



CONSOLIDATED COMMISSION ON UTILITIES

Guam Power Authority | Guam Waterworks Authority

P.O. Box 2977 Hagatna, Guam 96932 | (671) 648-3002 | guamccu.org

REGULAR BOARD MEETING

CCU Conference Room, Gloria B. Nelson Public Service Building

5:30 p.m., Tuesday, April 25, 2023

*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 **Resolution No. 10-FY2023** - Relative to Approval of the Tamuning and Manenggon Reservoirs Construction Contract
 - 4.4 **Resolution No. 18-FY2023** - Relative to Approval of the ID/IQ Undersized Waterline Replacement Design/CM Contract
 - 4.5 [Resolution No. 20-FY2023 - Relative to Approval of the Indefinite Delivery/Indefinite Quantity Implementation of District Metered Areas Design and CM Contract](#)
 - 4.6 [Resolution No. 22-FY2023 - Relative to Approval of Additional Funding for the Tank Repair and Bypass Project](#)
 - 4.7 [Resolution No. 23-FY2023 - Relative to Approval of Amendment for the Indefinite Delivery/Indefinite Quantity Professional Utility Management and Financial Consulting Services Agreement](#)
 - 4.8 [Resolution No. 24-FY2023 - Relative to Approval of FY2023 Budget Amendments and Rate Stabilization Fund Transfers](#)
 - *4.9 [Resolution No. 25-FY2023 \(GWA\) / Resolution No. FY2023-18 \(GPA\) – Relative to Authorizing the Management of the Guam Power Authority and Guam Waterworks Authority to Procure Merchant Banking Services](#)
5. GPA
 - 5.1 [GM Report](#)
 - 5.2 [Financial](#)
 - *5.3 [Resolution FY2023-19 Levelized Energy Adjustment Clause \(LEAC\) for the Period Starting June 01, 2023 to January 31, 2024](#)
 - *5.4 [Resolution FY2023-17 Pre-Development Study for Liquefied Natural Gas Under the EPCM Contract](#)
 - *5.5 [Resolution FY2023-18 \(GPA\) / Resolution No. 25-FY2023 \(GWA\) Authorizing the Management of the Guam Power Authority and Guam Waterworks Authority to Procure Merchant Banking Services](#)
6. OTHER DISCUSSION

7. ANNOUNCEMENTS

- 7.1 Next CCU Meetings:
Tuesday, May 16, 2023 at 8:30 a.m. - GWA Work Session
Thursday, May 18, 2023 at 8:30 a.m. - GPA Work Session
Tuesday, May 23, 2023 at 5:30 p.m. - CCU Meeting

8. ADJOURNMENT

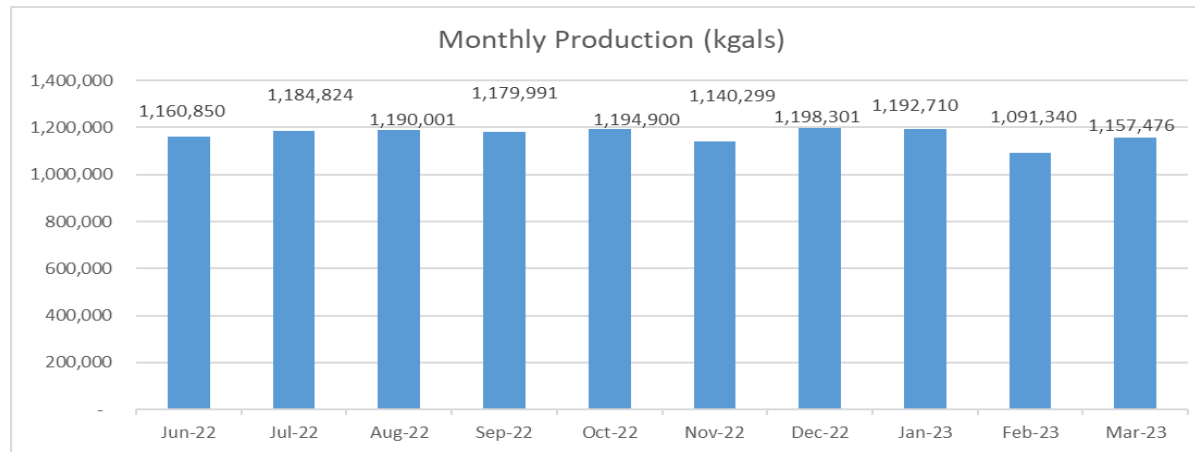


Management Report
CCU Regular Board Meeting
April 25, 2023

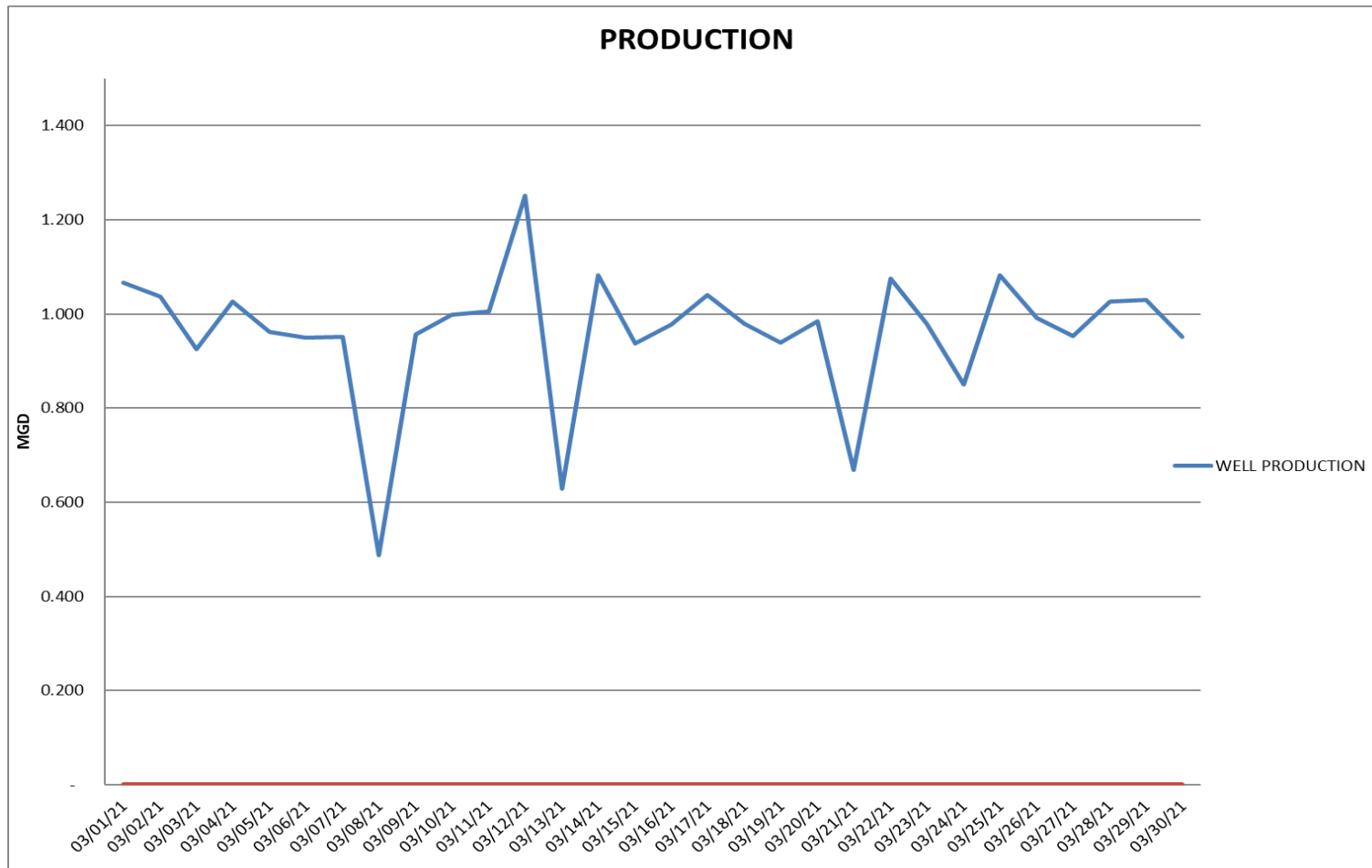


Operations Update
Production (March 2023)

Monthly Production Summary - March 2023				DW Status as of 3/31/2023		
Deep Wells			34.0 MGD		Active	87
Active wells =	87 of 120				Grounded Motors	22
Avg days in operation =	31 days					
Total Production =	1,053,943 Kgals					
Springs			0.42 MGD		Out of Commission	9
Avg days in operation =	31 days					
Total Production =	13,124 Kgals					
Ugum Surface Water Plant			2.0 MGD		Secured - PFO	2
Avg days in operation =	31 days					
Total Production =	60,831 Kgals					
Tumon Maui Well			0.95 MGD		TOTAL	120
Avg days in operation =	31 days					
Total Production =	29,578 Kgals					
			1,157,476 Kgals	37.3 MGD		

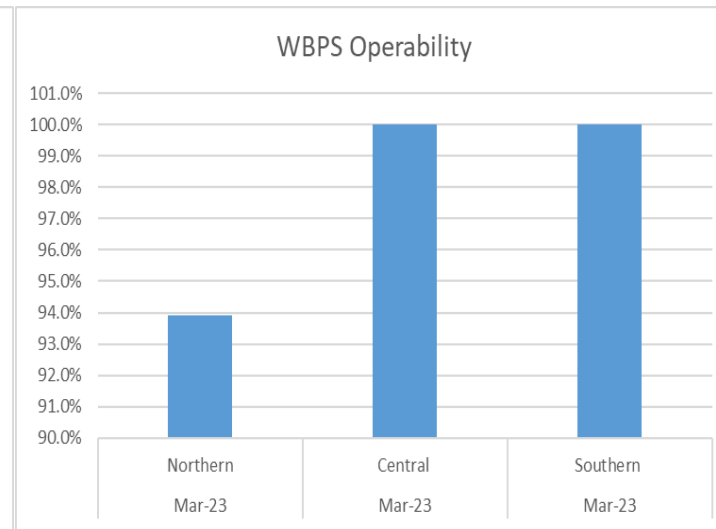
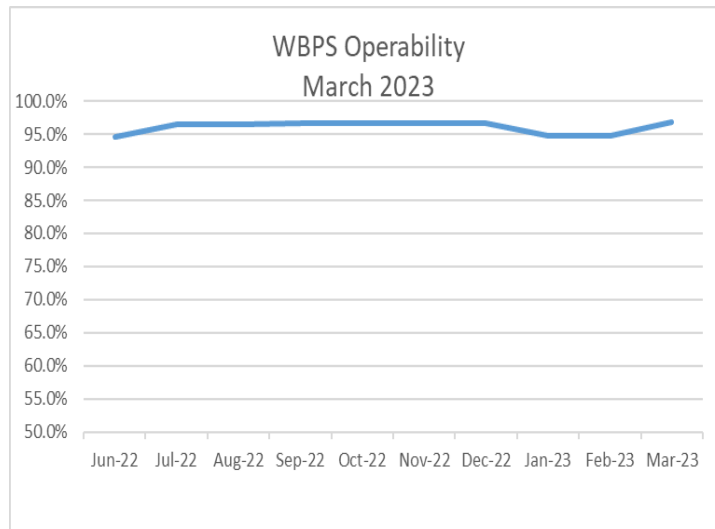


Tumon Maui Well Production (March 2023)

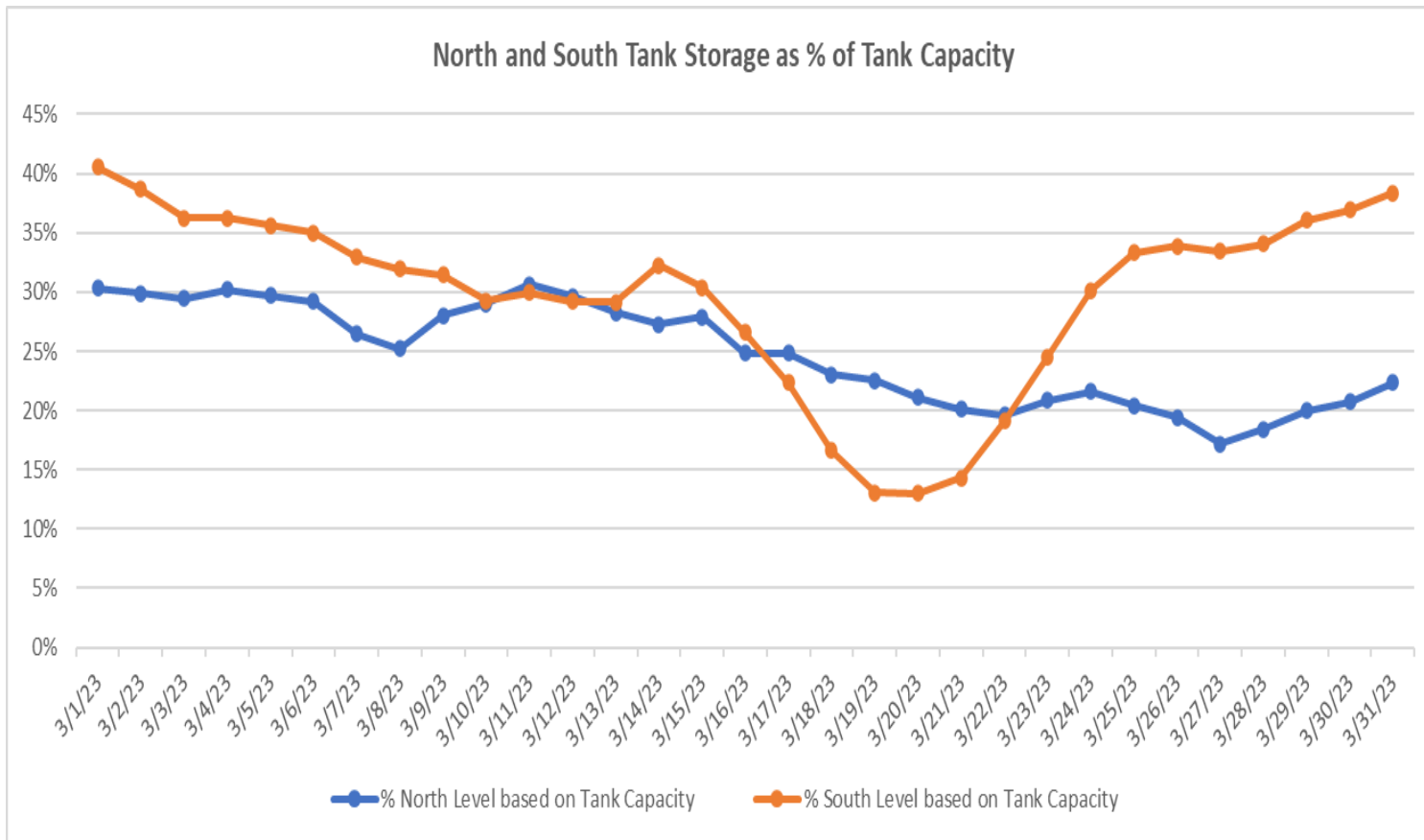


Distribution (March 2023)

Monthly Distribution Summary - March 2023					
Water Booster Pump Stations					
	District	No. of Stations	Total Pumps	Pumps Operating	% Operational
	Northern	14	33	31	93.9%
	Central	7	15	15	100.0%
	Southern	7	16	16	100.0%
		28	64	62	96.9%

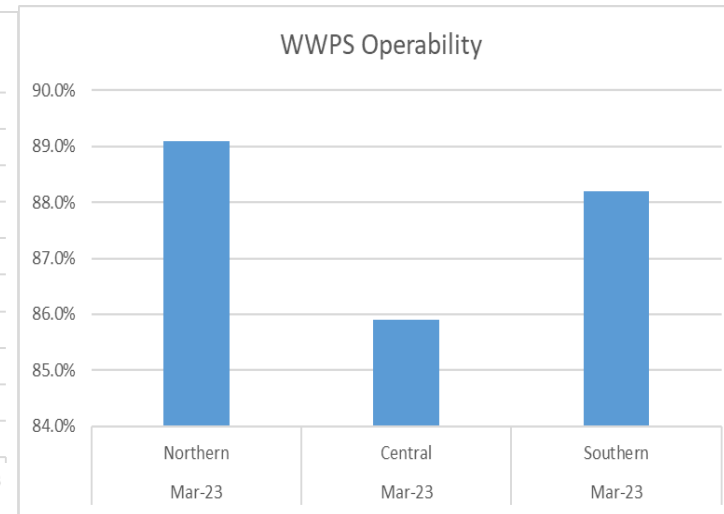
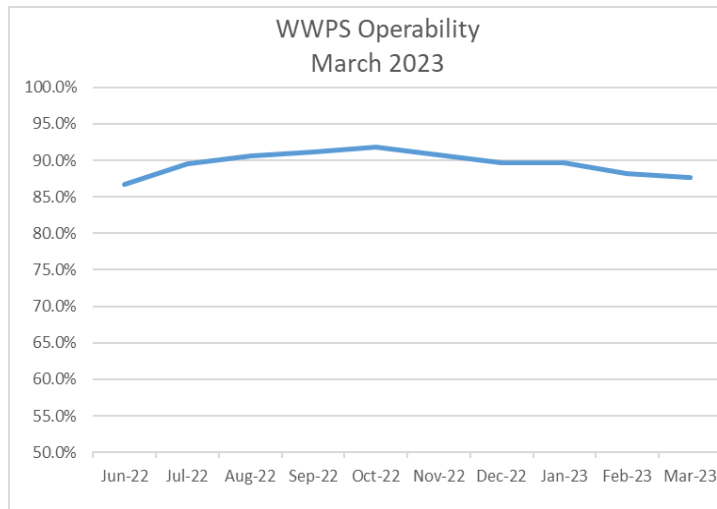


Distribution – Tank Levels (March 2023)

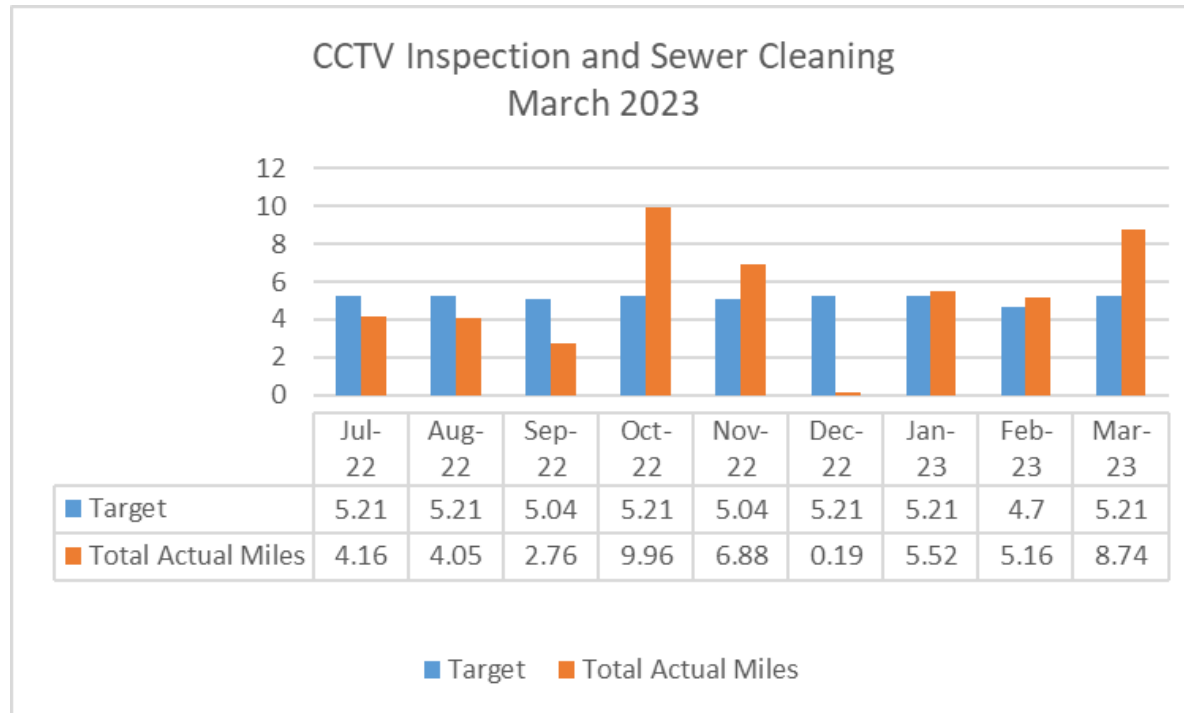


Wastewater Collections (March 2023)

Monthly Collections Summary - March 2023					
Wastewater Pump Stations					
	District	No. of Stations	Total Pumps	Pumps Operating	% Operational
	Northern	23	55	49	89.1%
	Central	29	64	55	85.9%
	Southern	32	68	60	88.2%
		84	187	164	87.7%

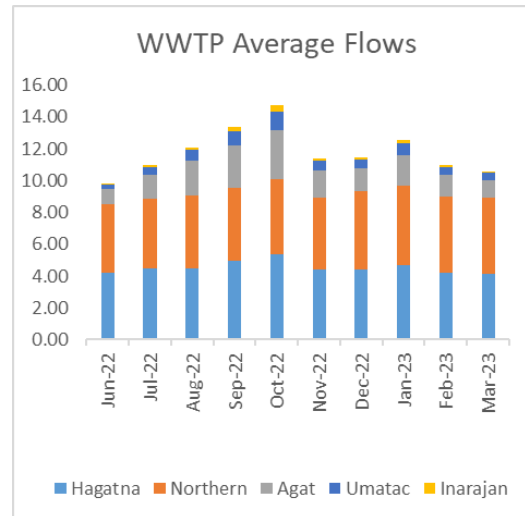


Wastewater Collections - CCTV (March 2023)



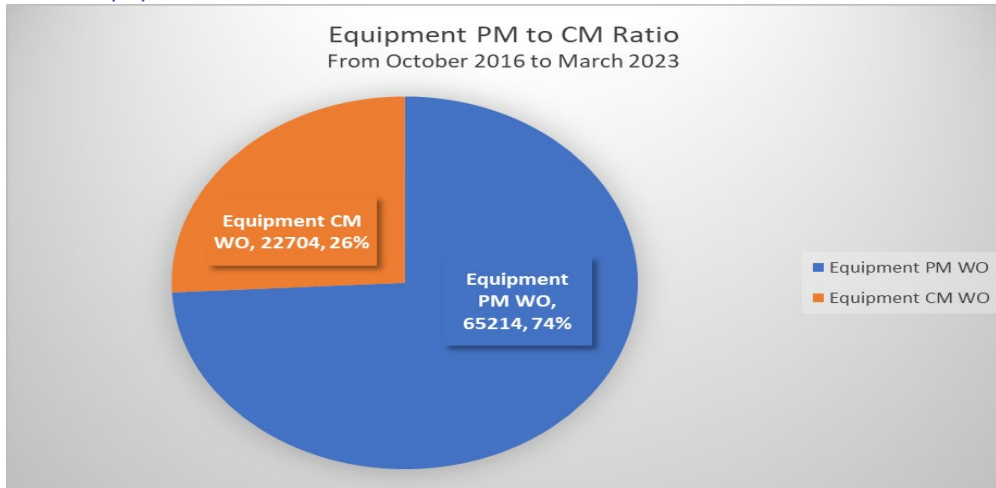
Wastewater Treatment (March 2023)

Monthly Wastewater Treatment Summary - March 2023				
WW Treatment Plants - Flows				
	Facility	Avg. Daily Flows	Sludge (lbs)	Sludge Disp. (\$)
	Hagatna	4.12	298,400	\$ 26,856
	Northern	4.8	375,100	\$ 33,759
	Agat	1.09	72,200	\$ 6,498
	Umatac	0.49		
	Inarajan	0.09		
		10.59	745,700	\$ 67,113

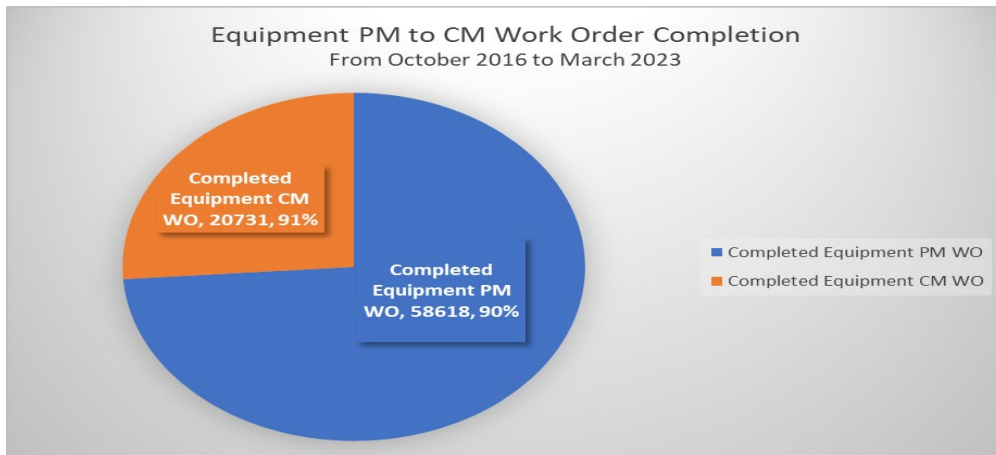


Asset Management (through March 2023)

I. Equipment Preventive Maintenance to Corrective Maintenance *Ratio*

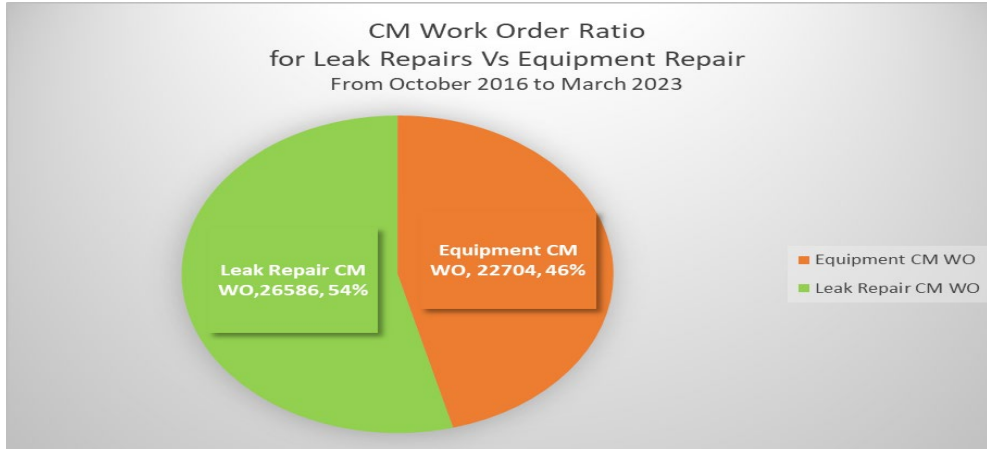


II. Equipment Preventive Maintenance to Corrective Maintenance *Work Order Completion*

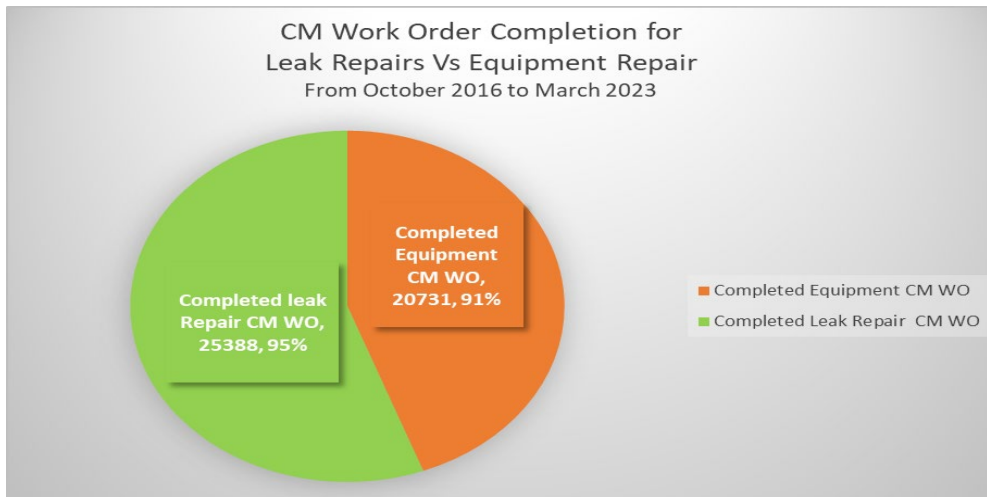


Asset Management (through March 2023)

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



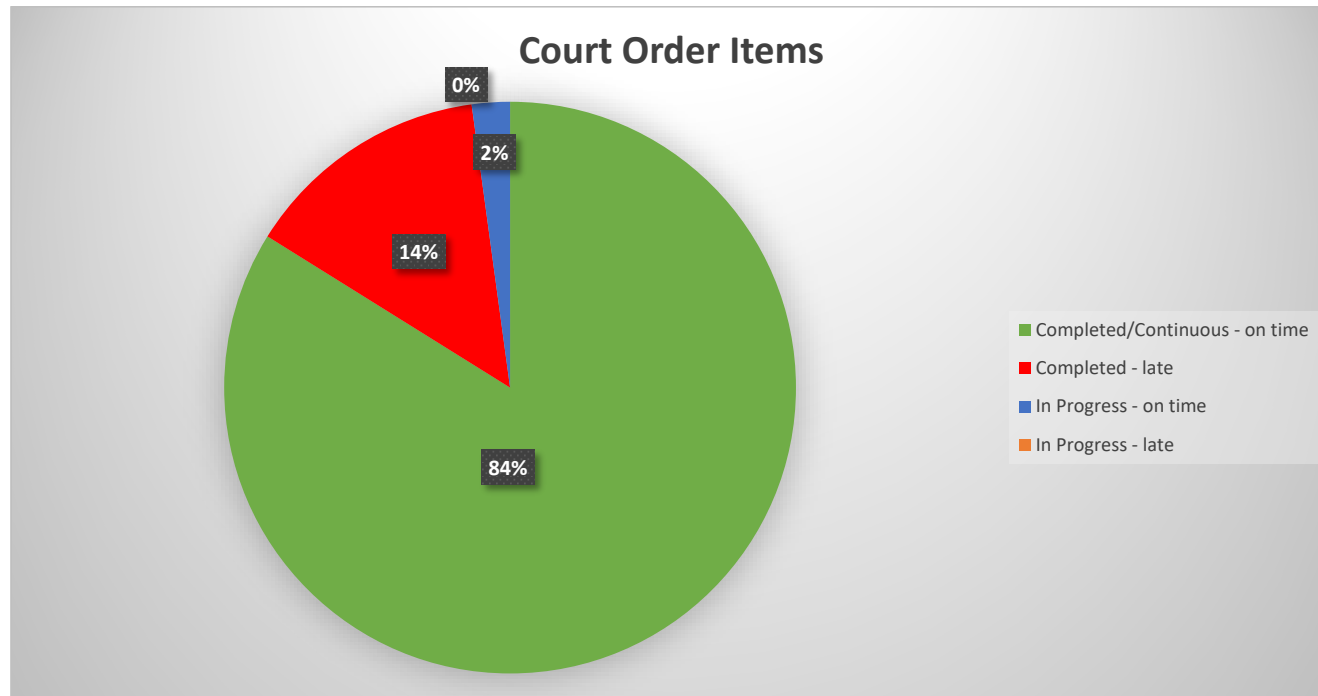
IV. Corrective Maintenance Work Order **Completion** for Leak Repairs vs. Equipment Repair



One Guam Update (March 2023) – Updates from previous month denoted by red font

- TMW
 - Lease/Licenses for 2022 (TMW, AG-1, Tarague, etc.) – No update.
 - April inspection canceled and changed inspections to semi-annual basis with the next license or upon written confirmation of approval from NBG.
 - GWA is still waiting on the response from DOD on the request to Increase of Production Rates for TMW and AG1 to match the GEPA Well Permit – DOD is expected to respond by the end of March/April.
- No update on Property Transfer - awaiting additional personnel to assist the Real Property Officer at NAVFAC with the backlog.
- Water Line at Cabras / Drawings
 - Meeting held to discuss route on March 2 at 9am at Fadian. Afterward Navy personnel did a site visit and could not identify the GWA line at the bridge. Cesar Dela Cruz will coordinate a site visit with the BOSC, Navy, and GWA
- Interagency Billing & Contracts/Agreements
 - GWA and DOD met in February to discuss advancing an updated service agreement, which would cover billing, metering, water offset/exchange program and other services.
- Property Transfers
 - Transfer of Navy Laterals at Murray Road to GWA – No update; pending response from SHPO.
 - Transfer of ACEORP – GWA followed up with Governor in January meeting; follow up with Land Management would be conducted (Governor is talking about using some of the property for a sports field. Navy concerned about construction over existing easement).
- Other
 - Cetti Bay Easement – GWA Attorney contacted the AG’s Office to discuss; MOU is with GWA’s Attorney
 - GWA WW Collection System Easement Request for Marbo Property – No update on issuance of approval letter.
 - Schoeffel Heights/Murray Road Access – Right of Entry (ROE) – GWA would like the ROE to be longer than 1 year. GWA would like the ROE until the transfer is completed. ROE will need to be signed by Admiral Vice ICO
 - DoD Water Line Status – GWA received approval on March 14, 2023, to expand the existing connection to the Navy’s water main line along road for redundancy for NDWWTP.
 - Water Line at Cabras
 - GWA and DOD met to discuss the transfer of the ownership of the waterlines. There are 2 -16” lines – one of the lines is empty; GWA will go out and inspect the lines with DOD and their contractor.
 - GPA was interested in the line; Mauryn McDonald will follow up with GPA if they are still interested in the line.
 - This may be a point of failure if there is only one 1 line that services the Port; there needs to be redundancy to the Port.

Court Order Summary (through March 2023 – no updates)



Court Order Summary

	Court Order Items	%	Performance % Completed	Performance (on-time or completed)
Completed/Continuous - on time	78	84%		

Completed - late	13	14%		
In Progress - on time	2	2%		
In Progress - late	0	0%		
Totals	93	100%	97.8%	100.0%

Court Order – Status Information (March 2023)

No CO delays since the approval of CO time extension.

- Final Date to complete CO 29(b) is June 30, 2023.
- Overflow or Bypass events reported to USEPA (through March 2023):
 - 03-24-2023, SSO#760, Alupang Cove Condos, Tamuning - FOG
 - 03-26-2023, SSO#761, Roy T. Damian Street, Mongmong-Toto-Maite - Pump Station Failure

Land Acquisition Summary (through March 2023 – no updates)

GWA Facility	Location	Gov. or Private Property	Land Acquisition Status
Tanks	Astumbo	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 on 09/02/2021, 10/06/2021, 11/03/2021, 01/27/2022, 03/04/2022, 05/12/2022, 07/07/2022 and 09/12/2022. DLM response 09/26/2022 still pending with DLM legal counsel.
	Piti	Private	Received final comments from DoAg. Waiting on the archaeological report before we can submit 299 form. Waiting for permission from NPS to access the lot and perform the Archeological survey.
Deep Wells	AG-12	Dept. of Agriculture / Manhita Farms	Right of Entry Agreement sent to Dept of AG for signature 05/24/18. 2 nd follow up sent on 09/12/18. 3 rd follow up sent on 04/10/19. Retracement Survey Property Map filed and recorded at DLM 7/10/19. DCA submitted parceling map to DLM for review and comments on August 18, 2021, waiting for their review comments. ROE Agreement information sent to GWA legal counsel for further review and processing 01/28/2022; Follow up status sent to DCA 03/04/2022 and 07/08/2022.
Booster Pump Station	Agfayan	Private	TGE working on structural design for pump station area for L28, B19, T3734, Inalahan 11/07/19. Letter of Decision received by CLTC 06/09/2021. CLTC has responded for in-kind service letter 10/08/2021. 1 st Appraisal Report submitted to GWA on 05/11/2022. 2 nd appraisal submittal to GWA 09/20/2022. Appraisal report sent to GM/legal counsel for review, approval and response 09/22/2022.

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Land Acquisition Summary (through March 2023 – no updates – continuation)

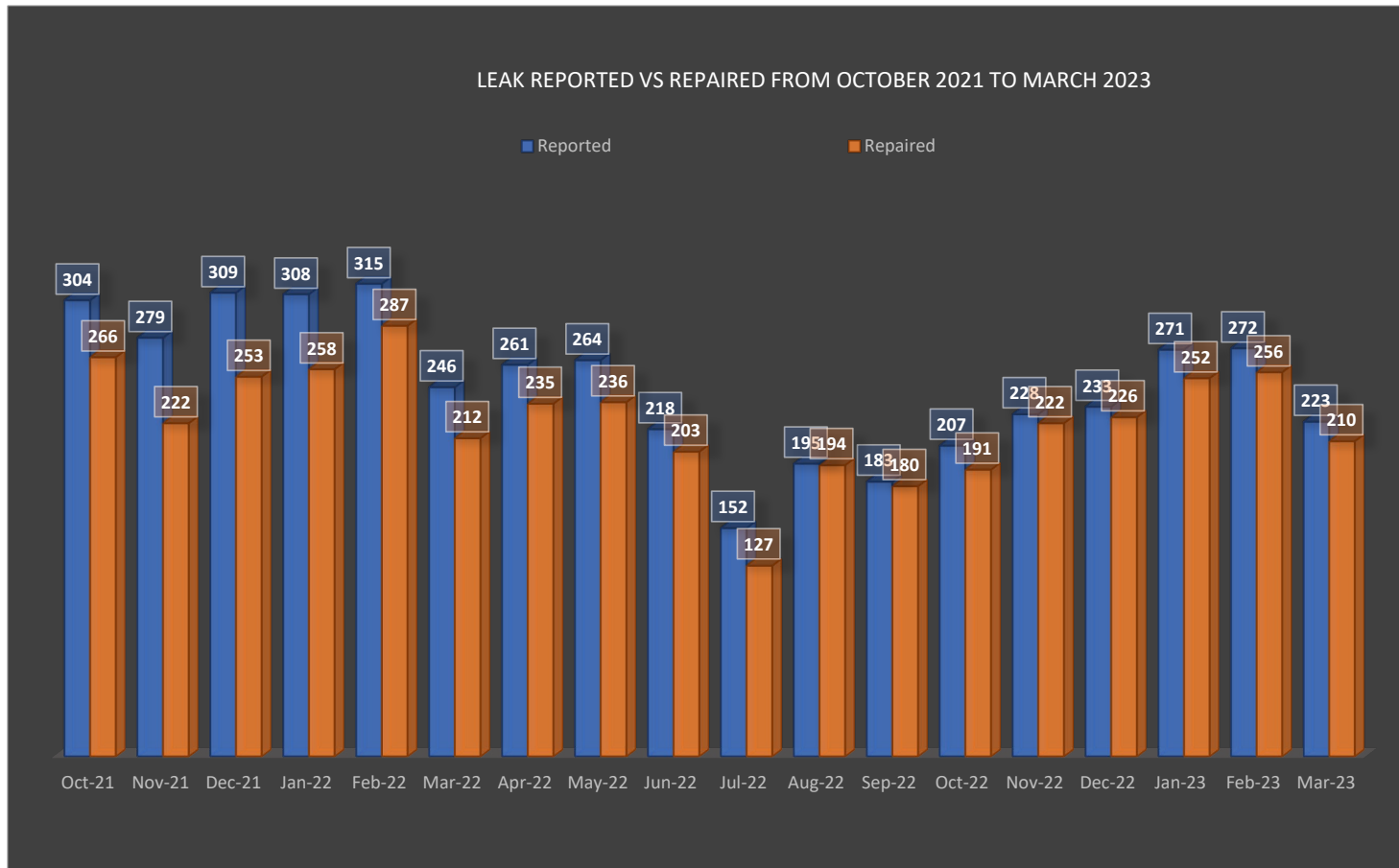
GWA Facility	Location	Gov. or Private Property	Land Acquisition Status
Asan Springs	Asan	Federal	<p>In order for NPS to issue a land ROW agreement with GWA, NPS has to complete NEPA first. GWA has HDR under contract to perform this work and an Environmental Assessment (EA) will be developed. The permit for the biological survey was submitted on 6/12/2020 and was signed by NPS on 1/22/2021. Further coordination between NPS and SHPO is pending to determine necessary approach for an archaeological survey. New Chief of Resources for War in the Pacific National Historical Park, Timothy Clark, hired. Replacing Tahzay Jones, who was previously working with us. HDR working with Tim Clark on coordinating things with NPS.</p> <p><u>Biological Survey:</u></p> <ul style="list-style-type: none"> • Fieldwork completed, 2/10/2021. Based on a preliminary finding by HDR’s biologist they have found snails close to the site, and within NPS proposed ROW, and outside the proposed ROW. Draft report submitted to NPS, 4/1/2021. • Comments received from NPS, 6/4/2021. • Final Report submitted to NPS, 6/12/2021. • NPS submitted Biological Survey to USFWS, 9/28/2021. met with NPS, USFWS, DOAG on 10/22/2021 to discuss survey and possible Biological Assessment (BA). • HDR working with NPS to develop formal BA pending template of BA from USFWS; HDR completed draft Public Scoping Document for NPS review for NEPA process, 11/05/2021. Still waiting on NPS for edits/comments on Scoping documents/BA for NEPA. <p><u>DOAG Environmental Consultation Letter:</u></p> <ul style="list-style-type: none"> • HDR sent Request letter sent to DOAG (Dep of Ag) on 3/15/2021. • GWA followed up with DOAG on 6/25/2021. • DOAG responded on 7/1/2021, but did not reach GWA Eng. until 8/4/2021; HDR review response letter and will respond soon. • Pending response from HDR if they had previously sent over their Biological Survey <p><u>SHPO Letter:</u> Pending archaeological survey requirements from SHPO.</p> <ul style="list-style-type: none"> • SHPO Letter sent to NPS for review, 5/29/2021; rec’d. first comments on 7/1/2021. • Submitted revised letter on 7/12/2021; rec’d. comments on 8/9/2021. • Resubmitted letter to NPS on 9/15/2021. • NPS submitted Environmental Consultation Request to SHPO, 10/20/2021; SHPO responded to NPS on 12/28/2021 for NEPA.

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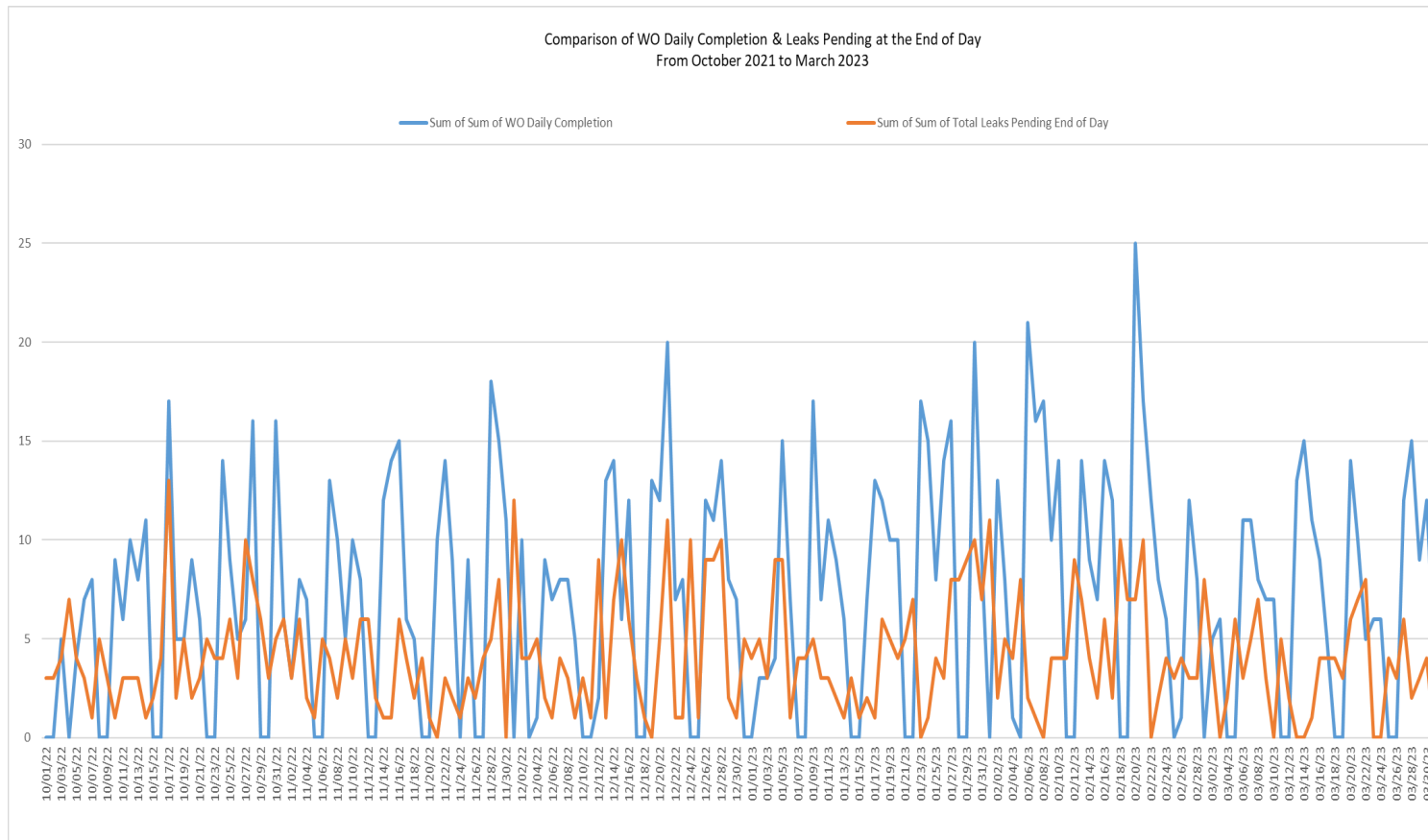
Land Acquisition Summary (through March 2023 – no updates – continuation)

GWA Facility	Location	Gov. or Private Property	Land Acquisition Status
Asan Springs	Asan	Federal	<p><u>Asan Springs – Public Meeting:</u></p> <ul style="list-style-type: none"> Public engagement meeting was held at the Asan Mayor’s office on 4/19/2022. The purpose of the public meeting was to inform the public about the rehabilitation of Asan Spring project and its unique property condition being on NPS and GWA land. As of 6/24/2022, NPS has not received any public comments. <p><u>Biological Assessment Report:</u></p> <ul style="list-style-type: none"> A draft report reviewed by USFW was given to HDR and was issued to GWA and NPS for further input on 5/24/2022. The Final Report is pending comments from NPS; HDR to make revisions based on NPS and GWA comments to the report before sending it to USFW for review and acceptance. <p><u>Environmental Assessment:</u></p> <ul style="list-style-type: none"> HDR is in the beginning process of getting a draft to NPS for review. The EA will include the NEPA process and follow all necessary requirements for compliance to obtain a ROW agreement with NPS.

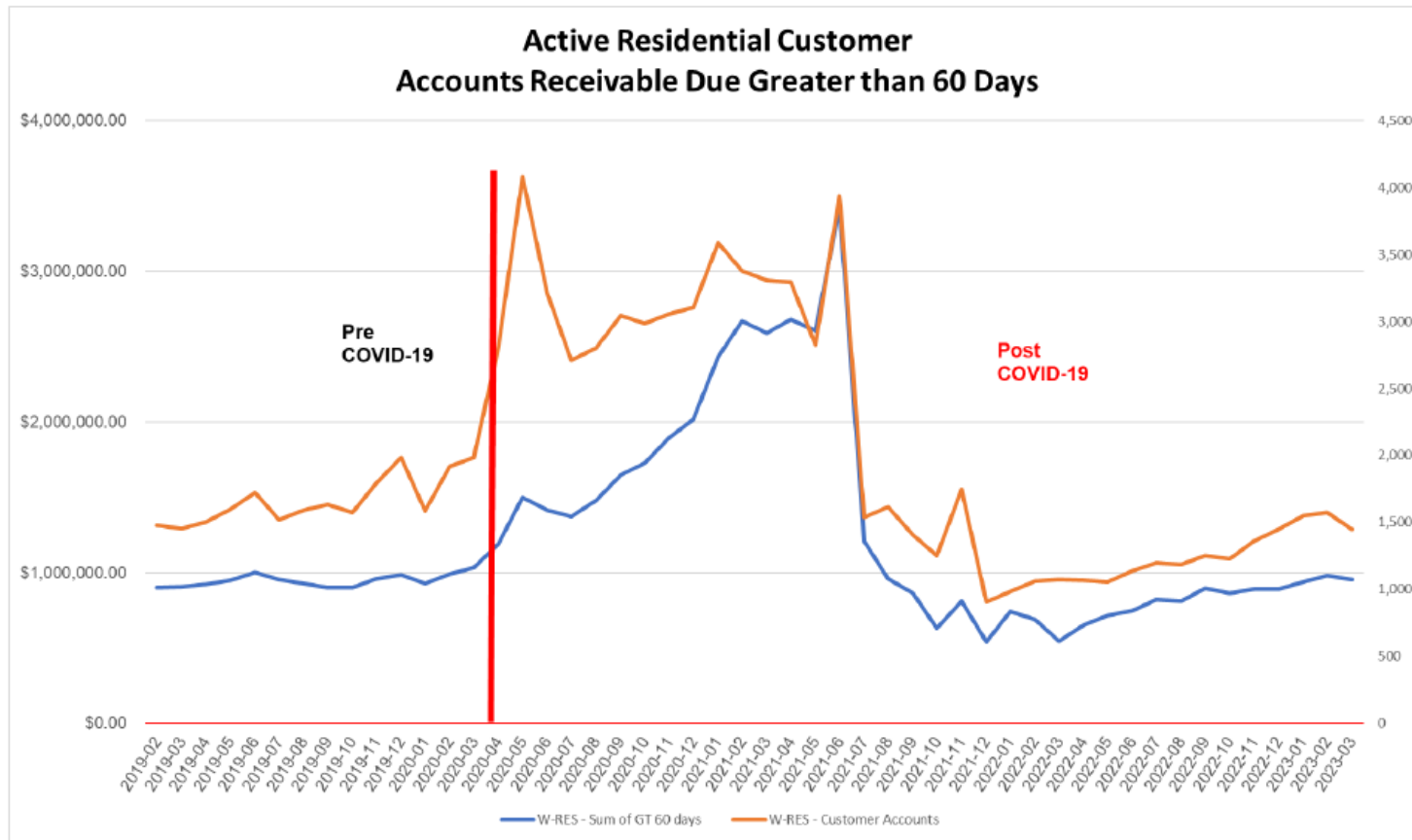
Comparison of Leaks Reported vs. Leaks Repaired (through March 2023)



Daily Leak Repairs (through March 2023)

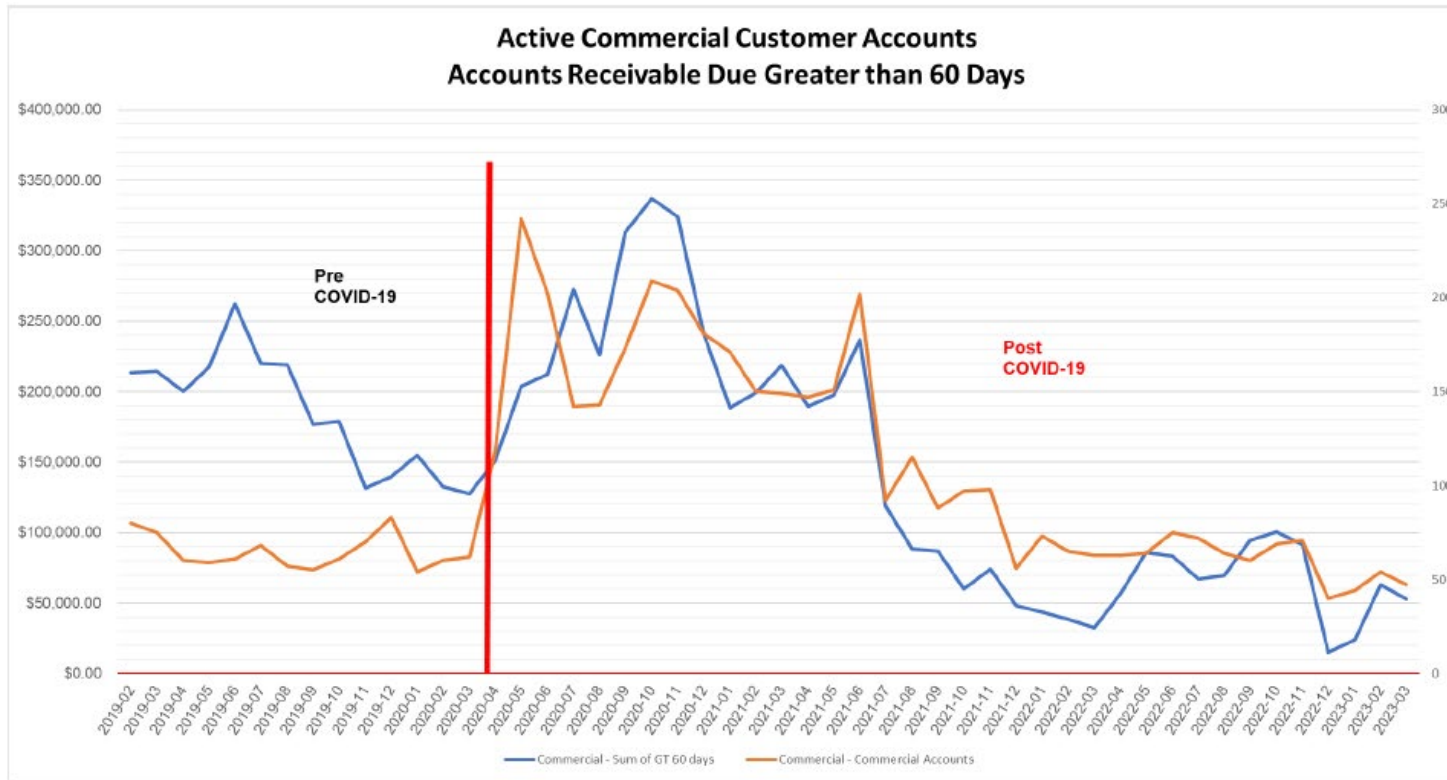


Accounts Receivables – Active Residential Customers (through March 2023)



* Excluding customers on payment plans

Accounts Receivables – Active Commercial Customers (through March 2023)

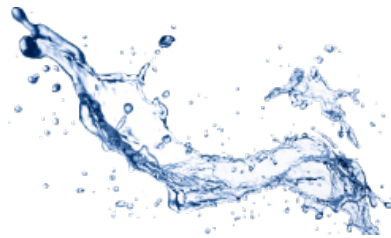


* Excluding customers on payment plans



GWA Financial Overview

MARCH 2023

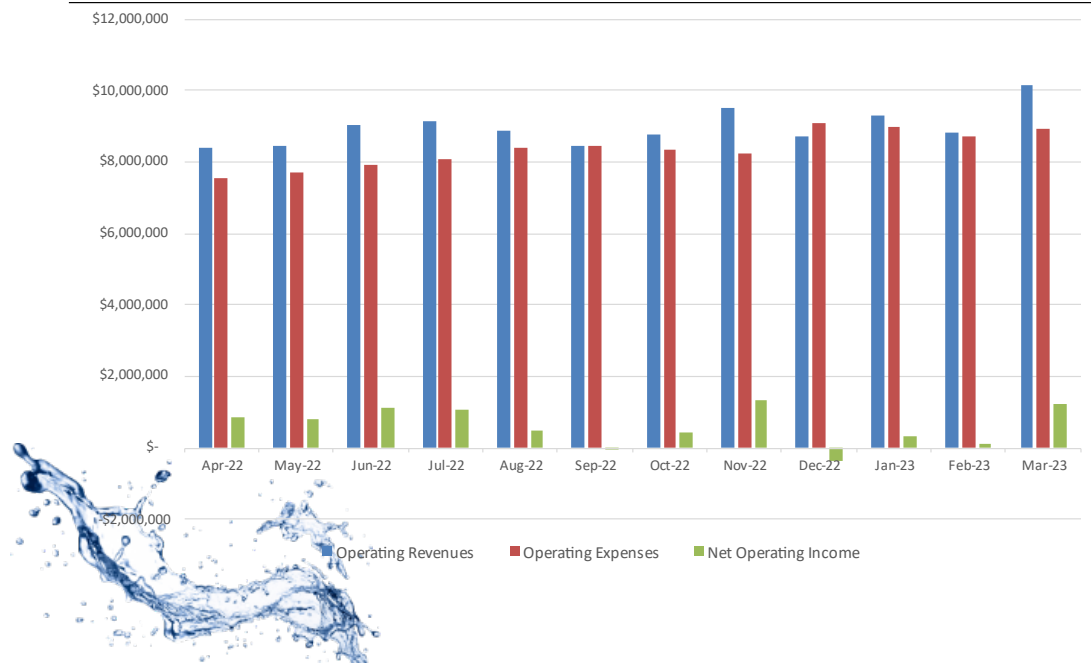


Key Financial Indicators

Indicator	Target	Jan-23	Feb-23	Mar-23
DSC YTD				
- Per Section 6.12 of Indenture	1.25	1.30	1.30	1.30
- Per PUC / CCU	1.30	1.30	1.30	1.30
Days – Cash on Hand	120 days	321 days	310 days	306 days
Collection Ratio				
- Month to Date	99%	97%	91%	100%
- Year to Date	99%	95%	94%	95%
Days Billed	30 days	32 days	28 days	30 days
Account Receivable Days	30 days	37 days	38 days	36 days
Account Payable Days	45 days	45 days	34 days	30 days
Employee Count	400 FTE	360 FTE	354 FTE	349 FTE
Water Demand				
- Month to Date	440,748	460,319	417,025	433,888
- Year to Date	2,644,486	1,730,843	2,148,714	2,582,602
Wastewater Flow				
- Month to Date	318,166	312,209	303,531	395,795
- Year to Date	1,908,998	1,213,272	1,517,492	1,913,287
Water Customers	43,658	43,534	43,489	43,641
Wastewater Customers	30,781	30,764	30,616	30,638

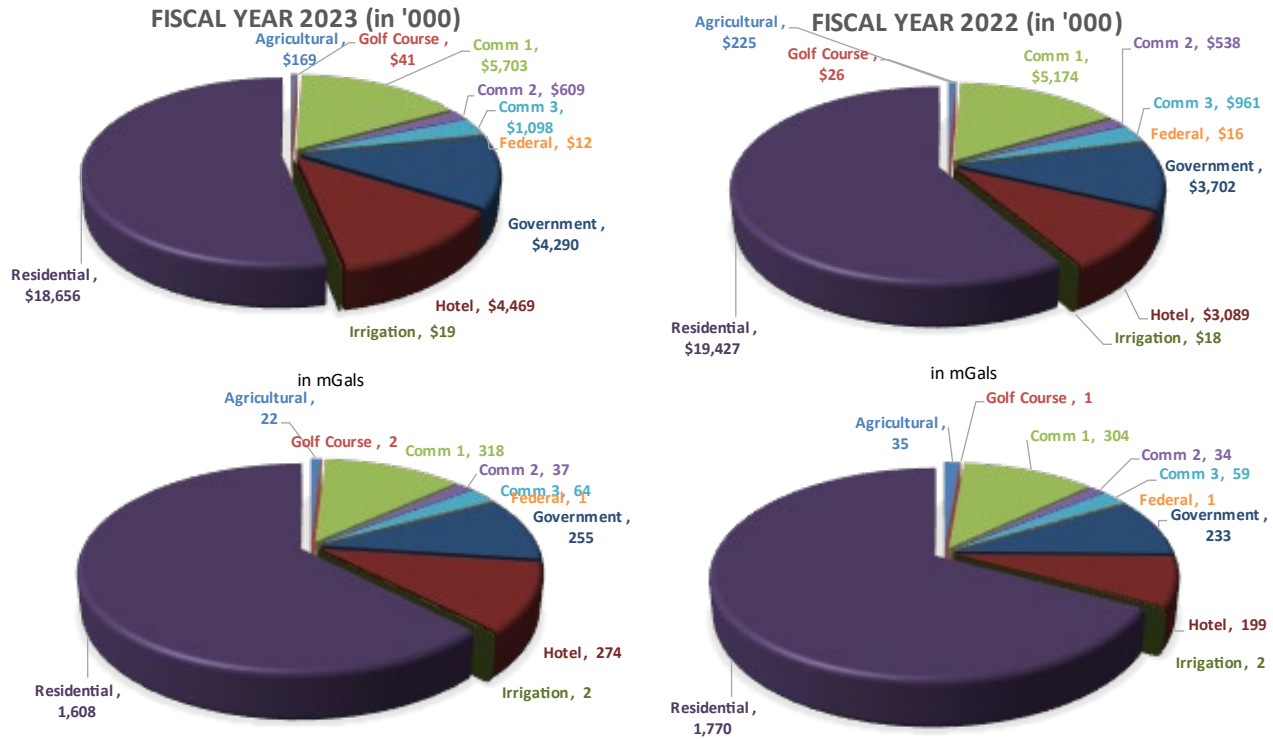


Income Statement



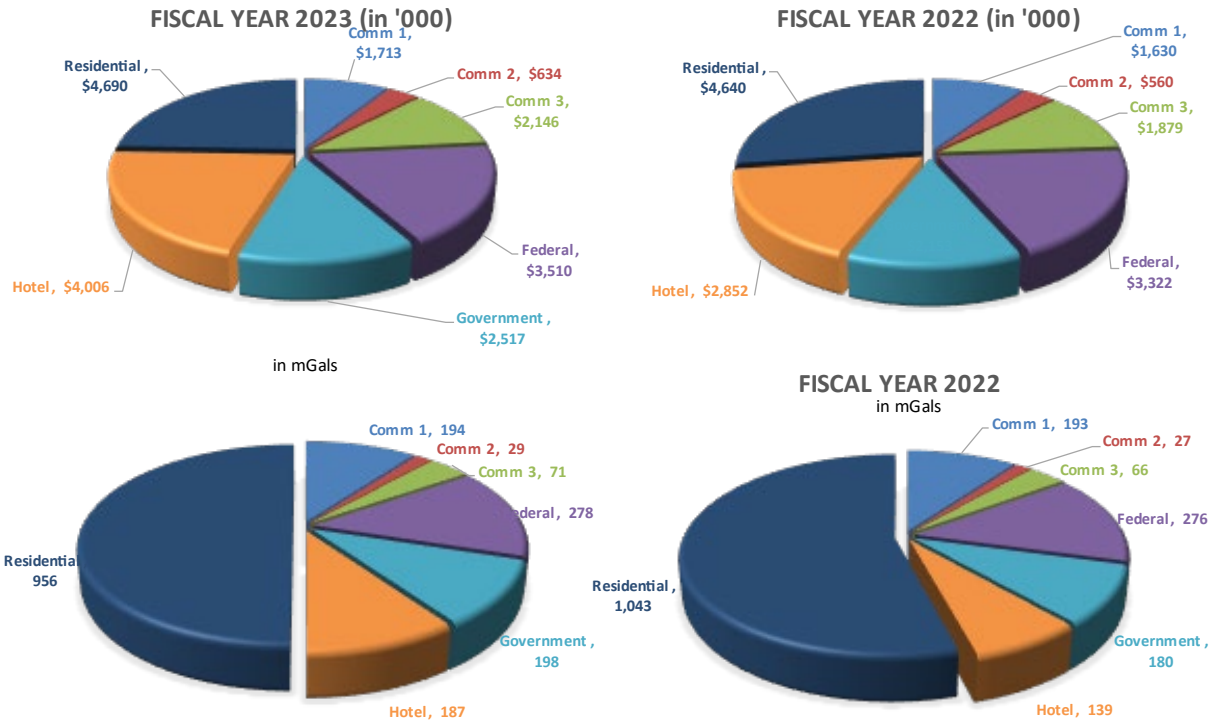


MARCH 2023 YTD Water Revenue/Demand by Rate Class



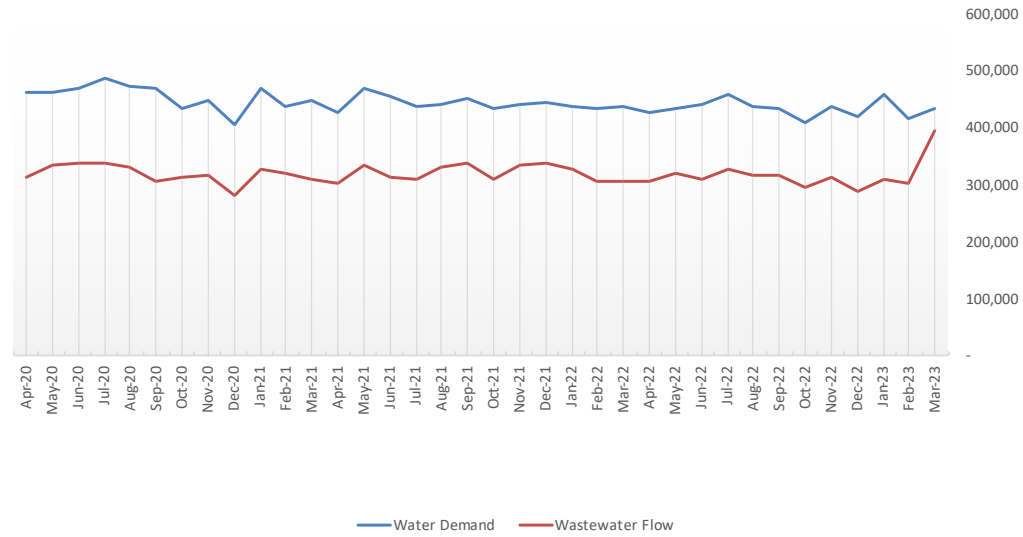


MARCH 2023 YTD Waste Water Revenue/FLOW by Rate Class



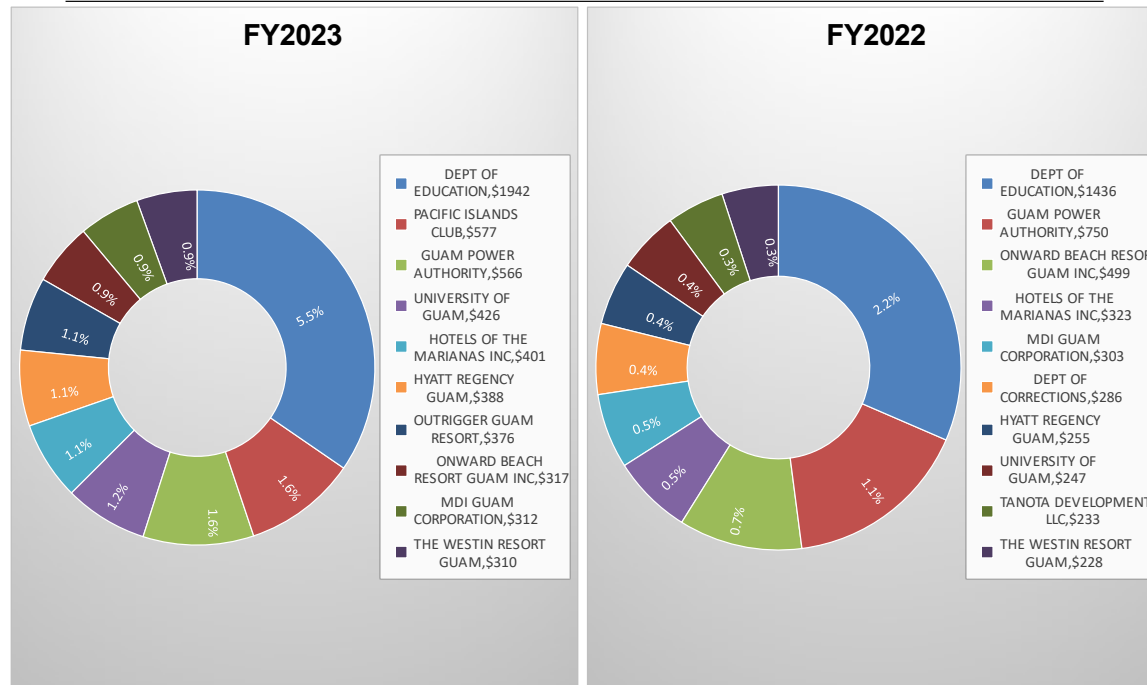


Water Demand & Wastewater Flow – 3 Years



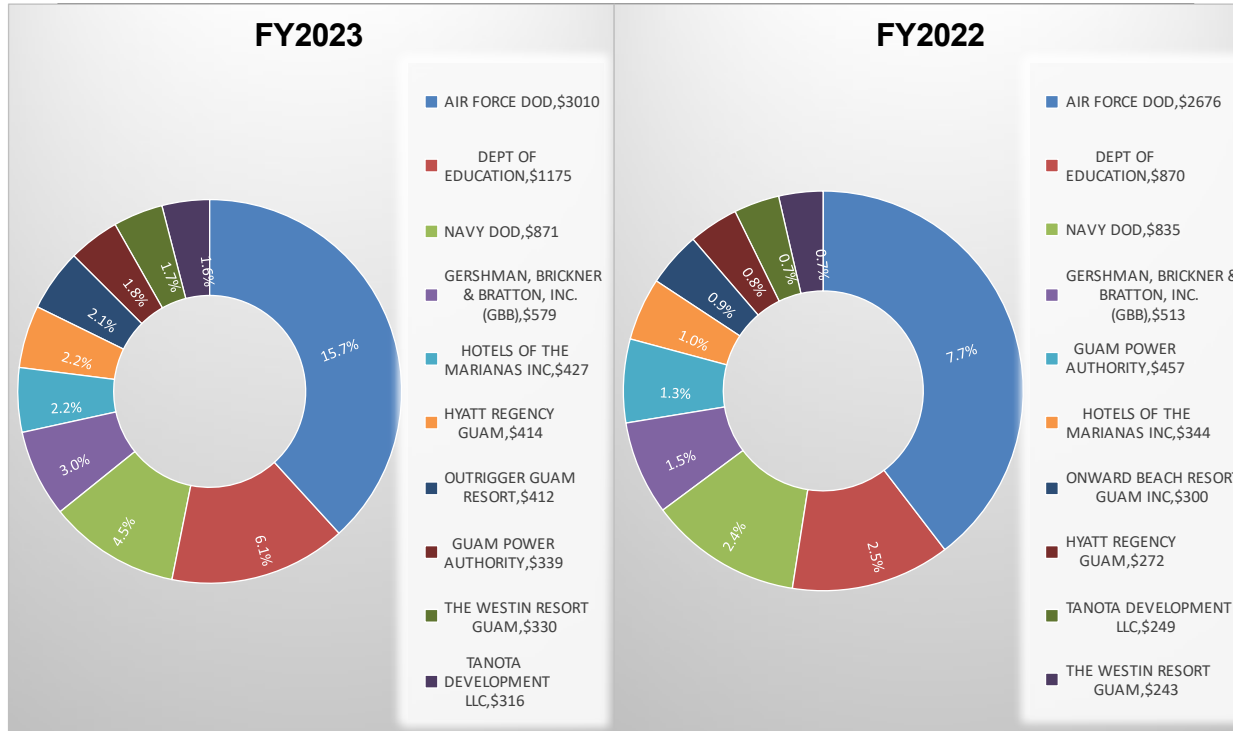


10 Largest Water Customers





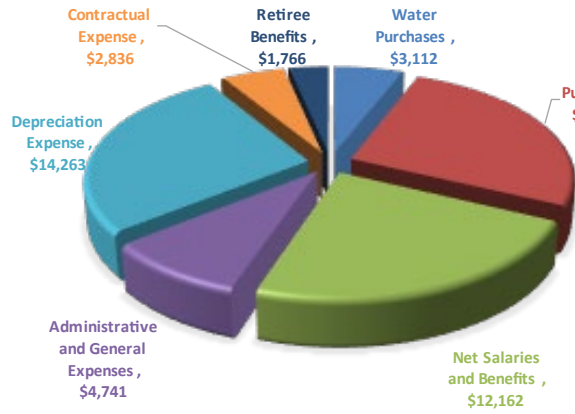
10 Largest Wastewater Customers



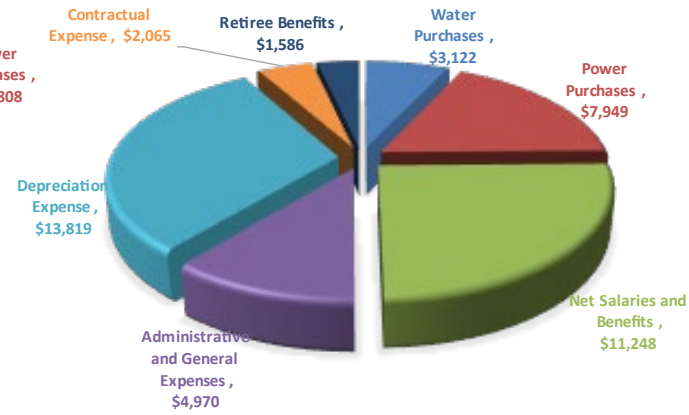


MARCH 2023 YTD Expenses by Categories

FY2023 (IN '000)

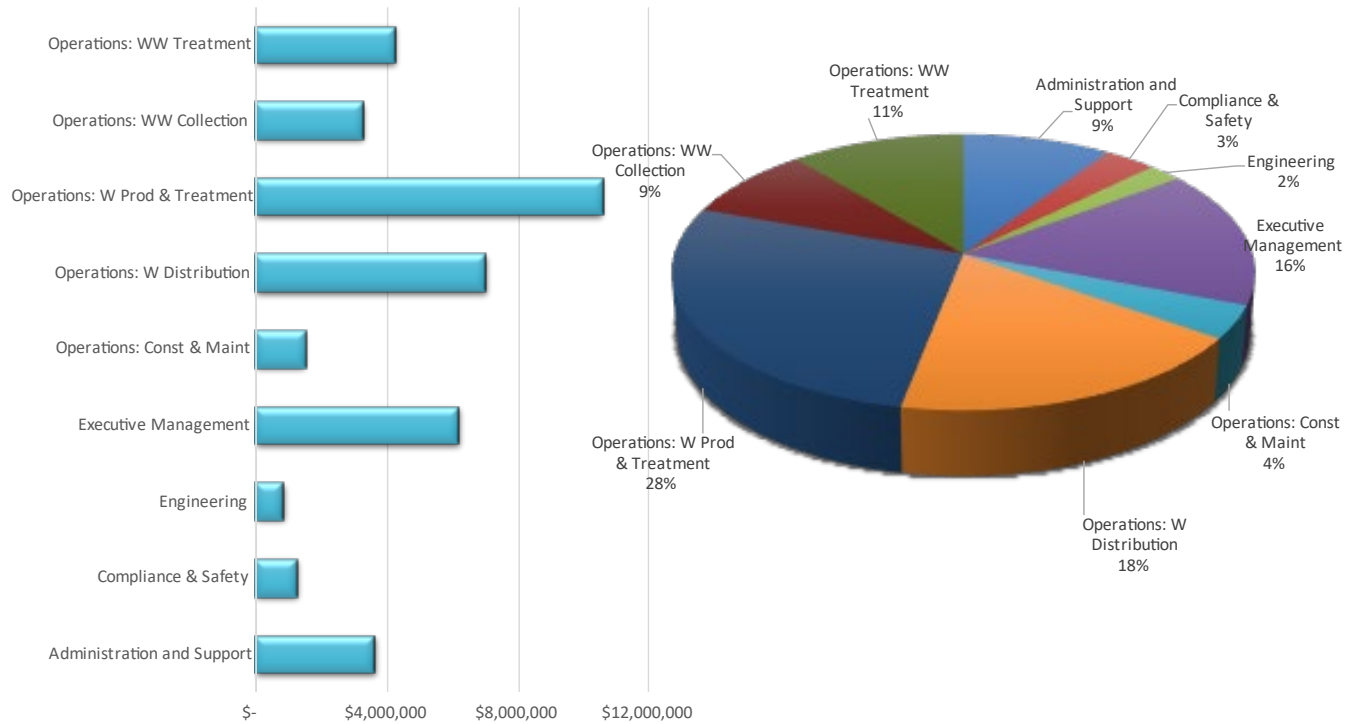


FY2022 (IN '000)



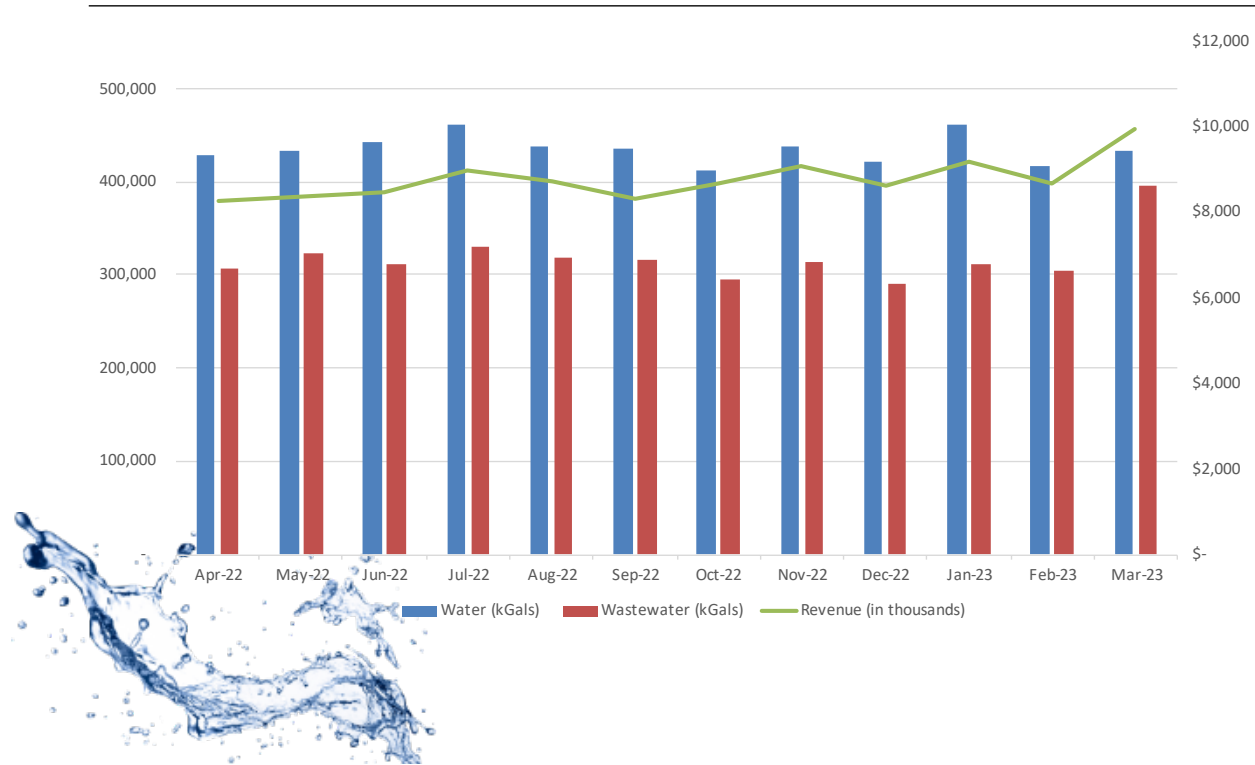


MARCH 2023 YTD O&M Expenses (Excluding Depreciation)



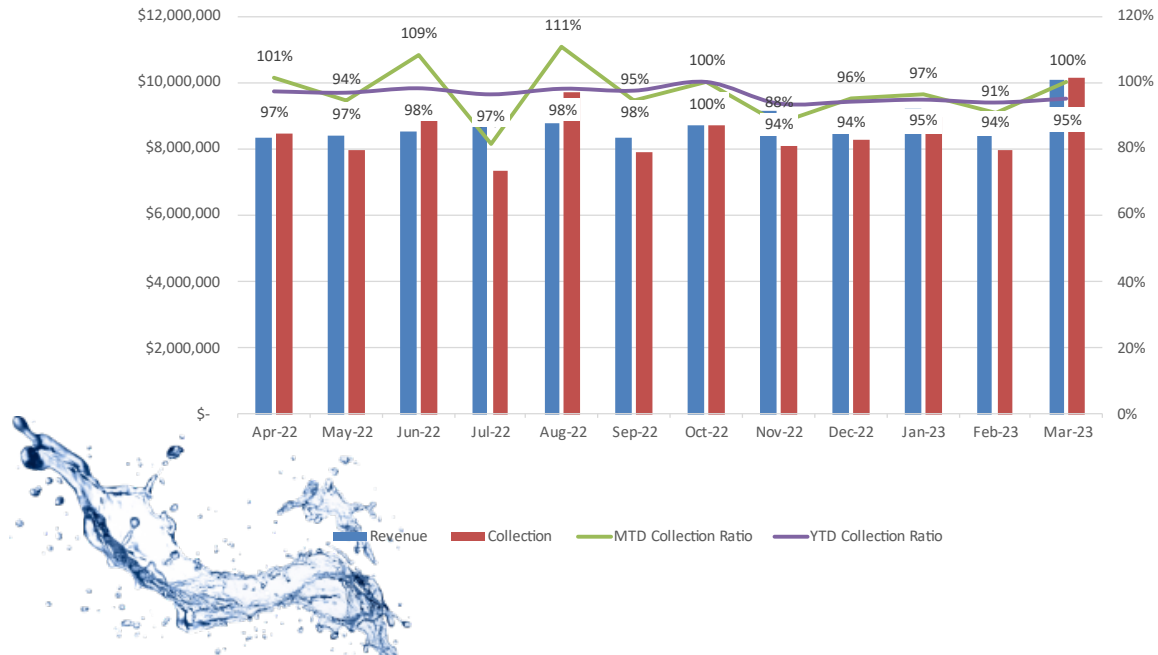


Overall Revenues and Demand



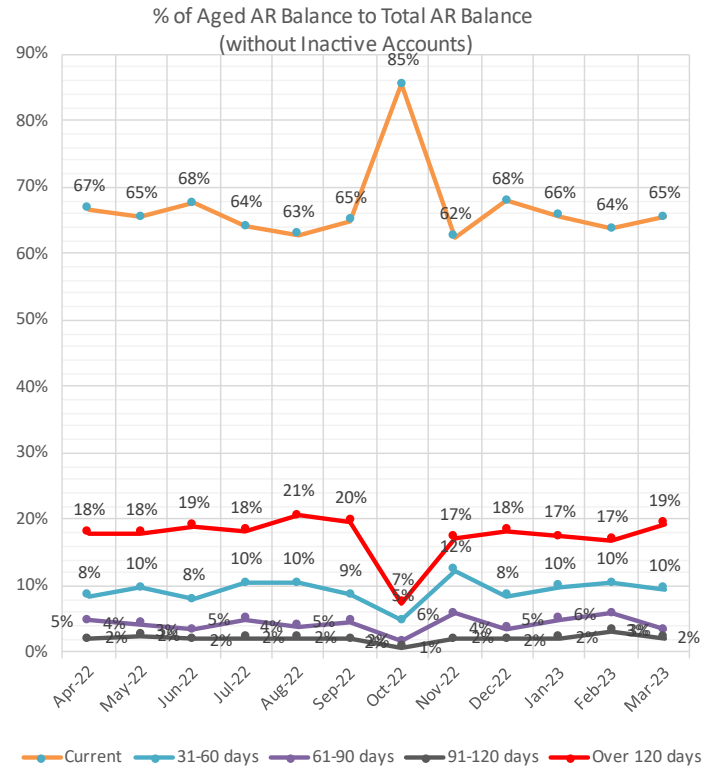
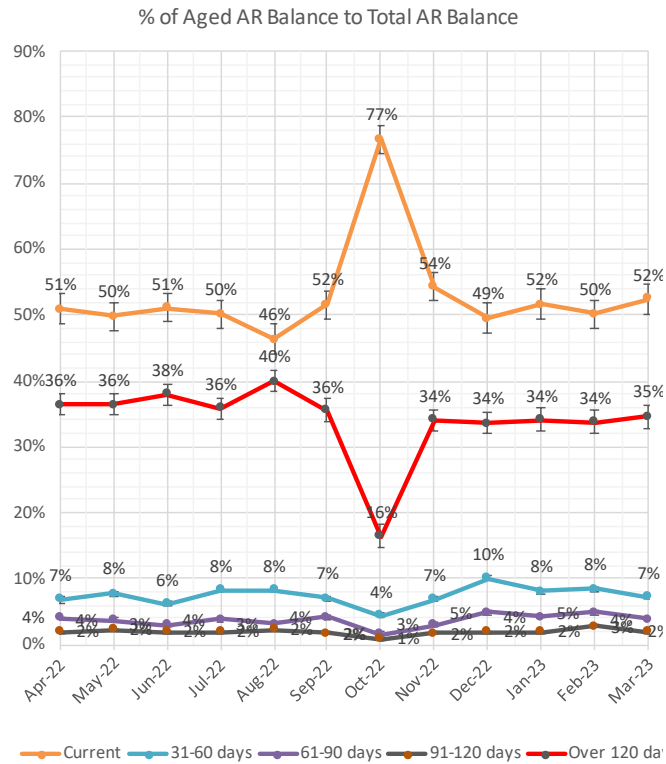


Overall Revenues and Collections



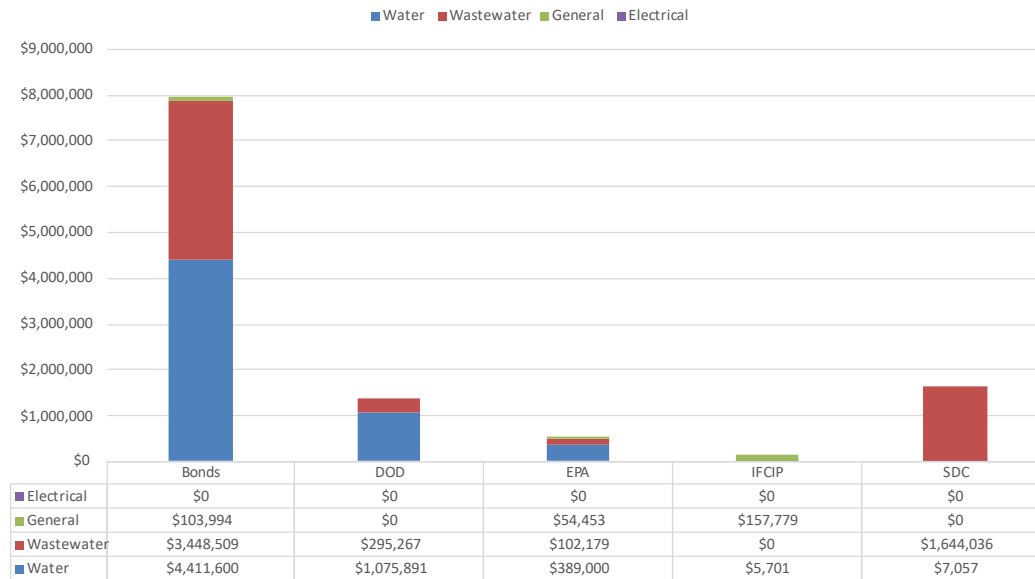


Overall – AR Aging

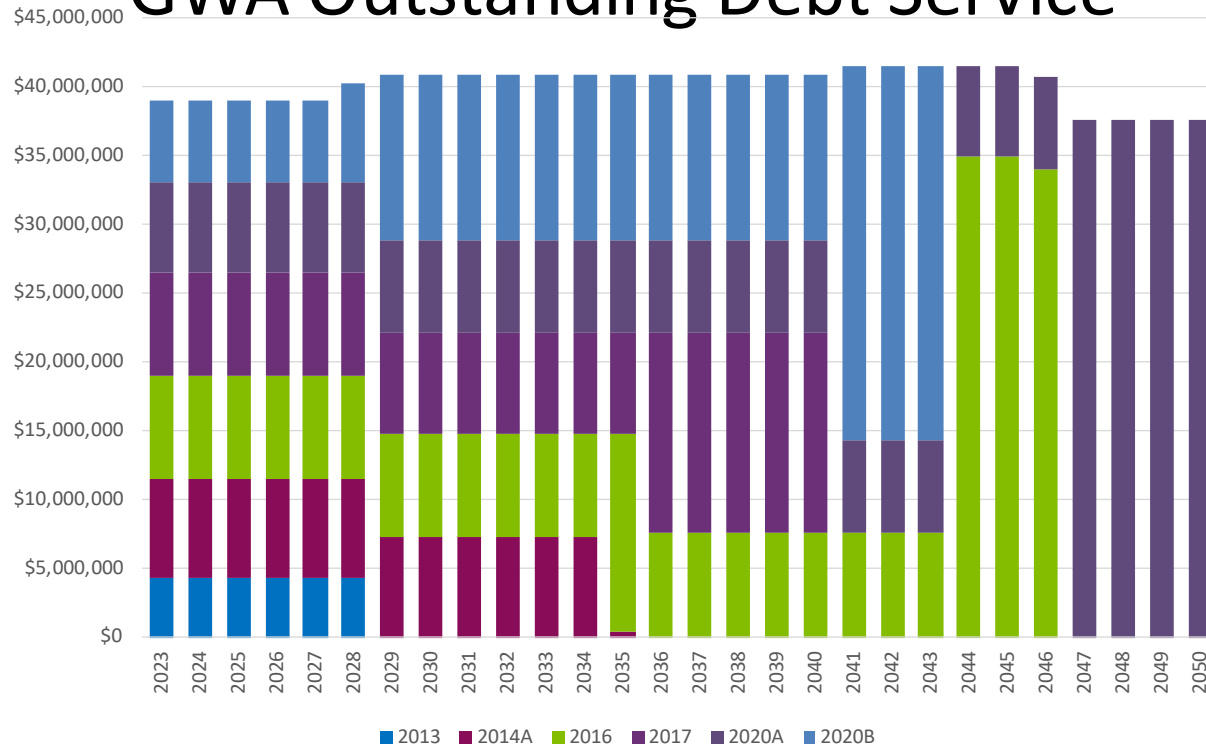




FY2023 YTD CIP Expenditures



GWA Outstanding Debt Service



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



Financial Statement Overview March 2023

Key Financial Indicators

Indicator	Target	Jan 2023	Feb 2023	Mar 2023
DSC YTD				
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Wastewater Customers	30,781	30,764	30,616	30,638

Water and Wastewater Consumption

Water consumption is 1% less and wastewater flow is 29% more for the month of March compared to last year. Water consumption in the Commercial, Hotel and GovGuam customer classes increased but not enough to offset reductions in residential consumption. Wastewater flows were impacted by meter readings provided by the Navy that had been missing in previous months. Note that billing days in March this year and last were 30 days.

Year to Date (YTD) water demand is down 2% while wastewater flows are down 1% as compared to last year. Increases in the Commercial, Hotel and GovGuam customer classes were not sufficient to offset decreases in the Residential and Federal customer classes. Note that agricultural and irrigation water demand were also down 37% and 28%. Note that the number of YTD billing days through March 2023 of 178 days is 3 days less than the prior year's 181 days. See Schedule K for Water Demand for FY2015 to FY2023.

YTD average daily water consumption for March 2023 of 14,509 kgals is about the same as March 2022's 14,572 kgals. Increases in the Commercial, Hotel, and GovGuam customer classes were almost enough to offset decreases in Residential average daily water consumption.

Balance Sheet (Schedule A)

- Total Assets & Deferred Outflows of Resources of \$1.24B in September 2022 increased by \$5.6M or less than 1% to \$1.25B in March 2023. Current Assets increased by \$13.5M primarily due to increases in



cash which includes American Rescue Plan Act (ARPA) funding from the Governor's Office. Property, Plant and Equipment decreased by \$687.5K. Other Noncurrent Assets decreased by \$6.3 million due to decreases in Restricted Cash used to make payments to contractors and debt service.

- Liabilities & Deferred Inflow of Resources of \$912.4M in September 2022 decreased by \$2.2M or less than 1% to \$910.2M in March 2023 primarily due to decreases in Contractors' Payable offset by increases in Accrued and Other Liabilities for deferred revenues related to the ARPA grants.
- Accounts Receivable days in March 2023 were 36 days, compared to 38 days in February 2023. Accounts Payable days were 30 days in March 2023 and 34 days in February 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 March 2023 of \$10.1M is \$1.1M more than the budget of \$9.0M. March 2023 Total Operating Revenues are 20% or \$1.7M more than March 2022's \$8.4M.
- Total YTD Operating Revenues as of March 2023 of \$55.3M were \$1.03M more than the budget of \$54.3M. Total YTD Operating Revenues as of March 2023 were 9% or \$4.5M more than YTD Operating Revenues of March 2022 of \$50.8M. Note that a rate increase of 5.5% was effective in October 2022.
- Below are the percentages of operating revenues (water and wastewater) contributed by GWA's customer classes for YTD FY2023 and FY2022 as well as the revenue totals:

Customer Class	FY2023		FY2022	
o Residential	\$23,346,959	43.01%	\$24,066,782	47.93%
o Commercial	11,903,321	21.93%	10,741,825	21.39%
o Hotel	8,474,653	15.61%	5,940,986	11.83%
o Government of Guam	6,807,127	12.54%	5,855,217	11.66%
o Federal Government	3,522,174	6.49%	3,338,369	6.65%
o Agriculture, Golf Course, Irrigation	228,442	.42%	269,508	.54%
TOTALS	\$54,282,676	100.00%	\$50,212,687	100.00%

- Total Operating Expenses for March 2023 of \$8.9M were \$569.5K or 7% more than budget of \$8.4M. March 2023 Total Operating Expenses were 19% or \$1.4M more than March 2022's \$7.5M. The largest increase month over month was in power which increased by 63% or \$880K. Additionally, Net Salaries and Benefits were \$336.7K, Contractual Services were \$236.8K and Insurance was \$67.99K more in March 2023 compared to March 2022.
- YTD Operating Expenses as of March 2023 of \$52.7M were \$2.6M or 5% more than budget of \$50.1M; power purchases were \$3M more than budgeted. YTD Operating Expenses as of March 2023 were 18% or \$7.9M more than YTD Operating Expenses as of March 2022's \$44.8M. The largest increase year over year was due to power purchases which was \$5.85M more or 74% of the increase.
- Earnings from Operations for March 2023 of \$1.2M were 76% or \$527.6K more than the budget of \$689.7K and 35% or \$313.7K more than March 2022's \$903.6K. Change in Net Assets for March 2023 of \$627.97K was 49% or \$596.7K less than the \$1.2M budget and \$59.8K less than March 2022's



\$687.8K. The decrease in the Change in Net Assets year over year was mostly due to the \$1.9M decrease in Federal Grant Contributions offset by the use of \$550K in ARPA funds.

- YTD Earnings from Operations as of March 2023 of \$2.6M were 37% or \$1.5M less than the budget of \$4.1M and 57% or \$3.4M less than March 2022 YTD's of \$6.0M. YTD Change in Net Assets as of March of \$7.7M was 5% or \$366.95K more than the \$7.3M budget and \$681.6K or 8% less than YTD Change in Net Assets at March 2022's \$8.4M due to reductions in Federal Grant Contributions offset by increases in interest income and ARPA contributions.

Cash Flow (Schedule F)

- As of March 2023, cash flows from operating activities were \$30.1M, cash from noncapital financing activities was \$7.0M, cash used in capital and financing activities was \$31.4M, and cash from investing activities was \$10.5M resulting in a YTD increase in cash of \$16.1M. Days Cash on Hand for March 2023 was calculated at 306 days compared to February 2023's 310 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. Beginning in August 2021, ratepayers were able to access one walkup window in Upper Tumon to make payments; the 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 FY2023 (October through March), approximately 47% 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 - December 2021	160	\$649,270	\$13,055	2.01%
January - March 2022	177	\$753,282	\$15,146	2.01%
April - June 2022	186	\$766,544	\$15,412	2.01%
July - September 2022	215	\$907,873	\$17,976	1.98%
October-December 2022	203	\$878,486	\$16,756	1.91%
January 2023	75	\$290,697	\$5,545	1.91%
February 2023	71	\$314,853	\$6,005	1.91%
March 2023	66	\$289,065	\$5,513	1.91%

Credit card payments at GPWA offices use the FHB facility while BOH processes online payments.

Since the suspension of disconnections for nonpayment was lifted, the Upper Tumon office has been open for payments on Saturdays. For the four Saturdays in March, 462 payments totaling \$141,299 were made towards GWA billings and 530 payments totaling \$228,727 were made for GPA.

For the month of March, Finance posted \$167,650 in utility payments from the Department of Administration (DOA) for eligible renters as part of the Guam Emergency Rental Assistance Program (GERAP). Additionally,



GWA posted \$52,623 from eligible homeowners as part of the Guam Homeowners Assistance Fund (GHAFP). A total of \$5,408 from the Guam Low Income Household Water Assistance Program was also received and posted for utility payments.

Guam Solid Waste (GSW) Customer Payments

GPWA began to accept GSW payments on June 6, 2022. For the month of March, GWA accepted \$90,732 in GSW payments at the Upper Tumon Office. GWA will bill \$1,311 to GSW for processing fees.

FY2022 Financial Audit / OPA Audit

The auditors have communicated that the audit will be delayed beyond the March 31st deadline because the analysis of the OPEB (Other Post Employment Benefits) report has yet to be completed. Ernst & Young is currently projecting that GWA will receive the final financial statement as soon as the OPEB review is complete.

The Office of Public Accountability is conducting a GovGuam wide audit on credit card usage to determine if purchases were conducted within applicable laws, rules, regulations, policies, and standard operating procedures. Supporting documents as requested have been provided and an initial meeting was held with the auditors on April 6, 2023.

GWA Budgets

An amendment of the FY2023 budget will be presented to the board this month. Increases in power have not been able to be absorbed by decreases in other O&M expenses.

The proposed rate design included in the Comprehensive Review and Update was submitted to the PUC on April 3, 2023, for approval. The PUC had deferred consideration of the proposed rate design in its September 2022 order. GWA has requested that the new rate design be used in the true-up due on June 1; the true up will determine the level of rate increases for FY2024. For residential customers, the rate design proposes rates based on three tiers of water consumption instead of the existing two tiers and includes volumetric wastewater rates as opposed to the flat rate currently charged. The decision of the PUC will allow GWA to finalize the FY2024 budget and related true up.

Work on the next five-year financial plan, FY2025-FY2029, has already started with the collection of FY2025 projected expenditures and the ongoing update of the Water Resources Master Plan. The five-year financial plan will be submitted in 2024.

GVB Visitor Arrivals

Visitor Arrivals for February 2023 increased 691.2% over February 2022, from 7,096 to 56,141 and is 41% of February 2019 arrivals. Sixty-seven percent of arrivals were from Korea, 14% originated from the United States, and 11% were from Japan. Calendar year arrivals were up 598.3% from 16,156 to 112,824 and fiscal year arrivals were up 508.4% from 40,951 to 249,150. First time visitors were 47.3% of the mix and 37.0% were repeat visitors. GVB is projecting that 1.1M visitors will come to Guam in FY2024, about 70% of pre-pandemic 2019 numbers.

GVB is optimistic that arrivals will further increase in the months ahead as Japan lifts more travel restrictions and downgrades COVID-19's classifications in May. GVB is forecasting that arrivals will climb to 1.1 million in FY2024 as compared to a record breaking 1.6 million in FY2019.

**GUAM WATERWORKS AUTHORITY
March 31, 2023
FINANCIAL AND RELATED REPORTS
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GUAM WATERWORKS AUTHORITY
Balance Sheet
March 31, 2023

SCHEDULE A

ASSETS AND DEFERRED OUTFLOWS of RESOURCES	Unaudited March 31, 2023	Unaudited September 30, 2022	Increase (Decrease)
Current Assets			
Cash			
Unrestricted (Schedule G)	49,316,953	33,173,824	16,143,128
Restricted Funds (Schedule G)	36,256,410	35,637,985	618,425
Accounts Receivable Trade, Net of Allowance for Doubtful Receivables of \$10,883,682 at Mar 31, 2023 and \$9,753,074 at Sept 30, 2022	11,119,789	10,453,822	665,967
Federal Receivable	329,891	5,468,327	(5,138,436)
Other Receivable	3,822,143	2,752,585	1,069,558
Prepaid Expenses	853,126	1,733,017	(879,891)
Materials & Supplies Inventory, Net of Allowance for Obsolescence of \$122,856 at Mar 31, 2023 and \$122,856 at Sept 30, 2022	5,726,818	4,667,734	1,059,085
Total Current Assets	107,425,131	93,887,295	13,537,836
Property, Plant and Equipment			
Utility plant in service			
Water system	426,651,131	420,470,606	6,180,525
Wastewater system	634,188,708	576,276,943	57,911,765
Non-utility property	33,301,352	33,353,690	(52,337)
Intangible Lease Asset	4,181,546	4,181,546	-
Total property	1,098,322,737	1,034,282,784	64,039,953
Less: Accumulated Depreciation	(409,216,769)	(395,119,979)	(14,096,790)
Land	5,287,305	5,287,305	-
Construction Work in Progress	122,645,578	173,276,251	(50,630,673)
Property, Plant and Equipment, net	817,038,851	817,726,361	(687,510)
Noncurrent assets			
Restricted cash (Schedule G)	153,066,975	164,999,269	(11,932,294)
Investments (Schedule G)	75,068,278	69,404,193	5,664,086
Total other noncurrent assets and deferred charges	228,135,254	234,403,462	(6,268,208)
Total Assets	1,152,599,235	1,146,017,118	6,582,118
Deferred outflows of resources			
Regulatory assets	2,617,818	2,614,722	3,095
Debt defeasance due to bond refunding	28,207,159	29,229,855	(1,022,696)
Deferred outflows from pension	12,904,653	12,904,653	-
Deferred outflows from OPEB	48,780,079	48,780,079	-
Total Assets and Deferred Outflows of Resources	1,245,108,944	1,239,546,426	5,562,517
LIABILITIES, DEFERRED INFLOWS of RESOURCES AND NET ASSETS			
Current Liabilities			
Current maturities of long-term debt			
Series 2013 Revenue Bond	3,145,000	3,145,000	-
Series 2014 Refunding Bond	4,005,000	4,005,000	-
Series 2016 Revenue Bond	835,000	835,000	-
Series 2017 Refunding Bond	2,250,000	2,250,000	-
Lease Liability	341,553	341,553	-
Accounts Payable -Trade	3,847,508	4,328,204	(480,697)
Accrued and Other Liabilities	19,159,931	2,597,735	16,562,196
Interest Payable	7,200,420	7,200,420	(0)
Accrued Payroll and Employee Benefits	1,330,994	1,118,809	212,185
Current portion of employee annual leave	725,007	725,007	-
Contractors' Payable	5,538,442	23,351,921	(17,813,479)
Customer and Other Deposits	2,394,289	2,275,313	118,977
Total Current Liabilities	50,773,144	52,173,963	(1,400,819)
Long Term Debt, less current maturities			
Series 2013 Revenue Bond	18,365,000	18,365,000	-
Series 2014 Refunding Bond	60,050,000	60,050,000	-
Series 2016 Revenue Bond	134,140,000	134,140,000	-
Series 2017 Refunding Bond	100,930,000	100,930,000	-
Series 2020A Revenue Bond	134,000,000	134,000,000	-
Series 2020B Refunding Bond	166,075,000	166,075,000	-
Unamortized Bond Premium/Discount	38,032,779	38,778,147	(745,368)
Lease Liability LT	3,490,879	3,490,879	-
Net pension liability	56,364,779	56,364,779	-
Net OPEB obligation	106,433,894	106,433,894	-
Employee Annual Leave, Less Current Portion	995,913	995,913	-
Employee Sick Leave	1,376,504	1,376,504	-
Total Liabilities	871,027,892	873,174,079	(2,146,187)
Deferred inflows of resources:			
Contribution in Aid of Construction	632,824	638,875	(6,052)
Deferred inflows from pension	985,049	985,049	-
Deferred inflows from OPEB	37,575,154	37,575,154	-
Total Liabilities and Deferred Inflows of Resources	910,220,918	912,373,157	(2,152,239)
Net Assets	334,888,026	327,173,269	7,714,756
Total Liabilities, Deferred Inflows of Resources and Net Assets	1,245,108,944	1,239,546,426	5,562,517

GUAM WATERWORKS AUTHORITY
Statement of Operations and Retained Earnings
Comparative Budget vs. Actual for the period ending March 31, 2023

SCHEDULE B

	Month to Date		Variance Favorable / (Unfavorable)
	Actual (Unaudited) March-23	Budget* March-23	
OPERATING REVENUES			
Water Revenues	5,687,593	5,711,790	(24,197)
Wastewater Revenues	3,988,518	2,926,168	1,062,350
Legislative Surcharge	295,330	259,220	36,110
Other Revenues	107,966	42,563	65,403
System Development Charge	61,057	103,639	(42,582)
Total Operating Revenues	10,140,465	9,043,380	1,097,085
OPERATING AND MAINTENANCE EXPENSES			
Water Purchases	465,499	550,510	85,011
Power Purchases	2,271,740	1,800,000	(471,740)
Total Utility Costs	<u>2,737,239</u>	<u>2,350,510</u>	<u>(386,730)</u>
Salaries and Wages	1,718,484	1,702,220	(16,264)
Pension and Benefits	667,974	630,750	(37,224)
Total Salaries and Benefits	<u>2,386,458</u>	<u>2,332,970</u>	<u>(53,488)</u>
Capitalized Labor and Benefits	(153,721)	(272,899)	(119,178)
Net Salaries and Benefits	<u>2,232,736</u>	<u>2,060,071</u>	<u>(172,665)</u>
Administrative and General Expenses			
Sludge removal	57,922	73,667	15,744
Chemicals	73,688	147,632	73,943
Materials & Supplies	126,894	154,312	27,418
Transportation	58,072	54,753	(3,319)
Communications	8,167	12,911	4,743
Claims	5,850	27,051	21,201
Insurance	147,927	151,327	3,401
Training & Travel	5,805	11,710	5,905
Advertising	4,699	3,788	(911)
Miscellaneous	94,997	106,853	11,856
Regulatory Expense	31,352	36,381	5,029
Bad Debts Provision	199,429	167,165	(32,263)
Total Administrative and General Expense	<u>814,802</u>	<u>947,549</u>	<u>132,747</u>
Depreciation Expense	<u>2,356,785</u>	<u>2,309,061</u>	<u>(47,724)</u>
Contractual Expense			
Audit & Computer Maintenance	164,663	143,003	(21,660)
Building rental	48,327	42,397	(5,929)
Equipment rental	27,689	33,708	6,019
Legal	97,432	21,865	(75,568)
Laboratory	20,609	41,514	20,905
Other	119,822	132,872	13,050
Total Contractual Expense	<u>478,542</u>	<u>415,358</u>	<u>(63,184)</u>
Retiree Supp. Annuities and health care costs	246,992	219,142	(27,850)
Contribution to Government of Guam	56,100	52,000	(4,100)
Total Retiree Benefits	<u>303,092</u>	<u>271,142</u>	<u>(31,950)</u>
Total Operating Expenses	<u>8,923,197</u>	<u>8,353,690</u>	<u>(569,506)</u>
Earnings (Loss) from Operations	<u>1,217,268</u>	<u>689,690</u>	<u>527,578</u>
Interest Income - 2010/13/14/16/17/20 Series Bond	770,610	35,597	735,013
Interest Income - Other Funds	125,576	5,424	120,152
Interest Income - SDC	6,252	705	5,547
Interest Expense - 2010/13/14/16/17/20 Series Bond	(2,400,140)	(2,453,409)	53,269
Interest Expense - Leases	-	-	-
Contributions from Local Government	550,000	-	550,000
Federal Expenditures	-	-	-
Loss on Asset Disposal	-	(19,187)	19,187
AFUDC	-	-	-
Amortization of Discount, Premium and Issuance Costs	124,228	156,349	(32,121)
Defeasance due to bond refunding	(170,449)	(171,399)	949
Deferred outflows from pension	-	-	-
Prior Year Adjustment	(6,192)	13,155	(19,347)
Total non-operating revenues (expenses)	<u>(1,000,116)</u>	<u>(2,432,765)</u>	<u>1,432,649</u>
Net Income (Loss) before capital contributions	<u>217,152</u>	<u>(1,743,075)</u>	<u>1,960,227</u>
Capital Contributions			
Grants from US Government	410,820	2,967,709	(2,556,889)
Grants from GovGuam & Others	-	-	-
Total Capital Contributions	<u>410,820</u>	<u>2,967,709</u>	<u>(2,556,889)</u>
Change in Net Assets	<u>627,972</u>	<u>1,224,634</u>	<u>(596,662)</u>
Debt Service Calculation			
Earnings From Operations	1,217,268	689,690	
System Development Charge	(61,057)	(103,639)	
Retiree COLA	56,100	52,000	
Interest/Investment Income	125,576	5,424	
Depreciation	2,356,785	2,309,061	
Plus withdrawals (deposits) to Rate Stabilization Fund	-	241,667	
ARPA Grant	550,000	1,033,333	
Balance Available for Debt Service per Section 6.12	<u>4,244,672</u>	<u>4,227,536</u>	
Debt Service			
Principal	852,917	852,917	
Interest	2,400,140	2,400,140	
Total	<u>3,253,056</u>	<u>3,253,056</u>	
Debt Service Coverage (1.25X) - per Section 6.12 (Indenture)	<u>1.30</u>	<u>1.30</u>	
Debt Service Coverage (1.30X) (PUC)	<u>1.30</u>	<u>1.30</u>	

GUAM WATERWORKS AUTHORITY
Statement of Operations and Retained Earnings
Comparative for the period ending March 31, 2023 and 2022

SCHEDULE C

	Month to Date		Variance Increase / (Decrease)
	Actual (Unaudited) March-23	Actual (Unaudited) March-22	
OPERATING REVENUES			
Water Revenues	5,687,593	5,349,140	338,453
Wastewater Revenues	3,988,518	2,643,006	1,345,512
Legislative Surcharge	295,330	243,216	52,114
Other Revenues	107,966	53,451	54,515
System Development Charge	61,057	130,529	(69,472)
Total Operating Revenues	10,140,465	8,419,342	1,721,123
OPERATING AND MAINTENANCE EXPENSES			
Water Purchases	465,499	477,689	(12,190)
Power Purchases	2,271,740	1,391,605	880,135
Total Utility Costs	<u>2,737,239</u>	<u>1,869,294</u>	<u>867,946</u>
Salaries and Wages	1,718,484	1,570,384	148,100
Pension and Benefits	667,974	589,134	78,840
Total Salaries and Benefits	<u>2,386,458</u>	<u>2,159,518</u>	<u>226,940</u>
Capitalized Labor and Benefits	(153,721)	(263,478)	109,756
Net Salaries and Benefits	<u>2,232,736</u>	<u>1,896,040</u>	<u>336,696</u>
Administrative and General Expenses			
Sludge removal	57,922	81,691	(23,768)
Chemicals	73,688	147,216	(73,527)
Materials & Supplies	126,894	167,267	(40,373)
Transportation	58,072	68,088	(10,016)
Communications	8,167	13,151	(4,984)
Claims	5,850	-	5,850
Insurance	147,927	79,937	67,990
Training & Travel	5,805	3,488	2,317
Advertising	4,699	4,027	672
Miscellaneous	94,997	103,548	(8,550)
Regulatory Expense	31,352	9,703	21,650
Bad Debts Provision	199,429	163,634	35,795
Total Administrative and General Expense	<u>814,802</u>	<u>841,747</u>	<u>(26,945)</u>
Depreciation Expense	<u>2,356,785</u>	<u>2,331,874</u>	<u>24,911</u>
Contractual Expense			
Audit & Computer Maintenance	164,663	78,934	85,729
Building rental	48,327	37,210	11,116
Equipment rental	27,689	20,921	6,768
Legal	97,432	-	97,432
Laboratory	20,609	15,661	4,948
Other	119,822	88,990	30,832
Total Contractual Expense	<u>478,542</u>	<u>241,716</u>	<u>236,825</u>
Retiree Supp. Annuities and health care costs	246,992	283,276	(36,284)
Contribution to Government of Guam	56,100	51,833	4,267
Total Retiree Benefits	<u>303,092</u>	<u>335,110</u>	<u>(32,018)</u>
Total Operating Expenses	<u>8,923,197</u>	<u>7,515,781</u>	<u>1,407,415</u>
Earnings (Loss) from Operations	<u>1,217,268</u>	<u>903,561</u>	<u>313,707</u>
Interest Income - 2010/13/14/16/17/20 Series Bond	770,610	2,068	768,542
Interest Income - Other Funds	125,576	654	124,922
Interest Income - SDC	6,252	1,278	4,974
Interest Expense - 2010/13/14/16/17/20 Series Bond	(2,400,140)	(2,457,450)	57,310
Interest Expense - Leases	-	-	-
Contributions from Local Government	550,000	-	550,000
Federal Expenditures	-	-	-
Loss on Asset Disposal	-	-	-
AFUDC	-	-	-
Amortization of Discount, Premium and Issuance Costs	124,228	156,349	(32,121)
Defeasance due to bond refunding	(170,449)	(171,399)	949
Deferred outflows from pension	-	-	-
Prior Year Adjustment	(6,192)	(56,074)	49,881
Total non-operating revenues (expenses)	<u>(1,000,116)</u>	<u>(2,524,574)</u>	<u>1,524,458</u>
Net Income (Loss) before capital contributions	<u>217,152</u>	<u>(1,621,013)</u>	<u>1,838,165</u>
Capital Contributions			
Grants from US Government	410,820	2,308,822	(1,898,002)
Grants from GovGuam & Others	-	-	-
Total Capital Contributions	<u>410,820</u>	<u>2,308,822</u>	<u>(1,898,002)</u>
Change in Net Assets	<u>627,972</u>	<u>687,809</u>	<u>(59,837)</u>
Debt Service Calculation			
Earnings From Operations	1,217,268	903,561	
System Development Charge	(61,057)	(130,529)	
Retiree COLA	56,100	51,833	
Interest/Investment Income	125,576	654	
Depreciation	2,356,785	2,331,874	
Plus withdrawals (deposits) to Rate Stabilization Fund	-	400,000	
ARPA Grant	550,000	-	
Balance Available for Debt Service per Section 6.12	<u>4,244,672</u>	<u>3,557,393</u>	
Debt Service			
Principal	852,917	812,083	
Interest	2,400,140	1,976,089	
Total	<u>3,253,056</u>	<u>2,788,172</u>	
Debt Service Coverage (1.25X) - per Section 6.12 (Indenture)	<u>1.30</u>	<u>1.28</u>	
Debt Service Coverage (1.30X) (PUC)	<u>1.30</u>	<u>1.28</u>	

GUAM WATERWORKS AUTHORITY
Statement of Operations and Retained Earnings
Comparative Budget vs. Actual for the period ending March 31, 2023

SCHEDULE D

	Year to Date		Variance Favorable / (Unfavorable)
	Actual (Unaudited) March-23	Budget* March-23	
OPERATING REVENUES			
Water Revenues	33,971,948	34,270,741	(298,793)
Wastewater Revenues	18,726,933	17,557,006	1,169,928
Legislative Surcharge	1,583,796	1,555,321	28,475
Other Revenues	309,844	255,379	54,465
System Development Charge	698,971	621,833	77,138
Total Operating Revenues	55,291,491	54,260,280	1,031,212
OPERATING AND MAINTENANCE EXPENSES			
Water Purchases	3,112,396	3,303,059	190,662
Power Purchases	13,808,275	10,800,000	(3,008,275)
Total Utility Costs	16,920,671	14,103,059	(2,817,613)
Salaries and Wages	9,653,723	10,213,320	559,597
Pension and Benefits	3,773,669	3,784,499	10,830
Total Salaries and Benefits	13,427,392	13,997,819	570,427
Capitalized Labor and Benefits	(1,265,843)	(1,637,395)	(371,552)
Net Salaries and Benefits	12,161,549	12,360,424	198,875
Administrative and General Expenses			
Sludge removal	306,840	442,000	135,160
Chemicals	670,181	885,791	215,610
Materials & Supplies	670,692	925,870	255,177
Transportation	262,009	328,518	66,509
Communications	58,303	77,464	19,161
Claims	27,719	162,308	134,589
Insurance	887,561	907,964	20,403
Training & Travel	53,483	70,258	16,775
Advertising	22,441	22,725	284
Miscellaneous	592,293	641,119	48,827
Regulatory Expense	104,220	218,288	114,067
Bad Debts Provision	1,085,654	1,002,993	(82,661)
Total Administrative and General Expense	4,741,395	5,685,296	943,901
Depreciation Expense	14,262,902	13,854,363	(408,539)
Contractual Expense			
Audit & Computer Maintenance	978,168	858,016	(120,152)
Building rental	288,749	254,384	(34,365)
Equipment rental	241,033	202,250	(38,783)
Legal	316,429	131,187	(185,242)
Laboratory	168,340	249,082	80,742
Other	843,178	797,229	(45,949)
Total Contractual Expense	2,835,897	2,492,148	(343,749)
Retiree Supp. Annuities and health care costs	1,428,980	1,314,850	(114,130)
Contribution to Government of Guam	336,600	312,000	(24,600)
Total Retiree Benefits	1,765,580	1,626,850	(138,730)
Total Operating Expenses	52,687,995	50,122,141	(2,565,854)
Earnings (Loss) from Operations	2,603,496	4,138,138	(1,534,642)
Interest Income - 2010/13/14/16/17/20 Series Bond	4,200,138	213,580	3,986,559
Interest Income - Other Funds	603,747	32,546	571,201
Interest Income - SDC	16,776	4,230	12,547
Interest Expense - 2010/13/14/16/17/20 Series Bond	(14,400,839)	(14,720,453)	319,614
Interest Expense - Leases	-	-	-
Contributions from Local Government	7,000,000	-	7,000,000
Federal Expenditures	-	-	-
Loss on Asset Disposal	(225,995)	(115,124)	(110,872)
AFUDC	-	-	-
Amortization of Discount, Premium and Issuance Costs	745,368	938,094	(192,726)
Defeasance due to bond refunding	(1,022,696)	(1,028,391)	5,695
Deferred outflows from pension	-	-	-
Prior Year Adjustment	(134,404)	78,930	(213,334)
Total non-operating revenues (expenses)	(3,217,904)	(14,596,588)	11,378,684
Net Income (Loss) before capital contributions	(614,408)	(10,458,450)	9,844,041
Capital Contributions			
Grants from US Government	8,293,416	17,806,255	(9,512,839)
Grants from GovGuam & Others	35,749	-	35,749
Total Capital Contributions	8,329,164	17,806,255	(9,477,090)
Change in Net Assets	7,714,756	7,347,805	366,951
Debt Service Calculation			
Earnings From Operations	2,603,496	4,138,138	
System Development Charge	(698,971)	(621,833)	
Retiree COLA	336,600	312,000	
Interest/Investment Income	603,747	32,546	
Depreciation	14,262,902	13,854,363	
Plus withdrawals (deposits) to Rate Stabilization Fund	1,300,000	1,450,000	
ARPA Grant	7,000,000	6,200,000	
Balance Available for Debt Service per Section 6.12	25,407,774	25,365,215	
Debt Service			
Principal	5,117,500	5,117,500	
Interest	14,400,839	14,400,839	
Total	19,518,339	19,518,339	
Debt Service Coverage (1.25X) - per Section 6.12 (Indenture)	1.30	1.30	
Debt Service Coverage (1.30X) (PUC)	1.30	1.30	

GUAM WATERWORKS AUTHORITY
Statement of Operations and Retained Earnings
Comparative for the period ending March 31, 2023 and 2022

SCHEDULE E

	Year to Date		Variance Increase / (Decrease)
	Actual (Unaudited) March-23	Actual (Unaudited) March-22	
OPERATING REVENUES			
Water Revenues	33,971,948	32,119,038	1,852,910
Wastewater Revenues	18,726,933	16,604,072	2,122,861
Legislative Surcharge	1,583,796	1,489,577	94,219
Other Revenues	309,844	226,534	83,309
System Development Charge	698,971	337,427	361,544
Total Operating Revenues	55,291,491	50,776,648	4,514,843
OPERATING AND MAINTENANCE EXPENSES			
Water Purchases	3,112,396	3,122,398	(10,002)
Power Purchases	13,808,275	7,949,398	5,858,877
Total Utility Costs	16,920,671	11,071,796	5,848,875
Salaries and Wages	9,653,723	9,262,472	391,251
Pension and Benefits	3,773,669	3,581,995	191,674
Total Salaries and Benefits	13,427,392	12,844,467	582,925
Capitalized Labor and Benefits	(1,265,843)	(1,596,802)	330,959
Net Salaries and Benefits	12,161,549	11,247,665	913,884
Administrative and General Expenses			
Sludge removal	306,840	431,923	(125,084)
Chemicals	670,181	1,080,926	(410,746)
Materials & Supplies	670,692	792,536	(121,843)
Transportation	262,009	285,818	(23,809)
Communications	58,303	77,383	(19,080)
Claims	27,719	44,018	(16,299)
Insurance	887,561	479,622	407,939
Training & Travel	53,483	26,327	27,157
Advertising	22,441	25,318	(2,877)
Miscellaneous	592,293	615,009	(22,716)
Regulatory Expense	104,220	107,273	(3,053)
Bad Debts Provision	1,085,654	1,004,254	81,400
Total Administrative and General Expense	4,741,395	4,970,407	(229,012)
Depreciation Expense	14,262,902	13,818,822	444,080
Contractual Expense			
Audit & Computer Maintenance	978,168	652,595	325,573
Building rental	288,749	244,607	44,142
Equipment rental	241,033	184,088	56,945
Legal	316,429	115,195	201,235
Laboratory	168,340	140,529	27,811
Other	843,178	727,879	115,299
Total Contractual Expense	2,835,897	2,064,893	771,004
Retiree Supp. Annuities and health care costs	1,428,980	1,275,110	153,870
Contribution to Government of Guam	336,600	311,000	25,600
Total Retiree Benefits	1,765,580	1,586,110	179,470
Total Operating Expenses	52,687,995	44,759,693	7,928,302
Earnings (Loss) from Operations	2,603,496	6,016,955	(3,413,459)
Interest Income - 2010/13/14/16/17/20 Series Bond	4,200,138	17,481	4,182,657
Interest Income - Other Funds	603,747	5,028	598,719
Interest Income - SDC	16,776	2,820	13,956
Interest Expense - 2010/13/14/16/17/20 Series Bond	(14,400,839)	(14,744,701)	343,863
Interest Expense - Leases	-	-	-
Contributions from Local Government	7,000,000	-	7,000,000
Federal Expenditures	-	-	-
Loss on Asset Disposal	(225,995)	(20,525)	(205,470)
AFUDC	-	-	-
Amortization of Discount, Premium and Issuance Cos	745,368	938,094	(192,726)
Defeasance due to bond refunding	(1,022,696)	(1,028,391)	5,695
Deferred outflows from pension	-	-	-
Prior Year Adjustment	(134,404)	118,202	(252,605)
Total non-operating revenues (expenses)	(3,217,904)	(14,711,992)	11,494,088
Net Income (Loss) before capital contributions	(614,408)	(8,695,038)	8,080,629
Capital Contributions			
Grants from US Government	8,293,416	17,091,440	(8,798,024)
Grants from GovGuam & Others	35,749	-	35,749
Total Capital Contributions	8,329,164	17,091,440	(8,762,276)
Change in Net Assets	7,714,756	8,396,403	(681,646)
Debt Service Calculation			
Earnings From Operations	2,603,496	6,016,955	
System Development Charge	(698,971)	(337,427)	
Retiree COLA	336,600	311,000	
Interest/Investment Income	603,747	5,028	
Depreciation	14,262,902	13,818,822	
Plus withdrawals (deposits) to Rate Stabilization	1,300,000	1,200,000	
ARPA Grant	7,000,000	-	
Balance Available for Debt Service per Section 6.12	25,407,774	21,014,378	
Debt Service			
Principal	5,117,500	4,872,500	
Interest	14,400,839	11,856,535	
Total	19,518,339	16,729,035	
Debt Service Coverage (1.25X) - per Section 6.12	1.30	1.26	
Debt Service Coverage (1.30X) (PUC)	1.30	1.26	

SCHEDULE F

Guam Waterworks Authority Statement of Cash Flows (Unaudited) FY2023	YTD Mar-23
Cash flows from operating activities:	
Cash received from trade and others	52,586,194
Cash payments to suppliers/contractors for goods and services	(7,516,056)
Cash payments to employees for services	(14,980,787)
Net cash provided by operating activities	<u>30,089,351</u>
Cash flows from noncapital financing activities:	
Receipts from the Local Government operating grant	7,000,000
Cash flows from capital and related financing activities:	
Contributed capital received (grants)	13,467,601
Acquisition of utility plant	(30,349,024)
Repayment of Long Term Debt	277,327
Interest expense	(14,812,570)
Net cash provided by (used in) capital and related financing activities	<u>(31,416,666)</u>
Cash flows from investing activities:	
Transfers from (to) restricted fund	5,649,783
Interest income received	4,820,661
Net cash provided by investing activities	<u>10,470,444</u>
Net increase (decrease) in cash	16,143,128
Unrestricted cash at beginning of the period	33,173,824
Unrestricted cash at end of period	<u>49,316,953</u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating Income (loss)	2,603,496
Adjustments to reconcile to net cash provided by operating activities:	
Depreciation expense	14,262,902
Bad debts (recovery)	1,085,654
Capitalized labor and benefits	(1,265,843)
Recovery of provision for inventory obsolescence	-
Non-cash pension costs	-
(Increase) decrease in assets:	
Accounts receivable	(2,821,178)
Materials and supplies inventory	(1,059,085)
Prepaid expenses	879,891
Regulatory Assets	(3,095)
Increase (decrease) in liabilities:	
Accounts payable	(480,697)
Accrued payroll and employee benefits	212,185
Customer deposits	118,977
Other liabilities	16,556,144
Net cash provided by operating activities	<u>30,089,351</u>

GUAM WATERWORKS AUTHORITY
Restricted and Unrestricted Cash Summary
FY2023

SCHEDULE G

Description	Unaudited March 31, 2023	Unaudited September 30, 2022	Increase (Decrease)
UNRESTRICTED			
Change Fund	2,000	2,000	-
Petty Cash	3,930	3,930	-
BOG Deposit Accounts	29,553,618	12,033,170	17,520,448
BOG O & M Reserve	14,144,069	13,915,501	228,568
BOG CapEx Fund	5,613,336	7,219,224	(1,605,888)
Sub-total Unrestricted	49,316,953	33,173,824	16,143,128
RESTRICTED			
ANZ Bank	0	693	(693)
Bank Pacific	12,044	13,774	(1,730)
Bank of Hawaii	260,667	191,163	69,504
Community First FCU	2,308	4,044	(1,736)
First Hawaiian Bank	61,212	88,820	(27,608)
Bank Pacific Surcharge	1,714,415	87,530	1,626,885
Bank Pacific Escrow Deposit	947,022	843,058	103,965
BOG Customer Refunds	2,166,225	2,108,598	57,627
BOG Emergency Reserve Fund	6,247	6,246	(0)
BOG Sewer Hookup Revolving Fund	2,067,617	64,373	2,003,244
BOG Operation and Maintenance Fund	3,083,482	3,083,482	-
BOG Revenue Trust	162,027	850,831	(688,804)
BOG Revenue Trust Fund	9,041,635	8,999,670	41,965
BOG Capital Improvement Revenue Fund	8,967,697	7,487,283	1,480,414
BOG Rate Stabilization Fund	3,100,000	4,400,000	(1,300,000)
	31,592,597	28,229,565	3,363,031
BOG - SDC Deposit	1,913,813	1,158,420	755,393
BOG - SDC CDs	2,750,000	6,250,000	(3,500,000)
Total SDC	4,663,813	7,408,420	(2,744,607)
Total Restricted	36,256,410	35,637,985	618,424
Reserve Funds			
BOG Series 2013 Construction Fund	3,413,894	4,236,835	(822,941)
BOG Series 2016 Construction Fund	30,070,951	38,621,743	(8,550,792)
BOG Series 2017 Refunding Construction Fund	3,690,507	4,133,026	(442,519)
BOG Series 2020A Construction Fund	111,289,950	118,006,420	(6,716,470)
BOG CIF-Construction Fund Transfers	4,601,673	-	4,601,673
BOG Series 2020A Capitalized Interest Fund	-	1,245	(1,245)
Total Restricted - Held by Trustee	153,066,975	164,999,269	(11,932,294)
BOG OMRRRF Fund	17,423,213	17,423,213	-
USB Series 2013 Debt Service Fund	3,006,896	1,400,508	1,606,388
USB Series 2013 Debt Service Reserve Fund	12,031,688	12,031,688	-
USB Series 2014 Refunding Debt Service Reserve Fund	12,079,092	9,700,178	2,378,913
USB Series 2016 Debt Service Fund	2,422,866	1,967,736	455,130
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	3,073,507	1,907,628	1,165,879
USB Series 2020A Debt Service Fund	1,710,241	1,678,906	31,335
USB Series 2020A Debt Service Reserve Fund	6,659,700	6,659,700	-
USB Series 2020B Debt Service Reserve Fund	1,502,615	1,476,176	26,440
Total Investments	75,068,278	69,404,193	5,664,086
Total Restricted and Unrestricted Cash	313,708,617	303,215,271	10,493,345

**Guam Waterworks Authority
Accounts Receivable - Government (Active)
March 31, 2023**

SCHEDULE H

Customer Name	AGING						Total
	No. of Accounts	Current	31 - 60 days	61 - 90 days	91 - 120 days	Over 120 days	
Autonomous Agencies (Active)							
Guam Int'l Airport Authority	8	8,517	63	63	63	262,378	271,085
Guam Power Authority	25	66,526	9,600	-	-	-	76,126
Guam Housing & Urban Renewal Authority	10	5,560	-	-	-	-	5,560
Port Authority of Guam	5	5,087	-	-	-	-	5,087
Guam Solid Waste Authority	4	976	762	49	57	55	1,898
Guam Housing Corporation	1	34	-	-	-	-	34
Total Autonomous Agencies	53	86,699	10,425	112	121	262,433	359,790
Semi-Autonomous Agencies (Active)							
Guam Memorial Hospital Authority	3	46,414	39,801	40,607	39,887	50,414	217,123
University of Guam	48	110,772	5,736	-	-	-	116,508
Guam Community College	3	25,876	-	-	-	-	25,876
Guam Environmental Protection Agency	2	322	-	-	-	-	322
Total Semi-Autonomous Agencies	56	183,384	45,537	40,607	39,887	50,414	359,830
Line Agencies (Active)							
Department of Education	52	496,469	185,431	7,548	572	2,528	692,548
Department of Parks & Recreation	12	69,161	17,141	-	-	-	86,302
Department of Corrections	9	75,761	-	-	-	-	75,761
Department of Public Works	10	19,970	16,374	-	-	-	36,344
Department of Chamorro Affairs	7	19,118	-	-	-	-	19,118
Department of Public Health & Social Services	9	4,432	4,733	2,461	301	-	11,927
Guam Police Department	9	4,205	3,556	-	-	-	7,761
Guam Fire Department	11	7,542	0	-	-	-	7,542
Department of Agriculture	7	4,863	1,346	-	-	-	6,209
Department of Mental Health And Substance	4	1,971	954	592	-	-	3,518
Office of The Governor	2	3,509	-	-	-	-	3,509
Guam Veterans Affairs Office	2	1,194	1,089	1,070	-	-	3,354
Department of Military Affairs/GUARNG	1	-	2,725	-	-	-	2,725
Department of Youth Affairs	3	1,304	-	-	-	-	1,304
Guam Public Library	6	480	127	78	-	-	685
Guam Homeland Security/Civil Defense	1	560	-	-	-	-	560
Department of Administration	3	368	122	-	-	-	490
Department of Customs & Quarantine	1	451	-	-	-	-	451
Guam Visitors Bureau	2	404	-	-	-	-	404
Office of Technology	1	198	-	-	-	-	198
Guam Energy Office	1	146	-	-	-	-	146
Barrigada Veteran Org.	1	49	-	-	-	-	49
Total Line Agencies	154	712,156	233,599	11,750	873	2,528	960,905
Other Government of Guam Entities (Active)							
Mayors Council of Guam	63	18,600	3,307	132	-	-	22,040
Talofofo Mayors Office	1	621	-	-	-	-	621
Agat Mayor's Office	1	150	184	-	-	-	334
The Office of the Dededo Mayor	1	205	-	-	-	-	205
Merizo Mayor	1	40	-	-	-	-	40
Total Other Government of Guam Entities	67	19,616	3,492	132	-	-	23,240
Total as of March 31, 2023 (Active)	330	1,001,855	293,054	52,600	40,881	315,375	1,703,765

GUAM WATERWORKS AUTHORITY
Accounts Receivable Aging Summary by Rate Class
As of March 31, 2023

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	445	\$ 4,024,069	\$ 294,036	\$ 52,600	\$ 40,881	\$ 578,913	\$ 4,990,498	23%	
Agriculture	418	26,176	4,438	1,326	1,639	29,467	63,047	0%	
Commercial I	2,695	1,367,459	258,270	60,478	59,671	485,203	2,231,081	10%	
Commercial II	36	238,268	824	2,129	12,561	356	254,139	1%	
Commercial III	295	516,841	54,959	17,559	25,045	282,892	897,295	4%	
Golf Course	16	4,297	2,414	2,594	1,174	-	10,477	0%	
Hotel	54	1,712,850	153,624	36,512	26,074	764,588	2,693,648	12%	
Irrigation	33	2,479	156	88	-	1,295	4,018	0%	
Residential	48,038	3,644,483	828,501	675,160	250,396	5,460,727	10,859,267	49%	
	52,030	11,536,922	1,597,221	848,447	417,440	7,603,441	22,003,471	100%	
		52%	7%	4%	2%	35%			
Less Allowance for Doubtful Accounts:							(10,883,682)		
Net Accounts Receivable:							11,119,789		
Days Receivables Outstanding							36		

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	438	\$ 4,024,069	\$ 294,036	\$ 52,600	\$ 40,881	\$ 578,913	\$ 4,987,942	33%	
Agriculture	396	26,176	4,438	1,294	897	2,418	35,224	0%	
Commercial I	2,538	1,364,423	256,730	59,956	50,206	237,497	1,968,812	13%	
Commercial II	36	238,268	824	2,129	12,561	356	254,139	2%	
Commercial III	280	498,866	54,457	14,912	23,950	250,043	842,229	5%	
Golf Course	16	4,297	2,414	2,594	1,174	-	10,477	0%	
Hotel	53	1,712,850	153,624	36,512	26,074	293,770	2,222,830	15%	
Irrigation	32	2,479	156	88	-	-	2,723	0%	
Residential	40,173	2,154,025	697,485	349,022	184,165	1,607,979	4,992,676	33%	
	43,962	10,025,453	1,464,163	519,109	339,908	2,968,420	15,317,052	100%	
		65%	10%	3%	2%	19%			
Less Allowance for Doubtful Accounts:							(10,883,682)		
Net Accounts Receivable:							4,433,370		

As of February 28, 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	438	\$ 3,082,080	\$ 586,822	\$ 501,745	\$ 208,512	\$ 567,234	\$ 4,946,392	22%	
Agriculture	420	28,704	4,350	3,031	1,354	32,981	70,420	0%	
Commercial I	2,690	1,507,251	123,272	67,348	46,373	471,972	2,216,216	10%	
Commercial II	35	277,350	2,221	12,643	234	887	293,334	1%	
Commercial III	293	545,145	45,489	24,528	23,948	287,219	926,328	4%	
Golf Course	16	5,753	2,684	1,174	-	-	9,610	0%	
Hotel	55	1,723,556	44,138	71,126	22,308	769,540	2,630,669	12%	
Irrigation	34	3,213	867	257	112	5,371	9,819	0%	
Residential	48,009	3,990,815	1,063,609	412,239	319,934	5,386,950	11,173,547	50%	
	51,990	11,163,865	1,873,452	1,094,090	622,776	7,522,153	22,276,336	100%	
		50%	8%	5%	3%	34%			
Less Allowance for Doubtful Accounts:							(10,677,252)		
Net Accounts Receivable:							11,599,083		
Days Receivables Outstanding							38		

As of February 28, 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	437	\$ 3,082,022	\$ 586,822	\$ 501,745	\$ 208,512	\$ 567,234	\$ 4,946,334	28%	
Agriculture	397	28,704	4,318	2,289	872	5,921	42,105	0%	
Commercial I	2,537	1,504,626	122,733	57,910	45,284	238,998	1,969,550	11%	
Commercial II	35	277,350	2,221	12,643	234	887	293,334	2%	
Commercial III	280	544,635	42,870	23,219	23,587	240,191	874,501	5%	
Golf Course	16	5,753	2,684	1,174	-	-	9,610	0%	
Hotel	54	1,723,556	44,138	71,126	22,308	298,723	2,159,851	12%	
Irrigation	33	3,213	867	257	112	4,076	8,524	0%	
Residential	40,229	3,947,220	1,006,736	355,239	251,068	1,605,276	7,165,539	41%	
	44,018	11,117,077	1,813,388	1,025,601	551,978	2,961,304	17,469,349	100%	
		64%	10%	6%	3%	17%			
Less Allowance for Doubtful Accounts:							(10,677,252)		
Net Accounts Receivable:							6,792,096		

GUAM WATERWORKS AUTHORITY
Accounts Payable Aging

SCHEDULE J

<u>As of</u>	<u>AGING</u>						<u>Total</u>	<u>Days Payable Outstanding</u>
	<u>Current</u>	<u>31 - 60 Days</u>	<u>61 - 90 Days</u>	<u>91 - 120 Days</u>	<u>> 120 Days</u>			
March 31, 2023	\$ 2,742,276 71%	\$ 438,902 11%	\$ 226,226 6%	\$ 81,441 2%	\$ 358,663 9%	\$ 3,847,508 100%	30	
February 28, 2023	\$ 3,887,036 78%	\$ 551,496 11%	\$ 151,896 3%	\$ 11,081 0%	\$ 393,714 8%	\$ 4,995,224 100%	34	
January 31, 2023	\$ 4,285,330 57%	\$ 2,671,326 35%	\$ 198,596 3%	\$ 167,016 2%	\$ 261,671 3%	\$ 7,583,939 100%	45	

**GUAM WATERWORKS AUTHORITY
WATER DEMAND BY RATE CLASS
FY2015 - FY2023**

SCHEDULE K

CLASS	AUDITED							UNAUDITED		Annualized Based on 6 months
	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)*	% Inc / (Dec.)	FY2023 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	-5%	3,215,824
C Commercial	1,020,089	1,022,890	964,639	910,905	906,192	822,029	786,054	818,460	4%	838,488
F Federal	1,168	1,180	2,508	1,813	1,602	1,338	2,069	1,389	-33%	1,028
G Government	515,974	475,366	448,430	450,165	405,980	408,502	404,026	470,581	16%	510,675
H Hotel	999,116	1,008,087	1,004,525	989,723	1,079,919	714,161	448,034	462,757	3%	547,928
G Golf	6,850	6,770	5,252	2,741	2,793	5,835	2,855	3,796	33%	4,311
A Agriculture	67,376	78,628	69,482	81,127	90,803	84,492	68,805	65,719	-4%	42,937
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>	-10%	<u>4,013</u>
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>	-1%	<u>5,165,203</u>

**Guam Waterworks Authority
System Development Charges Project Status
As of March 31, 2023**

SCHEDULE L

Funding Summary

Total available project funds	\$ 16,799,018
Total project expenditures and encumbrances	12,520,455
Total unobligated project funds	\$ 4,278,563

Projects Funded

Project Description	Expenditures	Outstanding Encumbrances	Expenditures and Encumbrances
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	74,641	593,869
South Paulino Heights Waterline Upgrade	84,056	4,714	88,770
Talofofo Sewer Improvement	-	241,142	241,142
Groundwater Well Production Meter Rep.	136,087	15,121	151,207
	\$ 12,177,950	\$ 342,505	\$ 12,520,455

Future planned projects

FY 2023-2025

Water Distribution System Pipe Replacement & Upgrades	1,000,000
Capacity Enhancement - Well Development and Construction Progr	394,000
Well Repair Program	200,000
	\$ 1,594,000



GUAM WATERWORKS AUTHORITY

"Better Water, Better Lives."

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

Tel. No.: (671) 300-6846/7

Issues for Decision

Resolution No. 20-FY2023

Relative to Approval of the Indefinite Delivery/Indefinite Quantity Implementation of District Metered Areas Design and Construction Management Contract.

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

The Water Loss Control Program Development and District Metered Area Implementation Plan was prepared to reduce non-revenue water and to provide a long-term sustainable system to monitor and manage water losses throughout GWA's water supply and distribution network. District Metered Areas (DMA) are discrete area of a water supply and distribution network in which the water flow entering or leaving a specific area (DMA) is measured by flow metering devices. The Water Loss Control Program Development and District Metered Area Implementation Plan proposed 36 DMAs for implementation throughout the island. A list of DMAs can be found in Appendix A, Table 2-01: Proposed DMAs – Basic Infrastructure Data of the Plan.

The project is necessary in order for GWA to reduce water losses in the system. DMAs will enable GWA to determine non-revenue volume and quantify water losses in each DMA, which will allow GWA to focus leak detection, repair, and construction resources to specific areas.

Selected Architect-Engineer firm will provide Design and Construction Management services for the project. Task orders shall be issued to design the DMA infrastructure and to perform construction management services during construction.

Where is the location?

Island-wide.

How much will it cost?

The fee proposal is for \$3,119,377.00; however, GWA intends to only award \$1,500,000.00 using USEPA Grant funding. GWA anticipates additional funding from USEPA yearly.

When will it be completed?

Design and construction management services are for 5 years.

What is the funding source?

The funding shall be from USEPA Grants.

The RFP/BID responses (if applicable):

- RFP-07-ENG-2022
- 17 firms RFP registered for the proposal
- 6 firms submitted
- Duenas, Camacho, and Associates, Inc. recommended for award



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. 20-FY2023

RELATIVE TO APPROVAL OF THE INDEFINITE DELIVERY/INDEFINITE QUANTITY IMPLEMENTATION OF DISTRICT METERED AREAS DESIGN AND CONSTRUCTION MANAGEMENT CONTRACT

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 GWA is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, the GWA has developed a Water Loss Control Program Development and District Metered Area Implementation Plan to reduce non-revenue water and to provide long-term sustainable system to monitor and manage water losses within GWA’s water supply and distribution network; and

WHEREAS, under the Water Loss Control Program Development and District Metered Area Implementation Plan, thirty-six (36) district metered areas have been identified for implementation throughout GWA’s water system; and

WHEREAS, GWA has advertised the Request for Proposals (RFP-07-ENG-2022) soliciting statement of qualifications from experienced and qualified engineering firms to provide design and construction management services for the Indefinite Delivery/Indefinite Quantity (ID/IQ) for Engineering Design and Construction Management (CM) Services for the Implementation of District Metered Areas; and

WHEREAS, seventeen (17) interested parties registered for the RFP package, from which GWA received proposal submittals from 6 firms before the RFP submittal deadline; and

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WHEREAS, the GWA Architect-Engineer Selection committee reviewed and evaluated the six (6) proposals (See Exhibit A – Evaluation Score Summary) and generated a short list of the top three (3) firms with a recommendation to award a contract to the firm Duenas, Camacho, and Associates, Inc. (DCA) (See Exhibit B – GM’s Determination); and

WHEREAS, DCA and GWA negotiated the fee proposal for the design and construction management services for ID/IQ for Engineering Design and CM Services for the Implementation of District Metered Areas to be provided in the total amount of Three Million One Hundred Nineteen Thousand Three Hundred Seventy-Seven Dollars (\$3,119,377.00) (See Exhibit C – Scope of Work and Fees); and

WHEREAS, GWA management seeks approval of the negotiated fee proposal in the amount of Three Million One Hundred Nineteen Thousand Three Hundred Seventy-Seven Dollars (\$3,119,377.00) and approval to award a portion of the negotiated fee proposal in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000.00); and

WHEREAS, GWA shall issue Task Orders for design and construction management of the district meter areas that are identified in the Water Loss Control Program Development and District Metered Implementation Plan, Appendix A; and

WHEREAS, funding in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000.00) will be from the USEPA grants; and

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 CCU finds that the terms of the fee proposal submitted by Duenas, Camacho, and Associates, Inc. are fair and reasonable.
3. The CCU hereby authorizes the management to accept the fee proposal in the amount of Three Million One Hundred Nineteen Thousand Three Hundred

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Seventy-Seven Dollars (\$3,119,377.00) from Duenas, Camacho and Associates, Inc., which is also incorporated into this Resolution in its entirety.

- 4. The CCU hereby further authorizes the management of GWA to enter into an ID/IQ contract with Duenas, Camacho, and Associate, Inc., in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000.00).
- 5. The CCU hereby further approves the total funding amount for this project in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000.00).
- 6. The CCU hereby approves the use of funding source(s) from USEPA grants.

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

DULY AND REGULARLY ADOPTED, this 25th day of April 2023.

Certified by:

Attested by:

JOSEPH T. DUENAS
Chairperson

PEDRO ROY MARTINEZ
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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GUAM WATERWORKS AUTHORITY

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

October 17, 2022

To: Brett E. Railey, P.E.
Acting Chief Engineer

From: Josephine E. Smith, PMBA
Chairperson, Consultant Selection Board

Subject: RFP-07-ENG-2022
Indefinite Delivery/Indefinite Quantity (ID/IQ) for Engineering Design and Construction Management Services for the Implementation of District Metered Areas (DMA)
GWA Project No. ~~522-04-ARP~~ W22-06-BND *QW*

The following information is intended to document the evaluation process undertaken for the referenced solicitation:

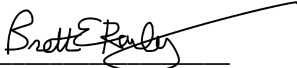
EVALUATION COMMITTEE MEMBERS	
Name	Title
Garrett K.A. Yeoh	Senior Engineer
Jessey A. Mendiola	Junior Engineer
Ryan B. Diaz	Junior Engineer
Vincent Pangelinan	Operations and Maintenance Manager

Offerors	Evaluation Score				Total	Rank
1. Duenas, Camacho & Associates, Inc.	76	78	80	78	312	1
2. AECOM Technical Services, Inc.	78	80	83	69	310	2
3. SSFM International	78	81	76	74	309	3
4. TG Engineers, PC	70	77	63	78	288	4
5. E.M. Chen & Associates, Inc.	65	77	60	66	268	5
6. EMPSCO Engineering Consultants	61	76	50	77	264	6

Scores were evaluated based on the sum of individual scores. The recommendation of the Evaluation Committee is shown in the ranking above.

For your review and approval. Notification letters will be issued thereafter.

Approved by:


Brett E. Railey, P.E.



GUAM WATERWORKS AUTHORITY

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

MEMORANDUM

To: Christopher M. Budasi
Acting General Manager

From: Brett E. Railey, P.E.
Acting Chief Engineer

Subject: RFP-07-ENG-2022
Indefinite Delivery/Indefinite Quantity (ID/IQ) for Engineering Design and
Construction Management Services for the Implementation of
District Metered Areas (DMA)
GWA Project No. ~~W22-04-ARP~~ W22-06-BND *GR*


Date: October 18, 2022

The Selection Committee has completed all necessary actions for selecting the most qualified consultants for the referenced solicitation. All proposals were reviewed and scored according to the conditions established in the solicitation. The Evaluation Summary is attached for your information.

The committee recommends the following top three (3) firms in order of preference for the project:

1. Duenas, Camacho & Associates, Inc.
2. AECOM Technical Services, Inc.
3. SSFM International

Concurred:

For 
 Vincent E. Guerrero
 Supply Management Administrator

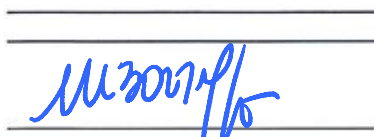
10/19/2022
 Date

GENERAL MANAGER'S DETERMINATION

Consultant Firm Selected:

Duenas Camacho & Associates

Remarks:


 Miguel C. Bordallo, P.E.
 General Manager

2022.10.21
 Date



April 10, 2023
Miguel C. Bordallo, P.E.
General Manager, Guam Waterworks Authority
Gloria B. Nelson Public Service Building
688 Route 15 Mangilao, Guam, 96913

Attn: Garrett Yeoh, GWA Engineering Project Manager

Subject: **Indefinite Delivery/Indefinite Quantity (ID/IQ) for Engineering Design and Construction Management Services for the Implementation of District Metered Areas (DMA) GWA Project No. W22-06-BND**

Re: **Design Fee Proposal, revision 2**

Hafa Adai Mr. Yeoh,

Dueñas, Camacho & Associates (DCA) is pleased to submit the following fee proposal for engineering services for the subject project.

Program Management	\$ 77,744.00
Design	\$ 1,268,024.00
Field Surveys	\$ 114,637.00
Subtotal	\$ 1,460,405.00
Geotechnical services	\$ 172,875.00
Instrumentation and Data Acquisition	\$ 206,400.00
Biological	\$ 161,072.00
Archaeological Research Design (20 sites)	\$ 391,850.00
Land Acquisition	\$ 34,575.00
Data Acquisition sub	\$ 92,200.00
Construction Management (Time and material budget of \$600K)	\$ 600,000.00
Subtotal	\$ 1,658,972.00
Total	\$ 3,119,377.00

Items in bold are time and material-based estimates.

Based on discussions with GWA, it is GWA's intent to award this project as task orders. DCA requests an annual escalation increase of 3% on the personnel rates shown in the attached fee breakdown starting in 2024. DCA will provide our updated insurance policy as soon as it is received from our insurer.

Sincerely,

Kenneth M. Rekdahl, P.E.
Vice-President
Dueñas, Camacho & Associates, Inc.
Attachment: Fee Proposal

SCOPE OF WORK

Indefinite Delivery/Indefinite Quantity (ID/IQ) for Engineering Design and Construction Management Services for the Implementation of District Metered Areas (DMA) GWA Project No. W22-06-BND

Provide Indefinite Delivery/Indefinite Quantity (ID/IQ) Professional Civil Design and Construction Management services for the implementation and development of district metered areas throughout the island. The design work shall include civil, mechanical, electrical and instrumentation work, such piping, vaults, earthworks, flow metering, pressure instrumentation, and SCADA.

Qualified firms shall have experience in program management and in the preparation of design, plans, specifications, cost estimates, contract documentation, and construction management for water system improvements. This ID/IQ will focus on designing DMA boundaries around the island. The ID/IQ firm shall be guided by GWA's Water Loss Control Program Development and District Metered Area Implementation Plan for locations.

Engineering services will include, but not be limited to the following:

1. PS&E: Plans, Specifications, and Cost Estimate Development. Develop design for DMA's for GWA's potable waterline system. The work shall include full plans, specifications, and cost estimates at the 30% (basis of design), 60%, 90%, and 100% phases. Design
2. Survey services
3. Ground penetrating radar services
4. Archaeological services
5. Environmental and biological services
6. Property and land acquisition services
7. Hydraulic modeling services
8. Coordinating and facilitating various task with local and federal agencies for grants, general agency review, and permitting.
9. IFB preparation and bidding services to include RFI bid responses, Addendum preparation, bid evaluation/recommendation, and all other task necessary to assist the bid process.
10. Provide construction management services
 - a. Site management
 - b. Conduct weekly meetings

- c. Construction inspection
- d. Quality assurance testing
- e. Submittal, RFI, shop drawing review
- f. Payment request review
- g. Change order review and recommendation

A/E shall furnish, in accordance with the agreed upon schedule, a complete, practical, economical design, plans, specifications, and related corrections and changes which are best suited for the contemplated construction, and ensure all work is completed in accordance with this Agreement and with sound engineering principles and is signed and sealed by a licensed Professional Engineer. A/E shall provide all calculations, data, charts, field data, and other information of any type whatsoever which support its designs or other work performed pursuant to this Agreement. A/E may not assert as a basis for refusing to provide such information that it is proprietary. A/E shall satisfy GWA with design decisions that are based on objective evaluation of the requirements of the facility owner and user, meet site-specific conditions, comply with Project construction cost budget, and minimize long-term operation and maintenance costs. A/E is aware and agrees that GWA has the right to submit the A/E's work product to independent design reviewers. A/E agrees to fully cooperate with such reviewers if GWA determines review is appropriate. A/E's obligation to cooperate shall include the obligation to respond in an objective professional manner to requests for information, and, if expressly requested by GWA, to enter into a dialogue with the reviewer regarding the comments of the reviewer on the work.

The contract will provide for the issuance of Task Orders (TO) requiring a variety of engineering and construction services as needed and determined by GWA. Each TO will be negotiated with the selected A/E firms. The contract as noted is an Indefinite Delivery Indefinite Quantity (ID/IQ) type contract and GWA does not guarantee any number of TO to be issued. GWA also does not guarantee a minimum or maximum dollar value of TO's placed with any firm.

Examples of the types of work under this ID/IQ includes, but not limited to, DMA implementation:

Task Order Scopes of Work for Design and Construction Management

1. Design Services to be provided by the Consultant:
 - a. Project Management: The consultant shall develop a work plan and schedule for the scope of work to be accomplished within the agreed performance time of the TO's. The schedule shall include reasonable time periods for any review by GWA or other government agency (such as EPA, GEPA, etc.). Projects shall require reoccurring meetings during the progress of the work. Design meetings to discuss the overall plan, requirements, constraints, expectations, outcomes, design

features, design progress, and other project specific elements for discussion between GWA and the consultant to coordinate work.

- b. Design: GWA anticipates that TO's shall be issued to begin design for selected sites based on developing DMA's based Water Loss Control Program Development and District Metered Area Implementation Plan. Sites shall be for design and ranked in priority according to their volume of water loss and recommendation from the Plan.

The A/E shall prepare a basis of design for each design (30% phase). As part of the design, the consultant shall collect and review, from GWA and other sources, data required to design facilities outlined in each TO. Site-visits will be required to completely comprehend the scope of work, the design needs, and the necessary data collection. The consultant shall identify any constraining factors that affect design and construction. The consultant shall coordinate and meet with GWA to review available "as-builts" of existing water and other utilities. The basis of design shall establish the design criteria, define preliminary routing of the proposed pipelines, location of control valves, pumping stations, identify right-of-way limits, list questions needing answers for the design, and list decision items. Once the basis of design has been accepted by GWA, the consultant shall move into the design phases.

Following approval of the basis of design, the consultant shall proceed with design for the complete scope of work as outlined in each TO and prepare all engineering and hydraulic calculations, perform all field work, prepare construction plans, specifications, and estimate the cost of construction at the 60%, 90% and 100% phases.

- c. Geotechnical Studies: When required by TO, the consultant shall conduct explorations for geotechnical investigation to determine subsurface conditions, soil properties, and groundwater levels as required for excavation information, foundation parameters, and related engineering information or anticipated construction conditions. A geotechnical report shall be prepared and submitted to GWA to include maps, boring records, soil type, allowable soil bearing capacity, pipe backfill suitability of in-situ soils, presence of groundwater water encountered, and all other pertinent information required to complete the scope of work.
- d. Field Surveys: When required by TO, the consultant shall conduct surveying for the purposes of a topographic survey, right-of-way, and developing design and

construction drawings for the proposed facilities as described in each TO scope of work. The survey must indicate easements, property lines, existing utilities, existing water meters, edges of pavement, driveways, existing buildings, structures, trees, and fences within the vicinity of the project.

- e. Additional Design Services: As may be necessary for specific work, other additional design services such as archeological review, environmental permitting, biological surveys, ground penetrating radar services, property acquisition and survey services, pressure logging and flow metering equipment procurement, and all other services necessary for DMA implementation.

2. Construction Management Services to be provided by the Consultant:

- a. Pre-Construction: the following elements of construction activity are required during the pre-construction stage of construction management. The consultant shall perform these tasks when required in a TO.

From the time of issuance of the Notice to Proceed (NTP for pre-construction activities prior to the issuance of DPW building permit), all duties listed in this section, at a minimum, shall be part of the CM's daily duties within typical working hours.

- Conduct pre-construction conference. Agenda shall be developed by the consultant.
 - Conduct weekly meetings.
 - Review Contractor's submittal and construction schedule.
 - Review Contractor's master submittal log.
 - Review all submittals for conformance with plans and specifications. Submittals to include product and material data, shop drawings, outage plans, schedule updates, and RFIs'.
 - Review Contractor's safety and traffic control plans.
 - Review the Storm Water Pollution Prevention Plan.
 - Ensure that Contractor has applied for all required permitting to being the project.
 - Set up and maintain Construction Management Software: ProCore
- b. Construction: the following elements of construction activity are required during the construction stage of construction management. The consultant shall perform these tasks when required in a TO.

From the time of issuance of the NTP (after issuance of the DPW building permit), all duties listed in this section, at a minimum, shall be part of the CM and Inspectors daily duties within typical working hours.

- Monitor and inspect daily construction activities in compliance with the contract, plans and specifications, and applicable codes and regulations.
- Witness all quality control testing by the Contractor.
- Maintain Construction Management Software (ProCore). All submittals shall be submitted through the management software.
- Conduct quality assurance testing and surveying as required by the plans and specifications.
- Prepare correspondences as requested by GWA.
- Conduct Davis-Bacon interviews if the construction project is grant funded.
- Review progress payment requests for accuracy and proper reflection of actual work performed and make recommendations to GWA regarding appropriateness and approval.
- Review contractor submitted payroll records for each payment request according to contract requirements.
- Issue directives and corrective action notices dealing with quality of workmanship, non-compliance, safety, and performance.
- At GWA's request, prepare field orders to change specific scope of work requirements.
- Schedule and coordinate all inspection, surveys and material testing.
- Review updated contractor's progress schedule and recommend approval or rejection to GWA.
- Verify contractor's material supply list with regard to delivery timetable, progress schedule, and justification for payment.
- Analyze and participate in negotiating claims and contract change requests; recommend action deemed appropriate.
- Prepare for GWA approval, change orders to modify the terms of the contract (change in cost, performance time, or technical provisions). Make changes to the design as necessary.
- Provide daily construction reports which includes pictures of construction highlighting deficient work, safety violations, examples of acceptable work, and other critical items. Reports shall be in ProCore.
- Maintain a set of as-built drawings recording all installed facilities, deviations from the original plans, details of installation, encountered subsurface features and utilities, and critical dimensions. This set of As-Built drawings is to be separate from the Contractor's as-built drawing set. The purpose of this task is to ensure that the CM has their own set to check against the Contractor's set of drawings.

- Conduct weekly (or specified meeting interval) project meetings with the contractor and GWA to discuss work progress and any concerns relating to the construction.
 - Witness field tests performed by the construction contractor or his representative for compliance with the contract drawings and specifications.
 - Inspect construction, installation, and assemblage of work agreed to with GWA. Verify conformance to the contract provisions and check for acceptable workmanship. Report acceptable and unacceptable work to GWA.
- c. Post Construction: the following elements of construction activity are required during the post-construction stage of construction management. The consultant shall perform these tasks when required in a TO.
- Lead pre-final inspection and prepare a list of incomplete work to be completed before substantial completion and final completion.
 - Determine the date of substantial completion according to the contract terms.
 - Lead final inspection and prepare a punch list of deficiencies to be completed before final acceptance and final payment.
 - Perform or observe all operational testing for proper operation, functionality, and performance. Accumulate all performance test data and submit to GWA.
 - Verify final quantities installed and note differences from the estimated contract amount.
 - Accumulate and provide to GWA all records, documents, submittals, log books, files, test results, etc.
 - Review contract required warranties, O&M manuals, etc. and verify full compliance by the contractor.
 - Provide a final review of construction contractor's as-built drawings and transmit the as-built drawings to GWA.
 - Provide CM's as-built drawings and transmit to GWA.

Time & Materials (T&M) budget of \$600k for construction management (CM)

- It is anticipated that a separate contract will be issued for CM once the design is completed which will be presented to the CCU for approval.
- GWA's water loss consultant Water Systems Optimization (WSO), estimated the total construction cost for the District Metered Areas not included in the Pressure Zone Realignment projects to be \$6.4 million. This amount is likely understated due to the timing of the estimate and current construction cost trends. The CM estimate is between \$640,000 and \$960,000 based on the \$6.4M.
- The \$600,000 CM time and materials budget was included in Resolution No. 20-FY2023 so that GWA can quickly implement some of the DMA zones needed to meet the year two Water Loss Control program milestones presented to the PUC.
- Additionally, the total cost of the Terao DMA project on Route 15 was requested - \$740,193.00.

Construction completion timeframe notes

- DMAs (36 planned sites).
- Construction funding is not available for all sites at this time, so schedules are dependent on available funding.
- Although GWA is working to achieve its target for a 3-year implementation, due to the complexity of construction, we may be forced to "combine" multiple DMAs in larger groups in order to obtain complete coverage, and work in subsequent years to install the infrastructure within these larger groups to break them up into their individual DMAs.
- If funding was available and there no property, archaeological, or permitting issues, completion of all DMAs would be approximately 6 to 7 years. Some DMAs have multiple inflows/outflows that need to be monitored. The Pressure Zone Realignment project is addressing many of these needed monitoring locations.
- PZR Phase 1 construction is ongoing and expected to be completed in July 2023.
- PZR Phase 2 design has been completed and is pending being advertised for bid.
- PZR Phase 3 is under design.
- The remaining DMA's will be addressed under the IDIQ DMA Design/CM in Resolution No. 20-FY2023 and subsequent construction.

Cost estimates for Phase 1 and 2 of the Pressure Zone Realignment locations.

Please note that the costs vary significantly because some locations involve only a vault, PRV and meter, and others – like Kaiser – are multiple vaults, PRVs and meters. The vaults and meters at Astumbo and Yigo were already there, and only the data logging and SCADA control panels were needed. Funding source for both phases is US EPA grants.

Phase I

Carnation	\$ 855,317.00
Okkodo	\$ 538,704.00
Ysengsong	\$ 640,634.00
Clara	\$ 584,515.00
Kaiser	\$ 1,441,693.00
Astumbo	\$ 85,990.00
Yigo	\$ 92,529.00
Maimai	\$ 391,470.00
Terao	\$ 762,972.00

Total Estimate including costs for overhead fees, GRT and insurance: **\$6,447,626.70**.

Please note that CO #4 has not been finalized, so costs for project completion may vary slightly.

Phase II

Asan	\$ 148,132.00
Talofofu	\$ 289,113.00
Sinajana	\$ 330,093.00
East agana	\$ 761,642.00
Dairy Rd.	\$ 862,533.00
Army Dr.	\$ 1,093,265.00
Gayinero	\$ 1,198,056.00
Rt. 15	\$ 82,105.00
Larson Rd.	\$ 819,404.00
Nimitz Hill	\$ 2,841,486.00
Latte Hts	\$ 354,820.00
Hawaiian Rock	\$ 1,238,364.00
Mangilao Tanks	\$ 1,874,605.00
Volcano	\$ 778,766.00
Pago Bay	\$ 916,220.00

Total Estimate: **\$13,588,603**

Current timeline of activity with State Historic Preservation Office (SHPO) for GWA Projects

Project	MoYr	Notes
Agfayan BPS	2022-01	GWA submitted a letter to SHPO requesting monitoring during geotechnical investigation and construction.
Agfayan BPS	2022-02	SHPO responded recommending a joint site visit with John Mark Joseph.
Agfayan BPS	2022-03	Mtg to clarify Archaeological Scope of work
Agfayan BPS	2022-03	Site visit conducted between John Mark Joseph and GWA's design consultants TG Engineers, PC and Search, Inc.
Agfayan BPS	2022-04	GWA request for estimated time of response.
Agfayan BPS	2022-08	Follow up on archaeological scope of work and request to schedule a meeting to discuss SOW.
Agfayan BPS	2023-03	Follow up on request for scope of work.
Agfayan BPS	2023-03	List of Questions forwarded to SHPO
Agfayan BPS	2023-03	Meeting with SHPO and State Archaeologists
Agfayan BPS	2023-03	SHPO responded with Archaeological scope of work
Agfayan BPS	2023-04	Most recent email follow-up with SHPO regarding response to list of questions.
Inarajan BPS	2015-08	Archaeological survey fieldwork and preliminary background research completed. The field survey and research did not identify any archaeological sites, feature deposits, or cultural material.
Inarajan BPS	2015-09	DPR review of Archaeological Work Plan.
Ugum No. 2 Reservoir	2015-09	DPR review of Archaeological Work Plan
Ugum No. 2 Reservoir	2019-05	DPR review of draft Archaeological Survey
Ugum No. 2 Reservoir	2019-07	GWA submitted AMDP for DPR review
Ugum No. 2 Reservoir	2019-08	DPR review of AMDP
Ugum No. 2 Reservoir	2019-12	GWA response letter to DPR's May 2019 review
Ugum No. 2 Reservoir	2020-02	DPR responses to GWA December 2019 letter; TGE uploaded photos in drop box for SHPO/SA's review
Ugum No. 2 Reservoir	2022-04	GWA submitted letter to SHPO requesting monitoring during construction
Ugum No. 2 Reservoir	2022-06	SHPO responded to GWA's April 2022 letter.
Ugum No. 2 Reservoir	2022-07	GWA responded to SHPO's June 2022 letter and submitted the draft technical report monitoring for the Ugum Geotechnical investigation and the draft technical report for the Ugum Reservoir.
Ugum No. 2 Reservoir	2022-09	Email to SHPO, etal. on follow-up with SHPO comments to GWA'S 6/19/2022 response to SHPO and request for a meeting.
Ugum No. 2 Reservoir	2022-09	Meeting to discuss RC-2017-545
Ugum No. 2 Reservoir	2022-10	Follow up to SHPO/State Archaeologist's deliverables identified at 10/11/2022 meeting.
Ugum No. 2 Reservoir	2022-10	Follow-up with State Archaeology regarding his request to locate his response to GWA.
Ugum No. 2 Reservoir	2022-10	Meeting regarding updates and status of SHPO responses to GWA Southern infrastructure projects.
Ugum No. 2 Reservoir	2022-11	Follow up to SHPO/State Archaeologist's deliverables identified at 10/11/2022 meeting.
Ugum No. 2 Reservoir	2022-12	Follow up to SHPO/State Archaeologist's deliverables identified at 10/11/2022 meeting.
Ugum No. 2 Reservoir	2023-01	Follow up to SHPO/State Archaeologist's deliverables identified at 10/11/2022 meeting.
Ugum No. 2 Reservoir	2023-01	SHPO provided review of Draft Technical Report
Ugum No. 2 Reservoir	2023-04	Final technical Report and Comment Response Matrix prepared for GWA review.

- Inalâhan and Acfayan BPS will be combined into one project for bid. Awaiting Acfayan BPS SHPO response, design completion, and property acquisition for the bid.



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. 22-FY2023

Relative to Approval of the Additional Funding of Construction Contract for the Tank Repair and Bypass Project

What is the projects' objective and is it necessary and urgent?

The objective is to perform major repairs to the Pigua Merizo tank to achieve sanitary, structural, and safety compliance. The tank is part of the Order for Preliminary Relief Re: Deadlines for Outstanding Projects Under the Amended Stipulated Order.

Repairs will include the following: tank floor replacement, roof purlin/rafter replacement, interior and exterior ladders replacement, anchor bolt replacement, new interior coating, new exterior coating, and other miscellaneous metal repairs and site upgrades.

Where is the project located?

Pigua-Merizo Reservoir

How much will it cost?

Requesting \$1,308,687.32 to fund major repairs. Cost includes a 15% contingency.

When will it be completed?

The anticipated performance period is 240 calendar days.

What is the funding source?

1. CIP PW 09-09: Water Reservoir Internal/External Corrosion Assessment Program
2. CIP PW 09-11: Water System Reservoirs 2005 Improvements



GWA RESOLUTION NO. 22-FY2023

RELATIVE TO APPROVAL OF THE ADDITIONAL FUNDING OF CONSTRUCTION CONTRACT FOR THE TANK REPAIR AND BYPASS PROJECT

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 GWA is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, GWA currently has critical Court Order (“CO”) Projects that includes the Santa Ana, Agat-Umatac, Umatac Subdivision, Pigua Merizo, Malojloj, Windwards Hills, Kaiser, Yigo, and Astumbo Tanks, as stated in Paragraph 29.b of the Order for Preliminary Relief Re: Deadlines for Outstanding Projects Under the Amended Stipulated Order; and

WHEREAS, Resolution No. 10-FY2020 (See Exhibit A – Resolution No. 10-FY2020) authorized GWA management to enter into contract with AIC, International for GWA IFB-06-ENG-2019 Tank Repair and Bypass project in the amount of Five Million Four Hundred Two Thousand Three Hundred Twenty-Six Dollars (\$5,402,326.00), along with a 10% contingency of Five Hundred Forty Thousand Two Hundred Thirty-Three Dollars (\$540,233.00), bringing the total authorized funding amount to Five Million Nine Hundred Forty-Two Thousand Five Hundred Fifty-Nine Dollars (\$5,942,559.00) for tank bypass work, inspection work, and Astumbo No. 1 and Yigo No. 3 major repairs; and

WHEREAS, Resolution No. 10-FY2021 (Exhibit B – Resolution No. 11-FY2021) and Resolution No. 11-FY2022 (Exhibit C – Resolution No. 11-FY2022) brought the total authorized funding to Eleven Million Six Hundred Fifty Thousand Nine Hundred Sixty-Seven Dollars (\$11,650,967.00) for additional work in the Base and Additive Bids; and

1 **WHEREAS**, in accordance with CCU authorizations, GWA has issued Change Orders
2 No. 1 to 11 for the Yigo No. 3, Astumbo No. 1, Windwards Hills, Santa Ana, and Agat-Umatac
3 tanks major repair and bypass work at Toguan, Geus, Santa Ana, and WBP-1 booster pump
4 stations; and

5
6 **WHEREAS**, Tank Repair and Bypass, IFB-06-ENG-2019, included Additive Bid Major
7 Repair Item No. 4 for Pigua-Merizo tank; and

8
9 **WHEREAS**, API inspection and structural inspections have been completed for the
10 Pigua-Merizo tank and a repair scope of work and fee has been negotiated with the Contractor
11 (See Exhibit D – CCR No. 42); and

12
13 **WHEREAS**, GWA Management is seeking additional funding for the repair of Pigua-
14 Merizo tank in the amount of One Million One Hundred Thirty-Seven Thousand Nine Hundred
15 Eighty-Nine Dollars and Thirty-Two Cents (\$1,137,989.32) along with a 15% contingency of
16 One Hundred Seventy Thousand Six Hundred Ninety Eights Dollars (\$170,698.00), bringing the
17 total additional funding amount requested to One Million Three Hundred Eight Thousand Six
18 Hundred Eighty-Seven Dollars and Thirty-Two Cents (\$1,308,687.32); and

19
20 **WHEREAS**, the funding sourced for the construction project will be from bond funds as
21 detailed in the following CIP line items:

- 22 • CIP PW 09-09: Water Reservoir Internal/External Corrosion Assessment Program
- 23 • CIP PW 09-11: Water System Reservoirs 2005 Improvements
- 24

25
26 **NOW BE IT THEREFORE RESOLVED;** the Consolidated Commission on Utilities
27 does hereby approve the following:

- 28 1. The recitals set forth above hereby constitute the findings of the CCU.
- 29 2. The CCU hereby authorizes One Million Three Hundred Eight Thousand Six
30 Hundred Eighty-Seven Dollars and Thirty-Two Cents (\$1,308,687.32) to fund
31 the Pigua-Merizo tank repairs to bring the total project authorization to
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Twelve Million Nine Hundred Fifty-Nine Thousand Six Hundred Fifty-Four Dollars and Thirty-Two Cents (\$12,959,654.32).

3. The CCU hereby approves the use of funding sources from the following CIP line items:

- a. CIP PW 09-09: Water Reservoir Internal/External Corrosion Assessment Program
- b. CIP PW 09-11: Water System Reservoirs 2005 Improvements

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

DULY AND REGULARLY ADOPTED, this 25th day of April 2023.

Certified by:

Attested by:

JOSEPH T. DUENAS
Chairperson

PEDRO ROY MARTINEZ
Secretary

SECRETARY’S CERTIFICATE

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

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

AYES: _____

NAYS: _____

ABSENT: _____

ABSTAIN: _____



CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatña, Guam 96932 | (671)649-3032 | guam.ccu.org

GWA RESOLUTION NO. 10-FY2020

RELATIVE TO APPROVAL OF THE CONSTRUCTION CONTRACT FOR THE TANK REPAIR AND BYPASS PROJECT

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 currently has critical Court Order (“CO”) Projects that include the Santa Ana, Agat-Umatat, Umatat Subdivision, Pigua Merizo, Malojloj, Windwards Hills, Kaiser, Yigo and Astumbo No. 2 Tanks, as stated in Paragraph 29.b of the Order for Preliminary Relief Re: Deadlines for Outstanding Projects Under the Amended Stipulated Order; and

WHEREAS, GWA has advertised an Invitation for Bid (IFB-06-ENG-2019) soliciting bid proposals from experienced, responsible, and responsive bidders to construct tank bypass systems to allow for inspection and repair of the tanks; and

WHEREAS, under the Base Bid Work, the Santa Ana, Agat-Umatat, Umatat Subdivision, Pigua Merizo, Malojloj, Windward Hills, and Kaiser tank shall undergo inspection and minor repair work;

WHEREAS, should the tank inspections warrant the above tanks to undergo major repair as detailed in the Additive Bid Work, a change order shall be negotiated with the Contractor;

//

1 **WHEREAS**, under Base Bid Work, the Astumbo No. 2 tank shall undergo major repair
2 which includes complete exterior and interior tank painting, new tank floor, weld repairs,
3 cathodic protection, and miscellaneous repairs;

4
5 **WHEREAS**, under Additive Bid No. 1, the Yigo No. 3 tank shall undergo major repair
6 which includes complete exterior and interior tank painting, weld repairs, cathodic protection,
7 and miscellaneous repairs;

8
9 **WHEREAS**, IFB packages were picked up by 8 interested bidders, from which GWA
10 received bid proposals from 2 of the 8 parties before the IFB submittal deadline (See Exhibit A –
11 Abstracts of Bid); and

12
13 **WHEREAS**, GWA engineering team analyzed all bid proposals received on November
14 21, 2019 and determined AIC International, Inc. as being the lowest responsive and responsible
15 bidder and met all the bid requirements set forth by GWA; and

16
17 **WHEREAS**, GWA management finds that AIC International, Inc.'s Base Bid proposal
18 of Four Million Two Hundred Eight Thousand One Hundred Ninety-Seven Dollars
19 (\$4,208,197.00) to be acceptable (See Exhibit B – Bid Form).

20
21 **WHEREAS**, GWA Management will assess any additional funding availability from the
22 latest Capital Improvements Plan to ascertain if any or all the Additive bid items as part of this
23 IFB can be awarded later through a change order or via a subsequent CCU approval as a means
24 of maximizing system improvements efficiently; and

25
26 **WHEREAS**, GWA Management is seeking approval to enter in contract for the Base Bid
27 work with AIC International, Inc. (IFB-06-ENG-2019) in the amount of Four Million Two
28 Hundred Eight Thousand One Hundred Ninety-Seven Dollars (\$4,208,197.00), along with a ten
29 percent (10%) contingency of Four Hundred Twenty Thousand Eight Hundred Twenty Dollars
30 (\$420,820.00), bringing the total Base Bid requested funding amount to Four Million Six
31 Hundred Twenty Nine Thousand Seventeen Dollars (\$4,629,017.00); and

32 //

1 **WHEREAS**, GWA Management is seeking approval to include in such contract Additive
2 Bid No. 1 – Yigo No. 3 Major Repair Work in the amount of One Million One Hundred Ninety-
3 Four Thousand One Hundred Twenty-Nine Dollars (\$1,194,129.00) after entering into contract
4 with AIC International, Inc., along with a ten percent (10%) contingency of One Hundred
5 Nineteen Thousand Four Hundred Thirteen Dollars (\$119,413.00), bringing the total additive bid
6 item funding amount to One Million Three Hundred Thirteen Thousand Five Hundred Forty-
7 Two Dollars (\$1,313,542.00).

8
9 **WHEREAS**, the funding source for the construction project will be from bond funds as
10 detailed in the following CIP line items:

- 11 • CIP PW 09-09: Water Reservoir Internal/External Corrosion Assessment Program
- 12 • CIP PW 09-11: Water System Reservoirs 2005 Improvements

13
14
15 **NOW, BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities
16 does hereby approve the following:

- 17 1. The recitals set forth above hereby constitute the findings of the CCU.
- 18 2. The CCU finds that the terms of the bid proposal submitted by AIC
19 International, Inc. are fair and reasonable.
- 20 3. The CCU hereby authorizes the management of GWA to accept bid from AIC
21 International, Inc. attached hereto as Exhibit B, and which is also incorporated
22 into this Resolution in its entirety.
- 23 4. The CCU hereby authorizes the management of GWA to enter into a contract
24 with AIC International, Inc. in the amount of Four Million Two Hundred
25 Eight Thousand One Hundred Ninety-Seven Dollars (\$4,208,197.00) for base
26 bid work plus the amount of One Million One Hundred Ninety-Four
27 Thousand One Hundred Twenty-Nine Dollars (\$1,194,129.00) for additive bid
28 item work.
- 29 5. The CCU hereby approves the funding total of Five Million Four Hundred
30 Two Thousand Three Hundred Twenty Six Dollars (\$5,402,326.00), along
31 with a ten percent (10%) contingency of Five Hundred Forty Thousand Two
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Hundred Thirty Three Dollars (\$540,233.00), bringing the total authorized funding amount to Five Million Nine Hundred Forty Two Thousand Five Hundred Fifty Nine Dollars (\$5,942,559.00).

6. The CCU hereby approves the use of funding sources from the following CIP line items:

a. CIP PW 09-09: Water Reservoir Internal/External Corrosion Assessment Program

b. CIP PW 09-11: Water System Reservoirs 2005 Improvements

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

DULY and REGULARLY ADOPTED, this 28th day of January 2020.

Certified by:

Attested by:


JOSEPH T. DUENAS
Chairperson


MICHAEL T. LIMTIACO
Secretary

SECRETARY'S CERTIFICATE

I, Michael T. Limtiaco, 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: _____ 5 _____
NAYS: _____ 0 _____
ABSTENTIONS: _____ 0 _____
ABSENT: _____ 0 _____





CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3032 | guamccu.org

GWA RESOLUTION NO. 10-FY2021

RELATIVE TO APPROVAL OF THE ADDITIONAL FUNDING TO THE CONSTRUCTION CONTRACT FOR THE TANK REPAIR AND BYPASS PROJECT

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 currently has critical Court Order (“CO”) Projects that includes the Santa Ana, Agat-Umatat, Umatat Subdivision, Pigua Merizo, Malojloj, Windwards Hills, Kaiser, Yigo, and Astumbo No. 2 Tanks, as stated in Paragraph 29.b of the Order for Preliminary Relief Re: Deadlines for Outstanding Projects Under the Amended Stipulated Order; and

WHEREAS, Resolution No. 10-FY2020 (See Exhibit A) authorized GWA management to enter into contract with AIC, International in the amount of Five Million Four Hundred Two Thousand Three Hundred Twenty-Six Dollars (\$5,402,326.00) for base bid and select additive bid items, along with a 10% contingency of Five Hundred Forty Thousand Two Hundred Thirty-Three Dollars (\$540,233.00), bringing the total authorized funding amount to Five Million Nine Hundred Forty-Two Thousand Five Hundred Fifty-Nine Dollars (\$5,942,559.00); and

WHEREAS, GWA has issued Change Order No. 1 for Yigo No. 3 Major Repairs and is in the process of issuing Change Order No. 2 for the Agat-Umatat Major Repair; and

WHEREAS, GWA is in the process of inspecting Windward Hills tank and installing the bypass for Malojloj tank to allow inspections; and

1
2 **WHEREAS**, Tank Repair and Bypass, IFB-06-EN-2019, included Additive Bid Major
3 Repair Items No. 5 and No. 7 for the Malojloj and Windward Hills tanks, respectively (See
4 Exhibit B); and

5
6 **WHEREAS**, GWA Management is seeking additional funding to award additional
7 additive bid items for the major repair of the Windward Hills and Malojloj tanks in the amount
8 of Two Million Two Hundred Twenty-Six Thousand Eight Hundred Sixty-Two Dollars
9 (\$2,226,862.00) along with a 15% contingency of Three Hundred Thirty-Four Thousand
10 Twenty-Nine Dollars (\$334,029.00), bringing the total additional funding amount to Two
11 Million Five Hundred Sixty Thousand Eight Hundred Ninety-One Dollars (\$2,560,891.00).; and

12
13 **WHEREAS**, the funding sourced for the construction project will be from bond funds as
14 detailed in the following CIP line items:

- 15
16
 - CIP PW 09-09: Water Reservoir Internal/External Corrosion Assessment Program
 - CIP PW 09-11: Water System Reservoirs 2005 Improvements

17
18
19 **NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities
20 does hereby approve the following:

- 21
22
 1. The recitals set forth above hereby constitute the findings of the CCU.
 - 23 2. The CCU hereby authorizes Two Million Five Hundred Sixty Thousand Eight
24 Hundred Ninety-One Dollars (\$2,560,891.00) to fund the Windward Hills and
25 Malojloj Tank Major Repairs to bring the total project authorization to Eight
26 Million Five Hundred Three Four Hundred Fifty Dollars (\$8,503,450.00).
 - 27 3. The CCU hereby approves the use of funding sources from the following CIP
28 line items:
 - 29 a. CIP PW 09-09: Water Reservoir Internal/External Corrosion
30 Assessment Program
 - 31 b. CIP PW 09-11: Water System Reservoirs 2005 Improvements

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

3
4 **DULY AND REGULARLY ADOPTED**, this 23rd day of February 2021.

5
6 Certified by:

Attested by:

7
8 



9 **JOSEPH T. DUENAS**
10 Chairperson

MICHAEL T. LIMTIACO
Secretary

11
12 **SECRETARY'S CERTIFICATE**

13
14 I, Michael T. Limtiaco, Board Secretary of the Consolidated Commission on Utilities as
15 evidenced by my signature above do hereby certify as follows:

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

20 AYES: 5

21 NAYS: Ø

22 ABSENT: Ø

23 ABSTAIN: Ø





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-FY2022

RELATIVE TO APPROVAL OF THE ADDITIONAL FUNDING TO THE CONSTRUCTION CONTRACT FOR THE TANK REPAIR AND BYPASS PROJECT

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 currently has critical Court Order (“CO”) Projects that includes the Santa Ana, Agat-Umatat, Umatat Subdivision, Pigua Merizo, Malojloj, Windwards Hills, Kaiser, Yigo, and Astumbo Tanks, as stated in Paragraph 29.b of the Order for Preliminary Relief Re: Deadlines for Outstanding Projects Under the Amended Stipulated Order; and

WHEREAS, Resolution No. 10-FY2020 (See Exhibit A) authorized GWA management to enter into contract with AIC, International for GWA IFB-06-ENG-2019 Tank Repair and Bypass Project in the amount of Five Million Four Hundred Two Thousand Three Hundred Twenty-Six Dollars (\$5,402,326.00), along with a 10% contingency of Five Hundred Forty Thousand Two Hundred Thirty-Three Dollars (\$540,233.00), bringing the total authorized funding amount to Five Million Nine Hundred Forty-Two Thousand Five Hundred Fifty-Nine Dollars (\$5,942,559.00) for various base bid items in the IFB; and

WHEREAS, Resolution No. 10-FY2021 (See Exhibit B) authorized an additional Two Million Two Hundred Twenty-Six Thousand Eight Hundred Sixty-Two Dollars (\$2,226,862.00) along with a 15% contingency of Three Hundred Thirty-Four Thousand Twenty-Nine Dollars

1 (\$334,029.00) for various additive bid items, bringing the total authorized funding to Eight
2 Million Five Hundred Three Thousand and Four Hundred Fifty Dollars (\$8,503,450.00); and

3
4 **WHEREAS**, in accordance with previous CCU authorization, GWA has issued Change
5 Order No. 1 for Yigo No. 3 Major Repair, Change Order No. 2 for the Agat-Umatac Major
6 Repair, Change Order No. 3 for Astumbo No. 1 Major Repair, and Change Order No. 4 for
7 Windward Hills Major Repair, and Change Order No. 5 for various repair and bypass work
8 associated with the tanks; and

9
10 **WHEREAS**, Tank Repair and Bypass Project, IFB-06-EN-2019, included Additive Bid
11 Major Repair Items No. 2 and No. 3 for the Santa Ana and Umatac Subdivision (See Exhibit C);
12 and

13
14 **WHEREAS**, Astumbo No. 1 tank requires additional funding to replace wall shell plates
15 (See Exhibit D); and

16
17 **WHEREAS**, GWA Management is seeking additional funding for repair of the Santa
18 Ana, Umatac Subdivision, and Astumbo tanks in the amount of Two Million Seven Hundred
19 Thirty-Six Thousand Nine Hundred Seventy-One Dollars (\$2,736,971.00) along with a 15%
20 contingency of Four Hundred Ten Thousand Five Hundred Forty-Six Dollars (\$410,546.00),
21 bringing the total additional funding amount to Three Million One Hundred Forty-Seven
22 Thousand Five Hundred Seventeen Dollars (\$3,147,517.00).; and

23
24 **WHEREAS**, the funding sourced for the construction project will be from bond funds as
25 detailed in the following CIP line items:

- 26
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 - CIP PW 09-09: Water Reservoir Internal/External Corrosion Assessment Program
 - CIP PW 09-11: Water System Reservoirs 2005 Improvements

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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 CCU hereby authorizes Three Million One Hundred Forty-Seven Thousand Five Hundred Seventeen Dollars (\$3,147,517.00) to fund the Santa Ana, Umatac Subdivision, and Astumbo tank repairs (Exhibits C and D) to bring the total project authorization to Eleven Million Six Hundred Fifty Thousand Nine Hundred Sixty-Seven Dollars (\$11,650,967.00).
3. The CCU hereby approves the use of funding sources from the following CIP line items:
 - a. CIP PW 09-09: Water Reservoir Internal/External Corrosion Assessment Program
 - b. CIP PW 09-11: Water System Reservoirs 2005 Improvements

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

DULY AND REGULARLY ADOPTED, this 22nd day of February 2022.

Certified by:

Attested by:



JOSEPH T. DUENAS
Chairperson

MICHAEL T. LIMTIACO
Secretary

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SECRETARY'S CERTIFICATE

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

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

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



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TABLE H - ADDITIVE BID NO. 4 - FIGUA MERIZO TANK MAJOR REPAIR WORK (ADDITIVE / REVISED SCOPE OF WORK)					
	Unit	QTY	OPTION 1		
			Unit Cost	Amount	
A) TANK REPAIR WORKS					
2) FOUNDATION					
4.17	2.1 & 2.2) Remove and replace new concrete on the cracks portion only located on the concrete ring foundation/ anchor bolts. Remove vegetation along the tank concrete ring, and rebar bolts / remove/replace new concrete grout. Provide seal between projection plate and concrete grout the whole perimeter.	1	LS	28,000.00	28,000.00
4.18	2-3) Reposition and Tighten all existing bolts with washer and nuts	24	EA	348.00	8,352.00
4.19	2-3a) Remove and replace 1-unit new anchor bolt(1-1/4" dia x 4") and chair assemblies. Perform required VT/ MPT	1	EA	1,173.00	1,173.00
4.19a	Lead Abatement for affected anchor bolts	1	ls	-	-
3) SHELL EXTERNAL					
4.20	3-1) Complete Exterior Surface Coating, Pressure Wash, Prep, Clean, and Epoxy Coating on the areas with an existing coating (Top Roof, Roof Knuckles, Shell, anchor chairs, overflow pipe to include exterior floor/ drip ring, and all other tank appurtenances that require coating)	1	LS	149,050.00	149,050.00
4.21	3-3) Weld repair on the isolated pit(0.22" depth) noted on the 2nd course southeast side of the tank. Perform required NDT weld test; visual test; 4.075 and magnetic particle test(MPT)		UNIT		
4.22	3-3) Perform additional plumbness surveys for each shell course		HP		
4) SHELL INTERNAL					
4.22a	Item 5.10 Base Bid, Deductive: Exterior and Interior Weld Repair, including preparation, welding, testing and coating	100	LF	(319.00)	(31,900.00)
4.22b	Item 5.07 Base Bid, Deductive: Repair roof vent and flange connection, to include metal repair, abrasive grinding, coating, and screen replacement(316 stainless steel mesh)	1	EA	(6,110.00)	(6,110.00)
4.22c	Item 5.09 Base Bid, Deductive: Repair side access manway, to include metal repair, abrasive grinding, coating, and new gasket.	2	EA	(5,728.00)	(11,456.00)
4.23	4.1) Abrasive blast, clean to remove all adhering corrosion scales and complete Interior Surface Coating (Top Roof, Roof Knuckles, Roof Framing & supports/ Purins + Outer & Inner Ring, Shell, Floor, Center Column Post to include frame & dome, overflow pipes + weir box and all other tank appurtenances that requires coating). Repair the corroded areas found after cleaning and re-inspection.	14,000	LS	13.97	195,580.00
4.23b	Dehumidification Equipment	1	LS	70,110.00	70,110.00
4.24	4.2) Repair by weld overlay the isolated pitting, and pinholes (2nd-course), and 4.3) Weld repair (1st-course) noted on the internal shell, including an additional location that may be identified after sandblasting, to include: 3.2) Weld repair on the isolated pit(0.22" depth) noted on the 2nd-course southeast side of the tank. Perform required NDT weld test; visual test (VT) and magnetic particle test(MPT)	20	LF	396.00	7,920.00
4.25	4.4) Replace severely deteriorated plug of 2"dia welded nipple each located on the knuckle roof and shall be examined by VT and either PT/MT	2	EA	2,500.00	5,000.00
5) SHELL APPURTENANCES					
4.26	5-1) Recoat all shell nozzles. Clean internal pipe of 8" dia drain and 12" dia. inlet/ outlet noted with adhering corrosion scales including drain pit and perform VT.	2	EA	4,500.00	9,000.00
4.27	5-2) Minor metal repair on the corroded internal neck on 24" dia. shell manhole to include new bolts and new gasket. Blast, clean and apply protective coating. Perform required NDT weld test; VT/ PT/MT after repair	1	EA	6,312.83	6,312.83
4.28	5-3) Replace severely corroded 8" dia. overflow internal pipe and replace 8 pcs- 1/2" dia x 4" flange bolts exterior side. Blast, clean and apply protective coating. Perform required NDT weld test; visual and magnetic particle test	8	LF	780.00	6,240.00
4.29	5-4) Rebar/insert/ replace the entire float liquid level gauge. Perform required NDT weld test; visual and magnetic particle test.	1	LOT		
6) ACCESS STRUCTURE					
4.30a	6-1) DCA/ GWA: Install new exterior tank ladder and cage assembly to security ladder access guard with OSHA-required fall protection system. Provide a lockable hinge-access gate.	1	LS	71,500.00	71,500.00
7) FIXED ROOF EXTERNAL					
4.31	7-1) Blast clean the entire roof's external plates then recoat.		SE		
8) FIXED ROOF INTERNAL					
4.32	7-2) Blast clean entire roof's internal plates then recoat/ repair corroded areas found after cleaning.		SE		
4.33a	DCA/ GWA: 8-2) Replace the entire corroded roof rafters (21 locations) and outer rim channel including the center crown and post. Use 3"x8" x 3/8" C-purlins and 5x 3/4" thick plate dia. center crown. Perform the required NDT weld test; visual and magnetic particle test. No work shall be done on top of the roof until the repair is completed for safety reasons.	8,150	LBS	24.21	197,271.00
4.33AA	Provide Scaffolding System Rental(Rental Rate) @ 54,102/30ft/Set. (5ftx6ft) required 32 sets to cover area of the tank	1	lot	157,960.00	157,960.00

4.33b	9.2) Replace by sectional repair the identified corroded outer rim channel (6 locations/50 LF) using 3"x5" x 3/8" thick bent angle bar. Perform the required NDT weld test; visual and magnetic particle test. No work shall be done on top of the roof until the repair is completed for safety reasons.	725	LBS	69.31	50,249.75
9) FIXED ROOF APPURTENANCES					
4.34	9.1) Minor metal repair on the 24" dia roof manhole with internal ladder on the deteriorated manhole cover eye plate only. Provide reinforcing plate on 24" diameter roof manhole/hatch. Prepare and clean with the abrasive blast and apply a protective coating.	1	EA	3,850.81	3,850.81
4.35	9.2) Replace corroded wire mesh with #24 SS vent screen and, bolts & nuts only. Clean by the abrasive blast and apply a protective coating. No weld repair per API Report	1	EA	2,200.46	2,200.46
4.35b	GWA: Tank Roof Vent Modification(Raise Height) . Clean by abrasive blast and apply protective coating. Perform required NDT weld test; visual and magnetic particle test. Use approved drawing details	1	EA	9,000.00	9,000.00
10) BOTTOM PLATES					
4.36	10.1) Repair by weld overlay (puddle weld) on 52 locations with topside pitting corrossions. All puddle weld repairs including remnant welds on 15 locations shall be ground flush with surrounding plate material. Perform the required NDT weld test; visual and magnetic particle test.	15	LF	367.00	5,505.00
4.37	10.2) Repair tank floor with pitting corrosion by patch welding with a plate thickness of 1/4". See the patch plate list that shows S4 locations. Perform surface prep, welding & necessary NDT by VT and by vacuum box method . Coating to be under item 4.23	75	SF	396.00	29,700.00
4.38	10.3) Repair severely corroded bottom lap welds at plates 9/12, 12/15, 12/16, 14/20, 15/19, 15/16, 16/19, & 18/19. All repairs shall be visually examined, vacuum box tested, and by either MP/ LP method over its full length.	50	LF	367.00	18,350.00
11) INTERNAL COMPONENTS					
4.39A	DCA: Column Base Replacement. Refer to Detail 1/5-16. Center column to re-inspect after cleaning. Perform required NDT weld test; visual and vacuum box test.	1	LS	18,483.88	18,483.88
4.40	GWA: Install a new pressure transmitter type with stainless steel(SS) 316 enclosure to prevent theft.	1	LS	1,500.00	1,500.00
4.40A	5.4 & 11.3) Remove the entire existing exterior float liquid level gauge and interior float assembly and plug/ cap tank penetration	1	LS	1,232.26	1,232.26
4.41	11.4) Blast, clean the entire internal ladder structure. Replace the missing step. Repair detached stringer and deteriorated top support including those found after cleaning. Provide restriction clips at the pad on both stringers to prevent horizontal movement. Provide OSHA required fall protection system. Use sheet 5-18 as additional reference. Clean the entire ladder surface by abrasive blasting and apply protective coating. Perform VT and PT/MT after the repair then recoat.	1	LS	31,576.63	31,576.63
12) MISCELLANEOUS					
4.42	12.1) Install four(4) equally spaced grounding connections(See API 650 Figure 5-2.3). Check resistance on all ground wires and the resistance of the grounding system should be indicated on the shell adjacent to the grounding connection for reference. The total resistance from tank to earth should not exceed approximately 25 ohms as per API 650 7.2.3 or as per owner requirements.	-	LS		
4.43	12.2) Blast, clean the existing roof railing and platform and apply protective coating.	1	LOT	5,500.00	5,500.00
4.44	12.3) Provide a corrosion-resistant metal nameplate with the information described in API 650 Sec. 10.1 or Api 653 Sec. 13.1	1	EA	1,250.00	1,250.00
4.45	13.7) Install New Cathodic Protection System which will include the tank floor plates. Panel to be installed inside the Pump Building (next to the door)	1	LS	65,000.00	65,000.00
4.46	GWA: Coat all other exposed pipes, valves, fittings, manholes outside of the tank. Replace corroded bolts, nuts, gaskets and threaded rods with SS or Incol 800 and outlet line and manifolds.	-	LS		
4.47	GWA: Install SSSL new casing line 1" dia. 3 for the altitude valve. Pipe to run from inlet vault to the tank. Install 1" dia. thread-4-4et with SSSL nipple and SSSL Ball Valve to include underground work and tank penetration requirements and NDT testing. To install prior to coating and tank disinfection	-	LS		
4.48	GWA: INLET VAULT Provide Blue Brand Aluminum Hatch (62 50" x 82 50") clear opening double door style to the coating, inspect and maintenance of steel. Minimum 2" net depth(UT APPLICABLE ONLY). Verify the actual size opening and provide vendor quotation, product material, and brochure for reference.	1	EA	19,875.00	19,875.00
4.48a	GWA: INLET VAULT Provide stainless steel(SS) vault ladder, 21 feet high and with the same material specification as the Togo Tank vault for reference.	1	EA	29,105.00	29,105.00

4.49	GWA: DRAIN VAULT- Provide Bilco Brand Aluminum Hatch(36" x 60") clear opening/ Double door style) to include reconstruction by upgrading the drain vault size wall structure for easy access. Verify the actual size opening and provide product material and brochure... for reference. (28"W x 34"L x 38"D -Actual Size)	1	EA	29,183.00	
4.50	DCA/ GWA: Install new 30" dia tank shell manway nozzle assemblies per AWWA requirement	1	EA	29,648.00	29,648.00
4.50a	Lead Abatement for affected anchor bolts) to include lead abatement at (1)the interior floor tank as identified, (2)the affected exterior tank areas for the installation of a new 30" dia tank shell manway, (3)the affected areas for the installation of a new exterior ladder, (4) affected areas under Cathodic Protection System installation, and to include other locations/affected areas).	1	LS	24,799.20	24,799.20
4.50a	Lead Abatement for roof-vent modification-	-	#	146.00	
4.50b	Lead Abatement Plan and Air Monitoring and Clearance	1	LS	25,000.00	25,000.00
SUB-TOTAL					\$ 1,186,848.82
TOTAL DISCOUNT/ REDUCTION OF COST(4.17, 4.33aa, 4.41, 4.43, 4.45, 4.50a, 4.50b)					(78,042.50)
TOTAL 1					\$ 1,108,806.32
4.49	GWA: DRAIN VAULT- Provide Bilco Brand Aluminum Hatch(36" x 60") clear opening/ Double door style) to include reconstruction by upgrading the drain vault size wall structure for easy access. Verify the actual size opening and provide product material and brochure for reference. (28"W x 34"L x 38"D -Actual Size)	1	EA	29,183.00	29,183.00
TOTAL 2					\$ 1,137,989.32

NOTE: *Pigua Merizo Tank- Original Bid #4 Items 5.05, 5.06, and 5.08, if not used and/or consumed during construction are subject to deductive change cost:*

NOTE: FOR AIC'S REVISED PROPOSAL, PLEASE SUBMIT ALL THE NEEDED SUPPORTING DOCUMENTS, FROM EITHER BY AIC'S OTHER SUB-CONT DCA/GWA REFERENCES AND FINAL APPROVAL.



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. 23-FY2023

Relative to Approval of Amendment for the Indefinite Delivery/Indefinite Quantity (IDIQ) Professional Utility Management and Financial Consulting Services Contract

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

GWA awarded the Galardi-Rothstein Group an indefinite delivery, indefinite quantity utility management and financial consulting services contract in response to RFP 2020-01. An amendment to provide additional funding authorization in order to comply with requirements of the PUC ordering provisions for the FY20-FY24 Rate Case, to complete necessary work for the update of GWA’s Water Resource Master Plan, and to prepare for the resulting next 5-year Financial Plan and Capital Improvement Program. This work is necessary and urgent to meet existing regulatory requirements and plan for upcoming priorities. GWA would therefore like to issue additional task orders for support of the following:

1. GWA-Navy Utility Service Agreement contract development and negotiations
2. Update of Financial Planning Section of Water Resources Master Plan
3. Rate Model Integration with 20 Year Strategic Financial Planning
4. Five Year Financial Plan for FY2025-FY2029
5. Comprehensive Review and Update Initiatives including Customer Assistance Program, Commercial Paper Program, Bond Authorization, Management Audit
6. Revenue Bond Refunding

Where is the location?

The consulting work performed will impact GWA operations as a whole.

How much will it cost?

Resolution 24-FY2021 approved an additional \$500,000 to the existing authorized contract amount of \$979,689, bringing the total authorized amount to \$1,479,689. Additional work to be performed on a time and material basis for the task orders listed above is estimated to be \$514,986 bringing the total authorized funding to \$1,994,675.

When will it be completed?

The work is projected to be completed as follows:

• GWA-Navy Utility Services Agreement	June 2024
• Update of Financial Planning Section of Water Resources Master Plan	June 2023
• Rate Model Integration with 20 Year Strategic Financial Planning	December 2024

• Five Year Financial Plan for FY2025-FY2029	September 2024
• Comprehensive Review and Update Initiatives including Customer Assistance Program, Commercial Paper Program, Bond Authorization, Management Audit	December 2024
• Revenue Bond Refunding	To Be Determined

What is the funding source?

The contract will be funded by Bond Funds and revenues. It should be noted that the PUC has ordered that certain costs for the FY2020-FY2024 Financial Plan adjudication should be classified as a regulatory asset, however, final amounts have not yet been confirmed by the PUC.

The RFP/BID responses (if applicable):

RFP 2020-01 was issued on June 25, 2020. Only one proposal was issued by the Galardi Rothstein Group. The evaluation committee recommended moving forward with the award, and the contract was signed in July 2020.



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. 23-FY2023

RELATIVE TO APPROVAL OF AMENDMENT FOR THE INDEFINITE DELIVERY/INDEFINITE QUANTITY PROFESSIONAL UTILITY MANAGEMENT AND FINANCIAL CONSULTING SERVICES CONTRACT

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 GWA is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, in anticipation of the needed utility management and financial consulting work needed to support GWA’s 5-Yr (FY20-FY24) Financial Plan, GWA issued RFP 2020-01 Indefinite Delivery – Indefinite Quantity (ID-IQ) Utility Management and Financial Consulting Services, and subsequently awarded the Galardi Rothstein Group (GRG) a contract and issued task orders under the General Manager’s procurement authority in the amount of Nine Hundred Seventy-Nine Thousand Six Hundred Sixty-Nine Dollars (\$979,669.00); and

WHEREAS, subsequent to the approval of CCU Resolution 24-FY2021, due to the delays and additional work required in the adjudication of the 5-Yr Financial Plan, the General Manager issued an amendment to Task Order 6 for \$500,000.00, bringing total contracted services to \$ 1,479,669.00; and

WHEREAS, additional support will be needed for 1) GWA-Navy Utility Services Agreement (including PUC-required water exchange provisions) contract development and negotiations, 2) Updates to Financial Planning Section of Water Resources Master Plan, 3) Rate Model Integration with 20 Year Strategic Financial Planning, 4) Five Year Financial Plan for FY2025-FY2029, 5) Comprehensive Review and Update Initiatives including Customer Assistance Program, Commercial Paper Program, Bond Authorization, Management Audit and 6) Revenue Bond Refunding; and

//

1 **WHEREAS**, additional work performed on a time and material basis for the task orders
2 listed is estimated at \$514,986.00, bringing the total anticipated funding authorization amount to
3 \$1,994,675.00; and

4 **WHEREAS**, this IDIQ contract will be paid with bond funding or revenues;

5
6 **NOW BE IT THEREFORE RESOLVED** that the Consolidated Commission on
7 Utilities does hereby approve the following:

- 8 1. The recitals set forth above hereby constitute the findings of the CCU.
- 9 2. The CCU finds that proposed additional work under the Utility Management and
10 Financial Consulting Services Contract is required to support the 1) GWA-Navy
11 Utility Service Agreement (including PUC-required water exchange provisions)
12 contract development and negotiations, 2) Update of Financial Planning Section of
13 Water Resources Master Plan, 3) Rate Model Integration with 20 Year Strategic
14 Financial Planning, 4) Five Year Financial Plan for FY2025-FY2029, 5)
15 Comprehensive Review and Update Initiatives including Customer Assistance
16 Program, Commercial Paper Program, Bond Authorization, Management Audit and
17 6) Revenue Bond Refunding.
- 18 3. The CCU hereby approves the funding increase in an amount not to exceed
19 \$514,986.00.
- 20 4. The CCU hereby further approves the total funding authorization for the IDIQ
21 contract with Galardi Rothstein Group of no more than \$1,994,675.00.
- 22 5. The CCU hereby further approves the funding for the Utility Management and
23 Financial Consulting Services Contract from GWA Bond funds applicable to the
24 work and from Revenues and other funding sources as they become available.
- 25 6. The CCU hereby further authorizes management to request approval or provide any
26 required notification to the PUC under the Contract Review Protocol.

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

30 **DULY AND REGULARLY ADOPTED**, this 25th day of April 2023.

31 Certified by:

Attested by:

32 **JOSEPH T. DUENAS**
Chairperson

PEDRO ROY MARTINEZ
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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Follow up information requested at 04/18/2023 GWA work session for Resolution No. 23-FY2023

Table 1 below is the authorized budget, expenditures, and encumbrances for RFP 2020-01 Indefinite Delivery/Indefinite Quantity Professional Utility Management and Financial Consulting Services Contract. Most expenses were charged to the regulatory asset.

Task Orders 2 through 6 are the direct result of the February 27, 2020, PUC Docket 19-08, FY20 Rate Decision Stipulation Order signed with Georgetown. The 7 analytical studies, the updated rate application model and the related supporting work for PUC/Consultant presentations and workshops are all things that GWA was required to do by the PUC. These expenses were necessary to comply with the PUC order and are like the 2011 Court Order requirements, because they are a “regulatory order.”

Table 1

Galardi Rothstein Group
 RFP - 2020-01 IDIQ Professional Utility Management & Financial Consulting Services
 Summary of charges from FY2020 to FY2023 (Apr)

Reference	Contract #	Description	Original Budget	Addendum to Task Order	Reallocations between Task Orders	Adjusted Budget	Expenditures	Outstanding Encumbrance
Program Management		Basic & Additional Services (Task Mgt.; Progress Mtgs.; Document Review & General Management)	100,000.00		143,280.17	243,280.17	243,280.17	-
Task Order No. 1	841 OM	2020B Bond Refunding	19,195.00		-	19,195.00	16,726.79	2,468.21
Task Order No. 2	843 OM	Project Management - Rate Application Model	167,874.00		7,964.10	175,838.10	175,838.10	-
Task Order No. 3	844 OM	Demand Study	154,181.00	22,230.00	9,710.61	186,121.61	186,121.61	-
Task Order No. 4	845 OM	Capital Financing	177,567.00		27,119.09	204,686.09	204,686.09	-
Task Order No. 5	846 OM	Affordability Study	128,142.00		-	128,142.00	108,304.76	19,837.24
Task Order No. 6	853 OM	Updates for CCU, PUC and PUC Consultants on A/S	210,500.00	500,000.00	(188,073.97)	522,426.03	349,232.67	173,193.36
			<u>\$957,459.00</u>	<u>\$522,230.00</u>	<u>\$0.00</u>	<u>\$1,479,689.00</u>	<u>\$1,284,190.19</u>	<u>\$195,498.81</u>
					Charged to regulatory asset		1,267,965.19	
					Charged as COI (2020B)		16,225.00	
							<u>\$1,284,190.19</u>	

Table 2 on the following page depicts the estimated hours and cost for future task orders requested in Resolution No. 23-FY2023. The additional authorization being requested cover anticipated tasks required for the next 5-year rate plan, US EPA Financial Capability Assessment (FCA), updates, and integration of the rate model with the financial planning component of the 20-year master plan and US EPA FCA, and assistance with future tax-exempt commercial paper and bond issuances.

Table 2

	Estimated Total Hours	Total Estimated Expenses
[07] GWA-Navy Utility Service Agreement Contract Development and Negotiations		
Analysis of Potential Revenue / Expense Impacts	24	\$7,032
Negotiation / PUC reporting support	28	\$8,484
Water Exchange Contract Terms & Conditions Development	44	\$13,621
[07] GWA-Navy Utility Service Agreement Contract Development and Negotiations Total	96	\$29,137
[08] Update of Financial Planning Section of Water Resources Master Plan		
Coordination with GWA and its Planning Consultants	12	\$3,684
Financial Analysis, Planning and Strategy Development	44	\$13,621
Report and Supporting Documentation Updates	32	\$9,937
[08] Update of Financial Planning Section of Water Resources Master Plan Total	88	\$27,242
[09] Rate Model Integration with 20 Year Strategic Financial Planning		
Draft FCA Per EPA's 2023 Guidance - Matrices and Tables	92	\$28,189
Rate Application Model - 20 Year Strategic Financial Planning Model Interface	72	\$21,095
[09] Rate Model Integration with 20 Year Strategic Financial Planning Total	164	\$49,284
[10] Five Year Financial Plan for FY2025-FY2029		
Proposed Financial Plan Development / PUC Consultant Review & Interaction	350	\$103,947
Public - PUC Rate Hearing support	200	\$60,000
Rate Application Model - User Manual / Training	72	\$20,589
Rate Application Model Updates / Billing Data & Revenue Forecast	90	\$26,368
Supporting Testimony - Documentation	180	\$55,263
[10] Five Year Financial Plan for FY2025-FY2029 Total	892	\$266,167
[11] Comprehensive Review & Update Initiatives		
Commercial Paper Program Bond Authorization	56	\$17,305
Customer Assistance Program - Industry Precedents/Research	16	\$4,968
Customer Assistance Program Design - Financial Impact Analysis Support	28	\$8,316
Customer Assistance Program Implementation Planning / Monitoring	36	\$11,053
Customer Assistance Program Legislative - PUC Rule Revision Support	20	\$6,253
Customer Assistance Program Public - PUC Hearing Support	28	\$8,653
Management Audit	56	\$17,305
Procedural Issues	44	\$13,621
[11] Comprehensive Review & Update Initiatives Total	284	\$87,473
[12] Revenue Bond Refunding		
Feasibility Study - Financial Projection Narrative (including reviews, revisions)	52	\$15,853
Finance team - POS/OS reviews, coordination	42	\$12,726
Updated Financial Projections Based on Refunding Debt Service	38	\$11,105
[12] Revenue Bond Refunding Total	132	\$39,684
[13] Administrative Reimbursement		
Travel		\$16,000
[13] Administrative Reimbursement Total		\$16,000
Grand Total	1656	\$514,986

- Task orders # [07], [08], [09] historically have been completed using the Brown & Caldwell (B&C) PMO contract by a sub-contractor, which added an unnecessary markup to the consulting service fees. The genesis of the utility management and financial consulting services contract was to have these services available directly, without having to sub-contract them through B&C.
- Task Order # [10] is work required to plan, develop, and support the submittal of the next Five-Year Financial Plan for FY2025-FY2029. The PUC required the development of the Rate Application Model (RAM) that tied in supporting data from all seven (7) analytical studies including a revised rate design structure that includes 3-Tiers for water consumption and volumetric rates for residential wastewater. The model also requires frequent updating of water sales, funding sources, CIP prioritization, etc. As of today, GWA has not taken over updating the RAM and therefore, this task order is required to maintain continuity and the ability to meet PUC filing requirements and deadlines.
- Task Order # [11] is work ordered by PUC in PUC Docket 19-08, FY20 Rate Decision Stipulation Order and PUC Docket 19-08, 09/22/2022 Rate Decision.
- Task Order # [12] is the financial component of the Engineering Report which has historically been done by B&C. Like task orders [07], [08], [09], GWA is avoiding an additional markup by having a direct contract for these services.



GUAM WATERWORKS AUTHORITY

"Better Water, Better Lives."

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

Tel: (671) 300-6846

Issues for Decision

Resolution No. 24-FY2023

Relative to Approving Fiscal Year 2023 Proposed Budget Amendments and Rate Stabilization Fund (RSF) Transfers

Background

The Guam Waterworks Authority Fiscal Year 2023 (FY23) Operations and Maintenance Budget was approved by the Consolidated Commission on Utilities (CCU) through Resolution 32-2022 on September 27, 2022. The approval included a 5.5% rate increase effective October 1, 2022, across all rate classes, excluding Lifeline Rates. Operating Revenue was projected at \$108.5 million. Additionally, management was authorized to supplement revenues as needed for operations with an additional \$12.4 million in American Rescue Plan Act funds and \$2.9 million from GWA's RSF, for a total source of budgetary monies of \$123.8 million.

The CCU previously authorized management to transfer up \$11.4 million into the RSF to meet operational and debt service coverage requirements impacted by reductions in revenues due to the COVID-19 pandemic and further exacerbated by delayed approval, and reduction of, rate relief requested from the Public Utilities Commission (PUC). Management transferred \$7 million of RSF money for FY22 operations; \$1.3 million to date for FY23. The remaining balance of RSF is \$3.1 million.

The FY23 approved operating expenses are \$100.2 million to include \$28.2 million in utilities, \$24.7 million in salaries and benefits (net of capitalized labor), \$27.7 million in depreciation, \$11.4 million in administrative and general expenses, \$4.9 million in contractual costs and \$3.3 million for retiree expenses. Debt service payments are \$39 million.

Management anticipates the need to supplement FY23 revenue with the remaining RSF balance of \$3.1 million plus an additional \$3.7 million to pay for a projected increase of \$6.8 million in FY23 operational expenses.

Management now seeks to adjust its FY23 budget with the following amendments:

- Increase authorized expenses by \$7.3 million from \$100.2 million to \$107.5 million;
- Authorize additional transfers from GWA's Capital Improvement Fund (prior period balances) to the RSF in the amount of \$3.8 million; and
- Increase authorized use of Rate Stabilization Fund (RSF) for FY23 from \$2.9 million to \$8.1 million as needed.

The historical and requested RSF activity is summarized in the table below:

Authorized: Rate Stabilization Fund Transfers	
Resolution 6-FY22	\$2,000,000
Resolution 19-FY22	3,300,000
Resolution 28-FY22	6,100,000
TOTAL CCU RSF AUTHORIZATION	\$11,400,000
TOTAL CCU RSF AUTHORIZATION	\$11,400,000
Transfer - FY22	(7,000,000)
RSF BALANCE 10/01/2022	\$4,400,000
RSF Transfer to Date - FY23	(1,300,000)
CURRENT RSF BALANCE	\$3,100,000
Resolution 24-FY23 Transfer from Capital Improvement Fund	3,800,000
RSF BALANCE AS AMENDED BY RES. 24-FY23	\$6,900,000
Projected RSF Transfers for remainder of FY23	(6,800,000)
PROJECTED RSF BALANCE 10/01/2023	\$100,000

The Capital Improvement Fund (CIF) is the account to which any excess revenues are deposited after meeting requirements of the bond indenture. Funds in the CIF can be used for any lawful purpose upon request by GWA.

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

The objective of this request is to amend the FY23 Operations and Maintenance Budget to cover an estimated budget shortfall of \$7.3 million, without compromising other expense categories. The shortfall stems primarily from underestimated power costs. The \$21.6 million power budget was based on an average monthly consumption of 4.9 million kilowatt hours (kwh) at an aggregate cost of \$0.36 per kwh. Actual average consumption is 5.1 million kwh at an aggregated cost of \$0.44 per kwh.

The existing budget is insufficient given the unexpected \$5.76 million increase in power expense and inflationary increases to critical inventory, materials and supplies. GWA continues to exercise cost containment measures; however, fuel and inflationary increases are beyond GWA’s control.

Additionally, transfers from the RSF continue to be necessary to meet the required debt service coverage of 1.30x.

Where is the location?

The Rate Stabilization Fund is set up as a separate account under control of the trustee.

How much will it cost?

- 1) \$7.3 million in additional budget authorization for Operations & Maintenance expenses is requested.
- 2) Authorization to transfer \$3.8 million from prior period balances in GWA’s Capital Improvement Fund to the Rate Stabilization Fund is requested.
- 3) Authority to use up to \$8.1 million in RSF monies for the FY2023 budget.

When will it be completed?

This will be completed at the end of the Fiscal Year, September 30, 2023.

Transfers out of the RSF into the GWA general fund will only be made if it appears the DSC may fall below the required 1.30x coverage.

What is the funding source?

The increase in the budget will be funded by transfers from the Rate Stabilization Fund (to include \$3.8 million from Capital Improvement Fund).

Funds would be transferred from the GWA Rate Stabilization Fund into the GWA General Fund.

The RFP/BID responses (if applicable):

Not applicable. GWA will work with the current trustee.



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. 24-FY2023

**RELATIVE TO APPROVING AMENDMENTS TO THE FY2023 BUDGET AND
TRANSFERS FROM THE WORKING CAPITAL RESERVE FUND TO GWA’S RATE
STABILIZATION FUND AND GWA GENERAL 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", "Authority"); and

WHEREAS, the GWA is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, the CCU adopted Resolution 32-FY2022 Relative to Approving the FY23 Operations and Maintenance Budget following the approval by the Public Utilities Commission of a 5.5% rate increase across all rate classes, excluding Lifeline Rates, effective October 1,2022; and

WHEREAS, projected water and wastewater revenues of \$108.5 million for FY2023 were supplemented with \$12.4 million from American Rescue Plan Act funds and \$2.9 million from GWA’s Rate Stabilization Funds to fund \$100.2 million in operating expenses and \$39 million in debt service payments; and

WHEREAS, based on actual power expenses in the first 2 quarters of FY23, the approved budget level will fall short in the next several months. Power costs were budgeted at \$21.6 million based on an estimated monthly consumption of 4.9 million kilowatt hours (kwh) per month using an aggregate average kilowatt hour cost of \$0.36; and

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1 **WHEREAS**, actual consumption is 5.1 million kwh per month at an aggregate average
2 cost of \$0.44 cents per kwh. The projected shortfall for the approved power budget level is
3 \$5.76 million; and
4

5 **WHEREAS**, despite continued efforts to maximize resources, increases to power and
6 inflationary increases to critical inventory, materials and supplies have forced GWA to request to
7 use additional reserves to meet its operational needs and debt obligations; and
8

9 **WHEREAS**, establishment of the GWA Rate Stabilization Fund (RSF) provides a tool to
10 manage financial risks associated with continued uncertainties as Guam recovers from the
11 economic effects of the pandemic and other global circumstances; and
12

13 **WHEREAS**, GWA requires an additional transfer of \$3.8 million from prior period
14 balances of GWA's Capital Improvement Fund into the RSF and an increase to the FY23 RSF
15 authorization to spend up to \$8.1 million of rate stabilization funds for FY23 operations; and
16

17 **WHEREAS**, Section 5.10 Application of Capital Improvement Fund of the Bond
18 Indenture states that all amounts in the Capital Improvement Fund may be used and withdrawn
19 by the Authority for any lawful purpose of the Authority or may be transferred to the Revenue
20 Fund, in each case upon Request of the Authority; and
21

22 **WHEREAS**, management seeks approval to increase the FY23 Operations and
23 Maintenance Budget expenses from \$100.2 million to \$107.5 million and increase the authorized
24 RSF supplemental funding from \$2.9 million to \$8.1 million (which includes an increase RSF
25 transfer authorizations up to \$15.2 million), all of which are outlined in Exhibit A attached
26 hereto.
27

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

- 30 1. The recitals set forth above hereby constitute the findings of the CCU.

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- 2. The CCU authorizes an increase in GWA’s FY23 Operating Expense Budget by not more than \$7,379,282.00 as reflected in Exhibit A to maintain operations and maintenance activities.
- 3. The CCU authorizes, on an as needed basis, the transfer \$3.8 million from prior period balances of GWA’s Capital Improvement Fund to the Rate Stabilization Fund.
- 4. The CCU increases the FY23 RSF supplemental funding authorization from \$2.9 million up to \$8.1 million.
- 5. The CCU directs GWA Management to notify the CCU of any utilization (transfers out) or replenishment (transfers in) of the Rate Stabilization Fund.
- 6. The CCU directs GWA Management to include updates to the RSF in the FY23 True Up and FY24 budget resolution.

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

DULY AND REGULARLY ADOPTED, this 25th day of April, 2023.

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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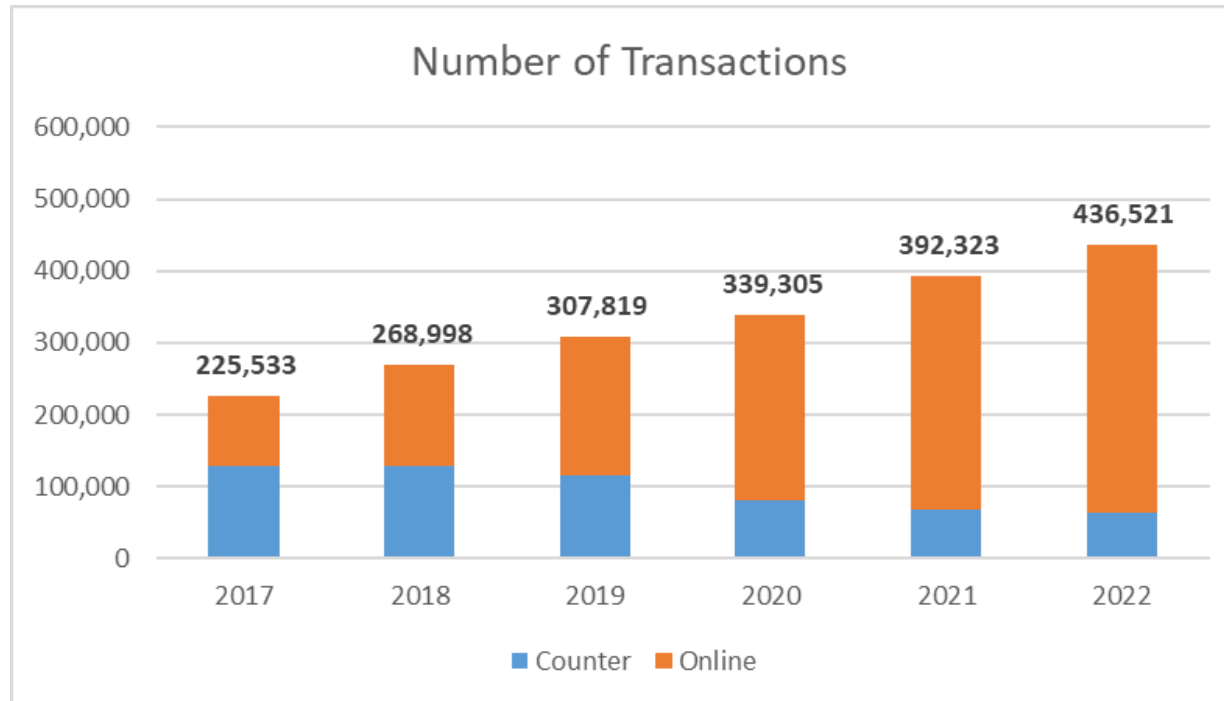
EXHIBIT A To Resolution 24-FY2023

GUAM WATERWORKS AUTHORITY PROPOSED FY23 BUDGET AMENDMENT

	APPROVED	Proposed Amendment	Variance	
	2023	2023	Increase /Decrease	% Increase /Decrease
Basic Charge -Water	5.50%	5.50%	5.50%	
Lifeline Increase	0.00%	0.00%	0.00%	
Non-Lifeline Increase	5.50%	5.50%	5.50%	
Legislative Surcharge	3.50%	3.40%	3.40%	
Customer Growth	1.00%	1.00%	1.00%	
Demand Growth	0.00%	0.00%	0.00%	
OPERATING REVENUES	106,766,135	106,821,523	55,388	0.1%
Water Revenues	68,541,482	68,442,403	(99,079)	-0.1%
Wastewater Revenues	35,114,011	35,273,753	159,742	0.5%
Legislative Surcharge	3,110,642	3,105,367	(5,275)	-0.2%
Other Revenues	510,758	470,941	(39,818)	-8.5%
System Development Charge	1,243,666	1,686,867	443,202	26.3%
Total Operating Revenues	108,520,559	108,979,331	458,772	0.4%
O & M EXPENSES				
Water Purchases	6,606,117	6,379,055	(227,062)	-3.6%
Power Purchases	21,600,000	27,871,109	6,271,109	22.5%
Salaries and Benefits	24,720,848	23,601,155	(1,119,693)	-4.7%
Administrative and General Expenses	11,396,844	11,298,024	(98,820)	-0.9%
Depreciation Expense	27,708,727	28,737,060	1,028,333	3.6%
Contractual Expense	4,877,773	5,901,271	1,023,498	17.3%
Retiree Supplemental Annuities/Health care costs	3,253,701	3,755,617	501,916	13.4%
Total Operating Expenses	100,164,010	107,543,292	7,379,282	6.9%
Earnings (Loss) from Operations	8,356,549	1,436,039	(6,920,510)	-481.9%
Total non-operating revenues (expenses)	(29,193,176)	(8,874,619)	20,318,557	-229.0%
Net Income (Loss) before capital contributions	(20,836,627)	(7,438,580)	13,398,047	-180.1%
Capital Contributions	35,612,509	20,344,485	(15,268,024)	-75.0%
Change in Net Assets	14,775,882	12,905,905	(1,869,977)	-14.5%
⁽³⁾ BOND DEBT SERVICE	39,036,678	39,036,678	-	0.0%
DEBT SERVICE COVERAGE CALCULATION - Section 6.12				
Earnings (Loss) from Operations	8,356,549	1,436,039		
Investment Income-Other funds	65,092	1,071,924		
COLA	624,000	673,200		
System Development Charge	(1,243,666)	(1,686,867)		
Depreciation	27,708,727	28,737,060		
⁽¹⁾ RSF	2,900,000	8,100,000		
ARPA	12,400,000	12,400,000		
Balance Available for Debt Service	50,810,702	50,731,356		
⁽²⁾ Debt Service Coverage (1.25X) - Section 6.12	1.30	1.30		

GPA Merchant Services

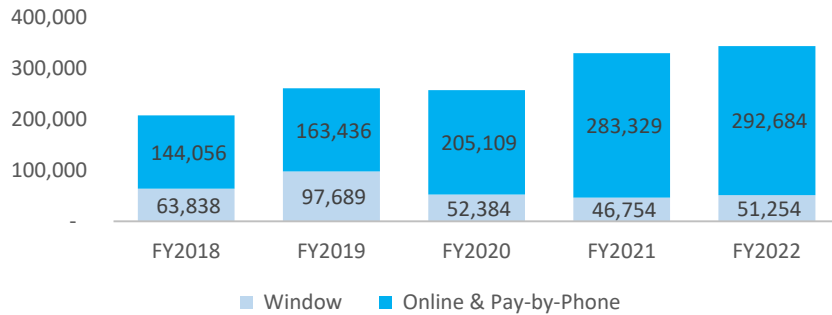
Fiscal Year	Number of Transactions						Credit Card Rate	(in '000)	(in '000)
	Year Counter	Year Online	Year Total	Monthly Counter	Monthly Online	Monthly Total		Amount Processed	Fees
2017	128,411	97,122	225,533	10,701	8,094	18,794	1.239%	\$ 53,316	\$ 661
2018	129,430	139,568	268,998	10,786	11,631	22,417	1.087%	\$ 93,920	\$ 1,020
2019	114,537	193,282	307,819	9,545	16,107	25,652	1.057%	\$ 115,826	\$ 1,224
2020	80,392	258,913	339,305	6,699	21,576	28,275	1.114%	\$ 116,080	\$ 1,293
2021	66,785	325,538	392,323	5,565	27,128	32,694	1.189%	\$ 128,062	\$ 1,523
2022	63,932	372,589	436,521	5,328	31,049	36,377	1.242%	\$ 183,079	\$ 2,274



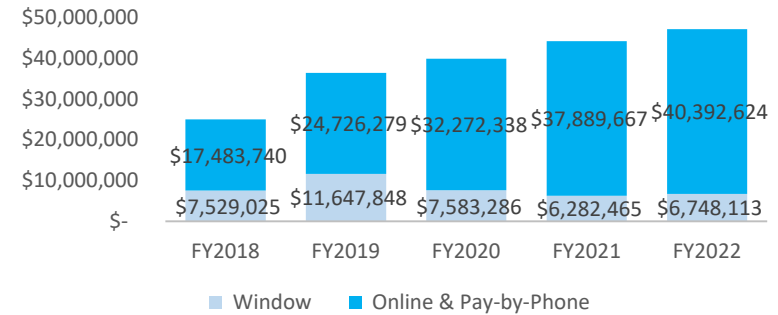
GWA Merchant Services

Fiscal Year	Transaction Count			Transaction Amount			Credit Card Fees	CC Fees %
	Window	Online & Pay-by-Phone	Total	Window	Online & Pay-by-Phone	Total		
FY2018	63,838	144,056	207,894	\$ 7,529,025	\$ 17,483,740	\$ 25,012,765	\$ 491,006	1.96%
FY2019	97,689	163,436	261,125	\$ 11,647,848	\$ 24,726,279	\$ 36,374,127	\$ 515,551	1.42%
FY2020	52,384	205,109	257,493	\$ 7,583,286	\$ 32,272,338	\$ 39,855,624	\$ 525,229	1.32%
FY2021	46,754	283,329	330,083	\$ 6,282,465	\$ 37,889,667	\$ 44,172,131	\$ 560,463	1.27%
FY2022	51,254	292,684	343,938	\$ 6,748,113	\$ 40,392,624	\$ 47,140,737	\$ 625,606	1.33%
Totals	311,919	1,088,614	1,400,533	\$ 39,790,737	\$ 152,764,648	\$ 192,555,385	\$ 2,717,855	1.41%

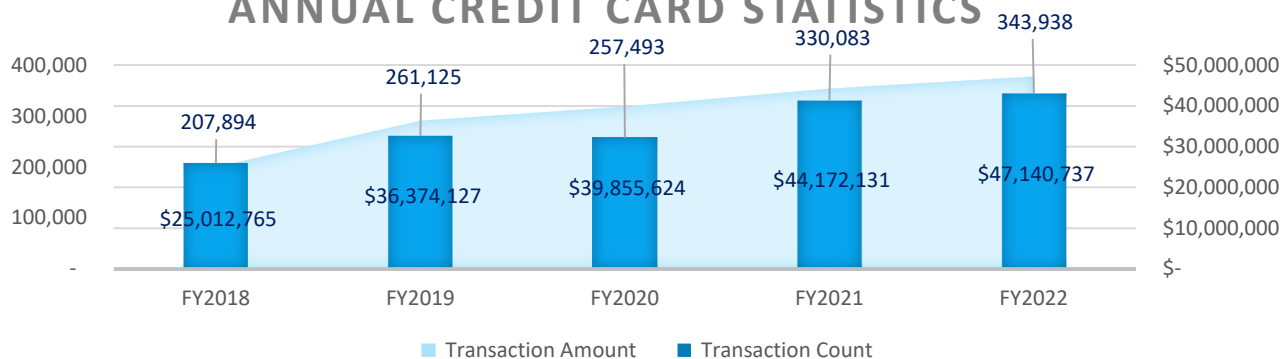
TRANSACTION COUNT



TRANSACTION AMOUNT



ANNUAL CREDIT CARD STATISTICS





GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUAHAN
P.O. BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

Issues for Decision

GPA Resolution No. FY2023-18 /GWA Resolution No. 25-FY2023

Authorizing the Management of GPA and GWA to Procure Merchant Banking Services

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

Request to issue an Invitation for Bid (IFB) to provide merchant services to GPA, GWA, and GSWA as a means for collecting customer payments through debit and credit cards at the various utility cashier sites, thru the Pay-by-Phone, and online options.

In April 2022, GPWA awarded its current Merchant Services contract to First Hawaiian Bank (FHB) for an initial period of one year with an option to extend the contract for four additional one-year periods. GPWA and FHB mutually agreed not to elect the option to extend the merchant banking services contract. The current contract will expire in April 2023 and FHB has agreed to extend their services through June 30, 2023 to allow for the procurement of merchant banking services.

How long will it take?

The procurement of service should be completed before July 1, 2023 and the term of the agreement is for one (1) year from the time of implementation with options to renew for four additional one-year periods.



CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatña, Guam 96932 | (671) 648-3002 | guamccu.org

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GPA RESOLUTION NO. FY2023-18
GWA RESOLUTION NO. 25-FY2023

**RELATIVE TO AUTHORIZING THE MANAGEMENT OF
GUAM POWER AUTHORITY AND GUAM WATERWORKS AUTHORITY TO
PROCURE MERCHANT BANKING SERVICES**

WHEREAS, the Guam Power Authority (GPA) and Guam Waterworks Authority (GWA) implemented Customer Information System software called Customer Care & Billing, which integrates payment solutions with website, point of sale, mobile application, and pay by phone; and

WHEREAS, both GPA and GWA determined that merchant banking services is a critical service to its ratepayers; and

WHEREAS, the Consolidated Commission on Utilities has undertaken a number of initiatives to identify opportunities wherein the ratepayers of Guam will be better served if the utilities worked together; and

WHEREAS, the Guam Solid Waste Authority (GSWA) has requested and was included in the procurement for merchant banking services that was issued in 2021 that both enhanced realization of efficiencies and cost savings and better served our Guam ratepayers; and

WHEREAS, in April 2022, the merchant banking services contract was awarded to First Hawaiian Bank (FHB), and the term of the contract was for one year with four (4) options, and with each option to extend for a one-year (1) period; and

WHEREAS, GPA and FHB mutually agreed not to elect the option to extend the merchant banking services contract after the first year. The current contract expires in April 2023 and FHB has agreed to extend its services through June 30, 2023, to allow GPA and GWA to procure merchant banking services; and

1 **WHEREAS**, the term of the Invitation for Bid (IFB) for merchant banking services being
2 requested will be for one year with four (4) options, and with each option to extend for a one-year
3 (1) period; and
4

5 **WHEREAS**, each of the GPA and GWA General Manager’s contract approval authority
6 is \$1,000,000 and the fees under this new IFB are expected to exceed that amount and that the
7 General Manager shall advise the Commission of all expenditures in excess of \$1,000,000; and
8

9 **WHEREAS**, GPA and GWA desire to issue its merchant banking services IFB as soon
10 as possible in order to allow sufficient time for vendors to prepare their proposals and prevent a
11 lapse in service under the current contract extension.
12

13 **NOW, THEREFORE BE IT RESOLVED**, by the Consolidated Commission on
14 Utilities, subject to the review and approval of the Public Utilities Commission, does hereby
15 approve and authorize the following:
16

- 17 1. The General Managers of the Guam Power Authority and Guam Waterworks Authority
18 are hereby authorized to issue an IFB for merchant banking services to include GSWA for
19 the one-year contract period with four options, and with each option to extend for one-
20 year period for GPA and GWA.
21
22 2. The proposed contract resulting from the IFB would require the CCU approval.
23

24 **RESOLVED**, that the Chairman of the Commission certifies and the Secretary of the
25 Commission attests the adoption of this Resolution.
26

27 **DULY AND REGULARLY ADOPTED**, this 25th day of April, 2023.
28

29	Certified by:	Attested by:
30		
31	_____	_____
32	JOSEPH T. DUENAS	PEDRO ROY MARTINEZ
33	Chairperson	Secretary
34	Consolidated Commission on Utilities	Consolidated Commission on Utilities

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SECRETARY’S CERTIFICATE

I, **Pedro Roy Martinez**, Secretary of the Consolidated Commission on Utilities (CCU), 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 CCU, 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: _____
Abstain: _____
Absent: _____

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GM REPORT

APRIL 2023

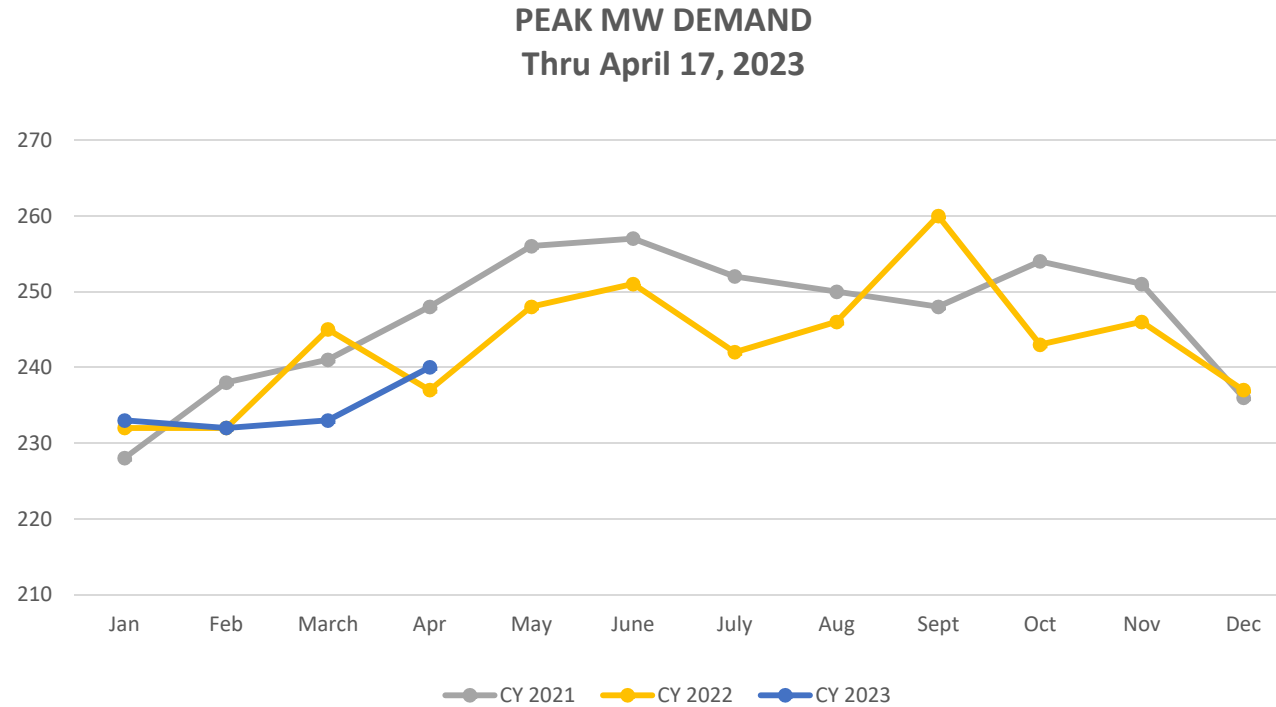


Projected May Generation Status

1. Reserve Margin Forecast for May 2023:

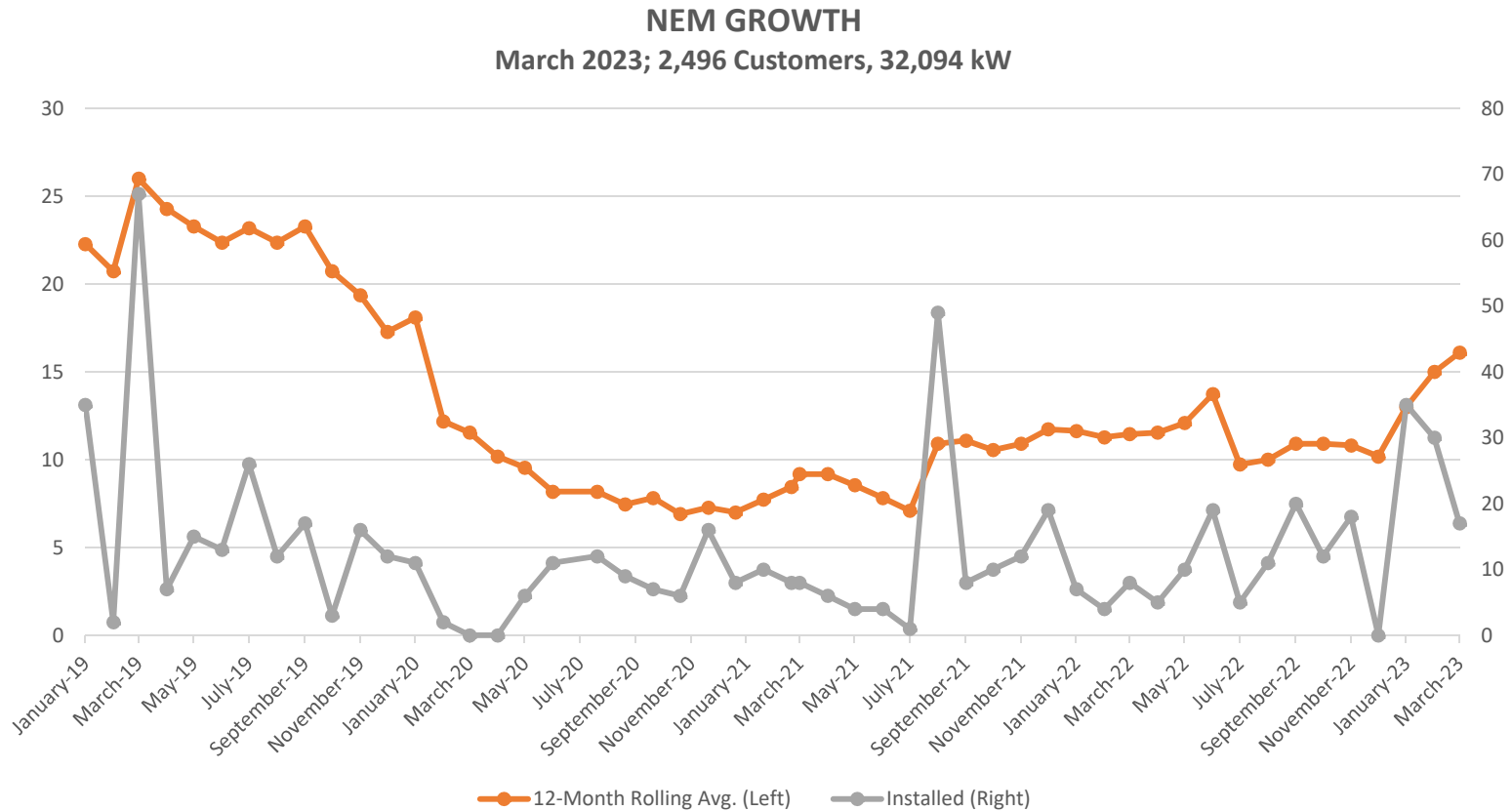
Projected Available Capacity:	333 MW
Projected Demand:	251 MW
Anticipated Reserve Margin:	82 MW

2. System Peak Demand:



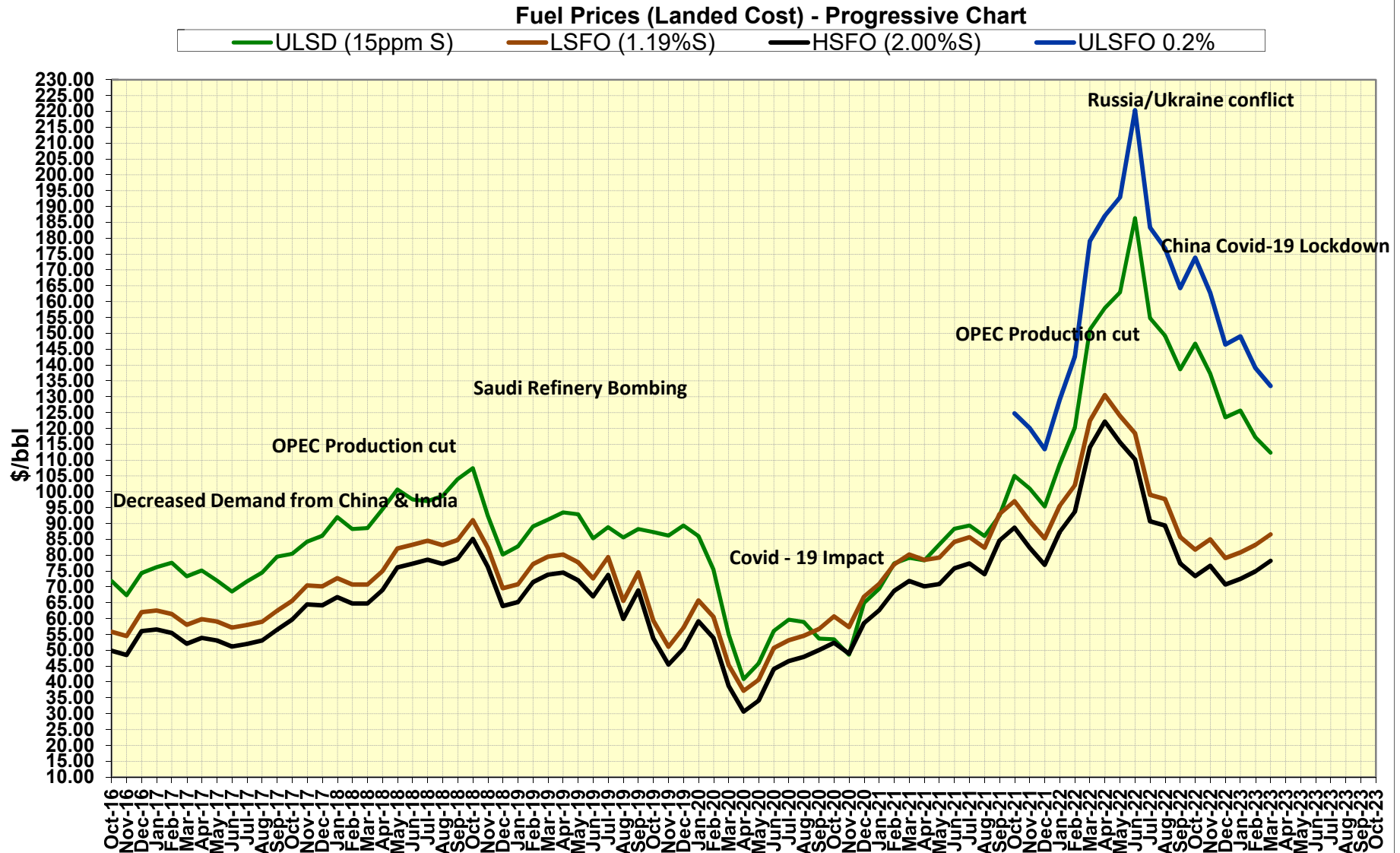
Net Metering (NEM)

3. Net Metering (NEM) Growth Thru March 2023



GPA Fuel Landed Cost (Per Barrel) Thru April 17, 2023

4. 0.2% LSRFO \$133.35; ULSD \$112.31



General Manager's Report (cont'd)

5

5. PUC Update:

GPA Docket - Thursday, March 30, 2023 Meeting:

- GPA Docket 23-11, Petition for Review and Approval of the Piti 8 & 9 Contract Extension with Marianas Energy Company - **Approved**
- GPA Docket 23-12, Petition for Review and Approval of GPA's Request for Procurement of the Bulk Supply of Diesel Fuel Oil - **Approved**
- GPA Docket 23-13, Petition to Approve the Month-Month Extension for Professional Printing, Mailing, and Processing Services- **Approved**

GPA Docket - Thursday, April 27, 2023 Upcoming Meeting:

- GPA Docket 23-08, Petition for Approval of the Revision of the GPA Line Extension Policy
- GPA Docket 23-14, Petition for Contract Review and Approval for GPA's Fuel Bulk Storage Facility O&M Contract
- GPA Docket 23-15, Petition for Approval to Increase the Amount of Award for GPA's Physical Security Proof of Concept

6. Successful Guam Clean Energy Transition Preconference Track Held on April 10th & April 11th

GPA made headway with its Guam Clean Energy Transition Track. On April 10 & 11, 2023, GPA presented on a wide array of topics focusing on laying out the issues for a Clean Energy transition such as Transportation Electrification, GPA's Balanced Approach to Guam's Green Energy, Digital Transformation and Energy Security, as well as deep dive sessions between the island's leadership, industry experts and DOD partners. There were over 20 on-island and off-island speakers that presented.

The track sessions were a success, bringing together local and military counterparts and industry experts, creating a discussion of what to expect in the future and what's involved in making Guam a clean energy island. Guam Power Authority views a Clean Energy transition as a vital component to the island's ability to survive and thrive in the future. Presenting this track at the UOG's CIS demonstrates GPA's unwavering commitment to a Clean Energy Guam. The clean energy conference materials can be found on our



website at <https://energysense.guampowerauthority.com>



General Manager's Report (cont'd)

7. Customer Assistance

- ***Prugrâman Ayuda Para I Taotao-ta Energy Credit***
 - The April 2023 \$100 ratepayer credit concludes the **extension** of the *Energy Credit Program* under PL 36-123.
 - Bill 83-37, introduced by Speaker Therese Terlaje and Sen. Joe S. San Agustin, seeks to appropriate \$26,381,000 toward the second extension of the *Energy Credit Program*. If passed, monthly credits to qualified accounts will continue for an additional five (5) months (May-September 2023). The public hearing is scheduled for 9 a.m., Thursday, April 20, 2023.
- \$2.19M (50 batches) has been applied to qualified ratepayer accounts from the **Guam Homeowner Assistance Fund Program (HAF)**.
- \$5.08M (100 batches) has been applied to qualified ratepayer accounts from the **Emergency Rental Assistance Program (ERA)**.

8. Customer Engagement & Community Outreach

- Latest GPA news and updates on projects, energy-savings tips, assistance, Clean Energy Master Plan, etc. is broadcasted through printed and e-newsletters, social media, advertisements, website, and outreach events.
- Generation capacity and potential load shedding schedules (March 30th & April 18) effectively shared with customers and residents using SMS, direct email, website, media release, social media, village mayors and chat groups.
- School Outreach Highlights: [Carbullido Elementary School Career Day \(Mar 29, 2023\)](#)
- Bucket truck and personal protective equipment (PPE) were displayed at the career day fair.
- T&D crew, Matthew Afaisen, Chad Fernandez and Nathan Aguero discussed what they do as line workers and demonstrated how the bucket truck is used in their line of work.
- Communications personnel discussed energy conservation and efficiency at school and home.



Energy Sense Rebate Program (ESRP) Online Application

9. DSM Online Report - MARCH 2023

APPLICATIONS

Month	Applications	Commercial	Residential
Aug-22	217	-	217
Sep-22	479	7	472
Oct-22	474	4	470
Nov-22	514	10	504
Dec-22	480	5	475
Jan-23	398	1	397
Feb-23	385	7	378
Mar-23	487	16	471
TOTAL	3,434	50	3,384

REBATES

Month	Rebate	Commercial	Residential
Aug-22	\$ 61,375.00	\$ -	\$ 61,375.00
Sep-22	\$ 134,700.00	\$ 1,950.00	\$ 132,750.00
Oct-22	\$ 140,100.00	\$ 1,450.00	\$ 138,650.00
Nov-22	\$ 139,950.00	\$ 1,500.00	\$ 138,450.00
Dec-22	\$ 131,450.00	\$ 950.00	\$ 130,500.00
Jan-23	\$ 105,550.00	\$ 150.00	\$ 105,400.00
Feb-23	\$ 110,075.00	\$ 1,400.00	\$ 108,675.00
Mar-23	\$ 142,025.00	\$ 4,650.00	\$ 137,375.00
TOTAL	\$ 965,225.00	\$ 12,050.00	\$ 953,175.00

EQUIPMENT

Month	Equipment	Commercial	Residential
Aug-22	315	-	315
Sep-22	666	12	654
Oct-22	691	9	682
Nov-22	698	14	684
Dec-22	647	5	642
Jan-23	535	1	534
Feb-23	566	9	557
Mar-23	728	33	695
TOTAL	4,846	83	4,763

Average Rebate Per Application

Commercial	Residential
\$ 241	\$ 282

Average Rebate Per Equipment

Commercial	Residential
\$ 145	\$ 200



Energy Sense Rebate Program (ESRP) Online Application (cont'd)

9. DSM Online Report - MARCH 2023

REBATES PER PROGRAM

Month	Rebate	Commercial				Residential			
		Split A/C	Central A/C	VRF A/C	Rooftop A/C	Split A/C	Central A/C	Window A/C	Washer/Dryer
Aug-22	\$ 61,375.00	\$ -	\$ -	\$ -	\$ -	\$ 57,375.00	\$ -	\$ 1,600.00	\$ 2,400.00
Sep-22	\$ 134,700.00	\$ 1,950.00	\$ -	\$ -	\$ -	\$ 120,350.00	\$ -	\$ 3,400.00	\$ 9,000.00
Oct-22	\$ 140,100.00	\$ 1,450.00	\$ -	\$ -	\$ -	\$ 127,350.00	\$ -	\$ 1,900.00	\$ 9,400.00
Nov-22	\$ 139,950.00	\$ 1,500.00	\$ -	\$ -	\$ -	\$ 123,250.00	\$ -	\$ 1,800.00	\$ 13,400.00
Dec-22	\$ 131,450.00	\$ 950.00	\$ -	\$ -	\$ -	\$ 116,600.00	\$ 500.00	\$ 2,600.00	\$ 10,800.00
Jan-23	\$ 105,550.00	\$ 150.00	\$ -	\$ -	\$ -	\$ 96,400.00	\$ -	\$ 1,200.00	\$ 7,800.00
Feb-23	\$ 110,075.00	\$ 1,400.00	\$ -	\$ -	\$ -	\$ 98,275.00	\$ 500.00	\$ 1,900.00	\$ 8,000.00
Mar-23	\$ 142,025.00	\$ 4,650.00	\$ -	\$ -	\$ -	\$ 122,875.00	\$ -	\$ 3,300.00	\$ 11,200.00
TOTAL	\$ 965,225.00	\$ 12,050.00	\$ -	\$ -	\$ -	\$ 862,475.00	\$ 1,000.00	\$ 17,700.00	\$ 72,000.00

EQUIPMENT COUNTS PER PROGRAM

Month	Rebate	Commercial				Residential			
		Split A/C	Central A/C	VRF A/C	Rooftop A/C	Split A/C	Central A/C	Window A/C	Washer/Dryer
Aug-22	315	-	-	-	-	287	-	16	12
Sep-22	666	12	-	-	-	575	-	34	45
Oct-22	691	9	-	-	-	616	-	19	47
Nov-22	698	14	-	-	-	600	-	17	67
Dec-22	647	5	-	-	-	561	1	26	54
Jan-23	535	1	-	-	-	482	-	13	39
Feb-23	566	9	-	-	-	497	1	19	40
Mar-23	728	33	-	-	-	606	-	33	56
TOTAL	4,846	83	-	-	-	4,224	2	177	360



General Manager's Report (cont'd)

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10. New Power Plant Update: GPA Activities

Completed:

- ECA Amendment: Signed on March 17, 2021.
- Resolution on Section 106 process between Navy/SHPO/GPA (cultural process)
- Archaeological Inventory Survey of Ukudu Site
- Cultural Survey for boring scope fuel/water/power project areas (outside of plant)
- Baseline noise study for Piti 41 MW diesel generator plant site.
- Water Supply and Discharge Agreement signed.
- Approval of research design for boring of proposed site in Piti for diesel generator relocation
- Approval of Archaeological Monitoring & Discovery Plan for pipeline construction
- Public Law 36-91 was signed on 4/11/22 for exemption of construction of Reserve Facility in Piti.
- GHPO Concurrence of Section 106 of the bull cart trails
- Land Lease Agreement was signed by Governor, Lt. Governor and Attorney General on July 6, 2022
- Geotechnical boring test report at the Piti site completed.
- GPA approves remaining Phase 5 & 6 construction permits.
- GPA obtains MEC specialist for construction support at Nimitz allowing excavation to resume on Nov. 1, 2022
- GPA obtains easement to avoid Chaot river area near Route 4 in Sinajana for pipeline construction.
- GPA provides notice to Navy of work starting on the bullcart trails along the pipeline route after Navy NEPA process.
- GPA obtains signage requirements for bullcart trails from Navy.
- CCU officially approves cancellation of Reserve Facility.
- Governor visits plant site on Feb. 2, 2023
- GPA obtains GEPA approval for Land Use Control Work Plan.
- GPA met with Mayor Paco and Mayor Sarvares to coordinate bullcart excavation in Harmon and Mongmong-Toto-Maite.
- PUC officially approves cancellation of Reserve Facility.
- GPA reviewed GUP's proposed pipeline construction plan for the Nimitz Hill Steep Section and provided comments to contractor.
- GPA received overview of commissioning plan from GUP commissioning team on Apr. 12, 2023.

Critical Path & Risk Items

Delays on Permit Approvals

- Construction Permits
- NPDES Permit

Construction Mitigation

- For any wetland, biological, cultural or other findings during construction (unknowns)



General Manager's Report (cont'd)

10. New Power Plant Update: GPA Activities *(continued)*

Ongoing / Pending:

- Archaeological & Cultural Requirements:
 - ✓ Archaeological monitoring for pipeline construction work (Chaot & Nimitz areas).
- Water & Wastewater Requirements:
 - ✓ Change of Law issues due to update GWA NPDES permit affecting discharge of wastewater from cooling system.
Follow-up with GWA on the NPDES permit modification.
- Construction Permit & Drawing Reviews:
 - ✓ Interconnection and pipeline design documents are being reviewed for approval.
- Reserve Facility:
 - ✓ Reviewing draft ECA amendment provided by GUP
- Other:
 - ✓ Monthly project reviews including Project Schedule.
 - ✓ Weekly meetings on contract items and ongoing construction activities and pending issues
 - ✓ Coordination with Navy on excavation activities for pipeline construction
 - ✓ Coordination with GUP/DUP on construction activities within Harmon Substation
 - ✓ Received letter from GUP requesting additional compensation for increased costs and delays.

General Manager's Report (cont'd)

11

10. New Power Plant Update: GUP Activities (Contractor)

Completed:

- EPC Contract - Doosan
- Height Variance for Ukudu Site
- Financing Contracts Signed - Equity Bridge Loan in place. Senior loan requires air permit and land lease legislation for funds drawdown.
- Down payment to Siemens to secure Turbine Order (long lead item)
- Survey Maps for land lease recorded at Dept. of Land Management
- Phase I for Ukudu Plant construction permit approved. Foundation work is ongoing.
- GUP issues Notice to Proceed to EPC on May 31, 2022.
- Land Lease Agreement was signed by Governor, Lt. Governor and Attorney General on July 6, 2022
- GEPA approves and issues Ukudu Air Permit on 7/20/22 during construction ground breaking ceremony.
- KEPCO/GUP achieves financial close on September 30, 2022.
- Obtained DPW heavy haul permit on Feb. 3, 2023
- [Delivered letter to GPA for review requesting additional compensation for increased costs and delays.](#)

Ongoing / Pending:

- Design / Permitting
 - ✓ Construction
 - Power Plant - All 6 phases of plant building construction permits were issued by Oct. 2022.
 - Pipeline -
 - Excavation and pipeline installation continues at Nimitz and within Tiyan along Route 8 towards airport.
 - Encroachment permit awaiting DPW director signature for all locations with all documents submitted.
 - Initiated additional work area along Cesario Street south of Sgt. Roy T. Damien.
 - Obtained DZSP clearance and started construction along Route 6.
 - [Delivered Nimitz Hill \(Steep Section\) work plan to GPA for review.](#)
 - Transmission Line - design and material specifications under review. Anticipating construction early 2023 pending permit approval. [Cleared area between Harmon Substation and plant for new transmission lines. Began foundation work within Harmon Substation.](#)
- Procurement - initiating other equipment procurement
 - Existing Pipeline Cleaning & Demolition - GPA continues to work with GEPA on a Land Use Control document regarding Route 16 (Airport) to Route 34 abandonment plan.



General Manager's Report (cont'd)

12

10. New Power Plant Update: GUP Activities (Contractor) *continued*

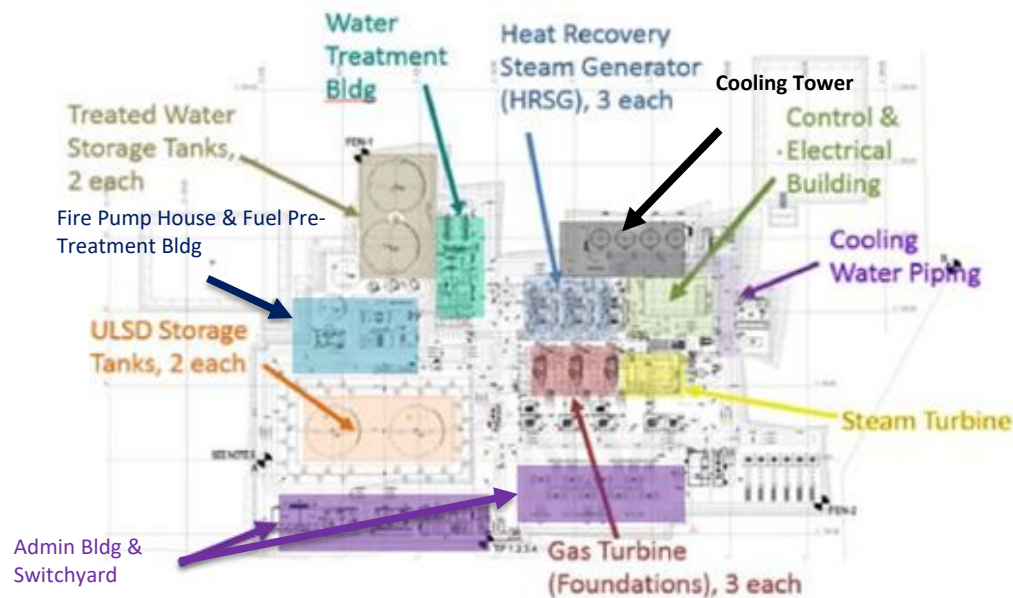
Ongoing / Pending: *(continued)*

- Reserve Facility - Provided draft ECA amendment to GPA
- Schedule Update - Plant and fuel pipeline continue to progress with concerns on potential schedule impact due to pipeline progress and heavy haul transport delay.
- Transportation Logistics - EPC continues to work with DPW on transport plan from Port to Ukudu site.
 - Bridge analysis dictating required transport equipment.
 - Temporary bridge delivered as required by DPW as backup for any bridge damage due to limited alternate routes in some areas.
 - Transportation will take several hours over several days to move HRSG modules and will affect traffic during movement.
 - Weekly meetings being held to discuss plans and requirements.
 - 25 heavy cargo movements expected thru April 2023
 - Demonstration of the Self-Propelled Modular Transporter (SPMT) was provided to DPW, GUP, DUP and GPA representatives on Oct. 27 at the Port.
 - First heavy cargo shipment arrived on Guam on Nov. 2 which contains the 12 HRSG modules. It is being stored at the Port.
 - Doosan team has hired media group to provide public outreach.
 - Heavy haul transportation ongoing. First transport began Feb 4th.
 - Completed transportation and installation of all HRSG modules and GTG's.
 - 2 additional transports remaining require the use of slow-moving SPMT's (STG IP/LP turbine and STG Hydraulic Power Unit)

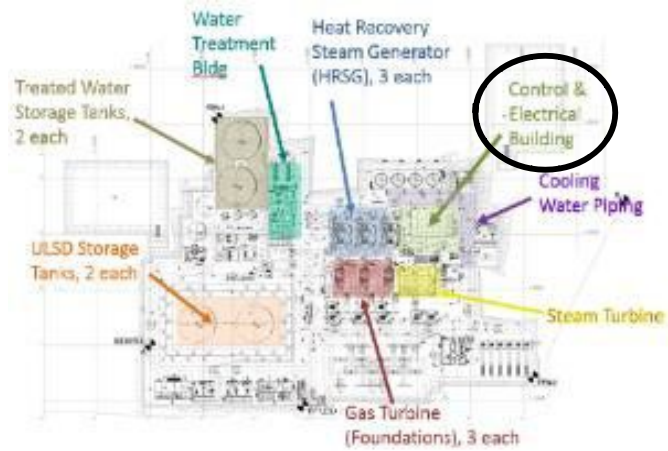
Ukudu Power Plant Construction Status

13

Construction work ongoing with Control & Electric Building, Heat Recovery Steam Generator Module Installation, Fuel Storage Tanks, Fire Water Tank, Fuel Pre-Treatment Area, Water Treatment Tanks, Gas Turbine Building, Steam Turbine Foundations, and Water Treatment Building. Further progress made on Cooling Tower Foundation and Switchyard Foundations. All HRSG modules have been transported to plant are in place at site. The transportation of the remaining STG components require the use of slow moving SPMTs



Ukudu Power Plant Construction Status



Control & Electrical Building – Exterior siding installation in progress.



1st floor – Cable tray installation ongoing



2nd floor – Setting switchgear equipment

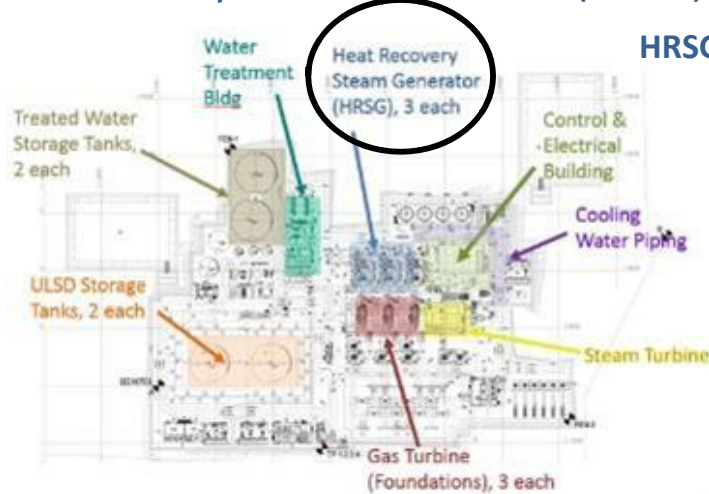


3rd floor – Bathroom construction ongoing



Ukudu Power Plant Construction Status

Heat Recovery Steam Generator (HRSG) – Module Side Casing Installation Ongoing



HRSG (#1 of 3): Stair tower in place. Side casing installation in progress.



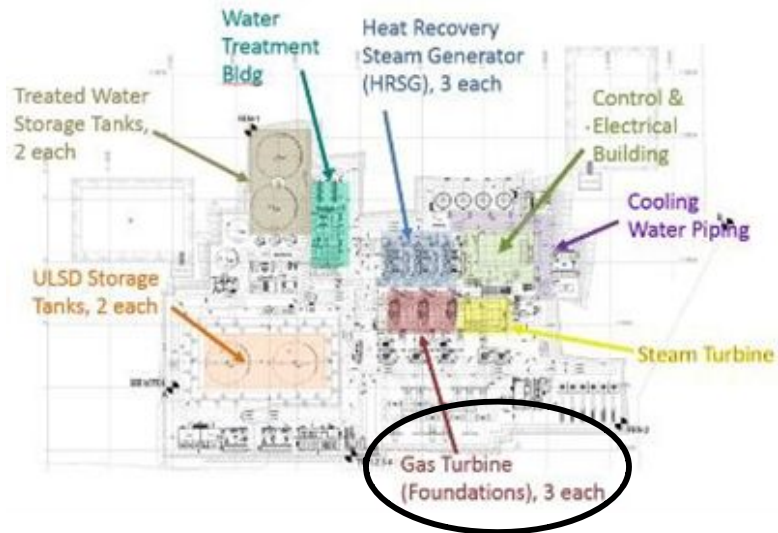
HRSG (#2 of 3): All modules installed

HRSG (#3 of 3): All modules installed



Ukudu Power Plant Construction Status

Gas Turbines & Generators



GTG #1 – GTG, control container, and transformer in place.

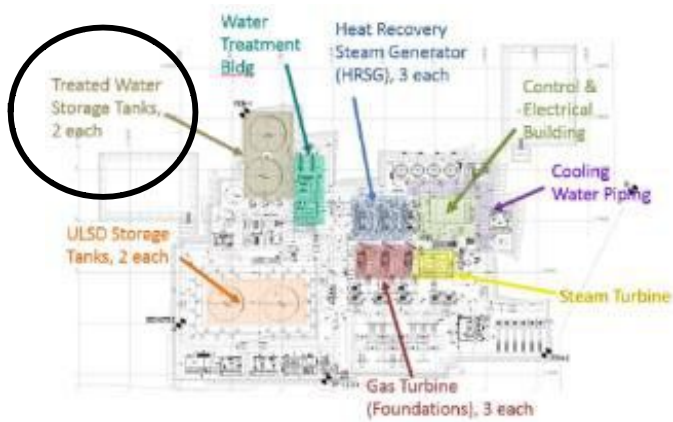


GTG #2 – GTG, control container, and transformer in place.

GTG #3 – GTG and control container in place. Awaiting arrival of transformer.



Ukudu Power Plant Construction Status



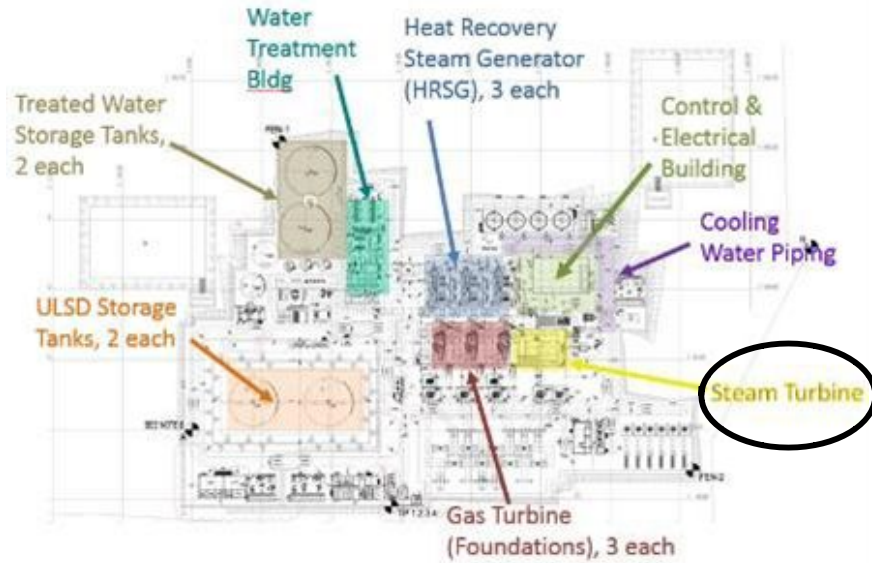
Treated Water Storage Tank 2 – Welding in progress for the 6th (of 8) row of steel plates



Treated Water Storage Tank 1 – Welding in progress for the 5th (of 8) row of steel plates



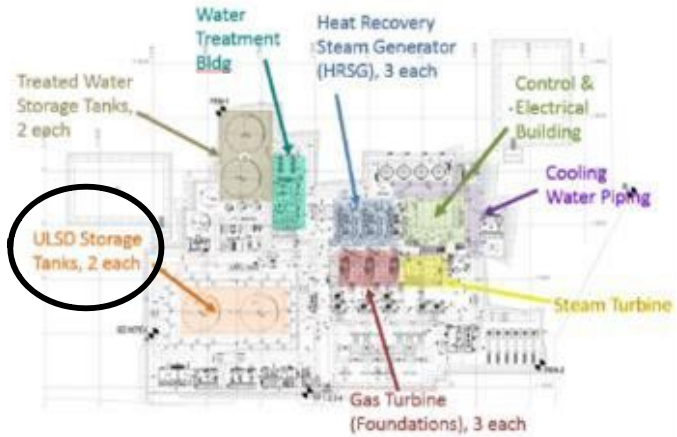
Ukudu Power Plant Construction Status



Steam Turbine Generator - Foundation pour completed



Ukudu Power Plant Construction Status



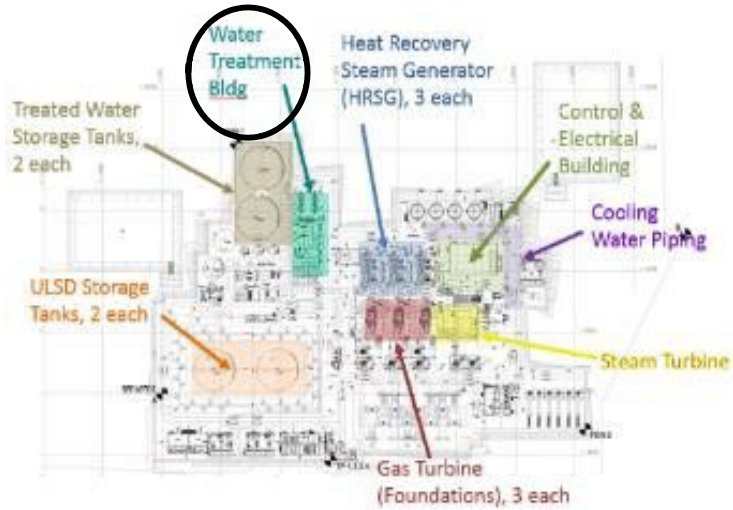
ULSD Storage Tank A— 3rd Row of Steel Plates Currently Being Welded



ULSD Storage Tank B— 3rd Row of Steel Plates Currently Being Welded



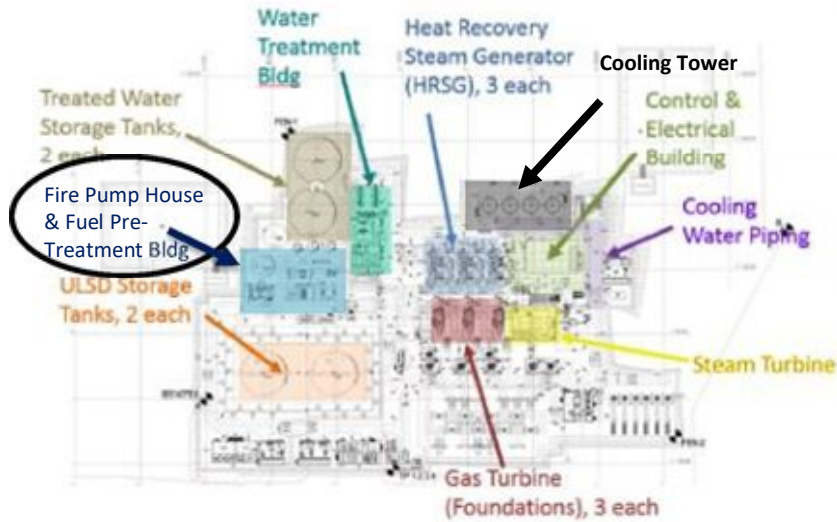
Ukudu Power Plant Construction Status



Water Treatment Building – Concrete pouring for MCC walls complete.



Ukudu Power Plant Construction Status



Fuel Pre-Treatment Bldg– Concrete pour for walls complete



Fire Pump House – Rebar work for columns ongoing.



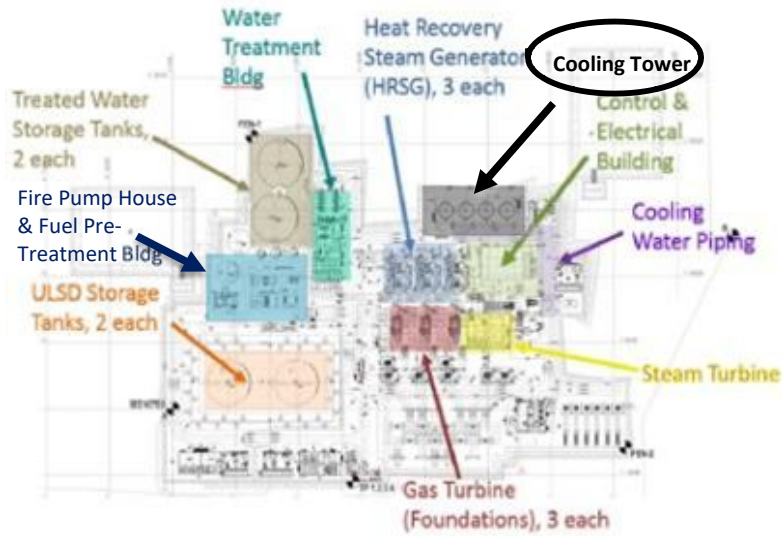
First steel course on fire tank erected



Fire loop installation in progress



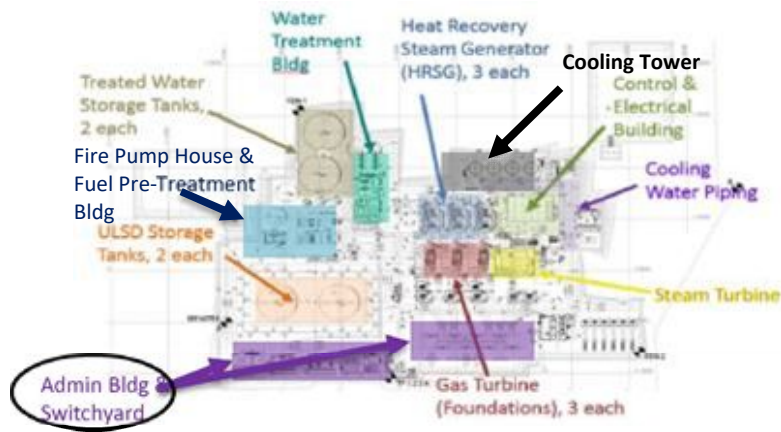
Ukudu Power Plant Construction Status



Cooling Tower & Basin Rebar Work Ongoing



Ukudu Power Plant Construction Status



Admin Building – Foundation Work Ongoing

Switchyard – Foundation work ongoing



Off Shore Progress

Major equipment updates include shipment of Gas Turbine Unit #3, HRSG insulation material, and STG package (turbine, generator). Additional progress is shown below:



Steam Turbine and generator loaded into vessel



STG – condenser manufacturing in progress



Local box - enclosure production completed



Water/Waster Water Treatment System – pressure vessel structure manufacturing in progress



Transportation

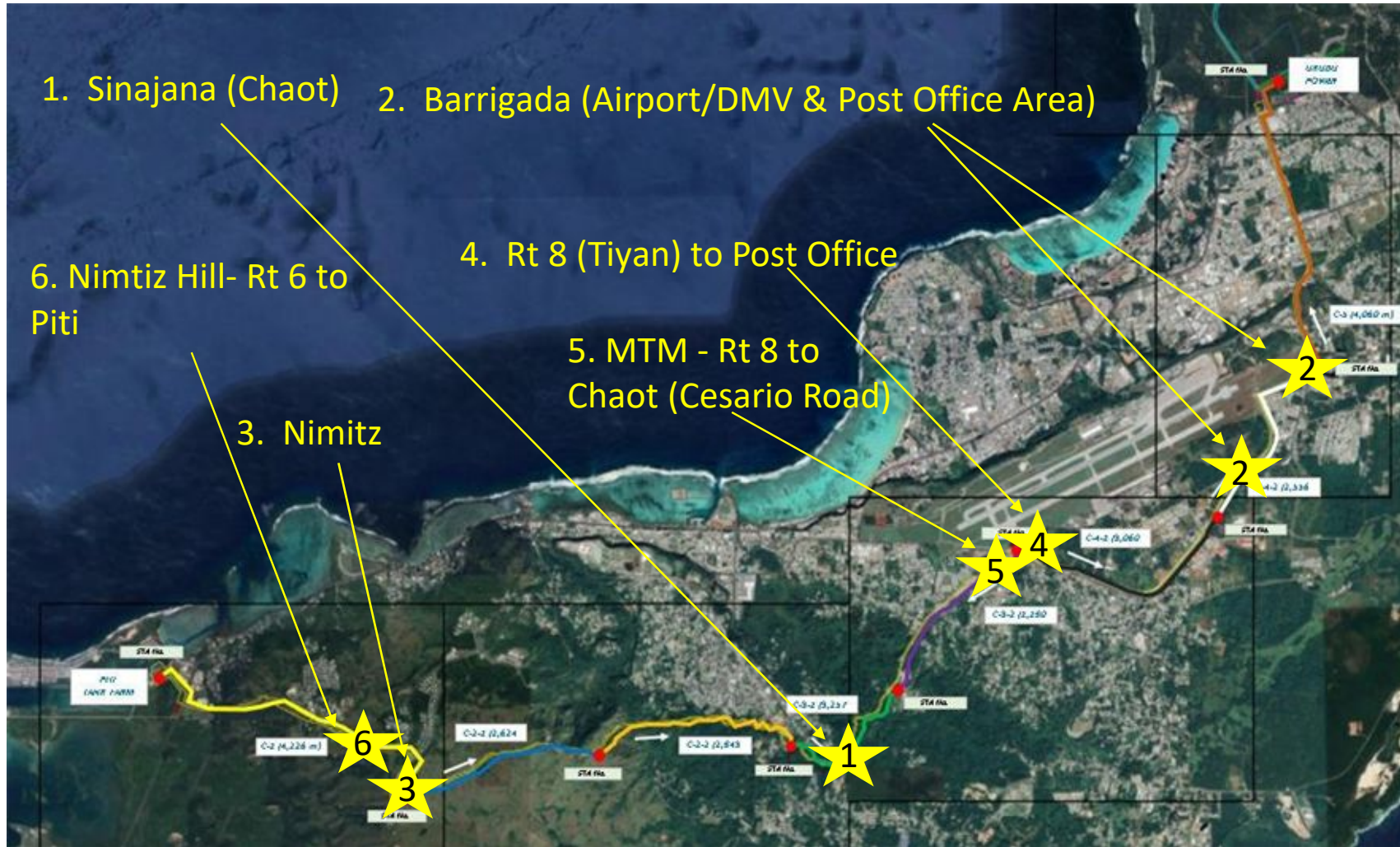
Four shipments of heavy cargo requiring the self-propelled modular transport and DPW permit for the heavy haul are listed below:

No.	Heavy Cargo Description	Status/ETA
1	Heat Recovery Steam Generator (HRSG) Modules (3 units x 4 modules = 12 pieces)	Completed transportation and installation.
	Gas Turbine #1 , GT #1 Generator, Gas Turbine #2, GT #2 Generator	Completed transportation and installation.
	Gas Turbine Generator Transformer for GTG #1 & GTG#2	Completed transportation and installation.
2	Gas Turbine #3, GT #3 Generator	Completed transportation and installation.
3	GTG #3 Generator Transformer, STG Generator Transformer	ETA Mid of Apr
4	Assembled Steam Turbine IP/LP, Hydraulic Power Unit, Condenser	ETA End of April 2023

GUP obtained heavy haul transportation permit from DPW. First transport took place February 4th. Due to traffic concerns, some heavy haul transports have been split into 2 days to get from the port to Ukudu Plant (1st leg – PAG to ITC building ; 2nd leg – ITC building to plant site)



Fuel Pipeline Construction Status



Fuel Pipeline Construction Status

1. Sinajana/Chaot area

Pipe installation, fiber optic cable installation and backfilling ongoing



2. Barrigada

Site restoration and cathodic protection testing ongoing.



Fuel Pipeline Construction Status

3. Nimitz

Final backfilling and valve pit construction ongoing



4. Rt 8 (Tiyán) to Post Office

Pipeline installation and backfilling ongoing.



Fuel Pipeline Construction Status

5. MTM - Rt 8 to Chaot (Cesario St.)

Excavation, pipe installation, and backfilling in progress from Rt 8 to Sgt. Roy T. Damien Street. Excavation preparation in progress from Sgt. Roy T. Damien Street to Chaot area.



6. Nimitz Hill- Rt 6 to Piti

Currently backfilling open trench to proceed with excavation and pipeline installation.



11. Generation KPIs Update MARCH 2023

