exterior shall be supplied from the manufacturer using G60 galvaneal steel with proprietary pre-painted material in the following finish color; Concrete Gray-RAL 7023. This has been subjected to a salt spray test per ASTM-B117 and evaluated using ASTM-D714 and ASTM-D610 showing no observable signs of rust or blistering until reaching 2,500 hours. Uncoated galvanized steel exterior is not acceptable.
  - 2. Internal assemblies: 24 gauge, galvanized (G90) steel except for motor supports which shall be minimum 14 gauge galvanized (G90) steel.
- B. Cabinet Insulation: Comply with NFPA 90A and NFPA 90B and erosion requirements of UL 181.
  - 1. Materials: Rigid urethane injected foam. Foam board not acceptable.
    - a. Thickness: 2 inch (50.8 mm)
    - b. Thermal Resistance R13

- c. Thermally broken
  - d. Meets UL94HF-1 flame requirements.
  - e. Location and application: Full coverage of entire cabinet exterior to include walls, roof of unit, unit base, and doors.
2. Materials: Fiberglass insulation. If insulation other than fiberglass is used, it must also meet the Fire Hazard Classification shown below.
- a. Thickness: 2 inch (50.8 mm)
  - b. Thermal Resistance R8
  - c. Fire Hazard Classification: Maximum flame spread of 25 and smoke developed of 50, when tested in accordance with ASTM C 411.
  - d. Location and application: Divider panels between outdoor air and return air/exhaust air streams.
- C. Roof Insulation: 2 inch (50.8 mm) fiberglass located above the 1 inch (25.4 mm) foam panel.
- D. Access panels / doors: Unit shall be equipped with insulated, hinged doors or removable access panels to provide easy access to all major components. Doors and access panels shall be fabricated of 18 gauge galvanized G90 steel or painted galvanized steel.
- E. Supply Air blower assemblies: Blower assembly shall consist of an electric motor and direct-drive fans. Assembly shall be mounted on heavy gauge galvanized steel rails and further mounted on 1.125 inch thick neoprene vibration isolators. Blower motors shall be capable of continuous speed modulation and controlled by a VFD.
- F. Evaporator Coil: Evaporator coil shall be (silver) soldered or brazed into the compressed refrigerant system. Coil shall be constructed of copper tubing, permanently bonded to aluminum fins and enclosed in a galvanized steel frame. If two compressors are used as components of the unit, then the evaporator coil shall be of "interlaced" configuration, permitting independent operation of either compressor without conflict with the other compressor. The evaporator, hot gas reheat and condensing coils are coated with ElectroFin® coil coating.
- G. Control panel / connections: Units shall have an electrical control center where all high and low voltage connections are made. Control center shall be constructed to permit single-point high voltage power supply connections. RTU shall be equipped with a Unit Disconnect Switch.
- H. Condensate drain pan: Drain Pan shall be an integral part of the unit whenever a cooling option is included. Pan shall be formed of welded austenitic stainless steel sheet material and provided with a welded stainless steel drain connection at the front for connection to a P trap. Drain pan shall be sloped in two directions to provide positive draining and drain connector shall be sealed at penetration through cabinet wall.
- I. P trap: If the unit is equipped with a condensate drain pan, contractor shall provide, or fabricate, and install an appropriate P trap, in accordance with all local and area codes and Best Practices.
- J. Reheat coil with factory installed modulating hot gas reheat valve.
- K. Packaged DX System: Unit shall have an integral compressor(s) and evaporator coil located within the weather-tight unit housing. The evaporator, hot gas reheat and condensing coils are coated with ElectroFin® coil coating. Condenser coils and appurtenant condenser fan assemblies shall be factory installed as integral subassemblies of the unit and mounted

on the exterior of the unit. Lead condenser fan shall have EC motor to maintain condenser pressure at part load conditions. Motors shall be UL Recognized and CSA Certified. The lead refrigerant compressor(s) shall be inverter hermetic scroll-type and shall be equipped with liquid line filter drier, thermostatic expansion valves (TXV)(s), manual reset high pressure and low pressure cutouts and all appurtenant sensors, service ports and safety devices. Compressed refrigerant system shall be fully charged with R-410A refrigerant. Compressors shall be mounted within an insulated access compartment and on a raised cabinet shelf to reduce sound and vibration. Each compressor shall be factory-equipped with an electric crankcase heater to boil off liquid refrigerant from the oil.

- L. Condenser Fans: Fan blades must be constructed of aluminum or a composite material and have a geometry designed and documented to reduce sound and energy when compared to a traditional rectangular blade fan. Traditional rectangular blade fans are not allowed due to increased noise generated and increase power utilized. Condenser fan motors shall be three phase, external rotor, type 56 frame, open air over and shaft up. Each condenser fan motor shall have a vented frame, rated for continuous duty and be equipped with an automatic reset thermal protector. Lead condenser fan(s) will have an electronically commutated (EC) motor that will modulate to maintain a head pressure set point.] Motors shall be UL Recognized and CSA Certified. Single condenser fan running at max RPM and design static pressure shall not exceed an A-weighted sound power level of 75 db at free inlet/outlet test conditions.
- M. Packaged DX Control and Diagnostics: The Packaged DX system shall be controlled by an onboard digital controller (DDC) that indicates both owner-supplied settings and fault conditions that may occur. The DDC shall be programmed to indicate the following faults:
  - 1. Global alarm condition (active when there is at least one alarm)
  - 2. Supply Air Proving alarm
  - 3. Dirty Filter Alarm
  - 4. Compressor Trip alarm
  - 5. Compressor Locked Out alarm
  - 6. Supply Air Temperature Low Limit alarm
    - a. Sensor #1 Out of Range (outside air temperature)
    - b. Sensor #2 Out of Range (supply air temperature)
    - c. Sensor #3 Out of Range (cold coil leaving air temperature)
- N. Phase and brownout protection: Unit shall have a factory-installed phase monitor to detect electric supply phase loss and voltage brown-out conditions. Upon detection of a fault, the monitor shall disconnect supply voltage to all motors.
- O. Motorized dampers / Intake Air, Motorized dampers of low leakage type shall be factory installed.
- P. Motorized Recirculating Air Damper designed to permit 100% recirculation of exhaust air shall be factory installed.
- Q. Curb Assembly: A curb assembly made of 14 gauge galvanized steel shall be provided by the factory for assembly and installation as part of this division. The curb assembly shall provide perimeter support of the entire unit and shall have duct adapter(s) for supply air. Curb assembly shall enclose the underside of the unit and shall be sized to fit into a recess in the bottom



of the unit. Contractor shall be responsible for coordinating with roofing contractor to ensure curb unit is properly flashed to provide protection against weather/moisture penetration. Contractor shall provide and install appropriate insulation for the curb assembly. The curb shall be the height of 14 in.

- R. Hail Guards: Protects the condensing unit from damage due to extreme weather conditions such as hail and flying debris.
- S. 24V/120V Smoke detector: Duct smoke detector is shipped loose for field mounting and wiring in the supply or return air duct. The air duct smoke detector housing shall be UL listed per UL 268A specifically for use in air handling systems. The air duct smoke detector housing shall be suitable for mounting indoors. The detector shall operate at air velocities of 100 feet per minute to 4000 feet per minute (0.5 to 20.32 meters/second). The power supply voltage shall be 20-29 VDC, 24 VAC 50-60 Hz, and 120 VAC 50-60 Hz. The detector shall consist of an alarm initiation contact and two DPDT auxiliary contact closures. WARNING: Duct smoke detectors are NOT a substitute for open area smoke detectors; NOT a substitute for early warning detection; NOT a replacement for a building's regular fire detection system. Refer to NFPA 72 and 90A for additional information.

#### **2.4 BLOWER**

- A. Blower section construction, Supply Air: direct drive motor and blower shall be assembled on a 14 gauge galvanized steel platform and shall be equipped with 1.125 inch thick neoprene vibration isolation devices.
- B. Blower assemblies: Shall be statically and dynamically balanced and designed for continuous operation at maximum rated fan speed and horsepower.
- C. Fan: Direct drive, airfoil plenum fan with aluminum wheel statically and dynamically balanced. Prop or belt-drive fan not acceptable due to low static capabilities.
- D. Blades: Welded aluminum blades only.
- E. Blower section motor source quality control: Blower performance shall be factory tested for flow rate, pressure, power, air density, rotation speed and efficiency. Ratings are to be established in accordance with AMCA 210, "Laboratory Methods of Testing Fans for Rating".

#### **2.5 MOTORS**

- A. General: Blower motors greater than 1/2 horsepower shall be "NEMA Premium" unless otherwise indicated. Compliance with EPA minimum energy-efficiency standards for single speed ODP and TE enclosures is not acceptable. Motors shall be heavy-duty, permanently lubricated type to match the fan load and furnished at the specified voltage, phase and enclosure.
- B. Motors shall be 60 cycle, 3 phase 208 volts.

## **2.6 UNIT CONTROLS**

- A. The unit shall be constructed so that it can function as a stand-alone heating and cooling system controlled by factory-supplied controllers, thermostats and sensors or it can be operated as a heating and cooling system controlled by a Building Management System (BMS). This unit shall be controlled by a factory-installed microprocessor programmable controller (DDC) that is connected to various optional sensors.
- B. Unit shall incorporate a DDC controller with integral LCD screen that provides text readouts of status. DDC controller shall have a built-in keypad to permit operator to access read-out screens without the use of ancillary equipment, devices or software. DDC controllers that require the use of equipment or software that is not factory-installed in the unit are not acceptable. Alarm readouts consisting of flashing light codes are not acceptable. Owner-specified ventilating conditions can be input by means of pushbuttons.
- C. Unit supply fan shall be configured for Constant Volume (ON/OFF).
- D. Unit exhaust fan shall be configured for
- E. Outside Air / Return Air damper control shall be
- F. Operating protocol: The DDC shall be factory-programmed for BACNetIP.
- G. Variable Frequency Drive (VFD): unit shall have factory installed variable frequency drive for modulation of the exhaust air blower assembly. The VFD shall be factory-programmed for unit-specific requirements and shall not require additional field programming to operate.
- H. Unit shall be provided with a space thermostat measuring temperature and relative humidity. Thermostat shall have an LCD display and push buttons allowing for setpoint adjustments.

## **2.7 FILTERS**

- A. Unit shall have permanent 2 inch (50.8 mm) aluminum filters located in the outdoor air intake and shall be accessible from the exterior of the unit. MERV 8 disposable pleated filters shall be provided in the supply air stream. MERV 8 and MERV 13 disposable pleated filters shall be provided in the supply final air stream.

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## **PART 3 - EXECUTION**

### **3.1 EXAMINATION**

- A. Prior to start of installation, examine area and conditions to verify correct location for compliance with installation tolerances and other conditions affecting unit performance. See unit IOM.
- B. Examine roughing-in of plumbing, electrical and HVAC services to verify actual location and compliance with unit requirements. See unit IOM.
- C. Proceed with installation only after all unsatisfactory conditions have been corrected.

### **3.2 INSTALLATION**

- A. In all cases, industry Best Practices shall be incorporated. Connections are to be made subject to the installation requirements shown above.
- B. Piping installation requirements are specified in Division 22 (Plumbing). Drawings indicate general arrangement of piping, fittings and specialties.
- C. Duct installation and connection requirements are specified in Division 23 of this document.
- D. Electrical installation requirements are specified in Division 26 of this document.

### **3.3 CONNECTIONS**

- A. In all cases, industry Best Practices shall be incorporated. Connections are to be made subject to the installation requirements shown above.
- B. Piping installation requirements are specified in Division 22 (Plumbing). Drawings indicate general arrangement of piping, fittings and specialties.
- C. Duct installation and connection requirements are specified in Division 23 of this document.
- D. Electrical installation requirements are specified in Division 26 of this document.

### **3.4 FIELD QUALITY CONTROL**

- A. Manufacturer's Field Service: Engage a factory authorized service representative to inspect field assembled components and equipment installation, to include electrical and piping connections. Report results to A / E in writing. Inspection must include a complete startup checklist to include (as a minimum) the following: Completed Start-Up Checklists as found in manufacturer's IOM.

### **3.5 START-UP SERVICE**

- A. Engage a factory authorized service representative to perform startup service. Clean entire unit, comb coil fins as necessary, install clean filters. Measure and record electrical values for voltage and amperage. Refer to Division 23 "Testing, Adjusting and Balancing" and comply with provisions therein.

### **3.6 DEMONSTRATION AND TRAINING**

- A. Engage a factory authorized service representative to train owner's maintenance personnel to adjust, operate and maintain the entire unit. Refer to Division 01 Section Closeout Procedures and Demonstration and Training.



**GUAM WATERWORKS AUTHORITY**

“Better Water, Better Lives.”

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**Issues for Decision**

**Resolution No. 11- FY2024**

Relative to Approving the Five-Year Financial Plan and Capital Improvement Program

**What is the project’s objective and is it necessary and urgent?**

The Guam Waterworks Authority (GWA, the Authority) has prepared its fourth consecutive Five-Year Financial Plan (Financial Plan) to support the continued improvement of the operations and maintenance of the Authority, invest in critical infrastructure, and enhance GWA’s financial stability while ensuring just and reasonable rates. The CCU’s approval of the Financial Plan is necessary and urgent to authorize and enable the Authority to obtain necessary resources to continue its operations and to timely meet regulatory compliance requirements, including the Clean Water Act (Consent Decree compliance), impending additions to federal Safe Drinking Water Act (PFAS) and local regulations for emerging contaminants (Dieldrin).

On September 28, 2023, the Public Utilities Commission (PUC) ordered GWA to provide its next multi-year rate plan on or before April 1, 2024. Because of the notice requirements in the Ratepayers Bill of Rights, GWA requested, and PUC agreed to modify the order to allow for an advance draft of the rate plan to be provided on or before March 4, 2024, and the final submission of the rate plan on or before June 3, 2024. GWA believes this schedule will help to facilitate the review and approval of the rate plan before the start of FY2025.

**Where is the location?**

Approval of the Financial Plan will impact utility operations at all GWA sites and the provision of water/wastewater services to all GWA customer locations.

**How much will it cost?**

Revenue requirements are projected to be:

FY2025	\$155,271,144
FY2026	\$169,933,072
FY2027	\$182,505,875
FY2028	\$200,707,639
FY2029	\$221,593,952

**When will it be completed?**

As stated above, an advance draft of the Financial Plan will be submitted to the Public Utilities Commission (PUC) on or about March 4, 2024, and, after the Ratepayer Bill of Rights public notice requirements are met, the final Financial Plan and Rate Petition will be submitted to the PUC on or before June 3, 2024.

**What is the funding source?**

The Financial Plan provides for the primary funding source for overall revenue requirements from operating revenues. The Capital Improvement Program will be funded through a combination of revenues, debt financing, grants and SDC sources.

**The RFP/BID responses (if applicable):**

Not applicable.



CONSOLIDATED COMMISSION ON UTILITIES  
Guam Power Authority | Guam Waterworks Authority  
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

**GWA RESOLUTION NO. 11-FY2024**

**RELATIVE TO APPROVING THE FIVE-YEAR FINANCIAL PLAN AND CAPITAL IMPROVEMENT PROGRAM**

**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 September 28, 2023, Public Utility Commission (PUC) Docket 19-05 Order for Annual True-Up for FY2024 Rate ordering provision 4, required GWA to “*file its next multi-year rate plan on or before April 1, 2024*”; and

**WHEREAS**, Public Law 26-26, Ratepayers’ Bill of Rights, requires GWA to publish a public notice of any proposed rate increase in a newspaper of general circulation at least three (3) months before submitting the proposed rate increase to the PUC; and

**WHEREAS**, Public Law 26-26, Ratepayers’ Bill of Rights, also requires GWA to mail a notice to every ratepayer at least one (1) month before submitting the proposed rate increase to the PUC; and

**WHEREAS**, at GWA’s request, on December 19, 2023, the PUC modified its earlier Order to allow GWA to file an advance petition on or before March 4, 2024, and its final multi-year rate plan on or before June 3, 2024; and

**WHEREAS**, Guam Waterworks authority has prepared its fourth consecutive Five-Year Financial Plan (“Financial Plan”) for Fiscal Year (FY) 2025 to FY2029; and

1           **WHEREAS**, GWA’s Financial Plan addresses the FY2025 to FY2029 estimated annual  
2 budgets and capital improvement projects to provide for the continued modernization, operation,  
3 maintenance, and repair of GWA's water and wastewater systems; and  
4

5           **WHEREAS**, GWA requires sufficient revenues to meet projected costs driven primarily  
6 by obligatory investments for system reliability, federal regulatory compliance, the 2011 Federal  
7 Court Order, and the 2024 US EPA Partial Consent Decree which must concurrently meet rate  
8 covenants delineated in GWA’s bond indenture; and, must address CCU and PUC debt service  
9 coverage policies along with credit rating considerations; and  
10

11           **WHEREAS**, a narrative summary of the Financial Plan is provided as Attachment A with  
12 highlights that include:

- 13           1. Non-lifeline water and wastewater rate increases (developed using a cash basis  
14 analysis) of 29% in FY2025, 12.5% in FY2026, 10% in FY2027, 10% in FY2028 and  
15 10% in FY2029 and a lifeline rate increase of 12.5% in FY 2026. These rate increases  
16 are to fund operating expenses and other costs subject to inflationary pressures, to pay  
17 for current and future debt service, and enable limited internal financing of capital  
18 requirements, (See Attachment B and Schedule A-2 of Attachment C, Historical and  
19 Forecasted Operating Results, Proposed Rates, for the 5-Year Rate Table);
- 20           2. Surcharges, adjusted to cover projected retirees costs, of 3.5% in FY2025, 3.2% in  
21 FY2026, and 3.0% in FY2027 through FY2029;
- 22           3. Full funding of cash reserves required under the Bond Indenture and CCU Policy;
- 23           4. Gradual increasing of the current 1.3x debt service coverage to the previous PUC/CCU  
24 target of 1.5x over the period of the Financial Plan to effect prudent financial  
25 management, risk mitigation, and strategic alignment of the Authority’s debt  
26 obligations with growth and capital plans;
- 27           5. Rebuilding of the Rate Stabilization Fund (RSF) with planned transfers in of ten million  
28 (\$10,000,000) over the five-year period. The RSF will be used to fund expenses  
29 associated with unexpected events or, during uncertain times, declining revenues and  
30 increasing expenses. RSF replenishment may create opportunities to enhance

- 1 investment grade status for GWA bonds and thereby improve terms and conditions and  
 2 related costs of GWA debt offerings;
- 3 6. Continuing efforts to reduce water losses through completion of planned district  
 4 metered area installations and conduct of aggressive leak detection and repair efforts.  
 5 GWA’s programmatic approach will require additional line detection staffing and  
 6 prioritizing of line replacement projects;
- 7 7. Funding of capital improvement projects with current revenues of approximately One  
 8 Hundred and Fifteen Million (\$115,000,000) to reduce GWA’s reliance on debt  
 9 financing and balance GWA’s capital structure. IFCIP financing will thereby reduce  
 10 costs to consumers by reducing interest and other costs associated with debt financing;
- 11 8. Issuing an estimated seven hundred eighty million dollars (\$780,000,000) of new  
 12 money debt instruments (without capitalizing interest) to fund much needed capital  
 13 improvement projects;
- 14 9. Alternatives to address water affordability to reduce the proposed rates presented in  
 15 Attachment B (referenced above) and Schedule A-2 (referenced below); and  
 16

17 **WHEREAS**, the Rate Application Model (RAM) has been used to generate schedules  
 18 listed in Public Utility Commission Minimum Filing Requirements (MFR) as well as additional  
 19 schedules to help inform reviewers of the Financial Plan; these schedules being provided in  
 20 Attachment C and which include:  
 21

Schedule	Description
Schedule A-1	Historical and Forecasting Operating Results, Existing Rates
Schedule A-2	Historical and Forecasting Operating Results, Proposed Rates
Schedule A-3	Historical and Forecasting Operating Results, Commercial Paper
Schedule B	Rate Revenues & Billing Determinants by Class
Schedules C	Budgeted Operating Expense
Schedule D*	Navy Water Purchases

Schedule	Description
Schedule E*	Sources & Uses of Funds, Capital Improvement Program
Schedule F	Debt Service & Other Financing Charges
Schedules G*	Capital Improvement Projects
Schedule H	Other Revenues, Interest Revenues & Revenue Adjustments
Schedule I	Other Cash Flow Items
Schedules J	Proof of System Revenues
Schedule K	Proposed Rate Adjustments
Schedule L*	Bill Impacts by Customer Class

\* Schedules in addition to the MFR

and **WHEREAS**, a sample bill summary is provided as Attachment D and below, and is a summary of sample bill increases based on average monthly consumption for each customer class based solely on Schedule A-2 from Attachment C:

Customer Class	Base Bill	Nominal Change				
	FY24	FY25	FY26	FY27	FY28	FY29
Residential 3 Kgals	\$74.45	\$9.10	\$10.32	\$4.50	\$5.03	\$5.54
Commercial 1 30 Kgals	\$844.91	\$242.11	\$132.78	\$119.89	\$134.20	\$147.62
Commercial 2 500 Kgals	\$19,584.37	\$5,609.72	\$3,073.05	\$2,773.98	\$3,107.93	\$3,419.14
Commercial 3 50 Kgals	\$2,373.51	\$679.84	\$372.42	\$335.78	\$376.45	\$414.15
Hotel 500 Kgals	\$19,695.58	\$5,641.56	\$3,090.47	\$2,789.69	\$3,125.55	\$3,438.51
Government 200 Kgals	\$6,191.52	\$1,775.00	\$972.42	\$877.68	\$984.01	\$1,082.58
Irrigation 20 Kgals	\$151.53	\$43.42	\$23.76	\$21.52	\$24.03	\$26.57
Agriculture 20 Kgals	\$156.76	\$44.96	\$24.74	\$22.27	\$25.02	\$27.38

and **WHEREAS**, the Financial Plan will fund the Five-Year Capital Improvement Program attached hereto as Attachment E, which includes but is not limited to:

- a. Water Production and Treatment
  - i. Well rehabilitation, repair, and equipment replacement.
  - ii. Ugum Water Treatment Plant upgrades.



- 1           iii. Emerging contaminants removal projects including evaluation, design, and
- 2           treatment plant construction with related transmission mains and booster
- 3           stations
- 4       b. Water Distribution and Storage
- 5           i. Water main renovation and replacement
- 6           ii. Water storage tank replacements and rehabilitation including four new projects
- 7       c. Sewer Collection Main and Force Main
- 8           i. Replacement and rehabilitation of gravity sewer main (with additional areas
- 9           identified by the model update).
- 10          ii. Assessment, replacement, and rehabilitation of pressurized force main.
- 11       d. Sewage Lift Stations
- 12           i. Rehabilitation/Replacement of sewage pumping stations.
- 13       e. Wastewater Treatment
- 14           i. Planning for upgrade of the Hagatna Wastewater Treatment Plant.
- 15       f. Electrical and Control
- 16           i. Implementation of SCADA (Supervisory Control and Data Acquisition)
- 17           equipment installation and activation.
- 18           ii. Information Technology improvements.
- 19       g. General Plant and Miscellaneous
- 20           i. Erection of a Fleet Maintenance Facility.
- 21           ii. GWA warehouse and test bench.
- 22           iii. Replacement of mobile equipment and light fleet vehicles.
- 23           iv. District water meter area implementation.
- 24           v. Master meter implementation and service meter replacement.
- 25           vi. Hydrant maintenance and replacement.
- 26           vii. Wastewater model update.
- 27           viii. Miscellaneous wastewater system improvements.
- 28           ix. General engineering systems planning; and

29           **WHEREAS**, while there is concurrence that the Capital Improvement Program as detailed  
30 at Attachment E and bulleted above is necessary and justified, the CCU and GWA remain  
31 concerned about water affordability;

1           **WHEREAS**, as the cumulative rate increases proposed at Attachment B (and Schedule A-  
2 2, Attachment C) is 71.5% for FY2025-FY2029 the CCU directed GWA Management to evaluate  
3 other means to address water affordability, including alternative financing strategies to reduce rate  
4 increases over the proposed 5-year planning period; and

5  
6           **WHEREAS**, four percent (4%) of Median Household Income (MHI) is generally used by  
7 the US Environmental Protection Agency as an indicator of whether a combined water and  
8 wastewater bill is affordable; the projected FY2025 water and wastewater bill is 2.44% of MHI  
9 and the projected FY2029 water and wastewater bill is 3.10% of MHI, both below 4% of MHI;  
10 and

11  
12           **WHEREAS**, although GWA Management petitioned the PUC to address water  
13 affordability and introduced a Customer Assistance Program presented in 2021 as part of GWA’s  
14 FY2020-FY2024 Five-Year Financial Plan, the PUC deferred action and recommended  
15 Legislative concurrence and authorization; and

16  
17           **WHEREAS**, to imminently address water affordability, GWA Management completed an  
18 analysis and modelling to project alternative rate increases for FY2025-FY2029 that could be  
19 implemented if GWA’s tax-exempt commercial paper (TECP) or other short term construction  
20 financing alternatives were made available to GWA; and

21  
22           **WHEREAS**, such modelling and projections as shown in Schedule A-3, included in  
23 Attachment C, indicate that total rate increases over the 5-year period with TECP or other short  
24 term debt financing instruments would be cumulatively reduced by 21.5%, from 71.5% in the  
25 proposed 5-Year Financial Plan, to 50% under this alternative scenario; and

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27           **WHEREAS**, GWA Management has provided draft legislation to authorize a TECP  
28 program to its legislative oversight chairperson in 2021 but has not been successful in advancing  
29 the legislation; and

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**WHEREAS**, a revision of the draft legislation was submitted again in early 2024 and GWA intends to continue coordination to advance the legislation and attain approval as soon as possible; and

**WHEREAS**, the use of this alternative short term construction financing will allow GWA to realize significant savings over conventional financing mechanisms which have been employed to date realizing savings towards a reduced interest on smaller principal amounts at the front end of the financing period and creating savings over the long-term resulting in the elimination of traditional 2-years of capitalized interest; and

**WHEREAS**, GWA will conduct a comprehensive public information campaign which will comply with notification requirements in the Ratepayers Bill of Rights and include presentations to the public via village meetings, the Mayor’s Council, the legislature, and community and civic groups, as well as media interviews, social media, posting to the GWA website, and ratepayer billing inserts so that the plan and all alternatives can be evaluated and commented on by the public; and

**WHEREAS**, GWA plans to submit an advance draft of the FY2025-FY2029 Financial Plan and Capital Improvement Program and rate application (Rate Package) to the PUC on or about March 4, 2024, and, after the required Rate Payers Bill of Rights notice, file the final Rate Package on or before June 3; 2024; and

**WHEREAS**, having reviewed and analyzed the plans, the CCU finds the Financial Plan is ready for approval and the CCU will authorize GWA management to provide an advance draft of the Financial Plan to the Public Utilities Commission (PUC), commence the public notice requirements as required in the Ratepayers Bill of Rights contained in the Guam Code Annotated, and formally submit to the PUC, once the requirements of the Ratepayers Bill of Rights have been met, the Rate Package.

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1           **NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities  
2 does hereby approve and authorize the following:

- 3           1. The recitals set forth above hereby constitute the findings of the CCU.
- 4           2. The CCU hereby approves the Financial Plan for FY2025-FY2029 which  
5 includes non-lifeline water and wastewater rate increases of 29% in FY2025,  
6 12.5% in FY2026, 10% in FY2027, 10% in FY2028 and 10% in FY2029 and a  
7 lifeline rate increase of 12.5% in FY2026 to support approximately:
  - 8           a. \$780 million of new debt financing;
  - 9           b. \$115 million of internally fund CIP; ’
  - 10           c. Maintained cash reserves required under the bond indenture;
  - 11           d. Rebuild of the Rate Stabilization Fund with transfers in of \$10 million;
  - 12           e. Gradually increased debt service coverage ratio from 1.3x to 1.5x;
  - 13           f. Continued efforts to reduce water losses; and
  - 14           g. Increased legislative surcharges of 3.5% in FY2025, 3.2% in FY2026,  
15 and 3.0% in FY2027 through FY2029 to cover retiree expenses.
- 16           3. The CCU hereby authorizes GWA management to submit an advance draft of  
17 the Rate Package to the PUC, commence a public outreach program, and  
18 comply with the public notice requirements contained in the Ratepayers Bill of  
19 Rights.
- 20           4. The CCU hereby further authorizes the management of GWA to engage the  
21 PUC in discussions regarding the advance submission as needed, and to  
22 formally submit the FY2025-FY2029 Rate Package to the PUC after meeting  
23 public notice requirements contained in the Ratepayers Bill of Rights.
- 24           5. Notwithstanding the CCU’s approval in support of above the above plan and  
25 the anticipated filings of the PUC, GWA is required to concurrently continue  
26 coordination and show efforts to advance legislative approvals on its tax-  
27 exempt commercial paper or similar short term construction financing  
28 legislation as the predicted savings at Schedule A-3 confirm alternatives to  
29 imminently reduce cumulative rate increases over the 5-year planning period.

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

**DULY AND REGULARLY ADOPTED**, this 4<sup>th</sup> day of March 2024.

Certified by:

Attested by:

\_\_\_\_\_  
**JOSEPH T. DUENAS**

\_\_\_\_\_  
**PEDRO ROY MARTINEZ**

Chairperson

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: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

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ATTACHMENT A

# GUAM WATERWORKS AUTHORITY Five-Year Financial Plan

FY2025-FY2029

March 4, 2024

Guam Waterworks Authority  
Five-Year Financial Plan, FY2025-FY2029

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Guam Waterworks Authority  
Five-Year Financial Plan, FY2025-FY2029

## Introduction

The Guam Waterworks Authority (GWA, Authority) has prepared its fourth consecutive five-year financial plan for consideration by the Consolidated Commission on Utilities (CCU) and the Public Utilities Commission (PUC). The plan supports the continued improvement of the operations and maintenance of the Authority, invests in critical infrastructure, and enhances GWA's financial stability while ensuring just and reasonable rates. The development of this 5-year Financial Plan has considered the effects of various operational and regulatory issues which determine the revenue requirements of the Authority. These issues include:

- challenges with staff recruitment and retention,
- requirements of the recently filed Complaint and Partial Consent Decree in U.S. District Court,
- new federal and local regulations on emerging contaminants such as PFAS and Dieldrin,
- protection of the Northern Guam Lens Aquifer (NGLA),
- continued implementation of the Authority's Water Loss, and
- execution of significant capital improvement program in light of the military buildup.

GWA's revenue requirements are also influenced by its financial position resulting from adjudication of the FY2024 True-Up. The PUC's FY2024 Order established rate levels that did not provide for replenishment of Rate Stabilization Fund (RSF) reserves that proved critical for avoiding technical default in FY2023 and continued to target debt service coverage below the prescribed minimum dictated by (temporarily suspended) CCU and PUC policy.

This narrative is meant to supplement the exhibits marked as **Attachments A, B, C, D, and E** provided to the CCU in Resolution 11-FY2024 *Relative to Approving the Five-Year Financial Plan and Capital Improvement Program* (Resolution 11-2024) and not replicate them. Where appropriate, references to the individual Attachments are made.

## Financial Plan Overview

GWA's 2018 Water Resource Master Plan laid out a strategic financial planning approach which provided a steady path of sustainable rate increases to cover operations and maintenance expenses in an attempt to achieve a balance between debt and revenue financing of the needed capital improvement program.

The economic impacts of the global pandemic, geopolitical conflicts on oil, energy and manufacturing costs, and localized labor availability on the costs of construction have all had appreciable effects on the operating expenses of the Authority and its ability to fund an expanding capital improvement program in line with that long-term balanced financial strategy. PUC rate relief granted with FY2023 rates, and with the FY2024 annual true-up has not remedied GWA's difficult financial position. It began FY2024 with less than \$1M in RSF funds and with debt service coverage (temporarily) below minimums prescribed by CCU and PUC policy.

Resolution 11-2024 Attachment B *Historical and Forecasted Operating Results, Proposed Rates* provides an overview of the Five-Year Financial Plan while Attachment C *Rate Application Schedules* provides related details.





Guam Waterworks Authority  
Five-Year Financial Plan, FY2025-FY2029

### Rate Increase Drivers

As discussed further below, the principal drivers of GWA’s requested rate relief are three-fold. First, GWA absorbed (high) inflationary trends across most of its Operational and Maintenance (O&M) expense categories and has been unable to address necessary O&M spending. Its forecasted O&M expenses account for inflationary impacts, staff recruitment and retention, and mandated expenses for insurance and retiree benefits. Second, GWA’s rates will enable financing of capital spending mandated by regulatory requirements or required to sustain GWA’s critical Water Loss Control program. Absent the (still pending) availability of short-term construction period financing, debt service expenses are projected to increase nearly 120% -- representing the largest single cost component increase forecasted. Third, GWA’s plan is structured to improve debt service coverage and liquidity metrics to gradually move from the financial precipice where debt service coverage levels marginally exceed covenanted requirements and available reserves have been depleted. It has planned for gradual restoration of the RSF (to levels still below those available pre-pandemic) and improvement of debt service coverage (also to levels still below those pre-pandemic) while continuing to maintain prescribed operating liquidity (e.g., Days Cash on Hand) metrics and Debt Service Reserve Fund targets.

### Proposed Rate Increases

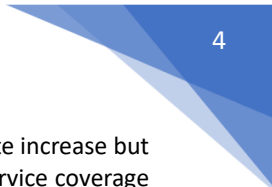
Rate increases over the next five years are necessary to meet revenue requirements that include the forecasted operations and maintenance expenses, debt service payments, and internally financed capital; maintain required cash reserves; and replenish GWA’s Rate Stabilization Fund (RSF).

Fiscal Year	Non-Lifeline Rate Increase	Lifeline Rate Increase
<b>FY2025</b>	29.0%	
<b>FY2026</b>	12.5%	12.5%
<b>FY2027</b>	10.0%	
<b>FY2028</b>	10.0%	
<b>FY2029</b>	10.0%	
<b>Cumulative</b>	71.5%	12.5%
<b>Compounded</b>	93.2%	12.5%

Legislative surcharges will be applied to the non-lifeline charges and are used to cover post-retirement benefit costs such as supplemental annuities, medical and dental insurance, life insurance, and cost of living allowances.

Fiscal Year	Legislative Surcharge
<b>FY2025</b>	3.5%
<b>FY2026</b>	3.2%
<b>FY2027</b>	3.0%
<b>FY2028</b>	3.0%
<b>FY2029</b>	3.0%

See Resolution 11-2024 Attachment C *Rate Application Schedules* Schedule K *Proposed Rate Adjustments* and Attachment D *Sample Bill Summary* for details by customer class.



**Guam Waterworks Authority  
Five-Year Financial Plan, FY2025-FY2029**

Also provided in Attachment C is Schedule A-1, which shows projected results without a rate increase but with the same level of expenditure, cash reserves, and financing. In this situation, debt service coverage would go below the bond indenture required 1.25x and there would be large negative outflows of cash.

Attachment C, Schedule A-3 projects results if the Tax-Exempt Commercial Paper Program or a similar short term financing vehicle was authorized by the legislature and put in place. The short-term financing has the capacity to reduce debt service as only interest would be paid on funds borrowed through the short-term financing only as needed to pay capital project construction costs as invoiced in the earlier years. Eventually the short-term debt would be taken out with a Revenue Bond, at which time capital and interest payments would be made. Under this scenario, rate increases to support the capital program and GWA operations would be:

Fiscal Year	Non-Lifeline Rate Increase	Lifeline Rate Increase
<b>FY2025</b>	17.0%	
<b>FY2026</b>	6.0%	6.0%
<b>FY2027</b>	6.0%	
<b>FY2028</b>	6.0%	
<b>FY2029</b>	15.0%	
<b>Cumulative</b>	50.0%	6.0%
<b>Compounded</b>	60.3%	6.0%

Taking advantage of short-term financing would reduce the rate increases needed to fund short term debt-financing of the capital program and defer long-term debt service for take-out bonds until later in the 5-year period. Draft legislation has been submitted to give GWA authorization to so implement such a cost-saving program but as of the date of this writing, the legislation has not been introduced.

**Affordability**

Affordability is always top of mind as GWA develops its financial plans. In the FY2020-FY2024 Five Year Financial Plan, GWA proposed a Customer Assistance Program (CAP) that would address certain affordability issues for low-income families. However, the PUC deferred implementation of the CAP until legislative authorization to implement the program is received.

Below is a table showing residential sample bills as a percentage of Median Household Income (MHI), a common measure of affordability used by US EPA in assessing the burden of regulatory enforcement actions. One conventional measure of affordability of a combined water and wastewater bill is whether it is at or below 4% of MHI.

Fiscal Year	Median Household Income	Monthly Residential ¾ inch; 7 Kgals	Annual Residential ¾ inch; 7 Kgals	Percent of Median Income
<b>FY2025</b>	\$63,736	\$129.51	\$1,554.12	2.44%
<b>FY2026</b>	\$64,692	\$145.47	\$1,745.64	2.70%
<b>FY2027</b>	\$65,662	\$154.24	\$1,850.88	2.82%
<b>FY2028</b>	\$66,647	\$164.08	\$1,968.96	2.95%
<b>FY2029</b>	\$67,647	\$174.92	\$2,099.04	3.10%

## Guam Waterworks Authority Five-Year Financial Plan, FY2025-FY2029

Per the Census Bureau, the 2019 MHI in Guam as determined by the 2020 Census was \$58,289. The table above assumes a 1.5% growth in MHI year over year.

### Revenue and Demand Assumptions

Forecasted revenues reflect application of GWA's proposed volumetric rates and base charges to forecasted numbers of meters by size and billable volumes across each of GWA's customer classes. These billing determinant forecasts reflect extensive analysis of historical billing data, price elasticity factors, and adjustments for general trends in water usage. Annual increases in rates and charges are assumed to be applied uniformly across base charges and volumetric rates, and across water and wastewater systems except the lifeline rates proposed to be increased only in FY2026 by the same percentage as that applicable to non-lifeline rates. Application of rate increases by base charge and rate components may be altered with the PUC's pending decision on GWA's Rate Design Petition.

See Schedules B *Rate Revenue and Billing Determinates by Class* of Resolution 11-FY2024 Attachment C *Rate Application Schedules* for more details.

### Operating and Maintenance Budget

As Guam Waterworks Authority business units prepared their requests to meet operational needs over the next 5 years, there was a laundry list of factors to consider: the economy, recruitment and retention challenges, ongoing recovery from the pandemic and Typhoon Mawar, new regulatory requirements, and unstable fuel costs, all of which GWA continues to balance in its day-to-day activities.

These considerations were built into the assumptions used when funding requirements for this 5-Year Rate Period were compiled. Schedules C-1 *Operating Expense by Cost Category* and C-2 *Budgeted Operating Expense by Object Class* of Resolution 11-FY2024 Attachment C *Rate Application Schedules* provides tables of the Operating and Maintenance Budget.

### Utilities

**Power Purchases.** For the next 5 years, GWA projects annual consumption at 61 million kilowatt-hours (kwh) for all facilities and an aggregate average cost (agency-wide) of \$.42/kwh for FY2025 and \$.39/kwh for FY2026 moving forward. Projected consumption is based on actual consumption over the past 3 years; that level of consumption is maintained over the five-year period. GWA has maintained these projected rates for planning purposes and will monitor for efficiencies upon operation of the new Ukudu power plant slated in FY2026.

**Water Purchases.** Expenses for water purchases from the Navy are forecast based on projected FY2025 water demands of 550,000 kilo-gallons (kGal) and a rate of \$11/kGal and projected billable sewer flows of 15,000 KGal at a rate of \$31/kGals. Forecasted Navy water purchase expenses throughout the five-year period are based on the same service rates with reductions in consumption levels and billable flows projected in FY2026 through FY2029 due to efforts to reduce water loss through line replacements, district-metered areas, and an aggressive leak prevention program. The opening of Camp Blas may introduce a water exchange agreement.

### Staffing and Salaries and Benefits

**FTE levels.** GWA proposes to keep its 400 FTE authorization level for FY2025 and FY2026, increasing to 410 FTEs for the remaining three years. While GWA has been working to improve its ability to quickly

## Guam Waterworks Authority Five-Year Financial Plan, FY2025-FY2029

fill vacancies, employees have been exiting as vacancies are filled. Departures are largely for opportunities with the federal government, federal contractors, or employment off-island, often featuring improved compensation.

As of January 2024, GWA had 360 active employees, 28 announced recruitments and 22 vacancies. Many of the vacancies are in the operations, engineering, and compliance areas where certifications or specialized education or training may be required and where there is competition for similar positions in the federal government or with federal contractors. Flexibility in recruitment within authorized budget levels is necessary for GWA management to prioritize staffing areas of critical need as changes occur in staff levels through normal attrition.

*Salary migration.* As noted above, GWA is finding it increasingly difficult to recruit and retain skilled employees due to better opportunities, pay, and benefits elsewhere. GWA plans to implement updates to its Compensation Plan based on an external 2022 market study of industry salaries. This plan involves migrating employee salaries up the 50<sup>th</sup> market percentile over the next 5 years:

- FY2025 funds migration to the 30th percentile;
- FY2026 funds migration to the 35th percentile;
- FY2027 funds migration to the 40th percentile;
- FY2028 t funds migration to the 45th percentile; and
- FY2029 funds migration to the 50<sup>th</sup> percentile.

The migration costs would be inclusive of annual pay for performance adjustments. The salary migration will cost about \$3.5 million in salaries over the next 5-years and will help to recruit and retain its most valuable asset, GWA employees. For certain positions, such as engineers, leak detection and sewer cleaning technicians, GWA anticipates that salary migration will enable the recruitment and retention of staff to do work that would otherwise be contracted out at higher costs.

*Premium Pay.* Premium pay provides a budget for overtime based on 6% of salaries; night differential at 1% of salaries and holiday work at 2% of salaries. Premium pay is required to address emergencies as well as cover for vacancies and regularly scheduled shift work.

*Benefits.* The recent announcement of the government's self-insurance program resulted in an increase in the government's share of costs for medical and dental benefits. For FY2025, GWA budgeted benefits at the current average per enrollee for all employees. It has been reported that the government share is not expected to increase and may even decrease over time. With that in mind, GWA maintained rates for life, medical, and dental coverage for all employees. Retirement is calculated at 29% of base salary.

## Administrative and General Expenses

In comparison to the FY2024 approved budget levels, Administrative and General expenses categories reflect a 38% increase in FY2025 and then provide for inflationary adjustments for individual line-item categories in the ensuing fiscal periods. Inflationary adjustments for individual line-item categories are, in general, based on recent experience, market dynamics, and forecasted operational considerations.

*Sludge Removal.* Sludge removal is the expense of taking the sludge from the Wastewater Treatment Plants to the landfill. This also includes the landfill charges. FY2024 budget in this category is underfunded; projected expenditures in this category have been returned to the appropriate levels and adjusted for inflation.

Guam Waterworks Authority  
Five-Year Financial Plan, FY2025-FY2029

*Chemicals.* In combination with price increases for the cost of various chemicals, GWA must now purchase greater quantities of chemicals to address both water and wastewater services. Additional water wells will require the use of granular activated carbon (GAC) to address growing concerns over the levels of contaminants (PFAS and Dieldrin) found in certain areas. Additionally, GWA must replace the GAC vessels more frequently than initially planned. GAC costs in the first year are projected at \$1.4 million in comparison to FY2024's planned \$70,000 budget.

New polymer options are also being studied for application at the Northern and Agat-Santa Rita treatment plants to reduce the volume of chemical application required by the product currently in use at all plants. On the collection side of wastewater, GWA is scheduled to expand dosing applications of treatment additives aimed at reducing the level of fats, oil, and grease, which in turn help in reducing system blockages and overflows.

*Materials & Supplies.* This category of expense includes materials and supplies needed for critical operations, compliance, and safety activities, and for office work. Many of these items are parts needed to repair and maintain equipment located throughout GWA. A 6% percent escalation rate was applied to this category.

*Transportation.* Fuel and lubricants and vehicle parts are included in this cost category. Parts and materials to repair tires, heavy equipment, and vehicles are also part of this expense. Also included is vehicle tracking software which monitors vehicle location, vehicle speeds and idling time. A ten percent inflation rate was applied to this category.

*Communications.* Communications includes internet and phones. As GWA outfits its operations staff with mobile tools to improve Asset Management and expands connectivity to facilitate implementation of SCADA throughout its facilities and equipment sites, this expense will grow and then level off.

*Claims.* Claims include damage to cable lines and private or government property that may occur as part of repair work. Claims from sewage overflows are also covered in this category as is Workman's Compensation.

*Insurance.* GWA's existing contract for insurance coverage will run through FY2026 holding the same \$1.9 million annual premium. GWA assumes a nominal 3% inflationary increase moving forward for each of the remaining 3 years. As the insurance market tightens, and with the advent of the recent typhoon and related claims, it is uncertain if insurance costs can be maintained.

*Training & Travel.* Investing in our employees through training helps build a knowledgeable and skill-based staff. With the easing of pandemic related restrictions, GWA plans to take advantage of the opportunities to network with industry peers, become exposed to new developments in the industry, and become more familiar with best practices. Such interaction and professional development improve operational performance and contribute to employee retention.

*Advertising.* Print ads, social media and the GWA website are included in this cost category.

*Miscellaneous Expenses.* Miscellaneous expenses include bank charges and fees expenses related to the Consolidated Commissions on Utilities (CCU), postage, subscriptions, government fees, and certain employee related expenses.

## Guam Waterworks Authority Five-Year Financial Plan, FY2025-FY2029

*Regulatory Expense.* The category includes payments to the Public Utilities Commission for their annual assessment and GWA related costs.

*Provisions for Bad Debt.* The Bad Debt expense provision is two percent (2%) of Operating Revenues. Bad Debt is netted from Revenues and, therefore, is not included in the Administrative and General Expenses totals.

### Contractual Expenses

Compared to FY2024. Contractual expenses are expected to grow almost 32% in FY2025, in part due to regulatory and compliance requirements and operational support as well as the continuing dependency on computer technology to realize operational efficiencies.

*Audit and Computer Maintenance.* Besides auditing, financial consulting, rating agencies fees, risk management, and well monitoring, a large part of this expense category supports software subscriptions and technical support.

*Building Rental.* This expense category includes lease costs for the Fadian offices as well as storage space.

*Equipment Rental.* Equipment leases are often needed to help support operations and augment the current fleet. This is especially critical for deep well maintenance and repair operations and will be needed to support cleaning and CCTV operations required by the 2024 Consent Decree.

*Legal.* A large part of the legal fees is related to a high-risk and complex land dispute which requires the assistance of contracted counsel and a team of attorneys to litigate. As of early February 2024, the matter remains in the pre-trial phase and no trial date has been set. At this stage of the litigation, continued discovery, additional pre-trial motions, trial, post-trial motions, and an appeal are all likely. No matter what the outcome is at the trial level; this matter is likely to be appealed to Guam's Supreme Court.

*Laboratory.* Much of the lab samples collected are sent to off-island labs for analysis. GWA anticipates that the costs will jump in the first year due to additional testing required for emerging contaminants such as PFAS, and for monitoring treatment system performance as these are installed over the first few years of the planning period. Additionally, GWA is required to monitor its underground tanks and ensure they are not contaminating surrounding areas.

*Other Contractual Expenses.* The majority of this expense category is for the repair and maintenance of equipment that requires specialized skills or equipment. Also included are road restoration, trash pickup, security, janitorial services, drug testing, leak detection, printing and copying, and various permitting requirements.

### Retiree Expenses

Retiree expenses consist of the supplemental annuities for 'old plan' members, medical and dental insurance, life insurance, and cost of living allowances. As mentioned above, the legislative surcharge is designed to fund this cost.

### Five-Year Capital Improvement Program

The FY2025-FY2029 Five-Year Capital Improvement Program (CIP) is a byproduct of the 2024 Interim Water Resources Master Plan Update. It encompasses priority capital improvement projects mandated by the new 2024 Partial Consent Decree, as well as water treatment initiatives aimed at addressing the

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Environmental Protection Agency's revised limits on emerging contaminants of concern. Additionally, it includes supplementary projects for water storage tanks and sewer systems, as identified through the water and wastewater system model update. GWA is poised to embark on an ambitious CIP to address system renovation and upgrade requirements. Over the next five (5) years, the program is anticipated to incur substantial capital investments, primarily driven by the simultaneous completion of court-ordered projects, required Partial Consent Decree initiatives, and those projects essential for supporting the military buildup and reducing water loss.

GWA's Capital Improvement Program is organized in four key areas, totaling \$ 898,733,389 over the next five (5) years.

- 1) **Water Projects**—estimated at \$433,680,480 and consisting of the following improvements:
  - UGUM Surface Water Treatment Plant to increase water production, storage, and resiliency.
  - Rehabilitation and repair of existing wells and installation of new wells.
  - Expansion of Santa Rita Springs impoundment to reduce reliance on Navy water.
  - Treatment of water for PFAS and Emerging Contaminants per proposed federal regulations.
  - Replacement of 2-inch pipes water pipes, asbestos-containing water pipes, and other general water pipe sizes.
  - Rehabilitation of booster pumps and valves in the distribution system to improve pressure zone realignment and facilitate implementation of district metering.
  - Replacements of up to 100 fire hydrants.
  
- 2) **Wastewater Projects** – estimated at \$330,461,683 and focused on meeting the requirements of the 2024 Partial Consent Decree:
  - Repair of gravity mains and replacement of up to thirty unique miles of pipe.
  - Upsizing of pipe to accommodate peak weather flows for sewer capacity assurance.
  - Assessment and analysis of force mains and sewer capacity.
  - Rehabilitation and replacement of prioritized force mains.
  - Rehabilitation of prioritized lift stations including Ypao, Hagatna Main, and Mamajanao.
  - Repair, rehabilitation, or replacement of thirty-two (32) sewer pump stations.
  - Installation and maintenance of the Supervisory Control and Data Acquisition (SCADA) system for water and wastewater operations.
  - Improvements to wastewater treatment plants including gravity lines, force mains, and sewer lift/pump stations.
  
- 3) **Electrical, Monitoring and Control Projects**- estimated at \$36,437,196 and focused on continued SCADA implementation:
  - Repair or replacement of control instrumentation as needed at all sites and plants.
  - Specialized SCADA workforce development and training.
  - Standardization of programming language, equipment, and wiring.
  - Utilization of the GPA fiber network, data leased lines, and GPA wireless network.
  - Implementation of additional physical and cyber-security measures.
  
- 4) **General Plant & Miscellaneous Projects** –estimated at \$98,154,030 including but not limited to the following:

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- Replacement of GWA’s vehicle maintenance facility.
- CIP repairs and upgrades to its main water and wastewater systems operations.
- Improvements to the Upper Tumon Customer Campus, including the Customer Service building warehouse complex, Meter Test Facility, and Laboratory mechanical systems upgrade.
- Enhancement of the Geographic Information System.
- Planning for engineering systems such as Hydraulic water and wastewater modeling, project control, and project management systems.
- Replacement of mobile equipment.
- General Plant improvements.
- Implementation of Master Meter systems.

Capital Improvement Program	Total Costs	Percentage
<b>Water Projects</b>	<b>\$433,680,480</b>	<b>48.26%</b>
<i>Water Production</i>	\$ 102,754,617	11.43%
<i>Water Treatment</i>	\$101,884,505	11.34%
<i>Water Distribution</i>	\$203,109,517	22.60%
<i>Water Storage</i>	\$ 25,931,842	2.89%
<b>Wastewater Projects</b>	<b>\$330,461,683</b>	<b>36.77%</b>
Wastewater Collection	\$268,380,943	29.86%
Wastewater Treatment	\$62,080,740	6.91%
<b>Electrical, Monitoring, Control</b>	<b>\$36,437,196</b>	<b>4.05%</b>
<b>General Plan</b>	<b>\$ 98,154,030</b>	<b>10.92%</b>
<b>Total CIP</b>	<b>\$ 898,733,389</b>	<b>100.0%</b>

The FY2025-FY2029 Capital Improvement Program is a key component and cost driver of the Five-Year Financial Plan. A list of the projects in the Five-Year CIP is included in Resolution 11-FY2024 Attachment E.

## Other Financial Assumptions and Considerations

### CIP Funding Sources

GWA has included projected grant funding, systems development charges, revenue funding as well as new revenue bonds to fund investment in infrastructure.

Funding Source	Total Funding	Percentage
<b>US EPA State Revolving Fund</b>	\$89,000,000	8.9%
<b>System Development Charge</b>	3,750,000	.4%
<b>New Revenue Bonds</b>	780,000,000	78.2%
<b>Revenues</b>	115,000,000	11.5%
<b>Funds from Prior Years</b>	9,905,703	1.0%
<b>Funds for Future Years</b>	(98,922,314)	
<b>Total Funding</b>	<b>898,733,389</b>	<b>100.0%</b>



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*US Environmental Protection Agency State Revolving Fund (SRF).* GWA anticipates funding from the SRF, augmented by the federal Infrastructure Investment and Jobs Act, to provide \$27M in CIP funding for FY2025 – FY2027. SRF funding for FY2028-FY2029 is expected to be reduced to \$4M annually as Congress has earmarked much of the funding previously distributed via formulaic allocations to all states and territories for special projects within specific congressional districts.

*System Development Charge.* System Development Charges are restricted to uses for expanding the water and wastewater system and are part of the fees charged for new construction.

*Revenue Bonds.* GWA expects to issue new revenue bonds in FY2025 of \$250M, FY2027 of \$310M, and FY2029 of \$220M and structure levelized debt payments to prevent jumps in debt service that will similarly require a similar increase in rates. GWA continues to work with its legislative oversight chair to introduce legislation that will authorize borrowing through USEPA WIFIA (Water Infrastructure Finance and Innovation Act) loans as well as Tax Exempt Commercial Paper which will reduce borrowing costs and rates needed to support debt service; see Schedule A-3 of Attachment C for projected rate increases assuming the implementation of a TECP or similar short term financing vehicle.

*Internally funded.* Service rates that support capital outlays reduce the amount of financing required by GWA, hence saving ratepayers the cost of interest and other associated expenses. These also allow GWA to fund smaller capital projects (less than \$1 million) that may not qualify for bond funds under the terms defined by GWA’s bond indenture.

*Prior and Future Years Rollovers.* It is anticipated that funding received in prior years will help pay for CIPs in future years. Certification of funds must occur at the beginning of the procurement process. Many of the larger infrastructure projects will take two to three years to complete, from design to construction.

See Resolution 11-FY2024 Attachment C *Rate Application Schedules Schedule E Sources and Uses of Funds, Capital Improvement Program* for a summary of the various funding sources by year.

**Debt Service and Debt Service Coverage**

Revenue Bonds are a key source of funding for water and wastewater infrastructure. Debt service for FY2025-FY2029 is projected below:

<b>Fiscal Year</b>	<b>Existing Debt</b>	<b>New Debt</b>	<b>Totals</b>
<b>FY2025</b>	\$38,282,565	\$8,242,997	\$46,525,561
<b>FY2026</b>	38,278,065	16,485,993	54,764,058
<b>FY2027</b>	38,276,815	26,707,309	64,984,124
<b>FY2028</b>	39,542,315	36,968,625	76,470,940
<b>FY2029</b>	40,453,165	44,635,627	84,635,627

The anticipated savings from the refunding scheduled in 2024 have been applied to the existing debt totals. Forecasted new debt service reflects a number of key assumptions regarding the structure and terms of GWA’s revenue bond offerings. These issues are scheduled in FY2025, FY2027, and FY2029 in par amounts of \$250 million, \$310 million, and \$220 million, respectively. Each 30-year, fixed rate issue is structured with levelized debt service payments (except that the initial year is 50 percent of the annual payment amount - a half-year convention).

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Mindful that GWA's credit rating (and thereby future cost of capital) will be significantly impacted by debt service coverage and liquidity metrics, GWA's financial plan contemplates a gradual return of coverage levels (that also enable IFICIP spending) from the 1.3x level permitted temporarily by the PUC's most recent Orders to 1.5x achieved prior to the pandemic and in compliance with CCU and PUC policy. Given the magnitude of GWA's capital program and prospective reliance on debt financing, debt service coverage is, and will continue to be, a principal driver of rate increase requirements (and credit ratings). GWA's financial plan provides for a steady return to coverage levels consistent with investment grade credits, and use of coverage dollars to fund capital projects with revenues. This provides for balancing, to the extent practicable, of GWA's capital structure (e.g., debt/equity ratio).

See Resolution 11-FY2024 Attachment F *Debt Service and Other Financing Charges* for a breakdown of debt service by year by bond.

### Summary and Conclusions

GWA is acutely aware of the potential impacts on customers of its Five-Year Financial Plan and does not seek the requested rate relief lightly. It is simply required to restore GWA's financial integrity, deliver life essential services and fund needed investment / reinvestment in our water and sewer systems. We hope to secure approval of several measures through separate petitions (e.g., TECP (Tax Exempt Commercial Paper) financing, Customer Assistance Program funding, self-insurance) that may mitigate these impacts without simply deferring rate increases and expenses to a later, more expensive, day.

# ATTACHMENT B Five Year Rate Table

Historical and Forecasted Operating Results, Proposed Rates

	Historical Year	Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<b>Non-Lifeline Rate Increase</b>	5.5%	16.7%	29.0%	12.5%	10.0%	10.0%	10.0%
<b>Lifeline Rate Increase</b>	0.0%	16.7%	0.0%	12.5%	0.0%	0.0%	0.0%
<b>CASH SOURCES</b>							
Water Service Revenues	69,672,862	79,688,942	99,819,447	112,310,275	123,419,168	135,679,564	149,279,940
Legislative Surcharge	2,147,271	2,798,810	3,285,020	3,381,323	3,503,935	3,872,428	4,281,117
Water SDC Revenues							
Water Rate Revenues	\$ 71,820,133	\$ 82,487,752	\$ 103,104,467	\$ 115,691,598	\$ 126,923,103	\$ 139,551,992	\$ 153,561,057
Wastewater Rate Revenues	37,478,560	43,590,855	52,669,507	59,711,229	65,178,108	71,378,389	78,326,297
Other Revenues	567,167	515,000	515,000	515,000	515,000	515,000	515,000
Rate Revenue Adjustment	(3,044,250)	(1,760,284)	(2,270,766)	(2,554,612)	(2,810,073)	(3,091,081)	(3,400,189)
Bad Debt Adjustment	(421,467)	(2,262,236)	(3,067,628)	(3,449,987)	(3,771,973)	(4,134,629)	(4,537,933)
<b>Total Operating Revenues<sup>1</sup></b>	<b>\$ 106,400,142</b>	<b>\$ 122,571,087</b>	<b>\$ 150,950,580</b>	<b>\$ 169,913,227</b>	<b>\$ 186,034,165</b>	<b>\$ 204,219,672</b>	<b>\$ 224,464,232</b>
Interest / Investment Income	1,972,141	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Rate Stabilization Transfers Out (In) <sup>2</sup>	18,050,000	-	-	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)
<b>TOTAL SOURCES</b>	<b>\$ 126,422,283</b>	<b>\$ 123,571,087</b>	<b>\$ 151,950,580</b>	<b>\$ 168,413,227</b>	<b>\$ 184,534,165</b>	<b>\$ 202,719,672</b>	<b>\$ 222,964,232</b>
<b>CASH USES</b>							
Power Purchases <sup>3</sup>	24,397,961	21,843,028	25,665,944	23,868,000	23,868,000	23,868,000	23,868,000
Water Purchases	7,038,954	5,900,000	6,515,000	6,251,000	6,207,000	5,756,000	5,756,000
Salaries & Benefits <sup>4</sup>	27,272,268	29,705,247	33,886,181	35,953,228	37,330,583	38,924,275	40,547,721
Admin & General <sup>5</sup>	9,023,292	9,687,858	13,666,252	14,423,571	15,050,682	15,708,195	16,397,982
Contractual Expense	5,575,264	7,464,494	9,516,803	10,049,511	10,305,997	10,077,369	10,334,691
Retiree Expense	3,560,495	3,755,617	4,495,403	4,623,703	4,759,489	4,902,860	5,053,931
O&M Subtotal	\$ 76,868,234	\$ 78,356,244	\$ 93,745,582	\$ 95,169,013	\$ 97,521,750	\$ 99,236,699	\$ 101,958,324
Debt Service	39,036,678	38,762,231	46,525,561	54,764,058	64,984,124	76,470,940	84,635,627
Internally Funded Capital (IFCIP)	2,836,370	8,784,879	15,000,000	20,000,000	20,000,000	25,000,000	35,000,000
<b>TOTAL USES</b>	<b>\$ 118,741,281</b>	<b>\$ 125,903,354</b>	<b>\$ 155,271,144</b>	<b>\$ 169,933,072</b>	<b>\$ 182,505,875</b>	<b>\$ 200,707,639</b>	<b>\$ 221,593,952</b>
<b>Net Annual Cash Flow</b>	<b>\$ 7,681,002</b>	<b>\$ (2,332,267)</b>	<b>\$ (3,320,564)</b>	<b>\$ (1,519,844)</b>	<b>\$ 2,028,290</b>	<b>\$ 2,012,032</b>	<b>\$ 1,370,280</b>
<b>DEBT SERVICE COVERAGE</b>							
Net Revenues	\$ 49,554,049	\$ 45,214,843	\$ 58,204,998	\$ 73,244,214	\$ 87,012,415	\$ 103,482,973	\$ 121,005,908
Adjustment, Capitalized Labor	3,075,928	4,159,140	4,405,203	4,673,920	4,852,976	5,060,156	5,271,204
Adjustment, Other <sup>6</sup>	673,200	715,649	701,500	708,515	715,600	722,756	729,984
Revenues Available for Debt Service	\$ 53,303,177	\$ 50,089,632	\$ 63,311,701	\$ 78,626,649	\$ 92,580,991	\$ 109,265,885	\$ 127,007,095
Total Debt Service	39,036,678	38,762,231	46,525,561	54,764,058	64,984,124	76,470,940	84,635,627
<b>Debt Service Coverage</b>	<b>1.365</b>	<b>1.292</b>	<b>1.361</b>	<b>1.436</b>	<b>1.425</b>	<b>1.429</b>	<b>1.501</b>
<b>Additional Revenue Requirement</b>							
Additional annual revenues needed to meet DSC target of 1.5x			\$ 6,476,641	\$ 3,519,439	\$ 4,895,196	\$ 5,440,526	\$ -
Forecasted EOY operating reserves			\$ 39,413,279	\$ 37,893,435	\$ 39,921,725	\$ 41,933,758	\$ 43,304,038
Minimum reserve requirement, 120 days			\$ 30,820,465	\$ 31,288,443	\$ 32,061,945	\$ 32,625,764	\$ 33,520,545
<b>Total Additional Revenues Needed</b>			<b>\$ 6,476,641</b>	<b>\$ 3,519,439</b>	<b>\$ 4,895,196</b>	<b>\$ 5,440,526</b>	<b>\$ -</b>
Days O&M, EOY Operating Reserves			153	145	149	154	155
<b>OTHER INFORMATION</b>							
SDC Revenues	1,359,167	1,165,000	1,165,000	1,165,000	1,165,000	1,165,000	1,165,000
Depreciation	30,768,912	28,817,076	29,424,588	29,996,235	30,751,472	31,506,554	32,358,124
<b>Net Operating Income</b>	<b>\$ 3,198,092</b>	<b>\$ 20,721,907</b>	<b>\$ 33,350,613</b>	<b>\$ 50,586,899</b>	<b>\$ 63,778,919</b>	<b>\$ 79,701,574</b>	<b>\$ 96,583,987</b>
Non-Operating Revenues (Expenses)	23,907,738	6,195,000	6,195,000	6,195,000	6,195,000	6,195,000	6,195,000
Interest Expense	(28,671,774)	(28,282,065)	(27,735,778)	(27,161,815)	(26,568,065)	(25,944,565)	(25,255,165)
Capital Contributions	13,120,737	27,000,000	27,000,000	27,000,000	27,000,000	4,000,000	4,000,000
<b>Change in Net Position</b>	<b>\$ 11,554,793</b>	<b>\$ 25,634,842</b>	<b>\$ 38,809,836</b>	<b>\$ 56,620,084</b>	<b>\$ 70,405,854</b>	<b>\$ 63,952,009</b>	<b>\$ 81,523,822</b>

1 - Includes leachate and Navy revenues; excludes system development charge revenues  
 2 - FY 2023 value includes \$12.4 million of ARPA funds which was used to offset debt service coverage requirements  
 3 - Operational efficiencies related to Ukudu treatment plant are reflected in FY 2026 and beyond  
 4 - Capitalized labor, which does not represent a cash impact, is not included in this calculation of annual net cash flow  
 5 - Excludes bad debt expense since this line item is included as an offset to rate revenues (per audited financials)  
 6 - Includes retiree COLA and end-of-year pension and OPEB adjustments

# ATTACHMENT C

<b>Rate Application Schedules</b> <i>A list of schedules to meet the PUC's minimum filing requirements</i>		
Schedule	Title	Description
A-1	Historical and Forecasted Operating Results, Existing Rates	Pro forma that forecasts revenues, O&M, and debt service; debt service coverage and cash balances; and other financial metrics under existing rates
A-2	Historical and Forecasted Operating Results, Proposed Rates	Pro forma that forecasts revenues, O&M, and debt service; debt service coverage and cash balances; and other financial metrics under proposed rates
A-3	Historical and Forecasted Operating Results, Commercial Paper	Pro forma that identifies rate adjustments that fully fund the CIP if a Commercial Paper program is approved and available for GWA
B-1	Rate Revenues and Billing Determinants by Class, Forecast Year #1	Presents customer accounts, billed volumes, and rate revenue by component by customer class for the water and wastewater systems for FY 2025
B-2	Rate Revenues and Billing Determinants by Class, Forecast Year #2	Presents customer accounts, billed volumes, and rate revenue by component by customer class for the water and wastewater systems for FY 2026
B-3	Rate Revenues and Billing Determinants by Class, Forecast Year #3	Presents customer accounts, billed volumes, and rate revenue by component by customer class for the water and wastewater systems for FY 2027
B-4	Rate Revenues and Billing Determinants by Class, Forecast Year #4	Presents customer accounts, billed volumes, and rate revenue by component by customer class for the water and wastewater systems for FY 2028
B-5	Rate Revenues and Billing Determinants by Class, Forecast Year #5	Presents customer accounts, billed volumes, and rate revenue by component by customer class for the water and wastewater systems for FY 2029
C-1	Operating Expenses by Major Cost Category	Forecasts of O&M expense by major cost category on a cash basis; includes adjustments to present O&M comparable to GWA's typical budget request
C-2	Budgeted Operating Expense by Object Class	Forecasts of budgeted O&M expense by object class
D	Navy Water Purchases	Detail related to the forecast for GWA's anticipated water purchases (volume and corresponding rate)
E	Sources and Uses of Funds, Capital Improvement Program	Annual CIP encumbrance requirements by project category and matching sources of funds, in nominal terms, across the rate application period
F	Debt Service and Other Financing Charges	Outlines existing debt service obligations, anticipated refunding savings and capitalized interest credits (if relevant), and debt service for new bonds
G-1	Internally Funded Capital Improvement Projects (IFCIP)	Identifies capital projects that GWA may fund with IFCIP transfers (i.e. net operating revenues of the system)
G-2	Externally Funded Capital Improvement Projects (Grants)	Identifies capital projects that GWA may fund with grants from various government agencies
H	Other Revenues, Interest Revenues & Revenue Adjustments	Delineates other revenues by category from both historical and forecast perspective; interest revenues and revenue adjustments are outlined
I	Other Cash Flow Items	Presents historical and forecasted use of, or contributions to, rate stabilization fund reserves; shows receipt of ARPA funds (if relevant)
J-1W	Proof of Water System Revenues, Forecast Year #1	Demonstrates proof of rate revenue forecast by identifying billing determinants and forecasted rate components for the water system, FY 2025
J-2W	Proof of Water System Revenues, Forecast Year #2	Demonstrates proof of rate revenue forecast by identifying billing determinants and forecasted rate components for the water system, FY 2026
J-3W	Proof of Water System Revenues, Forecast Year #3	Demonstrates proof of rate revenue forecast by identifying billing determinants and forecasted rate components for the water system, FY 2027
J-4W	Proof of Water System Revenues, Forecast Year #4	Demonstrates proof of rate revenue forecast by identifying billing determinants and forecasted rate components for the water system, FY 2028
J-5W	Proof of Water System Revenues, Forecast Year #5	Demonstrates proof of rate revenue forecast by identifying billing determinants and forecasted rate components for the water system, FY 2029
J-1WW	Proof of Wastewater System Revenues, Forecast Year #1	Demonstrates proof of rate revenue forecast by identifying billing determinants and forecasted rate components for the wastewater system, FY 2025
J-2WW	Proof of Wastewater System Revenues, Forecast Year #2	Demonstrates proof of rate revenue forecast by identifying billing determinants and forecasted rate components for the wastewater system, FY 2026
J-3WW	Proof of Wastewater System Revenues, Forecast Year #3	Demonstrates proof of rate revenue forecast by identifying billing determinants and forecasted rate components for the wastewater system, FY 2027
J-4WW	Proof of Wastewater System Revenues, Forecast Year #4	Demonstrates proof of rate revenue forecast by identifying billing determinants and forecasted rate components for the wastewater system, FY 2028
J-5WW	Proof of Wastewater System Revenues, Forecast Year #5	Demonstrates proof of rate revenue forecast by identifying billing determinants and forecasted rate components for the wastewater system, FY 2029
K	Proposed Rate Adjustments	Presents proposed rates by component (base charge vs. volumetric) for all meter sizes and rate tiers, by customer class
L	Monthly Bill Impacts by Customer Class	Calculates monthly bill impacts in both nominal and percentage terms for each year of the rate application period for various customer classes

**Schedule A-1**

Historical and Forecasted Operating Results, Existing Rates

	Historical Year	Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<b>Non-Lifeline Rate Increase</b>	5.5%	16.7%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Lifeline Rate Increase</b>	0.0%	16.7%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>CASH SOURCES</b>							
Water Rate Revenues	\$ 71,820,133	\$ 82,487,752	\$ 83,010,283	\$ 83,560,482	\$ 84,238,894	\$ 85,076,784	\$ 85,949,683
Wastewater Rate Revenues	37,478,560	43,590,855	44,232,920	44,900,370	45,643,195	46,469,033	47,328,130
Other Revenues	567,167	515,000	515,000	515,000	515,000	515,000	515,000
Rate Revenue Adjustment	(3,044,250)	(1,760,284)	(1,760,284)	(1,760,284)	(1,760,284)	(1,760,284)	(1,760,284)
Bad Debt Adjustment	(421,467)	(2,262,236)	(2,515,285)	(2,538,045)	(2,564,884)	(2,596,434)	(2,629,354)
<b>Total Operating Revenues<sup>1</sup></b>	<b>\$ 106,400,142</b>	<b>\$ 122,571,087</b>	<b>\$ 123,482,634</b>	<b>\$ 124,677,523</b>	<b>\$ 126,071,921</b>	<b>\$ 127,704,100</b>	<b>\$ 129,403,175</b>
Interest / Investment Income	1,972,141	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Rate Stabilization Transfers Out (In) <sup>2</sup>	18,050,000	-	-	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)
<b>TOTAL SOURCES</b>	<b>\$ 126,422,283</b>	<b>\$ 123,571,087</b>	<b>\$ 124,482,634</b>	<b>\$ 123,177,523</b>	<b>\$ 124,571,921</b>	<b>\$ 126,204,100</b>	<b>\$ 127,903,175</b>
<b>CASH USES</b>							
Power Purchases <sup>3</sup>	24,397,961	21,843,028	25,665,944	23,868,000	23,868,000	23,868,000	23,868,000
Water Purchases	7,038,954	5,900,000	6,515,000	6,251,000	6,207,000	5,756,000	5,756,000
Salaries & Benefits <sup>4</sup>	27,272,268	29,705,247	33,886,181	35,953,228	37,330,583	38,924,275	40,547,721
Admin & General <sup>5</sup>	9,023,292	9,687,858	13,666,252	14,423,571	15,050,682	15,708,195	16,397,982
Contractual Expense	5,575,264	7,464,494	9,516,803	10,049,511	10,305,997	10,077,369	10,334,691
Retiree Expense	3,560,495	3,755,617	4,495,403	4,623,703	4,759,489	4,902,860	5,053,931
<b>O&amp;M Subtotal</b>	<b>\$ 76,868,234</b>	<b>\$ 78,356,244</b>	<b>\$ 93,745,582</b>	<b>\$ 95,169,013</b>	<b>\$ 97,521,750</b>	<b>\$ 99,236,699</b>	<b>\$ 101,958,324</b>
Debt Service	39,036,678	38,762,231	46,525,561	54,764,058	64,984,124	76,470,940	84,635,627
Internally Funded Capital (IFCIP)	2,836,370	8,784,879	15,000,000	20,000,000	20,000,000	25,000,000	35,000,000
<b>TOTAL USES</b>	<b>\$ 118,741,281</b>	<b>\$ 125,903,354</b>	<b>\$ 155,271,144</b>	<b>\$ 169,933,072</b>	<b>\$ 182,505,875</b>	<b>\$ 200,707,639</b>	<b>\$ 221,593,952</b>
<b>Net Annual Cash Flow</b>	<b>\$ 7,681,002</b>	<b>\$ (2,332,267)</b>	<b>\$ (30,788,509)</b>	<b>\$ (46,755,548)</b>	<b>\$ (57,933,954)</b>	<b>\$ (74,503,540)</b>	<b>\$ (93,690,777)</b>
<b>DEBT SERVICE COVERAGE</b>							
Net Revenues	\$ 49,554,049	\$ 45,214,843	\$ 30,737,052	\$ 28,008,510	\$ 27,050,171	\$ 26,967,400	\$ 25,944,850
Adjustment, Capitalized Labor	3,075,928	4,159,140	4,405,203	4,673,920	4,852,976	5,060,156	5,271,204
Adjustment, Other <sup>6</sup>	673,200	715,649	701,500	708,515	715,600	722,756	729,984
<b>Revenues Available for Debt Service</b>	<b>\$ 53,303,177</b>	<b>\$ 50,089,632</b>	<b>\$ 35,843,755</b>	<b>\$ 33,390,945</b>	<b>\$ 32,618,747</b>	<b>\$ 32,750,312</b>	<b>\$ 31,946,038</b>
<b>Total Debt Service</b>	<b>\$ 39,036,678</b>	<b>\$ 38,762,231</b>	<b>\$ 46,525,561</b>	<b>\$ 54,764,058</b>	<b>\$ 64,984,124</b>	<b>\$ 76,470,940</b>	<b>\$ 84,635,627</b>
<b>Debt Service Coverage</b>	<b>1.365</b>	<b>1.292</b>	<b>0.770</b>	<b>0.610</b>	<b>0.502</b>	<b>0.428</b>	<b>0.377</b>
<b>Additional Revenue Requirement</b>							
Additional annual revenues needed to meet DSC target of 1.5x			\$ 33,944,587	\$ 48,755,143	\$ 64,857,440	\$ 81,956,099	\$ 95,007,404
Forecasted EOY operating reserves			\$ 11,945,334	\$ (34,810,215)	\$ (92,744,168)	\$ (167,247,708)	\$ (260,938,485)
Minimum reserve requirement, 120 days			\$ 30,820,465	\$ 31,288,443	\$ 32,061,945	\$ 32,625,764	\$ 33,520,545
<b>Total Additional Revenues Needed</b>			<b>\$ 33,944,587</b>	<b>\$ 48,755,143</b>	<b>\$ 64,857,440</b>	<b>\$ 81,956,099</b>	<b>\$ 95,007,404</b>
Days O&M, EOY Operating Reserves			46	(133)	(347)	(615)	(934)
<b>OTHER INFORMATION</b>							
SDC Revenues	1,359,167	1,165,000	1,165,000	1,165,000	1,165,000	1,165,000	1,165,000
Depreciation	30,768,912	28,817,076	29,424,588	29,996,235	30,751,472	31,506,554	32,358,124
<b>Net Operating Income</b>	<b>\$ 3,198,092</b>	<b>\$ 20,721,907</b>	<b>\$ 5,882,667</b>	<b>\$ 5,351,195</b>	<b>\$ 3,816,675</b>	<b>\$ 3,186,002</b>	<b>\$ 1,522,930</b>
Non-Operating Revenues (Expenses)	23,907,738	6,195,000	6,195,000	6,195,000	6,195,000	6,195,000	6,195,000
Interest Expense	(28,671,774)	(28,282,065)	(27,735,778)	(27,161,815)	(26,568,065)	(25,944,565)	(25,255,165)
Capital Contributions	13,120,737	27,000,000	27,000,000	27,000,000	27,000,000	4,000,000	4,000,000
<b>Change in Net Position</b>	<b>\$ 11,554,793</b>	<b>\$ 25,634,842</b>	<b>\$ 11,341,890</b>	<b>\$ 11,384,380</b>	<b>\$ 10,443,610</b>	<b>\$ (12,563,563)</b>	<b>\$ (13,537,235)</b>

1 - Includes leachate and Navy revenues; excludes system development charge revenues  
 2 - FY 2023 value includes \$12.4 million of ARPA funds which was used to offset debt service coverage requirements  
 3 - Operational efficiencies related to Ukudu treatment plant are reflected in FY 2026 and beyond  
 4 - Capitalized labor, which does not represent a cash impact, is not included in this calculation of annual net cash flow  
 5 - Excludes bad debt expense since this line item is included as an offset to rate revenues (per audited financials)  
 6 - Includes retiree COLA and end-of-year pension and OPEB adjustments

**Schedule A-2**

Historical and Forecasted Operating Results, Proposed Rates

	Historical Year	Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<b>Non-Lifeline Rate Increase</b>	5.5%	16.7%	29.0%	12.5%	10.0%	10.0%	10.0%
<b>Lifeline Rate Increase</b>	0.0%	16.7%	0.0%	12.5%	0.0%	0.0%	0.0%
<b>CASH SOURCES</b>							
Water Service Revenues	69,672,862	79,688,942	99,819,447	112,310,275	123,419,168	135,679,564	149,279,940
Legislative Surcharge	2,147,271	2,798,810	3,285,020	3,381,323	3,503,935	3,872,428	4,281,117
Water SDC Revenues							
Water Rate Revenues	\$ 71,820,133	\$ 82,487,752	\$ 103,104,467	\$ 115,691,598	\$ 126,923,103	\$ 139,551,992	\$ 153,561,057
Wastewater Rate Revenues	37,478,560	43,590,855	52,669,507	59,711,229	65,178,108	71,378,389	78,326,297
Other Revenues	567,167	515,000	515,000	515,000	515,000	515,000	515,000
Rate Revenue Adjustment	(3,044,250)	(1,760,284)	(2,270,766)	(2,554,612)	(2,810,073)	(3,091,081)	(3,400,189)
Bad Debt Adjustment	(421,467)	(2,262,236)	(3,067,628)	(3,449,987)	(3,771,973)	(4,134,629)	(4,537,933)
<b>Total Operating Revenues<sup>1</sup></b>	<b>\$ 106,400,142</b>	<b>\$ 122,571,087</b>	<b>\$ 150,950,580</b>	<b>\$ 169,913,227</b>	<b>\$ 186,034,165</b>	<b>\$ 204,219,672</b>	<b>\$ 224,464,232</b>
Interest / Investment Income	1,972,141	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Rate Stabilization Transfers Out (In) <sup>2</sup>	18,050,000	-	-	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)
<b>TOTAL SOURCES</b>	<b>\$ 126,422,283</b>	<b>\$ 123,571,087</b>	<b>\$ 151,950,580</b>	<b>\$ 168,413,227</b>	<b>\$ 184,534,165</b>	<b>\$ 202,719,672</b>	<b>\$ 222,964,232</b>
<b>CASH USES</b>							
Power Purchases <sup>3</sup>	24,397,961	21,843,028	25,665,944	23,868,000	23,868,000	23,868,000	23,868,000
Water Purchases	7,038,954	5,900,000	6,515,000	6,251,000	6,207,000	5,756,000	5,756,000
Salaries & Benefits <sup>4</sup>	27,272,268	29,705,247	33,886,181	35,953,228	37,330,583	38,924,275	40,547,721
Admin & General <sup>5</sup>	9,023,292	9,687,858	13,666,252	14,423,571	15,050,682	15,708,195	16,397,982
Contractual Expense	5,575,264	7,464,494	9,516,803	10,049,511	10,305,997	10,077,369	10,334,691
Retiree Expense	3,560,495	3,755,617	4,495,403	4,623,703	4,759,489	4,902,860	5,053,931
O&M Subtotal	\$ 76,868,234	\$ 78,356,244	\$ 93,745,582	\$ 95,169,013	\$ 97,521,750	\$ 99,236,699	\$ 101,958,324
Debt Service	39,036,678	38,762,231	46,525,561	54,764,058	64,984,124	76,470,940	84,635,627
Internally Funded Capital (IFCIP)	2,836,370	8,784,879	15,000,000	20,000,000	20,000,000	25,000,000	35,000,000
<b>TOTAL USES</b>	<b>\$ 118,741,281</b>	<b>\$ 125,903,354</b>	<b>\$ 155,271,144</b>	<b>\$ 169,933,072</b>	<b>\$ 182,505,875</b>	<b>\$ 200,707,639</b>	<b>\$ 221,593,952</b>
<b>Net Annual Cash Flow</b>	<b>\$ 7,681,002</b>	<b>\$ (2,332,267)</b>	<b>\$ (3,320,564)</b>	<b>\$ (1,519,844)</b>	<b>\$ 2,028,290</b>	<b>\$ 2,012,032</b>	<b>\$ 1,370,280</b>
<b>DEBT SERVICE COVERAGE</b>							
Net Revenues	\$ 49,554,049	\$ 45,214,843	\$ 58,204,998	\$ 73,244,214	\$ 87,012,415	\$ 103,482,973	\$ 121,005,908
Adjustment, Capitalized Labor	3,075,928	4,159,140	4,405,203	4,673,920	4,852,976	5,060,156	5,271,204
Adjustment, Other <sup>6</sup>	673,200	715,649	701,500	708,515	715,600	722,756	729,984
Revenues Available for Debt Service	\$ 53,303,177	\$ 50,089,632	\$ 63,311,701	\$ 78,626,649	\$ 92,580,991	\$ 109,265,885	\$ 127,007,095
Total Debt Service	39,036,678	38,762,231	46,525,561	54,764,058	64,984,124	76,470,940	84,635,627
<b>Debt Service Coverage</b>	<b>1.365</b>	<b>1.292</b>	<b>1.361</b>	<b>1.436</b>	<b>1.425</b>	<b>1.429</b>	<b>1.501</b>
<b>Additional Revenue Requirement</b>							
Additional annual revenues needed to meet DSC target of 1.5x			\$ 6,476,641	\$ 3,519,439	\$ 4,895,196	\$ 5,440,526	\$ -
Forecasted EOY operating reserves			\$ 39,413,279	\$ 37,893,435	\$ 39,921,725	\$ 41,933,758	\$ 43,304,038
Minimum reserve requirement, 120 days			\$ 30,820,465	\$ 31,288,443	\$ 32,061,945	\$ 32,625,764	\$ 33,520,545
<b>Total Additional Revenues Needed</b>			<b>\$ 6,476,641</b>	<b>\$ 3,519,439</b>	<b>\$ 4,895,196</b>	<b>\$ 5,440,526</b>	<b>\$ -</b>
Days O&M, EOY Operating Reserves			153	145	149	154	155
<b>OTHER INFORMATION</b>							
SDC Revenues	1,359,167	1,165,000	1,165,000	1,165,000	1,165,000	1,165,000	1,165,000
Depreciation	30,768,912	28,817,076	29,424,588	29,996,235	30,751,472	31,506,554	32,358,124
<b>Net Operating Income</b>	<b>\$ 3,198,092</b>	<b>\$ 20,721,907</b>	<b>\$ 33,350,613</b>	<b>\$ 50,586,899</b>	<b>\$ 63,778,919</b>	<b>\$ 79,701,574</b>	<b>\$ 96,583,987</b>
Non-Operating Revenues (Expenses)	23,907,738	6,195,000	6,195,000	6,195,000	6,195,000	6,195,000	6,195,000
Interest Expense	(28,671,774)	(28,282,065)	(27,735,778)	(27,161,815)	(26,568,065)	(25,944,565)	(25,255,165)
Capital Contributions	13,120,737	27,000,000	27,000,000	27,000,000	27,000,000	4,000,000	4,000,000
<b>Change in Net Position</b>	<b>\$ 11,554,793</b>	<b>\$ 25,634,842</b>	<b>\$ 38,809,836</b>	<b>\$ 56,620,084</b>	<b>\$ 70,405,854</b>	<b>\$ 63,952,009</b>	<b>\$ 81,523,822</b>

1 - Includes leachate and Navy revenues; excludes system development charge revenues  
 2 - FY 2023 value includes \$12.4 million of ARPA funds which was used to offset debt service coverage requirements  
 3 - Operational efficiencies related to Ukudu treatment plant are reflected in FY 2026 and beyond  
 4 - Capitalized labor, which does not represent a cash impact, is not included in this calculation of annual net cash flow  
 5 - Excludes bad debt expense since this line item is included as an offset to rate revenues (per audited financials)  
 6 - Includes retiree COLA and end-of-year pension and OPEB adjustments

**Schedule A-3**

Historical and Forecasted Operating Results, WITH COMMERCIAL PAPER PROGRAM

	Historical Year	Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<b>Non-Lifeline Rate Increase</b>	5.5%	16.7%	17.0%	6.0%	6.0%	6.0%	15.0%
<b>Lifeline Rate Increase</b>	0.0%	16.7%	0.0%	6.0%	0.0%	0.0%	0.0%
<b>CASH SOURCES</b>							
Water Rate Revenues	\$ 71,820,133	\$ 82,487,752	\$ 95,021,230	\$ 101,128,989	\$ 107,431,320	\$ 114,387,318	\$ 130,671,671
Wastewater Rate Revenues	37,478,560	43,590,855	49,294,667	52,939,947	56,232,758	59,868,299	63,368,751
Other Revenues	567,167	515,000	515,000	515,000	515,000	515,000	515,000
Rate Revenue Adjustment	(3,044,250)	(1,760,284)	(2,059,532)	(2,183,104)	(2,314,091)	(2,452,936)	(2,820,876)
Bad Debt Adjustment	(421,467)	(2,262,236)	(2,846,460)	(3,036,584)	(3,221,887)	(3,426,420)	(3,823,742)
<b>Total Operating Revenues<sup>1</sup></b>	<b>\$ 106,400,142</b>	<b>\$ 122,571,087</b>	<b>\$ 139,924,905</b>	<b>\$ 149,364,248</b>	<b>\$ 158,643,100</b>	<b>\$ 168,891,260</b>	<b>\$ 187,910,803</b>
Interest / Investment Income	1,972,141	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Rate Stabilization Transfers Out (In) <sup>2</sup>	18,050,000	-	-	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)
<b>TOTAL SOURCES</b>	<b>\$ 126,422,283</b>	<b>\$ 123,571,087</b>	<b>\$ 140,924,905</b>	<b>\$ 147,864,248</b>	<b>\$ 157,143,100</b>	<b>\$ 167,391,260</b>	<b>\$ 186,410,803</b>
<b>CASH USES</b>							
Power Purchases <sup>3</sup>	24,397,961	21,843,028	25,665,944	23,868,000	23,868,000	23,868,000	23,868,000
Water Purchases	7,038,954	5,900,000	6,515,000	6,251,000	6,207,000	5,756,000	5,756,000
Salaries & Benefits <sup>4</sup>	27,272,268	29,705,247	33,886,181	35,953,228	37,330,583	38,924,275	40,547,721
Admin & General <sup>5</sup>	9,023,292	9,687,858	13,666,252	14,423,571	15,050,682	15,708,195	16,397,982
Contractual Expense	5,575,264	7,464,494	9,516,803	10,049,511	10,305,997	10,077,369	10,334,691
Retiree Expense	3,560,495	3,755,617	4,495,403	4,623,703	4,759,489	4,902,860	5,053,931
O&M Subtotal	\$ 76,868,234	\$ 78,356,244	\$ 93,745,582	\$ 95,169,013	\$ 97,521,750	\$ 99,236,699	\$ 101,958,324
Fees, Commercial Paper Program <sup>6</sup>	-	-	2,295,000	2,295,000	2,295,000	2,295,000	2,295,000
Interest, Commercial Paper Program <sup>6</sup>	-	-	530,833	2,473,333	5,635,000	1,750,000	5,250,000
Debt Service	39,036,678	38,762,231	38,282,565	38,278,065	38,276,815	46,631,292	54,631,119
Internally Funded Capital (IFCIP)	2,836,370	8,784,879	15,000,000	10,000,000	10,000,000	20,000,000	20,000,000
<b>TOTAL USES</b>	<b>\$ 118,741,281</b>	<b>\$ 125,903,354</b>	<b>\$ 149,853,980</b>	<b>\$ 148,215,412</b>	<b>\$ 153,728,565</b>	<b>\$ 169,912,991</b>	<b>\$ 184,134,444</b>
<b>Net Annual Cash Flow</b>	<b>\$ 7,681,002</b>	<b>\$ (2,332,267)</b>	<b>\$ (8,929,075)</b>	<b>\$ (351,164)</b>	<b>\$ 3,414,535</b>	<b>\$ (2,521,731)</b>	<b>\$ 2,276,359</b>
<b>DEBT SERVICE COVERAGE</b>							
Net Revenues	\$ 49,554,049	\$ 45,214,843	\$ 47,179,323	\$ 52,695,234	\$ 59,621,350	\$ 68,154,561	\$ 84,452,478
Adjustment, Capitalized Labor	3,075,928	4,159,140	4,405,203	4,673,920	4,852,976	5,060,156	5,271,204
Adjustment, Other <sup>7</sup>	673,200	715,649	701,500	708,515	715,600	722,756	729,984
Revenues Available for Debt Service	\$ 53,303,177	\$ 50,089,632	\$ 52,286,026	\$ 58,077,669	\$ 65,189,926	\$ 73,937,473	\$ 90,453,666
Total Debt Service <sup>8</sup>	39,036,678	38,762,231	38,813,398	40,751,398	43,911,815	48,381,292	59,881,119
<b>Debt Service Coverage</b>	<b>1.365</b>	<b>1.292</b>	<b>1.347</b>	<b>1.425</b>	<b>1.485</b>	<b>1.528</b>	<b>1.511</b>
<b>Additional Revenue Requirement</b>							
Additional annual revenues needed to meet DSC target of 1.5x			\$ 5,934,071	\$ 3,049,429	\$ 677,797	\$ -	\$ -
Forecasted EOY operating reserves			\$ 33,804,768	\$ 33,453,604	\$ 36,868,139	\$ 34,346,408	\$ 36,622,767
Minimum reserve requirement, 120 days			\$ 30,820,465	\$ 31,288,443	\$ 32,061,945	\$ 32,625,764	\$ 33,520,545
<b>Total Additional Revenues Needed</b>			<b>\$ 5,934,071</b>	<b>\$ 3,049,429</b>	<b>\$ 677,797</b>	<b>\$ -</b>	<b>\$ -</b>
Days O&M, EOY Operating Reserves			131	128	137	126	131
<b>OTHER INFORMATION</b>							
SDC Revenues	1,359,167	1,165,000	1,165,000	1,165,000	1,165,000	1,165,000	1,165,000
Depreciation	30,768,912	28,817,076	29,424,588	29,996,235	30,751,472	31,506,554	32,358,124
<b>Net Operating Income</b>	<b>\$ 3,198,092</b>	<b>\$ 20,721,907</b>	<b>\$ 22,324,938</b>	<b>\$ 30,037,919</b>	<b>\$ 36,387,854</b>	<b>\$ 44,373,163</b>	<b>\$ 60,030,558</b>
Non-Operating Revenues (Expenses)	23,907,738	6,195,000	6,195,000	6,195,000	6,195,000	6,195,000	6,195,000
Interest Expense	(28,671,774)	(28,282,065)	(27,735,778)	(27,161,815)	(26,568,065)	(25,944,565)	(25,255,165)
Capital Contributions	13,120,737	27,000,000	27,000,000	27,000,000	27,000,000	4,000,000	4,000,000
<b>Change in Net Position</b>	<b>\$ 11,554,793</b>	<b>\$ 25,634,842</b>	<b>\$ 27,784,161</b>	<b>\$ 36,071,104</b>	<b>\$ 43,014,789</b>	<b>\$ 28,623,598</b>	<b>\$ 44,970,393</b>

1 - Includes leachate and Navy revenues; excludes system development charge revenues  
 2 - FY 2023 value includes \$12.4 million of ARPA funds which was used to offset debt service coverage requirements  
 3 - Operational efficiencies related to Ukudu treatment plant are reflected in FY 2026 and beyond  
 4 - Capitalized labor, which does not represent a cash impact, is not included in this calculation of annual net cash flow  
 5 - Excludes bad debt expense since this line item is included as an offset to rate revenues (per audited financials)  
 6 - Fees and interest expense have been estimated based on preliminary CIP expenditure forecasts and input from GWA's financial advisor; subject to change  
 7 - Includes retiree COLA and end-of-year pension and OPEB adjustments  
 8 - Includes forecasted interest expense for the Commercial Paper program and debt service on \$215 million take-out bonds at beginning of FY 2028

**Schedule B-1**

Rate Revenues and Billing Determinants by Class, Forecast Year #1

<b>FY 2025</b>	<b>Customer Accounts<sup>1</sup></b>	<b>Volume (kgals)<sup>2</sup></b>	<b>Base Charge Revenues</b>	<b>Volume Revenues</b>	<b>Surcharge Revenues</b>	<b>Total Revenues</b>
<b>Water System</b>						
Residential	40,530	1,701,052	\$ 19,385,243	\$ 5,961,735	\$ 678,484	\$ 26,025,462
Residential (lifeline)		1,472,552		27,657,157	968,000	28,625,158
Commercial 1+	2,456	600,252	1,684,099	14,012,832	549,393	16,246,323
Commercial 2-	22	54,840	50,146	1,280,225	46,563	1,376,933
Commercial 3	282	127,408	209,435	2,974,326	111,432	3,295,192
Hotels	54	573,258	183,243	13,382,675	474,807	14,040,725
Government	362	514,378	456,760	12,008,119	436,271	12,901,150
Agriculture	325	47,721	164,212	357,850	18,272	540,335
Irrigation	33	3,727	22,473	28,918	1,799	53,190
<b>Subtotal, Billed Revenues</b>	<b>44,064</b>	<b>5,095,188</b>	<b>\$ 22,155,610</b>	<b>\$ 77,663,837</b>	<b>\$ 3,285,020</b>	<b>\$ 103,104,467</b>
Adjustments <sup>3</sup>						(1,502,986)
<b>Water Revenues</b>						<b>\$ 101,601,481</b>
<b>Wastewater System</b>						
Residential <sup>4</sup>	28,623	-	\$ 11,022,760	\$ -	\$ -	\$ 11,022,760
Commercial 1+	1,925	371,410	-	4,780,290	167,310	4,947,600
Commercial 2-	19	43,727	-	1,370,972	47,984	1,418,956
Commercial 3	271	98,611	-	4,287,069	150,047	4,437,116
Hotels	50	376,799	-	11,813,757	413,481	12,227,238
Government	263	384,591	-	7,077,386	247,709	7,325,095
Leachate	2	30,000	-	569,700	19,940	589,640
Navy		561,000	-	10,339,230	361,873	10,701,103
<b>Subtotal, Billed Revenues</b>	<b>31,153</b>	<b>1,866,138</b>	<b>\$ 11,022,760</b>	<b>\$ 40,238,404</b>	<b>\$ 1,408,344</b>	<b>\$ 52,669,507</b>
Adjustments <sup>3</sup>						(767,780)
<b>Wastewater Revenues</b>						<b>\$ 51,901,727</b>
<b>System Rate Revenues</b>						<b>\$ 153,503,208</b>

1 - Average number of customers billed monthly during the fiscal year

2 - The government customer class excludes consumption attributed to GWA (i.e., non-revenue accounts)

3 - Forecasted revenue adjustments applied proportionately to water and wastewater revenues

4 - Residential accounts include the number of multi-family units that receive the residential base charge



**Schedule B-2**

Rate Revenues and Billing Determinants by Class, Forecast Year #2

<b>FY 2026</b>	<b>Customer Accounts<sup>1</sup></b>	<b>Volume (kgals)<sup>2</sup></b>	<b>Base Charge Revenues</b>	<b>Volume Revenues</b>	<b>Surcharge Revenues</b>	<b>Total Revenues</b>
<b>Water System</b>						
Residential	40,727	1,684,535	\$ 21,914,262	\$ 6,643,931	\$ 701,256	\$ 29,259,449
Residential (lifeline)		1,458,254		30,824,926	986,398	31,811,324
Commercial 1+	2,462	591,639	1,897,897	15,542,679	558,098	17,998,674
Commercial 2-	22	52,413	56,415	1,376,914	45,867	1,479,196
Commercial 3	282	125,592	235,624	3,299,375	113,120	3,648,120
Hotels	54	593,752	206,153	15,598,190	505,739	16,310,081
Government	363	516,186	514,402	13,560,478	450,396	14,525,276
Agriculture	325	47,041	184,741	396,904	18,613	600,257
Irrigation	33	3,674	25,283	32,101	1,836	59,221
<b>Subtotal, Billed Revenues</b>	<b>44,268</b>	<b>5,073,086</b>	<b>\$ 25,034,777</b>	<b>\$ 87,275,498</b>	<b>\$ 3,381,323</b>	<b>\$ 115,691,598</b>
Adjustments <sup>3</sup>						(1,684,962)
<b>Water Revenues</b>						<b>\$ 114,006,635</b>
<b>Wastewater System</b>						
Residential <sup>4</sup>	28,720	-	\$ 12,443,489	\$ -	\$ -	\$ 12,443,489
Commercial 1+	1,932	366,081	-	5,303,864	169,724	5,473,587
Commercial 2-	19	41,792	-	1,474,304	47,178	1,521,482
Commercial 3	271	97,205	-	4,754,953	152,159	4,907,112
Hotels	50	390,270	-	13,767,559	440,562	14,208,121
Government	263	385,943	-	7,992,451	255,758	8,248,209
Leachate	2	30,000	-	641,100	20,515	661,615
Navy		572,220	-	11,867,843	379,771	12,247,614
<b>Subtotal, Billed Revenues</b>	<b>31,257</b>	<b>1,883,511</b>	<b>\$ 12,443,489</b>	<b>\$ 45,802,073</b>	<b>\$ 1,465,666</b>	<b>\$ 59,711,229</b>
Adjustments <sup>3</sup>						(869,650)
<b>Wastewater Revenues</b>						<b>\$ 58,841,579</b>
<b>System Rate Revenues</b>						<b>\$ 172,848,214</b>

1 - Average number of customers billed monthly during the fiscal year

2 - The government customer class excludes consumption attributed to GWA (i.e., non-revenue accounts)

3 - Forecasted revenue adjustments applied proportionately to water and wastewater revenues

4 - Residential accounts include the number of multi-family units that receive the residential base charge

**Schedule B-3**

Rate Revenues and Billing Determinants by Class, Forecast Year #3

<b>FY 2027</b>	<b>Customer Accounts<sup>1</sup></b>	<b>Volume (kgals)<sup>2</sup></b>	<b>Base Charge Revenues</b>	<b>Volume Revenues</b>	<b>Surcharge Revenues</b>	<b>Total Revenues</b>
<b>Water System</b>						
Residential	40,926	1,678,804	\$ 24,224,883	\$ 6,621,327	\$ 726,746	\$ 31,572,957
Residential (lifeline)		1,453,293		33,796,415	1,013,892	34,810,308
Commercial 1+	2,467	585,134	2,090,774	16,914,215	570,150	19,575,139
Commercial 2-	22	50,290	62,058	1,453,716	45,473	1,561,247
Commercial 3	282	124,274	259,205	3,592,322	115,546	3,967,073
Hotels	54	617,205	226,771	17,841,297	542,042	18,610,110
Government	365	521,365	567,037	15,070,890	469,138	16,107,065
Agriculture	325	46,547	203,242	432,242	19,065	654,549
Irrigation	33	3,636	27,814	34,959	1,883	64,656
<b>Subtotal, Billed Revenues</b>	<b>44,474</b>	<b>5,080,548</b>	<b>\$ 27,661,785</b>	<b>\$ 95,757,383</b>	<b>\$ 3,503,935</b>	<b>\$ 126,923,103</b>
Adjustments <sup>3</sup>						(1,856,642)
<b>Water Revenues</b>						<b>\$ 125,066,461</b>
<b>Wastewater System</b>						
Residential <sup>4</sup>	28,818	-	\$ 12,485,950	\$ -	\$ -	\$ 12,485,950
Commercial 1+	1,938	362,055	-	5,773,353	173,201	5,946,554
Commercial 2-	19	40,100	-	1,556,334	46,690	1,603,024
Commercial 3	271	96,185	-	5,175,625	155,269	5,330,894
Hotels	50	405,686	-	15,745,351	472,361	16,217,712
Government	263	389,816	-	8,882,251	266,468	9,148,718
Leachate	2	30,000	-	705,300	21,159	726,459
Navy		583,664	-	13,319,222	399,577	13,718,798
<b>Subtotal, Billed Revenues</b>	<b>31,361</b>	<b>1,907,506</b>	<b>\$ 12,485,950</b>	<b>\$ 51,157,436</b>	<b>\$ 1,534,723</b>	<b>\$ 65,178,108</b>
Adjustments <sup>3</sup>						(953,431)
<b>Wastewater Revenues</b>						<b>\$ 64,224,677</b>
<b>System Rate Revenues</b>						<b>\$ 189,291,138</b>

1 - Average number of customers billed monthly during the fiscal year

2 - The government customer class excludes consumption attributed to GWA (i.e., non-revenue accounts)

3 - Forecasted revenue adjustments applied proportionately to water and wastewater revenues

4 - Residential accounts include the number of multi-family units that receive the residential base charge

**Schedule B-4**

Rate Revenues and Billing Determinants by Class, Forecast Year #4

<b>FY 2028</b>	<b>Customer Accounts<sup>1</sup></b>	<b>Volume (kgals)<sup>2</sup></b>	<b>Base Charge Revenues</b>	<b>Volume Revenues</b>	<b>Surcharge Revenues</b>	<b>Total Revenues</b>
<b>Water System</b>						
Residential	41,125	1,673,053	\$ 26,775,787	\$ 6,598,645	\$ 803,274	\$ 34,177,706
Residential (lifeline)		1,448,314		37,050,150	1,111,505	38,161,655
Commercial 1+	2,473	578,932	2,303,775	18,411,317	621,453	21,336,544
Commercial 2-	22	48,253	68,265	1,534,565	48,085	1,650,915
Commercial 3	282	122,969	285,133	3,910,677	125,874	4,321,684
Hotels	54	641,585	249,452	20,403,834	619,599	21,272,885
Government	366	525,146	624,400	16,700,825	519,757	17,844,981
Agriculture	325	46,059	223,594	470,474	20,822	714,890
Irrigation	33	3,597	30,596	38,076	2,060	70,732
<b>Subtotal, Billed Revenues</b>	<b>44,680</b>	<b>5,087,908</b>	<b>\$ 30,561,002</b>	<b>\$ 105,118,562</b>	<b>\$ 3,872,428</b>	<b>\$ 139,551,992</b>
Adjustments <sup>3</sup>						(2,045,066)
<b>Water Revenues</b>						<b>\$ 137,506,926</b>
<b>Wastewater System</b>						
Residential <sup>4</sup>	28,917	-	\$ 12,528,843	\$ -	\$ -	\$ 12,528,843
Commercial 1+	1,945	358,218	-	6,284,447	188,533	6,472,980
Commercial 2-	19	38,476	-	1,642,748	49,282	1,692,031
Commercial 3	271	95,175	-	5,633,504	169,005	5,802,509
Hotels	50	421,710	-	18,005,285	540,159	18,545,443
Government	263	392,643	-	9,844,468	295,334	10,139,802
Leachate	2	30,000	-	776,100	23,283	799,383
Navy		595,338	-	14,948,929	448,468	15,397,397
<b>Subtotal, Billed Revenues</b>	<b>31,467</b>	<b>1,931,559</b>	<b>\$ 12,528,843</b>	<b>\$ 57,135,482</b>	<b>\$ 1,714,064</b>	<b>\$ 71,378,389</b>
Adjustments <sup>3</sup>						(1,046,015)
<b>Wastewater Revenues</b>						<b>\$ 70,332,374</b>
<b>System Rate Revenues</b>						<b>\$ 207,839,301</b>

1 - Average number of customers billed monthly during the fiscal year

2 - The government customer class excludes consumption attributed to GWA (i.e., non-revenue accounts)

3 - Forecasted revenue adjustments applied proportionately to water and wastewater revenues

4 - Residential accounts include the number of multi-family units that receive the residential base charge

**Schedule B-5**

Rate Revenues and Billing Determinants by Class, Forecast Year #5

<b>FY 2029</b>	<b>Customer Accounts<sup>1</sup></b>	<b>Volume (kgals)<sup>2</sup></b>	<b>Base Charge Revenues</b>	<b>Volume Revenues</b>	<b>Surcharge Revenues</b>	<b>Total Revenues</b>
<b>Water System</b>						
Residential	41,325	1,667,323	\$ 29,595,776	\$ 6,576,045	\$ 887,873	\$ 37,059,695
Residential (lifeline)		1,443,354		40,627,113	1,218,813	41,845,926
Commercial 1+	2,479	572,792	2,538,490	20,040,524	677,370	23,256,384
Commercial 2-	22	46,299	75,093	1,619,888	50,849	1,745,830
Commercial 3	282	121,677	313,657	4,257,183	137,125	4,707,966
Hotels	54	666,928	274,400	23,334,094	708,255	24,316,748
Government	367	528,951	687,564	18,506,637	575,826	19,770,027
Agriculture	325	45,575	245,969	512,406	22,751	781,126
Irrigation	33	3,560	33,657	41,444	2,253	77,354
<b>Subtotal, Billed Revenues</b>	<b>44,887</b>	<b>5,096,458</b>	<b>\$ 33,764,607</b>	<b>\$ 115,515,333</b>	<b>\$ 4,281,117</b>	<b>\$ 153,561,057</b>
Adjustments <sup>3</sup>						(2,251,682)
<b>Water Revenues</b>						<b>\$ 151,309,375</b>
<b>Wastewater System</b>						
Residential <sup>4</sup>	29,016	-	\$ 12,571,737	\$ -	\$ -	\$ 12,571,737
Commercial 1+	1,952	354,419	-	6,840,640	205,219	7,045,859
Commercial 2-	19	36,917	-	1,733,986	52,020	1,786,006
Commercial 3	271	94,176	-	6,131,976	183,959	6,315,935
Hotels	50	438,368	-	20,589,894	617,697	21,207,591
Government	263	395,487	-	10,910,920	327,328	11,238,247
Leachate	2	30,000	-	853,800	25,614	879,414
Navy		607,244	-	16,778,164	503,345	17,281,509
<b>Subtotal, Billed Revenues</b>	<b>31,573</b>	<b>1,956,611</b>	<b>\$ 12,571,737</b>	<b>\$ 63,839,379</b>	<b>\$ 1,915,181</b>	<b>\$ 78,326,297</b>
Adjustments <sup>3</sup>						(1,148,507)
<b>Wastewater Revenues</b>						<b>\$ 77,177,790</b>
<b>System Rate Revenues</b>						<b>\$ 228,487,165</b>

1 - Average number of customers billed monthly during the fiscal year

2 - The government customer class excludes consumption attributed to GWA (i.e., non-revenue accounts)

3 - Forecasted revenue adjustments applied proportionately to water and wastewater revenues

4 - Residential accounts include the number of multi-family units that receive the residential base charge

**Schedule C-1**

*Operating Expense by Major Cost Category*

	<i>Historical Years</i>		<i>Current Year</i>	<i>Forecasted Years</i>				
	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
<b>Expense Category</b>								
Power Purchases	\$ 18,577,440	\$ 24,397,961	\$ 21,843,028	\$ 25,665,944	\$ 23,868,000	\$ 23,868,000	\$ 23,868,000	\$ 23,868,000
Water Purchases	5,656,471	7,038,954	5,900,000	6,515,000	6,251,000	6,207,000	5,756,000	5,756,000
Salaries & Benefits	25,891,396	27,272,268	29,705,247	33,886,181	35,953,228	37,330,583	38,924,275	40,547,721
Admin & General	7,956,423	9,023,292	9,687,858	13,666,252	14,423,571	15,050,682	15,708,195	16,397,982
Contractual Expense	4,492,845	5,575,264	7,464,494	9,516,803	10,049,511	10,305,997	10,077,369	10,334,691
Retiree Expense	8,864,985	3,560,495	3,755,617	4,495,403	4,623,703	4,759,489	4,902,860	5,053,931
<b>O&amp;M Subtotal, Cash Basis</b>	<b>\$ 71,439,560</b>	<b>\$ 76,868,234</b>	<b>\$ 78,356,244</b>	<b>\$ 93,745,582</b>	<b>\$ 95,169,013</b>	<b>\$ 97,521,750</b>	<b>\$ 99,236,699</b>	<b>\$ 101,958,324</b>
<b>Budget Adjustments</b>								
+ Depreciation	28,462,573	30,768,912	28,817,076	29,166,924	29,738,571	30,493,808	31,248,890	32,100,460
- Capitalized Labor <sup>1</sup>	(3,699,767)	(3,075,928)	(4,159,140)	(4,405,203)	(4,673,920)	(4,852,976)	(5,060,156)	(5,271,204)
+ Bad Debt Expense <sup>2</sup>	2,028,510	421,467	2,262,236	3,067,628	3,449,987	3,771,973	4,134,629	4,537,933
<b>Budgeted Annual O&amp;M Subtotal</b>	<b>\$ 96,202,366</b>	<b>\$ 104,561,217</b>	<b>\$ 105,276,415</b>	<b>\$ 121,574,931</b>	<b>\$ 123,683,651</b>	<b>\$ 126,934,555</b>	<b>\$ 129,560,063</b>	<b>\$ 133,325,513</b>

1 - Within GWA's operating budget, capitalized labor expense is credited against the Salaries & Budget line item

**Schedule C-2**

*Budgeted Operating Expense by Object Class*

	Current Year	Forecast Years				
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<b>Object Class</b>						
06 Water Purchases	\$ 5,900,000	\$ 6,515,000	\$ 6,251,000	\$ 6,207,000	\$ 5,756,000	\$ 5,756,000
07 Power Purchases	21,843,028	25,665,944	23,868,000	23,868,000	23,868,000	23,868,000
08 Salaries and Wages	21,906,726	24,180,694	25,722,784	26,762,582	27,959,212	29,114,911
09 Pension and Benefits	7,798,521	9,705,486	10,230,444	10,568,001	10,965,063	11,432,810
10 Capitalized Labor and Benefits	(4,159,140)	(4,405,203)	(4,673,920)	(4,852,976)	(5,060,156)	(5,271,204)
11 Sludge removal	335,916	692,489	710,214	731,521	753,466	776,070
12 Chemicals	1,919,331	4,224,183	4,513,030	4,648,420	4,787,873	4,931,509
13 Materials & Supplies	2,484,994	2,834,093	2,992,139	3,210,667	3,440,777	3,683,118
14 Transportation	774,960	852,456	937,702	1,031,472	1,134,619	1,248,081
15 Communications	159,211	133,090	238,912	246,080	253,462	261,066
16 Claims	179,000	245,000	252,350	259,921	267,718	275,750
17 Insurance	1,936,000	1,963,000	1,963,000	2,021,890	2,082,547	2,145,023
18 Training & Travel	201,154	779,539	840,011	865,212	891,168	917,903
19 Advertising	134,385	274,867	287,117	295,730	304,602	313,740
20 Miscellaneous	1,343,906	1,439,035	1,450,621	1,494,140	1,538,964	1,585,133
21 Regulatory Expense	219,000	228,500	238,475	245,629	252,998	260,588
22 Bad Debts Provision	2,262,236	3,067,628	3,449,987	3,771,973	4,134,629	4,537,933
23 Depreciation Expense	28,817,076	29,166,924	29,738,571	30,493,808	31,248,890	32,100,460
24 Audit & Computer Maint.	1,989,257	3,077,463	3,135,008	3,229,058	3,325,930	3,425,708
25 Building rental	603,165	668,772	705,372	726,533	748,329	770,779
26 Equipment rental	561,291	695,117	753,950	776,568	799,865	823,861
27 Legal	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
28 Laboratory	525,950	426,255	654,055	673,677	693,887	714,704
29 Other	2,284,832	3,149,196	3,301,126	3,400,160	3,009,358	3,099,639
30 Retiree annuities & health care	3,039,968	3,793,903	3,915,188	4,043,889	4,180,103	4,323,948
31 Retiree COLA	715,649	701,500	708,515	715,600	722,756	729,984
<b>O&amp;M Subtotal</b>	<b>\$ 105,276,415</b>	<b>\$ 121,574,931</b>	<b>\$ 123,683,651</b>	<b>\$ 126,934,555</b>	<b>\$ 129,560,063</b>	<b>\$ 133,325,513</b>

**Schedule D**

*Navy Water Purchases*

	<i>Historical</i>	<i>Current Year</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>
	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
<b>Navy Contract (FENA)</b>							
Purchased Water (Kgals)	590,939	491,132	550,000	526,000	522,000	481,000	481,000
Rate per Kgal	\$11.13	\$11.20	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00
Percent Change in Rate		0.6%	-1.8%	0.0%	0.0%	0.0%	0.0%
Water Purchase Costs	\$ 6,579,117	\$ 5,500,678	\$ 6,050,000	\$ 5,786,000	\$ 5,742,000	\$ 5,291,000	\$ 5,291,000
Other Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Water Purchases</b>	<b>\$ 6,579,117</b>	<b>\$ 5,500,678</b>	<b>\$ 6,050,000</b>	<b>\$ 5,786,000</b>	<b>\$ 5,742,000</b>	<b>\$ 5,291,000</b>	<b>\$ 5,291,000</b>
<b>Other Contract</b>							
Purchased Sewer (Kgals)	13,567	12,709	15,000	15,000	15,000	15,000	15,000
Rate per Kgal	\$33.71	\$31.42	\$31.00	\$31.00	\$31.00	\$31.00	\$31.00
Percent Change in Rate		-6.8%	-1.3%	0.0%	0.0%	0.0%	0.0%
<b>Sewer Purchase Costs</b>	<b>\$ 457,290</b>	<b>\$ 399,325</b>	<b>\$ 465,000</b>	<b>\$ 465,000</b>	<b>\$ 465,000</b>	<b>\$ 465,000</b>	<b>\$ 465,000</b>
<b>Total Purchases</b>	<b>\$ 7,036,407</b>	<b>\$ 5,900,003</b>	<b>\$ 6,515,000</b>	<b>\$ 6,251,000</b>	<b>\$ 6,207,000</b>	<b>\$ 5,756,000</b>	<b>\$ 5,756,000</b>

**Schedule E**

*Sources and Uses of Funds, Capital Improvement Program*

	Forecast Years						
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	TOTAL	%
<b>Capital Program by Element</b>							
Water Production	\$ 29,597,345	\$ 19,143,743	\$ 20,113,701	\$ 24,275,381	\$ 9,624,448	\$ 102,754,617	11.4%
Water Treatment	8,797,915	18,711,176	21,799,340	22,671,313	29,904,761	101,884,505	11.3%
Water Distribution	15,456,100	49,767,698	54,462,816	62,888,416	20,534,486	203,109,517	22.6%
Water Storage	5,660,642	3,669,633	1,581,554	1,119,207	13,900,805	25,931,842	2.9%
Water System Subtotal	\$ 59,512,002	\$ 91,292,250	\$ 97,957,411	\$ 110,954,318	\$ 73,964,500	\$ 433,680,480	
Wastewater Collection	45,055,515	63,165,723	56,863,283	57,148,000	46,148,421	268,380,943	29.9%
Wastewater Treatment	2,334,478	3,374,591	6,326,499	26,095,770	23,949,402	62,080,740	6.9%
Wastewater System Subtotal	\$ 47,389,993	\$ 66,540,315	\$ 63,189,782	\$ 83,243,770	\$ 70,097,823	\$ 330,461,683	
Electrical, Monitoring & Control	6,617,663	12,706,711	7,011,836	3,948,423	6,152,564	36,437,196	4.1%
General Plant	29,392,031	18,269,942	20,611,675	14,745,943	15,134,438	98,154,030	10.9%
<b>Total CIP<sup>1</sup></b>	<b>\$ 142,911,688</b>	<b>\$ 188,809,218</b>	<b>\$ 188,770,704</b>	<b>\$ 212,892,454</b>	<b>\$ 165,349,325</b>	<b>\$ 898,733,389</b>	<b>100.0%</b>

<b>Proposed Funding Sources</b>							
Reserves & Previous Bond Proceeds	\$ 9,905,702	\$ -	\$ -	\$ -	\$ -	\$ 9,905,702	1.0%
USEPA SRF Grants	27,000,000	27,000,000	27,000,000	4,000,000	4,000,000	89,000,000	8.9%
System Development Charge Revenues	750,000	750,000	750,000	750,000	750,000	3,750,000	0.4%
Proceeds from New Revenue Bonds	250,000,000	-	310,000,000	-	220,000,000	780,000,000	78.2%
IFCIP Transfers	15,000,000	20,000,000	20,000,000	25,000,000	35,000,000	115,000,000	11.5%
Used (Unused) Funding Sources <sup>2</sup>	(159,744,014)	141,059,218	(168,979,296)	183,142,454	(94,400,675)	(98,922,314)	
<b>Total Funding Sources</b>	<b>\$ 142,911,688</b>	<b>\$ 188,809,218</b>	<b>\$ 188,770,704</b>	<b>\$ 212,892,454</b>	<b>\$ 165,349,325</b>	<b>\$ 898,733,389</b>	<b>100.0%</b>

1 - Estimated projects costs in nominal dollars; subject to change based on project procurement and construction market conditions

2 - Approximately \$98.9 million will remain for projects beyond FY 2029 (i.e. GWA has employed a 2-year bond sizing protocol)



**Schedule F**

*Debt Service and Other Financing Charges*

	Historical	Current	Forecast	Forecast	Forecast	Forecast	Forecast
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<b>Issuance</b>							
<b>2013 Revenue Bonds</b>							
Principal	\$ 3,145,000	\$ 3,315,000	\$ 3,485,000	\$ 3,670,000	\$ 3,850,000	\$ 4,045,000	\$ -
Interest	1,100,363	935,250	761,213	578,250	394,750	202,250	-
<b>Total Payment</b>	<b>\$ 4,245,363</b>	<b>\$ 4,250,250</b>	<b>\$ 4,246,213</b>	<b>\$ 4,248,250</b>	<b>\$ 4,244,750</b>	<b>\$ 4,247,250</b>	<b>\$ -</b>
<b>2014 Refunding Revenue Bonds</b>							
Principal	\$ 4,005,000	\$ 4,205,000	\$ 4,410,000	\$ 4,630,000	\$ 4,865,000	\$ 5,110,000	\$ 5,365,000
Interest	3,202,750	3,002,500	2,792,250	2,571,750	2,340,250	2,097,000	1,841,500
<b>Total Payment</b>	<b>\$ 7,207,750</b>	<b>\$ 7,207,500</b>	<b>\$ 7,202,250</b>	<b>\$ 7,201,750</b>	<b>\$ 7,205,250</b>	<b>\$ 7,207,000</b>	<b>\$ 7,206,500</b>
<b>2016 Revenue Bonds</b>							
Principal	\$ 835,000	\$ 875,000	\$ 925,000	\$ 965,000	\$ 1,015,000	\$ 1,065,000	\$ 1,120,000
Interest	6,748,750	6,707,000	6,663,250	6,617,000	6,568,750	6,518,000	6,464,750
<b>Total Payment</b>	<b>\$ 7,583,750</b>	<b>\$ 7,582,000</b>	<b>\$ 7,588,250</b>	<b>\$ 7,582,000</b>	<b>\$ 7,583,750</b>	<b>\$ 7,583,000</b>	<b>\$ 7,584,750</b>
<b>2017 Refunding Revenue Bonds</b>							
Principal	\$ 2,250,000	\$ 2,365,000	\$ 2,485,000	\$ 2,610,000	\$ 2,740,000	\$ 2,875,000	\$ 3,015,000
Interest	5,159,000	5,046,500	4,928,250	4,804,000	4,673,500	4,536,500	4,392,750
<b>Total Payment</b>	<b>\$ 7,409,000</b>	<b>\$ 7,411,500</b>	<b>\$ 7,413,250</b>	<b>\$ 7,414,000</b>	<b>\$ 7,413,500</b>	<b>\$ 7,411,500</b>	<b>\$ 7,407,750</b>
<b>2020A Revenue Bonds</b>							
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	6,700,000	6,700,000	6,700,000	6,700,000	6,700,000	6,700,000	6,700,000
<b>Total Payment</b>	<b>\$ 6,700,000</b>	<b>\$ 6,700,000</b>	<b>\$ 6,700,000</b>	<b>\$ 6,700,000</b>	<b>\$ 6,700,000</b>	<b>\$ 6,700,000</b>	<b>\$ 6,700,000</b>
<b>2020B Refunding Revenue Bonds</b>							
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,260,000	\$ 6,175,000
Interest	5,890,815	5,890,815	5,890,815	5,890,815	5,890,815	5,890,815	5,856,165
<b>Total Payment</b>	<b>\$ 5,890,815</b>	<b>\$ 5,890,815</b>	<b>\$ 5,890,815</b>	<b>\$ 5,890,815</b>	<b>\$ 5,890,815</b>	<b>\$ 7,150,815</b>	<b>\$ 12,031,165</b>
Anticipated Refunding Savings		(279,834)	(758,213)	(758,750)	(761,250)	(757,250)	(477,000)
Capitalized Interest Proceeds		-	-	-	-	-	-
<b>Existing Debt Service</b>	<b>\$ 39,036,678</b>	<b>\$ 38,762,231</b>	<b>\$ 38,282,565</b>	<b>\$ 38,278,065</b>	<b>\$ 38,276,815</b>	<b>\$ 39,542,315</b>	<b>\$ 40,453,165</b>
<b>Other Debt</b>							
Proposed Debt Service		-	8,242,997	16,485,993	26,707,309	36,928,625	44,182,462
Interest, Commercial Paper Program		-	-	-	-	-	-
<b>Total Debt Service</b>	<b>\$ 39,036,678</b>	<b>\$ 38,762,231</b>	<b>\$ 46,525,561</b>	<b>\$ 54,764,058</b>	<b>\$ 64,984,124</b>	<b>\$ 76,470,940</b>	<b>\$ 84,635,627</b>

**Schedule G-1**

Internally Funded Capital Improvement Projects (IFCIP)

		Forecast Years				
		FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<b>Proposed IFCIP Amounts</b>						
Annual IFCIP Transfers from Operating Fund		\$ 15,000,000	\$ 20,000,000	\$ 20,000,000	\$ 25,000,000	\$ 35,000,000
<b>Projects Funded by IFCIP (subject to change)</b>						
MP-PW-Well-02	Well Equipment Overhaul	\$ 3,387,737	\$ 3,523,247	\$ -	\$ 3,810,744	\$ 2,476,983
MP-PW-Well-05	Wellhead Protection					948,989
MP-PW-Well-06	Well Repair		956,134	994,380	1,998,883	3,285,965
MP-PW-SWTP-04	Ugum SWTP 7-Year Improvement Project				1,988,214	2,067,743
MP-PW-Pipe-10	Miscellaneous Piping Projects	-	-	1,354,048	-	-
MP-PW-Pipe-11	Miscellaneous Piping Connections		168,851	175,605	182,629	189,935
MP-PW-Pipe-13	2-inch Pipe Replacement				1,109,592	1,794,120
MP-PW-Pipe-15	PRV Rehab and Replacement	-	-	2,214,679		-
MP-PW-Pipe-16	Valve Exercise, Repair, and Replacement	-	489,582	-	-	-
MP-PW-BPS-01	Rehabilitate and Replace BPSs	3,512,155	-	-	235,347	244,761
MP-WW-MH-01	Manhole Rehabilitation	-	507,714		549,144	571,109
MP-WW-Pipe-01	Gravity Pipe Rehabilitation/Replacement					10,093,952
MP-PW-Misc-02	Master Meter Implementation and Ongoing Meter Replacement				1,151,633	1,197,698
MP-Gen-Misc-01	GWA Engineering Systems Planning	-	3,093,376	-	2,737,469	1,631,741
MP-Gen-Misc-02A	WRMP Comprehensive Update & Water System Planning	-	-	-	2,039,677	2,121,263
MP-Gen-Misc-05	GWA Customer Service, Warehouse, Test Bench and Improvements	4,157,514	6,044,217	6,285,986	-	-
MP-Gen-Misc-06	GPWA Fleet Maintenance Facility	3,942,594	-	-	-	-
MP-Gen-Misc-07	Mobile Equipment Replacement	-	1,687,296	-	-	-
MP-Gen-Misc-08	General Plant Improvements	-	2,122,489	3,583,012	3,726,332	815,871
MP-PW-Misc-03	Hydrant Condition Assessment and Maintenance		1,407,094	1,463,378	1,521,913	1,407,306
MP-Gen-Misc-04	Monitoring: Information Technology Improvements	-	-	1,433,205	1,490,533	326,348
MP-Gen-Misc-03	Control: Surveying and Property Delineation	-	-		786,924	818,401
MP-Gen-Misc-09	Control: Security and Resilience	-	-		1,019,838	163,174
MP-Gen-EE-02	Electrical: SCADA Implementation Phase B – Additional Sites	-	-	2,495,707	-	4,167,468
MP-Gen-EE-03	Electrical: SCADA Implementation Phase C – Additional Instruments	-	-	-	651,128	677,173
<b>Total Project Costs</b>		<b>\$ 15,000,000</b>	<b>\$ 20,000,000</b>	<b>\$ 20,000,000</b>	<b>\$ 25,000,000</b>	<b>\$ 35,000,000</b>

**Schedule G-2**

Externally Funded Capital Improvement Projects (Grants)

		Forecast Years				
		FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<b>External Funding</b>						
SRF & DOD Grants		\$ 27,000,000	\$ 27,000,000	\$ 27,000,000	\$ 4,000,000	\$ 4,000,000
<b>Externally Funded Projects (subject to change)</b>						
MP-PW-Well-01	Well Rehabilitation			\$ 7,885,945		
MP-PW-Well 05	Wellhead Protection		618,675			
MP-PW-Well-08	PFAS Water Treatment Design & Construction	2,704,000				
MP-PW-Well-09	PFAS Well Transmission Main Design & Construction		5,624,320		-	-
MP-PW-Well-10	PFAS Well Pumps & Booster Stations	2,163,200				
MP-PW-SWTP-01	UGUM SWTP River Intake Cleaning Project	119,024				
MP-PW-SWTP-02	UGUM SWTP Intake Modification	3,203,900				
MP-PW-SWTP-04	Ugum SWTP 7-Year Improvement Project		1,838,216	1,911,744		-
MP-PW-Pipe-13	2-inch Pipe Replacement				1,037,163	1,061,427
MP-PW-Pipe-15	PRV Rehab & Replacement	2,047,595	2,129,499			-
MP-PW-Pipe-16	Valve Exercise, Repair, and Replacement	784,586		848,608	529,531	407,935
MP-PW-BPS-01	Rehabilitate and Replace BPS			226,295		
MP-WW-Pipe-01	Gravity Pipe Rehabilitation/Replacement		6,550,964	5,651,425		
MP-WW-Pipe-06	Rt.1 Dededo (Northern District Route 1 Capacity Replacement) Phase 1	581,392	3,125,260			
MP-WW-Pipe-28	CCTV Inspection, Assessment, Documentation, & Reporting	2,902,387				
MP-WW-FM-01	Force Main Rehabilitation/Replacement			7,141,886		
MP-WW-FM-02	Replace Yigo Lift Station Force Main	2,062,626				
MP-WW-FM-04	Hagatna WWTP Force Main Rehabilitation/Replacement	8,428,863				
MP-WW-MH-01	Manhole Rehabilitation	488,187				
MP-WW-Pump-01	Lift Station Rehabilitation/Replacement		2,249,728	2,339,717	2,433,306	2,530,638
MP-WW-Pump-02	Tumon Basin-Fujita Lift Station		3,963,447			
MP-WW-Misc-02	I/I and SSES Assessments	703,040				
MP-WW-Misc-03	Miscellaneous Wastewater Improvements	811,200	899,891	994,380		
<b>Total Project Costs</b>		<b>\$ 27,000,000</b>	<b>\$ 27,000,000</b>	<b>\$ 27,000,000</b>	<b>\$ 4,000,000</b>	<b>\$ 4,000,000</b>

**Schedule H**

*Other Revenues, Interest Revenues & Revenue Adjustments*

	Historical		Current	Forecast				
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<b>Other Revenues</b>								
Cash Short/Over	\$ 1,664	\$ (3,378)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
W- Illegal Connection	44,587	128,872	105,000	105,000	105,000	105,000	105,000	105,000
W- Install Fee	199,167	199,286	200,000	200,000	200,000	200,000	200,000	200,000
W- Reconnect Fee	106,040	96,665	100,000	100,000	100,000	100,000	100,000	100,000
W- NSF Checks	4,350	3,690	5,000	5,000	5,000	5,000	5,000	5,000
Miscellaneous (GSWA)	30,520	13,383	15,000	15,000	15,000	15,000	15,000	15,000
Rent - GTA lease	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000
Miscellaneous Admin	-	39,265	-	-	-	-	-	-
W- Account Analysis	10	40	-	-	-	-	-	-
W- Special Reading Fee	-	-	-	-	-	-	-	-
W- Inspect Fee	3,100	3,200	3,000	3,000	3,000	3,000	3,000	3,000
Honey - Bucket	48,050	59,145	60,000	60,000	60,000	60,000	60,000	60,000
Liquidated Damages	-	-	-	-	-	-	-	-
Special Damages	-	-	-	-	-	-	-	-
<b>Total Other Revenues</b>	<b>\$ 464,488</b>	<b>\$ 567,167</b>	<b>\$ 515,000</b>	<b>\$ 515,000</b>	<b>\$ 515,000</b>	<b>\$ 515,000</b>	<b>\$ 515,000</b>	<b>\$ 515,000</b>
<b>Interest Revenues &amp; Adjustments</b>								
Interest Revenues <sup>1</sup>	\$ 275,879	\$ 1,972,141	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Revenue Adjustments <sup>2</sup>	\$ (1,407,844)	\$ (3,044,250)	\$ (1,760,284)	\$ (2,270,766)	\$ (2,554,612)	\$ (2,810,073)	\$ (3,091,081)	\$ (3,400,189)

1 - Interest revenues on operating reserves and associated accounts

2 - Adjustment from billed to audited revenues (includes accruals, unbilled consumption, and other post-billing adjustments)

**Schedule I**

*Other Cash Flow Items*

	<i>Historical Years</i>		<i>Current Year</i>	<i>Forecast Years</i>				
	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
<b>Other Cash Flow Items</b>								
Rate Stabilization Transfers Out (In) <sup>1</sup>	\$ 5,750,000	\$ 5,650,000	\$ -	\$ -	\$ (2,500,000)	\$ (2,500,000)	\$ (2,500,000)	\$ (2,500,000)
ARPA Funding	-	12,400,000						
<b>Total Other Cash Flow Items</b>	<b>\$ 5,750,000</b>	<b>\$ 18,050,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (2,500,000)</b>	<b>\$ (2,500,000)</b>	<b>\$ (2,500,000)</b>	<b>\$ (2,500,000)</b>

1 - Rate stabilization transfers may vary based on actual financial performance and targeted debt service coverage

**Schedule J-1W**

Proof of Water System Revenues, Forecast Year #1

	Customer Class									
<b>FY 2025</b>	RES	COM-1	COM-2	COM-3	HOT	GOV	AG	IRR	TOTAL	
<b>BILLING DETERMINANTS</b>										
Water Demand (kgals)										
Tier 1 (up to 5 kgals)	1,701,052	600,252	54,840	127,408	573,258	514,378	47,721	3,727		
Tier 2 (above 5 kgals)	1,472,552	-	-	-	-	-	-	-		
Tier 3 (NA)	-	-	-	-	-	-	-	-		
<b>Subtotal</b>	<b>3,173,604</b>	<b>600,252</b>	<b>54,840</b>	<b>127,408</b>	<b>573,258</b>	<b>514,378</b>	<b>47,721</b>	<b>3,727</b>		<b>5,095,188</b>
Water Accounts by Meter Size										
3/4 inch	40,061	1,635	2	167	2	129	261	15		
1 inch	307	286	2	31	1	37	34	6		
1.5 inch	97	292	4	42	2	71	23	5		
2 inch	24	143	4	25	7	46	7	7		
3 inch	8	23	2	6	4	31	-	-		
4 inch	19	47	4	8	19	27	-	-		
6 inch	12	27	2	3	14	15	-	-		
8 inch	2	1	2	-	4	4	-	-		
10 inch	-	2	-	-	1	2	-	-		
12 inch	-	-	-	-	-	-	-	-		
<b>Subtotal</b>	<b>40,530</b>	<b>2,456</b>	<b>22</b>	<b>282</b>	<b>54</b>	<b>362</b>	<b>325</b>	<b>33</b>		<b>44,064</b>
<b>WATER RATES</b>										
Volumetric Rates										
Tier 1 (up to 5 kgals)	\$ 3.51	\$ 23.38	\$ 23.38	\$ 23.38	\$ 23.38	\$ 23.38	\$ 7.51	\$ 7.77		
Tier 2 (above 5 kgals)	\$ 18.81	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Tier 3 (NA)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Monthly Base Charges by Meter Size										
3/4 inch	\$ 39.50	\$ 39.50	\$ 39.50	\$ 39.50	\$ 39.50	\$ 39.50	\$ 38.16	\$ 39.50		
1 inch	\$ 46.10	\$ 46.10	\$ 46.10	\$ 46.10	\$ 46.10	\$ 46.10	\$ 44.54	\$ 46.10		
1.5 inch	\$ 72.32	\$ 72.32	\$ 72.32	\$ 72.32	\$ 72.32	\$ 72.32	\$ 69.90	\$ 72.32		
2 inch	\$ 92.12	\$ 92.12	\$ 92.12	\$ 92.12	\$ 92.12	\$ 92.12	\$ 89.01	\$ 92.12		
3 inch	\$ 164.54	\$ 164.54	\$ 164.54	\$ 164.54	\$ 164.54	\$ 164.54	\$ 159.01	\$ 164.54		
4 inch	\$ 230.33	\$ 230.33	\$ 230.33	\$ 230.33	\$ 230.33	\$ 230.33	\$ 222.54	\$ 230.33		
6 inch	\$ 427.73	\$ 427.73	\$ 427.73	\$ 427.73	\$ 427.73	\$ 427.73	\$ 413.27	\$ 427.73		
8 inch	\$ 625.13	\$ 625.13	\$ 625.13	\$ 625.13	\$ 625.13	\$ 625.13	\$ 603.98	\$ 625.13		
10 inch	\$ 855.47	\$ 855.47	\$ 855.47	\$ 855.47	\$ 855.47	\$ 855.47	\$ 826.53	\$ 855.47		
12 inch	\$ 1,019.92	\$ 1,019.92	\$ 1,019.92	\$ 1,019.92	\$ 1,019.92	\$ 1,019.92	\$ 985.41	\$ 1,019.92		
<b>WATER RATE REVENUES</b>										
Volume Revenues										
Tier 1 (up to 5 kgals)	\$ 5,970,691	\$ 14,033,882	\$ 1,282,148	\$ 2,978,794	\$ 13,402,779	\$ 12,026,159	\$ 358,388	\$ 28,962		
Tier 2 (above 5 kgals)	27,698,705	-	-	-	-	-	-	-		
Tier 3 (NA)	-	-	-	-	-	-	-	-		
<b>Subtotal</b>	<b>\$ 33,669,396</b>	<b>\$ 14,033,882</b>	<b>\$ 1,282,148</b>	<b>\$ 2,978,794</b>	<b>\$ 13,402,779</b>	<b>\$ 12,026,159</b>	<b>\$ 358,388</b>	<b>\$ 28,962</b>		<b>\$ 77,780,508</b>
Base Charge Revenues										
3/4 inch	\$ 18,988,914	\$ 774,990	\$ 948	\$ 79,158	\$ 948	\$ 61,146	\$ 119,517	\$ 7,110		
1 inch	169,832	158,215	1,106	17,149	553	20,468	18,172	3,319		
1.5 inch	84,180	253,409	3,471	36,449	1,736	61,617	19,292	4,339		
2 inch	26,531	158,078	4,422	27,636	7,738	50,850	7,477	7,738		
3 inch	15,796	45,413	3,949	11,847	7,898	61,209	-	-		
4 inch	52,515	129,906	11,056	22,112	52,515	74,627	-	-		
6 inch	61,593	138,585	10,266	15,398	71,859	76,991	-	-		
8 inch	15,003	7,502	15,003	-	30,006	30,006	-	-		
10 inch	-	20,531	-	-	10,266	20,531	-	-		
12 inch	-	-	-	-	-	-	-	-		
<b>Subtotal</b>	<b>\$ 19,414,365</b>	<b>\$ 1,686,629</b>	<b>\$ 50,221</b>	<b>\$ 209,749</b>	<b>\$ 183,519</b>	<b>\$ 457,446</b>	<b>\$ 164,459</b>	<b>\$ 22,506</b>		<b>\$ 22,188,894</b>
<b>FORECAST CALIBRATION</b>										
Calibration factor <sup>1</sup>	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%		
Calibrated Revenues	\$ 53,004,135	\$ 15,696,930	\$ 1,330,370	\$ 3,183,761	\$ 13,565,918	\$ 12,464,879	\$ 522,062	\$ 51,391		<b>\$ 99,819,447</b>
<b>LEGISLATIVE SURCHARGE</b>										
Surcharge	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%		
Surcharge Revenues	\$ 1,646,484	\$ 549,393	\$ 46,563	\$ 111,432	\$ 474,807	\$ 436,271	\$ 18,272	\$ 1,799		<b>\$ 3,285,020</b>
<b>Totals by Class</b>	<b>\$ 54,650,619</b>	<b>\$ 16,246,323</b>	<b>\$ 1,376,933</b>	<b>\$ 3,295,192</b>	<b>\$ 14,040,725</b>	<b>\$ 12,901,150</b>	<b>\$ 540,335</b>	<b>\$ 53,190</b>		<b>\$ 103,104,467</b>

1 - Adjustment factor calibrates historical billing determinants and actual revenue performance with predicted results from the RAM's revenue forecasting module; this adjustment primarily accounts for partial bills that occur within the billing data (move-ins and move-outs)

**Schedule J-2W**

Proof of Water System Revenues, Forecast Year #2

	Customer Class									
<b>FY 2026</b>	RES	COM-1	COM-2	COM-3	HOT	GOV	AG	IRR	TOTAL	
<b>BILLING DETERMINANTS</b>										
Water Demand (kgals)										
Tier 1 (up to 5 kgals)	1,684,535	591,639	52,413	125,592	593,752	516,186	47,041	3,674		
Tier 2 (above 5 kgals)	1,458,254	-	-	-	-	-	-	-		
Tier 3 (NA)	-	-	-	-	-	-	-	-		
<b>Subtotal</b>	<b>3,142,788</b>	<b>591,639</b>	<b>52,413</b>	<b>125,592</b>	<b>593,752</b>	<b>516,186</b>	<b>47,041</b>	<b>3,674</b>		<b>5,073,086</b>
Water Accounts by Meter Size										
3/4 inch	40,261	1,641	2	167	2	130	261	15		
1 inch	304	286	2	31	1	37	34	6		
1.5 inch	97	292	4	42	2	71	23	5		
2 inch	24	143	4	25	7	46	7	7		
3 inch	8	23	2	6	4	31	-	-		
4 inch	19	47	4	8	19	27	-	-		
6 inch	12	27	2	3	14	15	-	-		
8 inch	2	1	2	-	4	4	-	-		
10 inch	-	2	-	-	1	2	-	-		
12 inch	-	-	-	-	-	-	-	-		
<b>Subtotal</b>	<b>40,727</b>	<b>2,462</b>	<b>22</b>	<b>282</b>	<b>54</b>	<b>363</b>	<b>325</b>	<b>33</b>		<b>44,268</b>
<b>WATER RATES</b>										
Volumetric Rates										
Tier 1 (up to 5 kgals)	\$ 3.95	\$ 26.31	\$ 26.31	\$ 26.31	\$ 26.31	\$ 26.31	\$ 8.45	\$ 8.75		
Tier 2 (above 5 kgals)	\$ 21.17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Tier 3 (NA)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Monthly Base Charges by Meter Size										
3/4 inch	\$ 44.44	\$ 44.44	\$ 44.44	\$ 44.44	\$ 44.44	\$ 44.44	\$ 42.93	\$ 44.44		
1 inch	\$ 51.87	\$ 51.87	\$ 51.87	\$ 51.87	\$ 51.87	\$ 51.87	\$ 50.11	\$ 51.87		
1.5 inch	\$ 81.36	\$ 81.36	\$ 81.36	\$ 81.36	\$ 81.36	\$ 81.36	\$ 78.64	\$ 81.36		
2 inch	\$ 103.64	\$ 103.64	\$ 103.64	\$ 103.64	\$ 103.64	\$ 103.64	\$ 100.14	\$ 103.64		
3 inch	\$ 185.11	\$ 185.11	\$ 185.11	\$ 185.11	\$ 185.11	\$ 185.11	\$ 178.89	\$ 185.11		
4 inch	\$ 259.13	\$ 259.13	\$ 259.13	\$ 259.13	\$ 259.13	\$ 259.13	\$ 250.36	\$ 259.13		
6 inch	\$ 481.20	\$ 481.20	\$ 481.20	\$ 481.20	\$ 481.20	\$ 481.20	\$ 464.93	\$ 481.20		
8 inch	\$ 703.28	\$ 703.28	\$ 703.28	\$ 703.28	\$ 703.28	\$ 703.28	\$ 679.48	\$ 703.28		
10 inch	\$ 962.41	\$ 962.41	\$ 962.41	\$ 962.41	\$ 962.41	\$ 962.41	\$ 929.85	\$ 962.41		
12 inch	\$ 1,147.41	\$ 1,147.41	\$ 1,147.41	\$ 1,147.41	\$ 1,147.41	\$ 1,147.41	\$ 1,108.59	\$ 1,147.41		
<b>WATER RATE REVENUES</b>										
Volume Revenues										
Tier 1 (up to 5 kgals)	\$ 6,653,912	\$ 15,566,028	\$ 1,378,982	\$ 3,304,332	\$ 15,621,622	\$ 13,580,849	\$ 397,500	\$ 32,150		
Tier 2 (above 5 kgals)	30,871,233	-	-	-	-	-	-	-		
Tier 3 (NA)	-	-	-	-	-	-	-	-		
<b>Subtotal</b>	<b>\$ 37,525,144</b>	<b>\$ 15,566,028</b>	<b>\$ 1,378,982</b>	<b>\$ 3,304,332</b>	<b>\$ 15,621,622</b>	<b>\$ 13,580,849</b>	<b>\$ 397,500</b>	<b>\$ 32,150</b>		<b>\$ 87,406,608</b>
Base Charge Revenues										
3/4 inch	\$ 21,470,386	\$ 875,112	\$ 1,067	\$ 89,058	\$ 1,067	\$ 69,326	\$ 134,457	\$ 7,999		
1 inch	189,222	178,018	1,245	19,296	622	23,030	20,445	3,735		
1.5 inch	94,703	285,085	3,905	41,005	1,953	69,319	21,705	4,882		
2 inch	29,848	177,846	4,975	31,092	8,706	57,209	8,412	8,706		
3 inch	17,771	51,090	4,443	13,328	8,885	68,861	-	-		
4 inch	59,082	146,149	12,438	24,876	59,082	83,958	-	-		
6 inch	69,293	155,909	11,549	17,323	80,842	86,616	-	-		
8 inch	16,879	8,439	16,879	-	33,757	33,757	-	-		
10 inch	-	23,098	-	-	11,549	23,098	-	-		
12 inch	-	-	-	-	-	-	-	-		
<b>Subtotal</b>	<b>\$ 21,947,183</b>	<b>\$ 1,900,748</b>	<b>\$ 56,500</b>	<b>\$ 235,978</b>	<b>\$ 206,462</b>	<b>\$ 515,175</b>	<b>\$ 185,018</b>	<b>\$ 25,321</b>		<b>\$ 25,072,385</b>
<b>FORECAST CALIBRATION</b>										
Calibration factor <sup>1</sup>	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%		
Calibrated Revenues	\$ 59,383,119	\$ 17,440,576	\$ 1,433,329	\$ 3,535,000	\$ 15,804,343	\$ 14,074,880	\$ 581,644	\$ 57,385		<b>\$ 112,310,275</b>
<b>LEGISLATIVE SURCHARGE</b>										
Surcharge	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%		
Surcharge Revenues	\$ 1,687,654	\$ 558,098	\$ 45,867	\$ 113,120	\$ 505,739	\$ 450,396	\$ 18,613	\$ 1,836		<b>\$ 3,381,323</b>
<b>Totals by Class</b>	<b>\$ 61,070,773</b>	<b>\$ 17,998,674</b>	<b>\$ 1,479,196</b>	<b>\$ 3,648,120</b>	<b>\$ 16,310,081</b>	<b>\$ 14,525,276</b>	<b>\$ 600,257</b>	<b>\$ 59,221</b>		<b>\$ 115,691,598</b>

1 - Adjustment factor calibrates historical billing determinants and actual revenue performance with predicted results from the RAM's revenue forecasting module; this adjustment primarily accounts for partial bills that occur within the billing data (move-ins and move-outs)

**Schedule J-3W**

Proof of Water System Revenues, Forecast Year #3

	Customer Class									TOTAL	
	RES	COM-1	COM-2	COM-3	HOT	GOV	AG	IRR			
<b>FY 2027</b>											
<b>BILLING DETERMINANTS</b>											
Water Demand (kgals)											
Tier 1 (up to 5 kgals)	1,678,804	585,134	50,290	124,274	617,205	521,365	46,547	3,636			
Tier 2 (above 5 kgals)	1,453,293	-	-	-	-	-	-	-			
Tier 3 (NA)	-	-	-	-	-	-	-	-			
<b>Subtotal</b>	<b>3,132,096</b>	<b>585,134</b>	<b>50,290</b>	<b>124,274</b>	<b>617,205</b>	<b>521,365</b>	<b>46,547</b>	<b>3,636</b>		<b>5,080,548</b>	
Water Accounts by Meter Size											
3/4 inch	40,463	1,646	2	167	2	132	261	15			
1 inch	301	286	2	31	1	37	34	6			
1.5 inch	97	292	4	42	2	71	23	5			
2 inch	24	143	4	25	7	46	7	7			
3 inch	8	23	2	6	4	31	-	-			
4 inch	19	47	4	8	19	27	-	-			
6 inch	12	27	2	3	14	15	-	-			
8 inch	2	1	2	-	4	4	-	-			
10 inch	-	2	-	-	1	2	-	-			
12 inch	-	-	-	-	-	-	-	-			
<b>Subtotal</b>	<b>40,926</b>	<b>2,467</b>	<b>22</b>	<b>282</b>	<b>54</b>	<b>365</b>	<b>325</b>	<b>33</b>		<b>44,474</b>	
<b>WATER RATES</b>											
Volumetric Rates											
Tier 1 (up to 5 kgals)	\$ 3.95	\$ 28.95	\$ 28.95	\$ 28.95	\$ 28.95	\$ 28.95	\$ 9.30	\$ 9.63			
Tier 2 (above 5 kgals)	\$ 23.29	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Tier 3 (NA)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Monthly Base Charges by Meter Size											
3/4 inch	\$ 48.89	\$ 48.89	\$ 48.89	\$ 48.89	\$ 48.89	\$ 48.89	\$ 47.23	\$ 48.89			
1 inch	\$ 57.06	\$ 57.06	\$ 57.06	\$ 57.06	\$ 57.06	\$ 57.06	\$ 55.13	\$ 57.06			
1.5 inch	\$ 89.50	\$ 89.50	\$ 89.50	\$ 89.50	\$ 89.50	\$ 89.50	\$ 86.51	\$ 89.50			
2 inch	\$ 114.01	\$ 114.01	\$ 114.01	\$ 114.01	\$ 114.01	\$ 114.01	\$ 110.16	\$ 114.01			
3 inch	\$ 203.63	\$ 203.63	\$ 203.63	\$ 203.63	\$ 203.63	\$ 203.63	\$ 196.78	\$ 203.63			
4 inch	\$ 285.05	\$ 285.05	\$ 285.05	\$ 285.05	\$ 285.05	\$ 285.05	\$ 275.40	\$ 285.05			
6 inch	\$ 529.32	\$ 529.32	\$ 529.32	\$ 529.32	\$ 529.32	\$ 529.32	\$ 511.43	\$ 529.32			
8 inch	\$ 773.61	\$ 773.61	\$ 773.61	\$ 773.61	\$ 773.61	\$ 773.61	\$ 747.43	\$ 773.61			
10 inch	\$ 1,058.66	\$ 1,058.66	\$ 1,058.66	\$ 1,058.66	\$ 1,058.66	\$ 1,058.66	\$ 1,022.84	\$ 1,058.66			
12 inch	\$ 1,262.16	\$ 1,262.16	\$ 1,262.16	\$ 1,262.16	\$ 1,262.16	\$ 1,262.16	\$ 1,219.45	\$ 1,262.16			
<b>WATER RATE REVENUES</b>											
Volume Revenues											
Tier 1 (up to 5 kgals)	\$ 6,631,274	\$ 16,939,625	\$ 1,455,900	\$ 3,597,718	\$ 17,868,099	\$ 15,093,530	\$ 432,892	\$ 35,011			
Tier 2 (above 5 kgals)	33,847,186	-	-	-	-	-	-	-			
Tier 3 (NA)	-	-	-	-	-	-	-	-			
<b>Subtotal</b>	<b>\$ 40,478,460</b>	<b>\$ 16,939,625</b>	<b>\$ 1,455,900</b>	<b>\$ 3,597,718</b>	<b>\$ 17,868,099</b>	<b>\$ 15,093,530</b>	<b>\$ 432,892</b>	<b>\$ 35,011</b>		<b>\$ 95,901,235</b>	
Base Charge Revenues											
3/4 inch	\$ 23,738,833	\$ 965,675	\$ 1,173	\$ 97,976	\$ 1,173	\$ 77,442	\$ 147,924	\$ 8,800			
1 inch	206,101	195,830	1,369	21,226	685	25,335	22,493	4,108			
1.5 inch	104,178	313,608	4,296	45,108	2,148	76,254	23,877	5,370			
2 inch	32,835	195,641	5,472	34,203	9,577	62,934	9,253	9,577			
3 inch	19,548	56,202	4,887	14,661	9,774	75,750	-	-			
4 inch	64,991	160,768	13,682	27,365	64,991	92,356	-	-			
6 inch	76,222	171,500	12,704	19,056	88,926	95,278	-	-			
8 inch	18,567	9,283	18,567	-	37,133	37,133	-	-			
10 inch	-	25,408	-	-	12,704	25,408	-	-			
12 inch	-	-	-	-	-	-	-	-			
<b>Subtotal</b>	<b>\$ 24,261,275</b>	<b>\$ 2,093,915</b>	<b>\$ 62,151</b>	<b>\$ 259,595</b>	<b>\$ 227,112</b>	<b>\$ 567,889</b>	<b>\$ 203,548</b>	<b>\$ 27,855</b>		<b>\$ 27,703,340</b>	
<b>FORECAST CALIBRATION</b>											
Calibration factor <sup>1</sup>	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%			
Calibrated Revenues	\$ 64,642,626	\$ 19,004,990	\$ 1,515,774	\$ 3,851,527	\$ 18,068,068	\$ 15,637,927	\$ 635,485	\$ 62,772		<b>\$ 123,419,168</b>	
<b>LEGISLATIVE SURCHARGE</b>											
Surcharge	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%			
Surcharge Revenues	\$ 1,740,639	\$ 570,150	\$ 45,473	\$ 115,546	\$ 542,042	\$ 469,138	\$ 19,065	\$ 1,883		<b>\$ 3,503,935</b>	
<b>Totals by Class</b>	<b>\$ 66,383,265</b>	<b>\$ 19,575,139</b>	<b>\$ 1,561,247</b>	<b>\$ 3,967,073</b>	<b>\$ 18,610,110</b>	<b>\$ 16,107,065</b>	<b>\$ 654,549</b>	<b>\$ 64,656</b>		<b>\$ 126,923,103</b>	

1 - Adjustment factor calibrates historical billing determinants and actual revenue performance with predicted results from the RAM's revenue forecasting module; this adjustment primarily accounts for partial bills that occur within the billing data (move-ins and move-outs)



**Schedule J-4W**

Proof of Water System Revenues, Forecast Year #4

	Customer Class									
<b>FY 2028</b>	RES	COM-1	COM-2	COM-3	HOT	GOV	AG	IRR	TOTAL	
<b>BILLING DETERMINANTS</b>										
Water Demand (kgals)										
Tier 1 (up to 5 kgals)	1,673,053	578,932	48,253	122,969	641,585	525,146	46,059	3,597		
Tier 2 (above 5 kgals)	1,448,314	-	-	-	-	-	-	-		
Tier 3 (NA)	-	-	-	-	-	-	-	-		
<b>Subtotal</b>	<b>3,121,367</b>	<b>578,932</b>	<b>48,253</b>	<b>122,969</b>	<b>641,585</b>	<b>525,146</b>	<b>46,059</b>	<b>3,597</b>		<b>5,087,908</b>
Water Accounts by Meter Size										
3/4 inch	40,665	1,652	2	167	2	133	261	15		
1 inch	298	286	2	31	1	37	34	6		
1.5 inch	97	292	4	42	2	71	23	5		
2 inch	24	143	4	25	7	46	7	7		
3 inch	8	23	2	6	4	31	-	-		
4 inch	19	47	4	8	19	27	-	-		
6 inch	12	27	2	3	14	15	-	-		
8 inch	2	1	2	-	4	4	-	-		
10 inch	-	2	-	-	1	2	-	-		
12 inch	-	-	-	-	-	-	-	-		
<b>Subtotal</b>	<b>41,125</b>	<b>2,473</b>	<b>22</b>	<b>282</b>	<b>54</b>	<b>366</b>	<b>325</b>	<b>33</b>		<b>44,680</b>
<b>WATER RATES</b>										
Volumetric Rates										
Tier 1 (up to 5 kgals)	\$ 3.95	\$ 31.85	\$ 31.85	\$ 31.85	\$ 31.85	\$ 31.85	\$ 10.23	\$ 10.60		
Tier 2 (above 5 kgals)	\$ 25.62	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Tier 3 (NA)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Monthly Base Charges by Meter Size										
3/4 inch	\$ 53.78	\$ 53.78	\$ 53.78	\$ 53.78	\$ 53.78	\$ 53.78	\$ 51.96	\$ 53.78		
1 inch	\$ 62.77	\$ 62.77	\$ 62.77	\$ 62.77	\$ 62.77	\$ 62.77	\$ 60.65	\$ 62.77		
1.5 inch	\$ 98.45	\$ 98.45	\$ 98.45	\$ 98.45	\$ 98.45	\$ 98.45	\$ 95.17	\$ 98.45		
2 inch	\$ 125.42	\$ 125.42	\$ 125.42	\$ 125.42	\$ 125.42	\$ 125.42	\$ 121.18	\$ 125.42		
3 inch	\$ 224.00	\$ 224.00	\$ 224.00	\$ 224.00	\$ 224.00	\$ 224.00	\$ 216.46	\$ 224.00		
4 inch	\$ 313.56	\$ 313.56	\$ 313.56	\$ 313.56	\$ 313.56	\$ 313.56	\$ 302.94	\$ 313.56		
6 inch	\$ 582.26	\$ 582.26	\$ 582.26	\$ 582.26	\$ 582.26	\$ 582.26	\$ 562.58	\$ 582.26		
8 inch	\$ 850.98	\$ 850.98	\$ 850.98	\$ 850.98	\$ 850.98	\$ 850.98	\$ 822.18	\$ 850.98		
10 inch	\$ 1,164.53	\$ 1,164.53	\$ 1,164.53	\$ 1,164.53	\$ 1,164.53	\$ 1,164.53	\$ 1,125.13	\$ 1,164.53		
12 inch	\$ 1,388.38	\$ 1,388.38	\$ 1,388.38	\$ 1,388.38	\$ 1,388.38	\$ 1,388.38	\$ 1,341.40	\$ 1,388.38		
<b>WATER RATE REVENUES</b>										
Volume Revenues										
Tier 1 (up to 5 kgals)	\$ 6,608,558	\$ 18,438,975	\$ 1,536,870	\$ 3,916,551	\$ 20,434,486	\$ 16,725,914	\$ 471,181	\$ 38,133		
Tier 2 (above 5 kgals)	37,105,809	-	-	-	-	-	-	-		
Tier 3 (NA)	-	-	-	-	-	-	-	-		
<b>Subtotal</b>	<b>\$ 43,714,366</b>	<b>\$ 18,438,975</b>	<b>\$ 1,536,870</b>	<b>\$ 3,916,551</b>	<b>\$ 20,434,486</b>	<b>\$ 16,725,914</b>	<b>\$ 471,181</b>	<b>\$ 38,133</b>		<b>\$ 105,276,477</b>
Base Charge Revenues										
3/4 inch	\$ 26,243,564	\$ 1,066,135	\$ 1,291	\$ 107,775	\$ 1,291	\$ 85,833	\$ 162,739	\$ 9,680		
1 inch	224,466	215,427	1,506	23,350	753	27,870	24,745	4,519		
1.5 inch	114,596	344,969	4,726	49,619	2,363	83,879	26,267	5,907		
2 inch	36,121	215,221	6,020	37,626	10,535	69,232	10,179	10,535		
3 inch	21,504	61,824	5,376	16,128	10,752	83,328	-	-		
4 inch	71,492	176,848	15,051	30,102	71,492	101,593	-	-		
6 inch	83,845	188,652	13,974	20,961	97,820	104,807	-	-		
8 inch	20,424	10,212	20,424	-	40,847	40,847	-	-		
10 inch	-	27,949	-	-	13,974	27,949	-	-		
12 inch	-	-	-	-	-	-	-	-		
<b>Subtotal</b>	<b>\$ 26,816,011</b>	<b>\$ 2,307,235</b>	<b>\$ 68,368</b>	<b>\$ 285,561</b>	<b>\$ 249,827</b>	<b>\$ 625,338</b>	<b>\$ 223,930</b>	<b>\$ 30,642</b>		<b>\$ 30,606,913</b>
<b>FORECAST CALIBRATION</b>										
Calibration factor <sup>1</sup>	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%		
Calibrated Revenues	\$ 70,424,582	\$ 20,715,091	\$ 1,602,830	\$ 4,195,810	\$ 20,653,286	\$ 17,325,225	\$ 694,068	\$ 68,672		<b>\$ 135,679,564</b>
<b>LEGISLATIVE SURCHARGE</b>										
Surcharge	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%		
Surcharge Revenues	\$ 1,914,778	\$ 621,453	\$ 48,085	\$ 125,874	\$ 619,599	\$ 519,757	\$ 20,822	\$ 2,060		<b>\$ 3,872,428</b>
<b>Totals by Class</b>	<b>\$ 72,339,360</b>	<b>\$ 21,336,544</b>	<b>\$ 1,650,915</b>	<b>\$ 4,321,684</b>	<b>\$ 21,272,885</b>	<b>\$ 17,844,981</b>	<b>\$ 714,890</b>	<b>\$ 70,732</b>		<b>\$ 139,551,992</b>

1 - Adjustment factor calibrates historical billing determinants and actual revenue performance with predicted results from the RAM's revenue forecasting module; this adjustment primarily accounts for partial bills that occur within the billing data (move-ins and move-outs)

**Schedule J-5W**

Proof of Water System Revenues, Forecast Year #5

	Customer Class									
<b>FY 2029</b>	RES	COM-1	COM-2	COM-3	HOT	GOV	AG	IRR	TOTAL	
<b>BILLING DETERMINANTS</b>										
Water Demand (kgals)										
Tier 1 (up to 5 kgals)	1,667,323	572,792	46,299	121,677	666,928	528,951	45,575	3,560		
Tier 2 (above 5 kgals)	1,443,354	-	-	-	-	-	-	-		
Tier 3 (NA)	-	-	-	-	-	-	-	-		
<b>Subtotal</b>	<b>3,110,676</b>	<b>572,792</b>	<b>46,299</b>	<b>121,677</b>	<b>666,928</b>	<b>528,951</b>	<b>45,575</b>	<b>3,560</b>		<b>5,096,458</b>
Water Accounts by Meter Size										
3/4 inch	40,868	1,658	2	167	2	134	261	15		
1 inch	295	286	2	31	1	37	34	6		
1.5 inch	97	292	4	42	2	71	23	5		
2 inch	24	143	4	25	7	46	7	7		
3 inch	8	23	2	6	4	31	-	-		
4 inch	19	47	4	8	19	27	-	-		
6 inch	12	27	2	3	14	15	-	-		
8 inch	2	1	2	-	4	4	-	-		
10 inch	-	2	-	-	1	2	-	-		
12 inch	-	-	-	-	-	-	-	-		
<b>Subtotal</b>	<b>41,325</b>	<b>2,479</b>	<b>22</b>	<b>282</b>	<b>54</b>	<b>367</b>	<b>325</b>	<b>33</b>		<b>44,887</b>
<b>WATER RATES</b>										
Volumetric Rates										
Tier 1 (up to 5 kgals)	\$ 3.95	\$ 35.04	\$ 35.04	\$ 35.04	\$ 35.04	\$ 35.04	\$ 11.26	\$ 11.66		
Tier 2 (above 5 kgals)	\$ 28.19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Tier 3 (NA)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Monthly Base Charges by Meter Size										
3/4 inch	\$ 59.16	\$ 59.16	\$ 59.16	\$ 59.16	\$ 59.16	\$ 59.16	\$ 57.16	\$ 59.16		
1 inch	\$ 69.05	\$ 69.05	\$ 69.05	\$ 69.05	\$ 69.05	\$ 69.05	\$ 66.72	\$ 69.05		
1.5 inch	\$ 108.30	\$ 108.30	\$ 108.30	\$ 108.30	\$ 108.30	\$ 108.30	\$ 104.69	\$ 108.30		
2 inch	\$ 137.97	\$ 137.97	\$ 137.97	\$ 137.97	\$ 137.97	\$ 137.97	\$ 133.30	\$ 137.97		
3 inch	\$ 246.40	\$ 246.40	\$ 246.40	\$ 246.40	\$ 246.40	\$ 246.40	\$ 238.11	\$ 246.40		
4 inch	\$ 344.92	\$ 344.92	\$ 344.92	\$ 344.92	\$ 344.92	\$ 344.92	\$ 333.24	\$ 344.92		
6 inch	\$ 640.49	\$ 640.49	\$ 640.49	\$ 640.49	\$ 640.49	\$ 640.49	\$ 618.84	\$ 640.49		
8 inch	\$ 936.08	\$ 936.08	\$ 936.08	\$ 936.08	\$ 936.08	\$ 936.08	\$ 904.40	\$ 936.08		
10 inch	\$ 1,280.99	\$ 1,280.99	\$ 1,280.99	\$ 1,280.99	\$ 1,280.99	\$ 1,280.99	\$ 1,237.65	\$ 1,280.99		
12 inch	\$ 1,527.22	\$ 1,527.22	\$ 1,527.22	\$ 1,527.22	\$ 1,527.22	\$ 1,527.22	\$ 1,475.54	\$ 1,527.22		
<b>WATER RATE REVENUES</b>										
Volume Revenues										
Tier 1 (up to 5 kgals)	\$ 6,585,924	\$ 20,070,630	\$ 1,622,321	\$ 4,263,579	\$ 23,369,147	\$ 18,534,438	\$ 513,176	\$ 41,506		
Tier 2 (above 5 kgals)	40,688,145	-	-	-	-	-	-	-		
Tier 3 (NA)	-	-	-	-	-	-	-	-		
<b>Subtotal</b>	<b>\$ 47,274,069</b>	<b>\$ 20,070,630</b>	<b>\$ 1,622,321</b>	<b>\$ 4,263,579</b>	<b>\$ 23,369,147</b>	<b>\$ 18,534,438</b>	<b>\$ 513,176</b>	<b>\$ 41,506</b>		<b>\$ 115,688,867</b>
Base Charge Revenues										
3/4 inch	\$ 29,013,011	\$ 1,177,047	\$ 1,420	\$ 118,557	\$ 1,420	\$ 95,129	\$ 179,025	\$ 10,649		
1 inch	244,437	236,980	1,657	25,687	829	30,658	27,222	4,972		
1.5 inch	126,061	379,483	5,198	54,583	2,599	92,272	28,894	6,498		
2 inch	39,735	236,757	6,623	41,391	11,589	76,159	11,197	11,589		
3 inch	23,654	68,006	5,914	17,741	11,827	91,661	-	-		
4 inch	78,642	194,535	16,556	33,112	78,642	111,754	-	-		
6 inch	92,231	207,519	15,372	23,058	107,602	115,288	-	-		
8 inch	22,466	11,233	22,466	-	44,932	44,932	-	-		
10 inch	-	30,744	-	-	15,372	30,744	-	-		
12 inch	-	-	-	-	-	-	-	-		
<b>Subtotal</b>	<b>\$ 29,640,237</b>	<b>\$ 2,542,303</b>	<b>\$ 75,205</b>	<b>\$ 314,128</b>	<b>\$ 274,812</b>	<b>\$ 688,597</b>	<b>\$ 246,339</b>	<b>\$ 33,708</b>		<b>\$ 33,815,330</b>
<b>FORECAST CALIBRATION</b>										
Calibration factor <sup>1</sup>	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%		
Calibrated Revenues	\$ 76,798,934	\$ 22,579,014	\$ 1,694,981	\$ 4,570,840	\$ 23,608,493	\$ 19,194,201	\$ 758,375	\$ 75,101		<b>\$ 149,279,940</b>
<b>LEGISLATIVE SURCHARGE</b>										
Surcharge	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%		
Surcharge Revenues	\$ 2,106,687	\$ 677,370	\$ 50,849	\$ 137,125	\$ 708,255	\$ 575,826	\$ 22,751	\$ 2,253		<b>\$ 4,281,117</b>
<b>Totals by Class</b>	<b>\$ 78,905,621</b>	<b>\$ 23,256,384</b>	<b>\$ 1,745,830</b>	<b>\$ 4,707,966</b>	<b>\$ 24,316,748</b>	<b>\$ 19,770,027</b>	<b>\$ 781,126</b>	<b>\$ 77,354</b>		<b>\$ 153,561,057</b>

1 - Adjustment factor calibrates historical billing determinants and actual revenue performance with predicted results from the RAM's revenue forecasting module; this adjustment primarily accounts for partial bills that occur within the billing data (move-ins and move-outs)

**Schedule J-1WW**

Proof of Wastewater System Revenues, Forecast Year #1

	Customer Class									
	FY 2025	RES	COM-1	COM-2	COM-3	HOT	GOV	Leachate	NAVY	TOTAL
<b>BILLING DETERMINANTS</b>										
Billable Flows (kgals)										
<b>Subtotal</b>	-	371,410	43,727	98,611	376,799	384,591	30,000	561,000	1,866,138	
Wastewater Accounts by Meter Size										
3/4 inch <sup>1</sup>	28,365	1,323	-	161	1	75				
1 inch	144	209	1	29	1	29				
1.5 inch	57	224	4	40	2	49				
2 inch	21	98	4	25	7	38				
3 inch	8	20	2	6	4	28				
4 inch	16	33	4	8	18	25				
6 inch	10	16	2	2	13	13				
8 inch	2	1	2	-	4	4				
10 inch	-	1	-	-	-	2				
12 inch	-	-	-	-	-	-				
<b>Subtotal</b>	28,623	1,925	19	271	50	263	-	-	31,151	
<b>WASTEWATER RATES</b>										
Volumetric Rates										
Rate per Kgal	\$ -	\$ 12.89	\$ 31.40	\$ 43.54	\$ 31.40	\$ 18.43	\$ 18.99	\$ 18.43		
Monthly Base Charges by Meter Size										
3/4 inch	\$ 32.14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1 inch	\$ 32.14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1.5 inch	\$ 32.14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2 inch	\$ 32.14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
3 inch	\$ 32.14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
4 inch	\$ 32.14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
6 inch	\$ 32.14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
8 inch	\$ 32.14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
10 inch	\$ 32.14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
12 inch	\$ 32.14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>WASTEWATER RATE REVENUES</b>										
Volume Revenues										
<b>Subtotal</b>	\$ -	\$ 4,787,471	\$ 1,373,032	\$ 4,293,509	\$ 11,831,504	\$ 7,088,018	\$ 569,700	\$ 10,339,230	\$ 40,282,464	
Base Charge Revenues										
3/4 inch	\$ 10,939,813	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1 inch	55,538	-	-	-	-	-	-	-	-	
1.5 inch	21,984	-	-	-	-	-	-	-	-	
2 inch	8,099	-	-	-	-	-	-	-	-	
3 inch	3,085	-	-	-	-	-	-	-	-	
4 inch	6,171	-	-	-	-	-	-	-	-	
6 inch	3,857	-	-	-	-	-	-	-	-	
8 inch	771	-	-	-	-	-	-	-	-	
10 inch	-	-	-	-	-	-	-	-	-	
12 inch	-	-	-	-	-	-	-	-	-	
<b>Subtotal</b>	\$ 11,039,319	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,039,319	
<b>FORECAST CALIBRATION</b>										
Calibration factor <sup>2</sup>	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	NA	NA		
Calibrated Revenues	\$ 11,022,760	\$ 4,780,290	\$ 1,370,972	\$ 4,287,069	\$ 11,813,757	\$ 7,077,386	\$ 569,700	\$ 10,339,230	\$ 51,261,163	
<b>LEGISLATIVE SURCHARGE</b>										
Surcharge	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%		
Surcharge Revenues	\$ -	\$ 167,310	\$ 47,984	\$ 150,047	\$ 413,481	\$ 247,709	\$ 19,940	\$ 361,873	\$ 1,408,344	
<b>Totals by Class</b>	\$ 11,022,760	\$ 4,947,600	\$ 1,418,956	\$ 4,437,116	\$ 12,227,238	\$ 7,325,095	\$ 589,640	\$ 10,701,103	\$ 52,669,507	

1 - Includes multi-family units that receive the residential wastewater charge

2 - Adjustment factor calibrates historical billing determinants and actual revenue performance with predicted results from the RAM's revenue forecasting module; this adjustment primarily accounts for partial bills that occur within the billing data (move-ins and move-outs); Navy and leachate revenues are therefore excluded

**Schedule J-2WW**

Proof of Wastewater System Revenues, Forecast Year #2

	Customer Class									
	FY 2026	RES	COM-1	COM-2	COM-3	HOT	GOV	Leachate	NAVY	TOTAL
<b>BILLING DETERMINANTS</b>										
Billable Flows (kgals)										
<b>Subtotal</b>	-	366,081	41,792	97,205	390,270	385,943	30,000	572,220	1,883,511	
Wastewater Accounts by Meter Size										
3/4 inch <sup>1</sup>	28,463	1,330	-	161	1	75				
1 inch	143	209	1	29	1	29				
1.5 inch	57	224	4	40	2	49				
2 inch	21	98	4	25	7	38				
3 inch	8	20	2	6	4	28				
4 inch	16	33	4	8	18	25				
6 inch	10	16	2	2	13	13				
8 inch	2	1	2	-	4	4				
10 inch	-	1	-	-	-	2				
12 inch	-	-	-	-	-	-				
<b>Subtotal</b>	28,720	1,932	19	271	50	263				31,255
<b>WASTEWATER RATES</b>										
Volumetric Rates										
Rate per Kgal	\$ -	\$ 14.51	\$ 35.33	\$ 48.99	\$ 35.33	\$ 20.74	\$ 21.37	\$ 20.74		
Monthly Base Charges by Meter Size										
3/4 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1.5 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>WASTEWATER RATE REVENUES</b>										
Volume Revenues										
<b>Subtotal</b>	\$ -	\$ 5,311,831	\$ 1,476,519	\$ 4,762,097	\$ 13,788,241	\$ 8,004,457	\$ 641,100	\$ 11,867,843	\$ 45,852,088	
Base Charge Revenues										
3/4 inch	\$ 12,350,665	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1 inch	62,051	-	-	-	-	-	-	-	-	-
1.5 inch	24,733	-	-	-	-	-	-	-	-	-
2 inch	9,112	-	-	-	-	-	-	-	-	-
3 inch	3,471	-	-	-	-	-	-	-	-	-
4 inch	6,943	-	-	-	-	-	-	-	-	-
6 inch	4,339	-	-	-	-	-	-	-	-	-
8 inch	868	-	-	-	-	-	-	-	-	-
10 inch	-	-	-	-	-	-	-	-	-	-
12 inch	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	\$ 12,462,182	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,462,182
<b>FORECAST CALIBRATION</b>										
Calibration factor <sup>2</sup>	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	NA	NA		
Calibrated Revenues	\$ 12,443,489	\$ 5,303,864	\$ 1,474,304	\$ 4,754,953	\$ 13,767,559	\$ 7,992,451	\$ 641,100	\$ 11,867,843	\$ 58,245,562	
<b>LEGISLATIVE SURCHARGE</b>										
Surcharge	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%	
Surcharge Revenues	\$ -	\$ 169,724	\$ 47,178	\$ 152,159	\$ 440,562	\$ 255,758	\$ 20,515	\$ 379,771	\$ 1,465,666	
<b>Totals by Class</b>	\$ 12,443,489	\$ 5,473,587	\$ 1,521,482	\$ 4,907,112	\$ 14,208,121	\$ 8,248,209	\$ 661,615	\$ 12,247,614	\$ 59,711,229	

1 - Includes multi-family units that receive the residential wastewater charge

2 - Adjustment factor calibrates historical billing determinants and actual revenue performance with predicted results from the RAM's revenue forecasting module; this adjustment primarily accounts for partial bills that occur within the billing data (move-ins and move-outs); Navy and leachate revenues are therefore excluded

**Schedule J-3WW**

Proof of Wastewater System Revenues, Forecast Year #3

	Customer Class									
	FY 2027	RES	COM-1	COM-2	COM-3	HOT	GOV	Leachate	NAVY	TOTAL
<b>BILLING DETERMINANTS</b>										
Billable Flows (kgals)										
<b>Subtotal</b>	-	362,055	40,100	96,185	405,686	389,816	30,000	583,664	1,907,506	
Wastewater Accounts by Meter Size										
3/4 inch <sup>1</sup>	28,562	1,336	-	161	1	75				
1 inch	142	209	1	29	1	29				
1.5 inch	57	224	4	40	2	49				
2 inch	21	98	4	25	7	38				
3 inch	8	20	2	6	4	28				
4 inch	16	33	4	8	18	25				
6 inch	10	16	2	2	13	13				
8 inch	2	1	2	-	4	4				
10 inch	-	1	-	-	-	2				
12 inch	-	-	-	-	-	-				
<b>Subtotal</b>	28,818	1,938	19	271	50	263	-	-	31,359	
<b>WASTEWATER RATES</b>										
Volumetric Rates										
Rate per Kgal	\$ -	\$ 15.97	\$ 38.87	\$ 53.89	\$ 38.87	\$ 22.82	\$ 23.51	\$ 22.82		
Monthly Base Charges by Meter Size										
3/4 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1.5 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
3 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
4 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
6 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
8 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
10 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
12 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>WASTEWATER RATE REVENUES</b>										
Volume Revenues										
<b>Subtotal</b>	\$ -	\$ 5,782,026	\$ 1,558,672	\$ 5,183,400	\$ 15,769,005	\$ 8,895,594	\$ 705,300	\$ 13,319,222	\$ 51,213,219	
Base Charge Revenues										
3/4 inch	\$ 12,393,623	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1 inch	61,617	-	-	-	-	-	-	-	-	
1.5 inch	24,733	-	-	-	-	-	-	-	-	
2 inch	9,112	-	-	-	-	-	-	-	-	
3 inch	3,471	-	-	-	-	-	-	-	-	
4 inch	6,943	-	-	-	-	-	-	-	-	
6 inch	4,339	-	-	-	-	-	-	-	-	
8 inch	868	-	-	-	-	-	-	-	-	
10 inch	-	-	-	-	-	-	-	-	-	
12 inch	-	-	-	-	-	-	-	-	-	
<b>Subtotal</b>	\$ 12,504,707	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,504,707	
<b>FORECAST CALIBRATION</b>										
Calibration factor <sup>2</sup>	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	NA	NA		
Calibrated Revenues	\$ 12,485,950	\$ 5,773,353	\$ 1,556,334	\$ 5,175,625	\$ 15,745,351	\$ 8,882,251	\$ 705,300	\$ 13,319,222	\$ 63,643,385	
<b>LEGISLATIVE SURCHARGE</b>										
Surcharge	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%		
Surcharge Revenues	\$ -	\$ 173,201	\$ 46,690	\$ 155,269	\$ 472,361	\$ 266,468	\$ 21,159	\$ 399,577	\$ 1,534,723	
<b>Totals by Class</b>	\$ 12,485,950	\$ 5,946,554	\$ 1,603,024	\$ 5,330,894	\$ 16,217,712	\$ 9,148,718	\$ 726,459	\$ 13,718,798	\$ 65,178,108	

1 - Includes multi-family units that receive the residential wastewater charge

2 - Adjustment factor calibrates historical billing determinants and actual revenue performance with predicted results from the RAM's revenue forecasting module; this adjustment primarily accounts for partial bills that occur within the billing data (move-ins and move-outs); Navy and leachate revenues are therefore excluded

**Schedule J-4WW**

Proof of Wastewater System Revenues, Forecast Year #4

FY 2028	Customer Class								
	RES	COM-1	COM-2	COM-3	HOT	GOV	Leachate	NAVY	TOTAL
<b>BILLING DETERMINANTS</b>									
Billable Flows (kgals)									
<b>Subtotal</b>	-	358,218	38,476	95,175	421,710	392,643	30,000	595,338	1,931,559
Wastewater Accounts by Meter Size									
3/4 inch <sup>1</sup>	28,661	1,343	-	161	1	75			
1 inch	142	209	1	29	1	29			
1.5 inch	57	224	4	40	2	49			
2 inch	21	98	4	25	7	38			
3 inch	8	20	2	6	4	28			
4 inch	16	33	4	8	18	25			
6 inch	10	16	2	2	13	13			
8 inch	2	1	2	-	4	4			
10 inch	-	1	-	-	-	2			
12 inch	-	-	-	-	-	-			
<b>Subtotal</b>	28,917	1,945	19	271	50	263			31,465
<b>WASTEWATER RATES</b>									
Volumetric Rates									
Rate per Kgal	\$ -	\$ 17.57	\$ 42.76	\$ 59.28	\$ 42.76	\$ 25.11	\$ 25.87	\$ 25.11	
Monthly Base Charges by Meter Size									
3/4 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1.5 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>WASTEWATER RATE REVENUES</b>									
Volume Revenues									
<b>Subtotal</b>	\$ -	\$ 6,293,888	\$ 1,645,216	\$ 5,641,967	\$ 18,032,333	\$ 9,859,257	\$ 776,100	\$ 14,948,929	\$ 57,197,691
Base Charge Revenues									
3/4 inch	\$ 12,436,581	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1 inch	61,617	-	-	-	-	-	-	-	-
1.5 inch	24,733	-	-	-	-	-	-	-	-
2 inch	9,112	-	-	-	-	-	-	-	-
3 inch	3,471	-	-	-	-	-	-	-	-
4 inch	6,943	-	-	-	-	-	-	-	-
6 inch	4,339	-	-	-	-	-	-	-	-
8 inch	868	-	-	-	-	-	-	-	-
10 inch	-	-	-	-	-	-	-	-	-
12 inch	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	\$ 12,547,665	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,547,665
<b>FORECAST CALIBRATION</b>									
Calibration factor <sup>2</sup>	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	NA	NA	
Calibrated Revenues	\$ 12,528,843	\$ 6,284,447	\$ 1,642,748	\$ 5,633,504	\$ 18,005,285	\$ 9,844,468	\$ 776,100	\$ 14,948,929	\$ 69,664,325
<b>LEGISLATIVE SURCHARGE</b>									
Surcharge	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
Surcharge Revenues	\$ -	\$ 188,533	\$ 49,282	\$ 169,005	\$ 540,159	\$ 295,334	\$ 23,283	\$ 448,468	\$ 1,714,064
<b>Totals by Class</b>	\$ 12,528,843	\$ 6,472,980	\$ 1,692,031	\$ 5,802,509	\$ 18,545,443	\$ 10,139,802	\$ 799,383	\$ 15,397,397	\$ 71,378,389

1 - Includes multi-family units that receive the residential wastewater charge

2 - Adjustment factor calibrates historical billing determinants and actual revenue performance with predicted results from the RAM's revenue forecasting module; this adjustment primarily accounts for partial bills that occur within the billing data (move-ins and move-outs); Navy and leachate revenues are therefore excluded

**Schedule J-5WW**

Proof of Wastewater System Revenues, Forecast Year #5

FY 2029	Customer Class								TOTAL
	RES	COM-1	COM-2	COM-3	HOT	GOV	Leachate	NAVY	
<b>BILLING DETERMINANTS</b>									
Billable Flows (kgals)									
<b>Subtotal</b>	-	354,419	36,917	94,176	438,368	395,487	30,000	607,244	1,956,611
Wastewater Accounts by Meter Size									
3/4 inch <sup>1</sup>	28,761	1,350	-	161	1	75			
1 inch	141	209	1	29	1	29			
1.5 inch	57	224	4	40	2	49			
2 inch	21	98	4	25	7	38			
3 inch	8	20	2	6	4	28			
4 inch	16	33	4	8	18	25			
6 inch	10	16	2	2	13	13			
8 inch	2	1	2	-	4	4			
10 inch	-	1	-	-	-	2			
12 inch	-	-	-	-	-	-			
<b>Subtotal</b>	29,016	1,952	19	271	50	263	-	-	31,571
<b>WASTEWATER RATES</b>									
Volumetric Rates									
Rate per Kgal	\$ -	\$ 19.33	\$ 47.04	\$ 65.21	\$ 47.04	\$ 27.63	\$ 28.46	\$ 27.63	
Monthly Base Charges by Meter Size									
3/4 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1.5 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12 inch	\$ 36.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>WASTEWATER RATE REVENUES</b>									
Volume Revenues									
<b>Subtotal</b>	\$ -	\$ 6,850,916	\$ 1,736,591	\$ 6,141,187	\$ 20,620,825	\$ 10,927,310	\$ 853,800	\$ 16,778,164	\$ 63,908,794
Base Charge Revenues									
3/4 inch	\$ 12,479,973	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1 inch	61,183	-	-	-	-	-	-	-	-
1.5 inch	24,733	-	-	-	-	-	-	-	-
2 inch	9,112	-	-	-	-	-	-	-	-
3 inch	3,471	-	-	-	-	-	-	-	-
4 inch	6,943	-	-	-	-	-	-	-	-
6 inch	4,339	-	-	-	-	-	-	-	-
8 inch	868	-	-	-	-	-	-	-	-
10 inch	-	-	-	-	-	-	-	-	-
12 inch	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	\$ 12,590,623	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,590,623
<b>FORECAST CALIBRATION</b>									
Calibration factor <sup>2</sup>	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	-0.15%	NA	NA	
Calibrated Revenues	\$ 12,571,737	\$ 6,840,640	\$ 1,733,986	\$ 6,131,976	\$ 20,589,894	\$ 10,910,920	\$ 853,800	\$ 16,778,164	\$ 76,411,116
<b>LEGISLATIVE SURCHARGE</b>									
Surcharge	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
Surcharge Revenues	\$ -	\$ 205,219	\$ 52,020	\$ 183,959	\$ 617,697	\$ 327,328	\$ 25,614	\$ 503,345	\$ 1,915,181
<b>Totals by Class</b>	\$ 12,571,737	\$ 7,045,859	\$ 1,786,006	\$ 6,315,935	\$ 21,207,591	\$ 11,238,247	\$ 879,414	\$ 17,281,509	\$ 78,326,297

1 - Includes multi-family units that receive the residential wastewater charge

2 - Adjustment factor calibrates historical billing determinants and actual revenue performance with predicted results from the RAM's revenue forecasting module; this adjustment primarily accounts for partial bills that occur within the billing data (move-ins and move-outs); Navy and leachate revenues are therefore excluded

**Schedule K**  
Proposed Rate Adjustments

	Proposed Rates					
	Existing	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<b>Water Rates</b>						
<b>Monthly Base Charge<sup>1</sup></b>						
3/4 inch	\$30.62	\$39.50	\$44.44	\$48.89	\$53.78	\$59.16
1 inch	\$35.73	\$46.10	\$51.87	\$57.06	\$62.77	\$69.05
1.5 inch	\$56.06	\$72.32	\$81.36	\$89.50	\$98.45	\$108.30
2 inch	\$71.41	\$92.12	\$103.64	\$114.01	\$125.42	\$137.97
3 inch	\$127.55	\$164.54	\$185.11	\$203.63	\$224.00	\$246.40
4 inch	\$178.55	\$230.33	\$259.13	\$285.05	\$313.56	\$344.92
6 inch	\$331.57	\$427.73	\$481.20	\$529.32	\$582.26	\$640.49
8 inch	\$484.59	\$625.13	\$703.28	\$773.61	\$850.98	\$936.08
10 inch	\$663.15	\$855.47	\$962.41	\$1,058.66	\$1,164.53	\$1,280.99
12 inch	\$790.63	\$1,019.92	\$1,147.41	\$1,262.16	\$1,388.38	\$1,527.22
<b>Volumetric Rates</b>						
<i>Residential</i>						
Tier 1 Threshold	5 kgals	5 kgals	5 kgals	5 kgals	5 kgals	5 kgals
Tier 1 Rate	\$ 3.51	\$ 3.51	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95
Tier 2 Rate	\$14.58	\$18.81	\$21.17	\$23.29	\$25.62	\$28.19
<i>Non-Residential<sup>2</sup></i>						
Commercial-1	\$18.12	\$23.38	\$26.31	\$28.95	\$31.85	\$35.04
Commercial-2	\$18.12	\$23.38	\$26.31	\$28.95	\$31.85	\$35.04
Commercial-3	\$18.12	\$23.38	\$26.31	\$28.95	\$31.85	\$35.04
Hotels	\$18.12	\$23.38	\$26.31	\$28.95	\$31.85	\$35.04
Government	\$18.12	\$23.38	\$26.31	\$28.95	\$31.85	\$35.04
Agriculture	\$5.82	\$7.51	\$8.45	\$9.30	\$10.23	\$11.26
Irrigation	\$6.02	\$7.77	\$8.75	\$9.63	\$10.60	\$11.66
<b>Wastewater Rates</b>						
<b>Monthly Base Charge<sup>3</sup></b>						
3/4 inch	\$32.14	\$32.14	\$36.16	\$36.16	\$36.16	\$36.16
1 inch	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1.5 inch	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2 inch	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3 inch	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4 inch	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6 inch	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8 inch	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
10 inch	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12 inch	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Volumetric Rates</b>						
Residential	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Commercial-1	\$9.99	\$12.89	\$14.51	\$15.97	\$17.57	\$19.33
Commercial-2	\$24.34	\$31.40	\$35.33	\$38.87	\$42.76	\$47.04
Commercial-3	\$33.75	\$43.54	\$48.99	\$53.89	\$59.28	\$65.21
Hotels	\$24.34	\$31.40	\$35.33	\$38.87	\$42.76	\$47.04
Government	\$14.28	\$18.43	\$20.74	\$22.82	\$25.11	\$27.63
Leachate	\$14.72	\$18.99	\$21.37	\$23.51	\$25.87	\$28.46
Navy	\$14.28	\$18.43	\$20.74	\$22.82	\$25.11	\$27.63
<b>Legislative Surcharge</b>						
Surcharge	3.80%	3.50%	3.20%	3.00%	3.00%	3.00%

1 - The Agriculture customer class receives an approximate 3.4% discount to the water base charge for all meter sizes

2 - Non-residential volumetric water rates are applied to all levels of demand

3 - Currently, only residential customers - regardless of meter size - receive a \$32.14 monthly wastewater charge



**Schedule L**

Monthly Bill Impacts by Customer Class

			Forecast Years						
Meter	Kgals		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
<b>Customer Class</b>									
Residential	3/4 inch	3	\$74.45	\$83.55	\$93.87	\$98.37	\$103.40	\$108.94	
				\$9.10	\$10.32	\$4.50	\$5.03	\$5.54	\$34.49
				12.2%	12.4%	4.8%	5.1%	5.4%	46.3%
Residential	3/4 inch	7	\$111.74	\$129.51	\$145.47	\$154.24	\$164.08	\$174.92	
				\$17.77	\$15.96	\$8.77	\$9.84	\$10.84	\$63.18
				15.9%	12.3%	6.0%	6.4%	6.6%	56.5%
Residential	3/4 inch	12	\$187.41	\$226.85	\$254.70	\$274.19	\$296.02	\$320.09	
				\$39.44	\$27.85	\$19.49	\$21.83	\$24.07	\$132.68
				21.0%	12.3%	7.7%	8.0%	8.1%	70.8%
Commercial-1	3/4 inch	30	\$844.91	\$1,087.02	\$1,219.80	\$1,339.69	\$1,473.89	\$1,621.51	
				\$242.11	\$132.78	\$119.89	\$134.20	\$147.62	\$776.60
				28.7%	12.2%	9.8%	10.0%	10.0%	91.9%
Commercial-2	2 inch	500	\$19,584.37	\$25,194.09	\$28,267.14	\$31,041.12	\$34,149.05	\$37,568.19	
				\$5,609.72	\$3,073.05	\$2,773.98	\$3,107.93	\$3,419.14	\$17,983.82
				28.6%	12.2%	9.8%	10.0%	10.0%	91.8%
Commercial-3	3/4 inch	50	\$2,373.51	\$3,053.35	\$3,425.77	\$3,761.55	\$4,138.00	\$4,552.15	
				\$679.84	\$372.42	\$335.78	\$376.45	\$414.15	\$2,178.64
				28.6%	12.2%	9.8%	10.0%	10.0%	91.8%
Hotel	4 inch	500	\$19,695.58	\$25,337.14	\$28,427.61	\$31,217.29	\$34,342.84	\$37,781.35	
				\$5,641.56	\$3,090.47	\$2,789.68	\$3,125.55	\$3,438.51	\$18,085.77
				28.6%	12.2%	9.8%	10.0%	10.0%	91.8%
Government	1.5 inch	200	\$6,191.52	\$7,966.52	\$8,938.94	\$9,816.62	\$10,800.63	\$11,883.21	
				\$1,775.00	\$972.42	\$877.68	\$984.01	\$1,082.58	\$5,691.69
				28.7%	12.2%	9.8%	10.0%	10.0%	91.9%
Agriculture	3/4 inch	20	\$151.53	\$194.95	\$218.71	\$240.23	\$264.26	\$290.83	
				\$43.42	\$23.76	\$21.52	\$24.03	\$26.57	\$139.30
				28.7%	12.2%	9.8%	10.0%	10.1%	91.9%
Irrigation	3/4 inch	20	\$156.76	\$201.72	\$226.46	\$248.73	\$273.75	\$301.13	
				\$44.96	\$24.74	\$22.27	\$25.02	\$27.38	\$144.37
				28.7%	12.3%	9.8%	10.1%	10.0%	92.1%

ATTACHMENT D

Guam Waterworks Authority  
 Sample Bill Summary  
 FY2024 - FY2029

Rate Class	Kgals	ACTUAL		PROPOSED			
		2024	2025	2026	2027	2028	2029
1 Residential	3	\$74.45	\$83.55	\$93.87	\$98.37	\$103.40	\$108.94
Nominal Change			\$9.10	\$10.32	\$4.50	\$5.03	\$5.54
Percentage Change			12.2%	12.4%	4.8%	5.1%	5.4%
2 Residential	7	\$111.74	\$129.51	\$145.47	\$154.24	\$164.08	\$174.92
Nominal Change			\$17.77	\$15.96	\$8.77	\$9.84	\$10.84
Percentage Change			15.9%	12.3%	6.0%	6.4%	6.6%
3 Residential	12	\$187.41	\$226.85	\$254.70	\$274.19	\$296.02	\$320.09
Nominal Change			\$39.44	\$27.85	\$19.49	\$21.83	\$24.07
Percentage Change			21.0%	12.3%	7.7%	8.0%	8.1%
4 Commercial 1	30	\$844.91	\$1,087.02	\$1,219.80	\$1,339.69	\$1,473.89	\$1,621.51
Nominal Change			\$242.11	\$132.78	\$119.89	\$134.20	\$147.62
Percentage Change			28.7%	12.2%	9.8%	10.0%	10.0%
5 Commercial 2	500	\$19,584.37	\$25,194.09	\$28,267.14	\$31,041.12	\$34,149.05	\$37,568.19
Nominal Change			\$5,609.72	\$3,073.05	\$2,773.98	\$3,107.93	\$3,419.14
Percentage Change			28.6%	12.2%	9.8%	10.0%	10.0%
6 Commercial 3	50	\$2,373.51	\$3,053.35	\$3,425.77	\$3,761.55	\$4,138.00	\$4,552.15
Nominal Change			\$679.84	\$372.42	\$335.78	\$376.45	\$414.15
Percentage Change			28.6%	12.2%	9.8%	10.0%	10.0%
7 Hotel	500	\$19,695.58	\$25,337.14	\$28,427.61	\$31,217.29	\$34,342.84	\$37,781.35
Nominal Change			\$5,641.56	\$3,090.47	\$2,789.69	\$3,125.55	\$3,438.51
Percentage Change			28.6%	12.2%	9.8%	10.0%	10.0%
8 Government	200	\$6,191.52	\$7,966.52	\$8,938.94	\$9,816.62	\$10,800.63	\$11,883.21
Nominal Change			\$1,775.00	\$972.42	\$877.68	\$984.01	\$1,082.58
Percentage Change			28.7%	12.2%	9.8%	10.0%	10.0%
9 Agriculture	20	\$151.53	\$194.95	\$218.71	\$240.23	\$264.26	\$290.83
Nominal Change			\$43.42	\$23.76	\$21.52	\$24.03	\$26.57
Percentage Change			28.7%	12.2%	9.8%	10.0%	10.1%
10 Irrigation	20	\$156.76	\$201.72	\$226.46	\$248.73	\$273.75	\$301.13
Nominal Change			\$44.96	\$24.74	\$22.27	\$25.02	\$27.38
Percentage Change			28.7%	12.3%	9.8%	10.1%	10.0%

Commerical 1 - Grocery Store  
 Commercial 2 - Industrial Laundry  
 Commercial 3 - Restaurant

# ATTACHMENT E

<b>Individual Capital Projects in Nominal Dollars</b>		FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	
<i>Projected encumbrances by project by category by year</i>							
Project Number	Project Description						
<b>Water Production</b>							
MP-PW-SWTP-01	Ugum SWTP River Intake Cleaning Project	\$ 119,024	\$ -	\$ -	\$ -	\$ -	
MP-PW-SWTP-02	Ugum SWTP Intake Modifications	3,203,900	-	-	-	-	
MP-PW-Well-01	Well Rehabilitation	9,014,155	7,582,640	7,885,945	16,402,766	717,966	
MP-PW-Well-02	Well Equipment Overhaul	3,387,737	3,523,247	5,038,243	3,810,744	2,476,983	
MP-PW-Well-03	Capacity Enhancement – Well Exploration	1,347,268	1,401,159	1,457,206	1,393,828	1,576,114	
MP-PW-Well-04	Capacity Enhancement – Well Development and Construction	11,119,180	-	-	-	618,430	
MP-PW-Well-05	Wellhead Protection	594,880	618,675	643,422	669,159	948,989	
MP-PW-Well-06	Well Repair	811,200	956,134	994,380	1,998,883	3,285,965	
MP-PW-SW-01	Santa Rita Spring Impoundment Expansion	-	5,061,888	4,094,505	-	-	
<b>Subtotal, Water Production</b>		<b>\$ 102,754,617</b>	<b>\$ 29,597,345</b>	<b>\$ 19,143,743</b>	<b>\$ 20,113,701</b>	<b>\$ 24,275,381</b>	<b>\$ 9,624,448</b>
<b>Water Treatment Program</b>							
MP-PW-Well-08	Emerging Contaminants Water Treatment Design & Construction	\$ 2,704,000	\$ 6,749,184	\$ 7,019,151	\$ 7,299,917	\$ 10,122,552	
MP-PW-Well-09	Emerging Contaminants Well Transmission Mains Design & Construction	2,163,200	5,624,320	5,849,293	6,083,265	10,122,552	
MP-PW-Well-10	Emerging Contaminants Well Pumps & Booster Stations	2,163,200	4,499,456	7,019,151	7,299,917	7,591,914	
MP-PW-SWTP-04	Ugum SWTP 7-Year Improvement Project	1,767,515	1,838,216	1,911,744	1,988,214	2,067,743	
<b>Subtotal, Water Treatment Program</b>		<b>\$ 101,884,505</b>	<b>\$ 8,797,915</b>	<b>\$ 18,711,176</b>	<b>\$ 21,799,340</b>	<b>\$ 22,671,313</b>	<b>\$ 29,904,761</b>
<b>Water Distribution - System Improvement Program</b>							
MP-PW-Pipe-01	Astumbo Zone Piping	\$ -	\$ 1,407,094	\$ 5,853,510	\$ -	\$ -	
MP-PW-Pipe-02	Route 1 Astumbo Zone Piping	760,177	4,821,835	5,014,708	-	-	
MP-PW-Pipe-03	Harmon Cliffline Piping to Route 1	591,403	-	-	-	-	
MP-PW-Pipe-04	Hyundai Well Piping	762,966	-	-	-	-	
MP-PW-Pipe-06	Mangilao Pressure Zone Realignment	479,818	-	-	-	-	
MP-PW-Pipe-07	Mataguac BPS Suction Piping	1,022,403	-	-	-	-	
MP-PW-Pipe-08	Nimitz Lower BPS Piping	168,773	2,130,949	-	-	-	
MP-PW-Pipe-09	Yigo, Santa Rosa Zone Realignment	248,278	3,139,125	-	-	-	
MP-PW-Pipe-10	Miscellaneous Piping Projects	-	-	1,354,048	-	-	
MP-PW-Pipe-11	Miscellaneous Piping Connections	162,357	168,851	175,605	182,629	189,935	
MP-PW-Pipe-12	Piping Rehabilitation and Replacement	-	10,239,146	10,648,711	22,149,320	8,158,707	
MP-PW-Pipe-13	2-Inch Pipe Replacement	-	11,209,847	11,892,212	12,319,234	2,855,547	
MP-PW-Pipe-14	Asbestos Cement Pipe Replacement	-	13,962,142	14,520,628	25,169,088	6,282,204	
MP-PW-Pipe-15	PRV Rehab and Replacement	2,047,595	2,129,499	2,214,679	2,303,266	2,395,396	
MP-PW-Pipe-16	Valve Exercise, Repair, and Replacement	784,586	489,582	848,608	529,531	407,935	
<b>Subtotal, Water Distribution- System Improvement</b>		<b>\$ 192,191,928</b>	<b>\$ 7,028,355</b>	<b>\$ 49,698,069</b>	<b>\$ 52,522,710</b>	<b>\$ 62,653,069</b>	<b>\$ 20,289,725</b>
<b>Water Distribution - Booster Pump Station Improvement</b>							
MP-PW-BPS-01	Rehabilitate and Replace BPSs	\$ 3,512,155	\$ -	\$ 226,295	\$ 235,347	\$ 244,761	
MP-PW-BPS-01.A	Brigade Booster Pump Improvement	4,915,590	-	-	-	-	
MP-PW-BPS-02	Nimitz Hill Upper BPS	-	69,629	-	-	-	
MP-PW-BPS-03	Route 15 BPS	-	-	1,713,811	-	-	
<b>Subtotal, Water Distribution- Booster Pump Stations</b>		<b>\$ 10,917,589</b>	<b>\$ 8,427,744</b>	<b>\$ 69,629</b>	<b>\$ 1,940,107</b>	<b>\$ 235,347</b>	<b>\$ 244,761</b>
<b>Water Storage Tank Improvements</b>							
MP-PW-Tank-08	Malojloj Tank	1,380,871	1,122,959	-	-	-	
MP-PW-Tank-09A	Manenggon Hills Tanks A	2,393,510	1,025,949	-	-	-	
MP-PW-Tank-10A	Nimitz Hill Tanks A	51,608	320,585	333,409	-	-	
MP-PW-Tank-10B	Nimitz Hill Tanks B	51,608	320,585	333,409	-	-	
MP-PW-Tank-13	Piti Tank	937,319	-	-	-	6,688,508	
MP-PW-Tank-15	Sinifa Tank [formerly Santa Rita Tank]	-	-	-	-	6,688,508	
MP-PW-Tank-22	Existing Tank Assessment Inspections	-	-	-	167,881	174,596	
MP-PW-Tank-23	Recurring Tank Inspections	845,726	879,555	914,737	951,326	349,193	
<b>Subtotal, Water Storage Tank Improvements</b>		<b>\$ 25,931,842</b>	<b>\$ 5,660,642</b>	<b>\$ 3,669,633</b>	<b>\$ 1,581,554</b>	<b>\$ 1,119,207</b>	<b>\$ 13,900,805</b>
<b>Wastewater Collection - Gravity Piping Projects</b>							
MP-WW-Pipe-01	Gravity Pipe Rehabilitation/Replacement	\$ -	\$ 6,550,964	\$ 8,065,171	\$ 277,710	\$ 10,093,952	
MP-WW-Pipe-02	Barrigada Pump Station Pipe Rehabilitation/Replacement	-	6,744,707	-	-	-	
MP-WW-Pipe-06	Rt. 1 Dededo (Northern District Route 1 Capacity Replacement) Phase 1	581,392	6,896,210	7,172,059	7,458,941	-	
MP-WW-Pipe-09	North Dededo Capacity Replacement - Phase 1	-	-	-	-	1,212,384	
MP-WW-Pipe-14	Dededo Capacity Replacement	-	-	-	-	409,567	
MP-WW-Pipe-17	Mamajanao Capacity Replacement	-	2,658,739	3,883,231	-	-	
MP-WW-Pipe-18	Rt. 12 at Rt.2 (Agat-Santa Rita Capacity Replacement) Phase 1	-	-	345,478	4,366,477	-	
MP-WW-Pipe-19	Rt. 12 at Rt.2 (Agat-Santa Rita Capacity Replacement) Phase 2 (first priority)	-	4,812,492	-	-	-	
MP-WW-Pipe-20	Rt. 12 at Rt.2 (Agat-Santa Rita Capacity Replacement) Phase 3	-	-	-	706,042	4,479,130	
MP-WW-Pipe-24	Umatac-Merizo Capacity Replacement - Rt.4 (PS17 to PS14)	-	2,851,837	-	-	-	
MP-WW-Pipe-27	Septic/Cesspool System Reduction	13,152,256	13,759,899	11,923,273	12,400,204	7,064,114	
MP-WW-Pipe-28	CCTV Inspection, Assessment, Documentation, & Reporting	2,902,387	-	-	-	-	
MP-WW-Pipe-29	Gravity Main Condition Assessment Report	-	112,486	-	-	-	
MP-WW-Pipe-30	Future Gravity Main Rehabilitation and Replacement Plan	-	10,292,093	10,703,776	11,131,928	11,577,205	
MP-WW-Pipe-33	Clean all mains [5 year rotation; 60 miles per year]	1,697,506	1,765,407	1,836,023	1,909,464	1,985,842	

MP-WW-Pipe-34	"Hot Spot" Cleaning		63,276	-	-	-	-
MP-WW-MH-01	Manhole Rehabilitation		488,187	507,714	528,023	549,144	571,109
<b>Subtotal, Wastewater Collection Gravity Piping Projects</b>		<b>\$ 196,487,799</b>	<b>\$ 18,885,004</b>	<b>\$ 56,952,548</b>	<b>\$ 44,457,034</b>	<b>\$ 38,799,909</b>	<b>\$ 37,393,304</b>
<b>Wastewater Collection - Forcemain Projects</b>							
MP-WW-FM-01	Force Main Rehabilitation/Replacement [25%]		\$ -	\$ -	\$ 7,141,886	\$ 7,427,561	\$ -
MP-WW-FM-02	Replace Yigo Lift Station Force Main		4,647,538	-	-	-	-
MP-WW-FM-03	Route 1 Asan Force Main Rehabilitation/Replacement		2,123,695	-	-	-	-
MP-WW-FM-04	Hagåtña WWTP Force Main Rehabilitation/Replacement		8,428,863	-	-	-	-
MP-WW-FM-05	Force Main Action Plan and Implementation [75%]		1,622,400	-	-	-	-
MP-WW-FM-08	Force Main Assessment		4,569,760	-	-	-	-
MP-WW-FM-09	Force Main Assessment Report		513,760	-	-	-	-
MP-WW-FM-10	Prepare a Force Main Spill Contingency Plan		216,320	-	-	-	-
MP-WW-FM-11	Preparation of a Force Main Operation and Preventative Maintenance Plan		216,320	-	-	-	-
MP-WW-FM-12	Implementation of the Force Main Operation and Maintenance Program		216,320	-	-	-	-
<b>Subtotal, Wastewater Collection Forcemain Projects</b>		<b>\$ 37,124,423</b>	<b>\$ 22,554,977</b>	<b>\$ -</b>	<b>\$ 7,141,886</b>	<b>\$ 7,427,561</b>	<b>\$ -</b>
<b>Wastewater Collection - Lift/Pump Station Projects</b>							
MP-WW-Pump-01	Lift Station Rehabilitation/Replacement - Comprehensive improvements		\$ -	\$ 2,249,728	\$ 2,339,717	\$ 2,433,306	\$ 2,530,638
MP-WW-Pump-02	Tumon Basin - Fujita Lift Station		-	3,963,447	2,924,646	3,041,632	3,163,298
MP-WW-Pump-09	Tier 1 Pump Station Improvements (23 pump stations)		3,615,535	-	-	5,445,592	3,061,181
<b>Subtotal, Wastewater Collection Lift/Pump Station Projects</b>		<b>\$ 34,768,720</b>	<b>\$ 3,615,535</b>	<b>\$ 6,213,175</b>	<b>\$ 5,264,364</b>	<b>\$ 10,920,530</b>	<b>\$ 8,755,117</b>
<b>Wastewater Treatment Projects</b>							
MP-WW-WWTP-01	Hagåtña WWTP Primary Treatment Repair/Rehabilitation		\$ -	\$ -	\$ -	\$ 16,945,007	\$ 17,622,807
MP-WW-WWTP-02.1	Hagåtña WWTP Secondary Treatment Upgrade Alternatives Evaluation		2,334,478	3,374,591	-	-	-
MP-WW-WWTP-02	Hagåtña WWTP Secondary Treatment Upgrade		-	-	5,849,293	6,083,265	6,326,595
MP-WW-WWTP-03	Inarajan WWTP Repair/Rehabilitation		-	-	301,727	2,824,168	-
MP-WW-WWTP-09	Ocean Outfall Inspection		-	-	175,479	243,331	-
<b>Subtotal, Wastewater Treatment Projects</b>		<b>\$ 62,080,740</b>	<b>\$ 2,334,478</b>	<b>\$ 3,374,591</b>	<b>\$ 6,326,499</b>	<b>\$ 26,095,770</b>	<b>\$ 23,949,402</b>
<b>Electrical, Monitoring and Control Projects</b>							
MP-Gen-EE-02	Electrical: SCADA Implementation Phase B -- Additional Sites		\$ 836,892	\$ 870,367	\$ 3,853,058	\$ -	\$ 4,167,468
MP-Gen-EE-03	Electrical: SCADA Implementation Phase C -- Additional Instruments		-	5,436,895	-	651,128	677,173
MP-Gen-EE-04	Electrical: SCADA Control Center System Improvement		3,222,032	3,350,914	-	-	-
MP-Gen-Misc-04	Monitoring: Information Technology Improvements		1,222,933	1,378,082	1,433,205	1,490,533	326,348
MP-Gen-Misc-03	Control: Surveying and Property Delineation		429,173	727,556	744,959	786,924	818,401
MP-Gen-Misc-09	Control: Security and Resilience		906,633	942,898	980,614	1,019,838	163,174
<b>Subtotal, Electrical Monitoring and Control Projects</b>		<b>\$ 36,437,196</b>	<b>\$ 6,617,663</b>	<b>\$ 12,706,711</b>	<b>\$ 7,011,836</b>	<b>\$ 3,948,423</b>	<b>\$ 6,152,564</b>
<b>General Plant Facility and Fleet</b>							
MP-Gen-Misc-05	GWA Customer Service, Warehouse, Test Bench and Improvements		\$ 5,811,747	\$ 6,044,217	\$ 6,285,986	\$ -	\$ -
MP-Gen-Misc-06	GPWA Fleet Maintenance Facility		3,942,594	-	-	-	4,612,278
MP-Gen-Misc-07	Mobile Equipment Replacement		1,622,400	1,687,296	1,754,788	1,824,979	652,697
MP-Gen-Misc-07.A	Wastewater Light Mobile Replacement Program		1,622,400	-	-	-	-
MP-Gen-Misc-08	General Plant Improvements		2,231,096	3,445,204	3,583,012	3,726,332	815,871
<b>Subtotal, General Plant Facility and Fleet</b>		<b>\$ 49,662,897</b>	<b>\$ 15,230,238</b>	<b>\$ 11,176,717</b>	<b>\$ 11,623,786</b>	<b>\$ 5,551,312</b>	<b>\$ 6,080,845</b>
<b>Miscellaneous Planning Program</b>							
MP-Gen-Misc-01	GWA Engineering Systems Planning		\$ 1,850,806	\$ 3,093,376	\$ 3,217,111	\$ 2,737,469	\$ 1,631,741
MP-Gen-Misc-02A	WRMP Comprehensive Update & Water System Planning		-	-	-	2,039,677	2,121,263
MP-Gen-Misc-02B	WRMP Update (Interim Update)		144,333	-	301,727	-	-
<b>Subtotal, Miscellaneous Planning Program</b>		<b>\$ 17,137,503</b>	<b>\$ 1,995,139</b>	<b>\$ 3,093,376</b>	<b>\$ 3,518,838</b>	<b>\$ 4,777,146</b>	<b>\$ 3,753,005</b>
<b>Miscellaneous Water Supply Support Program</b>							
MP-PW-Misc-01	South Guam Water Supply Study		\$ -	\$ -	\$ 678,886	\$ -	\$ -
MP-PW-Misc-02	Master Meter Implementation and Ongoing Meter Replacement		1,023,797	1,064,749	1,107,339	1,151,633	1,197,698
MP-PW-Misc-02.A	District Meter Area Implementation		6,128,820	-	-	-	-
MP-PW-Misc-03	Hydrant Condition Assessment and Maintenance		1,352,975	1,407,094	1,463,378	1,521,913	1,582,789
MP-PW-Misc-04	OneGuam		66,192	181,326	-	196,123	81,587
MP-PW-Misc-05	Leak Detection Assistance		267,364	446,789	464,660	483,247	502,576
<b>Subtotal, Miscellaneous Water Supply Support Program</b>		<b>\$ 22,370,936</b>	<b>\$ 8,839,149</b>	<b>\$ 3,099,958</b>	<b>\$ 3,714,263</b>	<b>\$ 3,352,915</b>	<b>\$ 3,364,651</b>
<b>Miscellaneous Wastewater Projects</b>							
MP-WW-Misc-01A	Update Wastewater Collection System Model (Major Update)		\$ 697,410	\$ -	\$ -	\$ -	\$ -
MP-WW-Misc-01B	Update Wastewater Collection System Model (Continued)		1,115,855	-	-	-	-
MP-WW-Misc-02	II and SSSES Assessments		703,040	-	760,408	-	822,457
MP-WW-Misc-03	Miscellaneous Wastewater Improvements		811,200	899,891	994,380	1,064,571	1,113,481
<b>Subtotal, Miscellaneous Wastewater Projects</b>		<b>\$ 8,982,693</b>	<b>\$ 3,327,605</b>	<b>\$ 899,891</b>	<b>\$ 1,754,788</b>	<b>\$ 1,064,571</b>	<b>\$ 1,935,938</b>

Grand Total, Nominal Dollars \$ 898,733,389



**GUAM WATERWORKS AUTHORITY**

"Better Water, Better Lives."

Gloria B. Nelson Public Service Building | 688 Route 15 | Mangilao, Guam 96913

Tel: (671) 300-6846/7

**Issues for Decision**

**Resolution No. 12-FY2024**

Relative to the Approval and Recommendation to Establish a New Article 9 Within 28 GAR, Chapter 2, for the Guam Waterworks Authority's Sewer Hookup Revolving Loan Fund

**What is the project's objective and is it necessary and urgent?**

As authorized by the CCU in GWA Resolution No. 08-FY2023, GWA has been working through the requirements of the public rule-making process to add a new Article 9 to 28 GAR, Chapter 2, to add the Guam Waterworks Authority's Sewer Hookup Revolving Loan Fund into the Guam Administrative Rules and Regulations.

To complete the rule-making process, GWA is required to show board approval of the FINAL proposed rules and provide a certification of the entire agency record to support compliance with the rule-making procedures before filing copies of the proposed rules to the Governor of Guam, the Attorney General, and the Guam Legislature.

Resolution 12 is being introduced for the Board's review and consideration to seek approval of the FINAL proposed rules.

**Where is the location?**

If adopted, the rules will be added to Title 28 of Guam's Administrative Rules and Regulations to be formally added and incorporated by the Compiler of Laws.

**How much will it cost?**

There are no fees assessed by the Compiler or the Guam Legislature for the adoption of these rules; however, a total cost of \$560 was paid to the Guam Daily Post for two Notice of Public Hearing publications first publicized on or about October 16, 2023.

**When will it be completed?**

Upon approval, the FINAL rules shall be transmitted to the Attorney General and to the Governor for initial review and approval as to constitutionality and policy and then to the Legislative Secretary of the Guam Legislature for adoption. The rules are to be adopted into law after 90 days has elapsed without action from the Guam Legislature.

**What is the funding source?**

The initial funding source for the Sewer Revolving Fund and Loan Program of \$75,000 was provided by Guam EPA; but additionally, and by the FY2023 Budget Act, local legislation recently appropriated an additional \$2 million to support the Fund.

**The RFP/BID responses (if applicable):**

N/A



**CONSOLIDATED COMMISSION ON UTILITIES**  
Guam Power Authority | Guam Waterworks Authority  
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

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**GWA RESOLUTION NO. 12-FY2024**

**RELATIVE TO THE APPROVAL AND RECOMMENDATION TO ESTABLISH A NEW ARTICLE 9 WITHIN 28 GAR, CHAPTER 2, FOR THE GUAM WATERWORKS AUTHORITY’S SEWER HOOKUP REVOLVING LOAN FUND**

**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

**WHEREAS**, by CCU GWA Resolution No. 08-FY2023, the CCU authorized GWA to follow 5 GCA Chapter 9 Article 3 Administrative Adjudication Law Rule-Making Procedures to add the Sewer Revolving Loan and Loan Fund rules into the Guam Administrative Rules, if required;

**WHEREAS**, in compliance with Administrative Adjudication Act for the adoption of its Sewer Hook-Up Revolving Loan Fund Rules GWA conducted a public hearing on October 27, 2023 at 10:00 a.m. at the GPWA main offices at the Gloria B. Nelson Public Service Building in Mangilao, Guam;

**WHEREAS**, the public hearing was heard after due and lawful notice was advertised via a local newspaper of general circulation;

**WHEREAS**, the proposed rules were published on GWA’s website and available for in-person review and inspection in advance of the public hearing;

//

1           **WHEREAS**, a public comment period on the proposed rules was publicized AND public  
2 comments regarding the proposed amended rules were received;

3  
4           **WHEREAS**, having reviewed and considered the proposed rules and public comments, and  
5 in finding the need for only a specific portion of the rules to have the effect of law, the proposed Sewer  
6 Hook-Up Revolving Loan Funds rules were streamlined and amended to a FINAL proposed rule draft  
7 attached herein as EXHIBIT A;

8  
9           **WHEREAS**, the FINAL proposed rules at EXHIBIT A, shall establish a new Article 9 within  
10 28 GAR, Chapter 2. The FINAL proposed rule primarily concerns:

- 11           1. The Creation and Purpose of the Sewer Hook-Up Loan Fund;
- 12           2. The Requirement to Keep the Fund Separate:
- 13           3. The Requirement to Publicly Post Annual Fund Statements;
- 14           4. The Definitions for:
  - 15                   (a) Service Lateral Connections; and
  - 16                   (b) the Public Sewer Main;
- 17           5. The Loan Funding Source;
- 18           6. The Separate Establishment of Loan Terms, Conditions, Interest rates and Fees;
- 19           7. The Place for Loan Application filing;
- 20           8. The Loan's Security and Penalties to include:
  - 21                   (a) disconnection of water service;
  - 22                   (b) property liens

23  
24           **WHEREAS**, the FINAL proposed rules permit GWA to be readily able to expand and adjust  
25 the loan terms and the loan program without delay to address the viability of the sewer loan hook-up  
26 fund, the program, and the use of available funding;

27  
28           **WHEREAS**, these FINAL proposed rules are consistent with the policies adopted by the CCU,  
29 and GWA, to comply with paragraph 34 of GWA's 2011 Stipulated Order with USEPA in *CV02-*  
30 *00035 USA v. GWA and GovGuam* and to support and comply with GWA's March 2021 *Cesspool*  
31 *and Septic Tank Elimination Study*, which requires GWA to continue its sewer hook-up program and  
32 to initiate and maintain efforts to connect residents to GWA's sewer system, and;

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**WHEREAS**, GWA’s DRAFT Sewer Loan Fact Sheet which summarizes loan terms, conditions, and low interest rates as of January 2024, and as adopted by CCU Resolution No(s). 08-FY2023 and 09-FY2024, is attached here at EXHIBIT B;

**WHEREAS**, to comply with the Administrative Adjudication Law Rule-Making Procedures at 5 G.C.A. §9303 GWA is required to show board approval of the FINAL proposed rules at EXHIBIT A and a certification of the entire agency record before filing copies of the proposed rules to the Governor of Guam, the Attorney General, and the Guam Legislature;

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

- 1. The recitals set forth above hereby constitute the findings of the CCU.
- 2. The amended and FINAL proposed rules in the form attached as EXHIBIT A to this Resolution are hereby approved by the CCU.
- 3. The approved copy of these FINAL proposed rules, together with the portions of the rule-making record, shall be certified and transmitted to the Legislative Secretary of the Guam Legislature and any other required branch and office within the government of Guam to establish a new Sewer Hook-up Loan Revolving Fund at 28 GAR, Article 9, Chapter 2 for the Guam Waterworks Authority

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

**DULY AND REGULARLY ADOPTED**, this 27<sup>th</sup> day of February 2024.

Certified by:

Attested by:

\_\_\_\_\_

\_\_\_\_\_

**JOSEPH T. DUENAS**

**PEDRO ROY MARTINEZ**

Chairperson

Secretary

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**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: \_\_\_\_\_  
NAYS: \_\_\_\_\_  
ABSENT: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_

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**EXHIBIT A**

**28 GAR – PUBLIC UTILITIES  
CH. 2 – GUAM WATERWORKS AUTHORITY**

**CHAPTER 2  
GUAM WATERWORKS AUTHORITY**

Article 9 Guam Waterworks Authority Sewer Hook-Up Revolving  
Loan Fund

§2901. Loan Fund Created

§2902. Definitions

§2903. Funding Source(s) and Loan Terms.

§2904. Loan Application to Be Filed With the Guam Waterworks Authority

§2905. Loan Security and Penalties

**§ 2901. Loan Fund Created.**

- (a) **Declaration of Loan Intent.** There is created the "Guam Waterworks Authority Sewer Hook-Up Revolving Loan Fund" (the Fund) to offer loans to qualifying property owners who are not currently connected to the public sewer system. These loans are limited to property owners, for residential non-commercial use, to solely install service lateral connections to a public sewer main.
- a) **Separate Fund.** The Fund shall be maintained separate and apart from any other funds of the Government of Guam and shall have separate and independent financial controls and records maintained.
- (b) **Annual Statements.** GWA shall post an annual statement reflecting the financial condition of the Fund on GWA's website at the end of each fiscal year.
- (c) **Interest Loan & Administrative Charges.** The Guam Waterworks Authority is required to charge interest for said loans and the amount for loan charges shall be established by GWA. The charges shall be deposited into the "GWA Sewer Hook-Up Revolving Loan Fund" less GWA administrative costs to administer the loans.

**§ 2902. Definitions.**

As used in this Chapter:

- (a) *Service Lateral Connections* for sewer shall mean the main tap, pipe, and

fittings from a private property structure to the public sewer main, pursuant to GWA's design and construction standards and policies.

- (b) Public Sewer Main Or Public Sewer System shall mean the sewer pipe typically eight (8) inches in diameter or larger into which several laterals or other sewer lines may discharge.

**§2903. Funding Source(s) and Loan Terms.**

- (a) The GWA Sewer Hook-up Revolving Loan Fund may be supplied with monies received from any legal source and shall be only used for service lateral connections as defined above until such time as all point sources of wastewater discharge are connected to the public sewer system.
- (b) GWA shall have the full authority to manage the funds deposited into the Sewer Hook-Up Revolving Loan Fund.
- (c) The terms, conditions, fees, and interest rates of the loan shall be established by GWA subject to the approval of the Consolidated Commission on Utilities (CCU) by a CCU Resolution.
- (d) Any and all loan awards are subject to the availability of funds.

**§2904. Loan Application To Be Filed With the Guam Waterworks Authority.**

- (a) All qualifying applicants for this loan program shall file an application on the prescribed form with the Guam Waterworks Authority.

**§2905. Loan Security and Penalties.**

- (a) GWA shall have the authority to impose the following conditions as security and as a penalty for a Borrower's failure to repay the loan.
  1. **Disconnection of water service.** Disconnection of water service shall take effect until the amounts due and owing are repaid in full and/or brought current; and
  2. **Property Liens.** Liens may be placed on the subject property and may not be lifted or otherwise discharged until the full amount due and owing under the borrower's loan agreement is paid in full. Liens shall run with the land and not be subject to discharge by sale, mortgage, judgment or for any other cause until the loan is paid in full.

**EXHIBIT B**



Gloria B. Nelson Public Service Building | 688 Route 15, Mangilao, Guam 96913  
 Telephone No.: (671) 300-6058

**DRAFT Wastewater Revolving Loan Fact Sheet**

Septic tank/leaching field systems and cesspools discharge wastewater to the ground. To protect our groundwater and surface water resources, Guam Waterworks Authority offers low-interest loans to qualified homeowners to connect to the public wastewater system, which will eliminate use of their septic tank/leaching field or cesspool.

Loans are limited to property owners of residential, non-commercial buildings, for the purpose of installing a wastewater service lateral to a GWA public sewer main.

Priority will be given to the following applicants:

- over the Northern Aquifer or immediately adjacent to an existing surface water body (river or ocean)
- all other low-income residential purposes.

For more information, please contact [permits@guamwaterworks.org](mailto:permits@guamwaterworks.org) or 671-300-6058.

Application Requirements and Loan Information		Applicants Receiving Public Assistance
(1) Maximum Loan Amount	\$50,000	\$50,000
(2) Contractor Estimates for Sewer Lateral Construction	Two	Two
(3) Declined Loan Applications from Financial Institutions	One	Waived
(4) Loan Repayment Term	10 years	15 years
(5) Repayment Start Date	30 days after construction completion and payment to the contractor.	
(6) Interest	The interest rate is based on the USDA Home Loan interest rate at the time the loan is entered into.	
Liens	Liens will be placed on the property until the loan amount is paid in full.	
Loan Security and Fees	The applicant is responsible for mortgage recording, credit report, preliminary title report, and Uniform Commercial Code filing fees.	
Nonpayment	Water service will be disconnected until the payments are made. The property lien would remain until the loan is paid in full.	

**(1) Maximum Loan Amount and (2) Contractor Estimates**

- a. The loan amount will be based on the lower of two construction estimates provided by licensed contractors. The contractors will be required to submit a non-collusion affidavit with the construction estimates.
- b. Funds will be released to the selected contractor upon satisfactory inspection by GWA or its agent.
- c. The contractor cost estimate requirement is waived if the sewer connection is part of a GWA capital improvement project that involves sewer lateral construction.

**(3) Declined Loan Applications from Financial Institutions**

- a. This loan is available only to Applicants that own the premises being served and have been refused a loan for a similar purpose by one bank licensed to do business in Guam.

**(4) Loan Repayment Term**

- a. Monthly installment payments
- b. Loan Term shall not exceed 15 years for applicants receiving public assistance.
- c. Loan term shall not exceed 10 years for all other applicants.

**(5) Repayment Start Date**

- a. Payments shall start 30 days after sewer lateral construction has been completed and the contractor has been paid.
- b. The start date may be deferred for a maximum of 5 years for customers who connect to a sewer main within 1 year of the main being built.

**(6) Interest**

- a. As of January 1, 2024, the interest rate for Single Family Housing direct home loans is 5.125% for low-income and very-low income borrowers.
- b. A \$25,000 loan with a 10-year term and 5.125% interest rate would have a monthly payment of \$266.69.
- c. A \$50,000 loan with a 10-year term and 5.125% interest rate would have a monthly payment of \$533.39.