

GUAM WATERWORKS AUTHORITY

FY2025 CITIZEN-CENTRIC REPORT

ISSUED JULY 2026

VISION

To be a world class provider of water and wastewater services.

MISSION

We will provide outstanding customer service in delivering excellent water and wastewater services in a safe, reliable, responsible, and cost-effective manner.

ABOUT US

Guam Waterworks Authority (GWA) is a public authority governed by the Consolidated Commission on Utilities (CCU). We are subject to the regulations of the Guam Public Utilities Commission (PUC). GWA provides water to all of the civilian population of Guam. We also provide sewer service to a large percentage of the civilian population, Andersen Air Force Base, and several smaller United States Navy facilities. During FY2025, GWA served more than 43,650 water customers and nearly 31,200 wastewater customers.

More information is available on guamwaterworks.org, guamccu.org, and guampuc.com.

GWA LEADERSHIP

Miguel C. Bordallo, P.E., General Manager
Theresa G. Rojas, General Counsel
Taling M. Taitano, CPA, CGFM, CGMA, Chief Financial Officer
Christopher M. Budasi, AGM For Administration & Support
Paul J. Kemp, M.S., AGM For Compliance & Safety
Thomas A. Cruz, P.E., AGM For Operations
Brett E. Railey, P.E., AGM For Engineering

CONSOLIDATED COMMISSION ON UTILITIES

Francis E. Santos, Chairman
Pedro Roy Martinez, Vice Chairman
Melvin F. Duenas, Secretary
Michael T. Limtiaco, Commissioner
Simon A. Sanchez, Commissioner



WATER SUPPLY

- 120** Production Wells
- 1** Surface Water Treatment Plant
- 1** Active Production Spring
- 1** "Maui" Well

WATER DISTRIBUTION SYSTEM

- 29** Booster Pump Stations
- 30** Reservoirs/Tanks in Service
- 586** Miles of Water Distribution Lines
- 3,814** Fire Hydrants

WASTEWATER TREATMENT SYSTEM

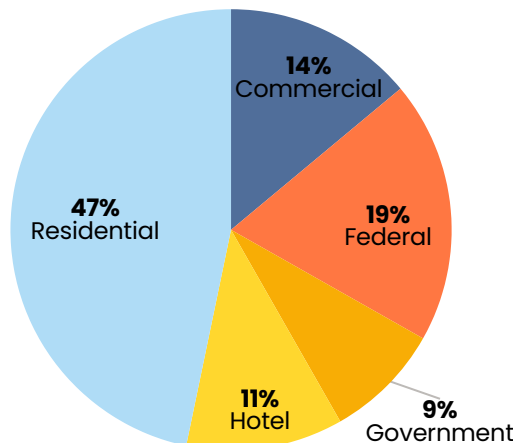
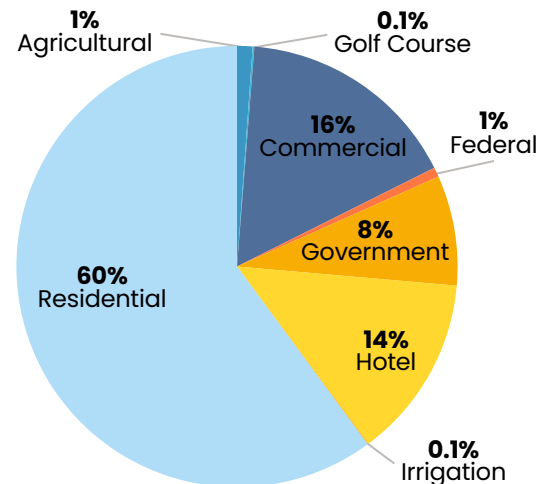
- 5** Wastewater Treatment Plants
- 3** Associated Outfalls
1 Shared with DoD

WASTEWATER COLLECTION SYSTEM

- 287** Miles of Gravity Sewer Network
- 84** Sewer Pump Stations
- 42** Miles of Force Main

FY25 WATER DEMAND (in '000 gallons)

Agricultural	57,761
Golf Course	6,449
Commercial	834,395
Federal	35,624
Government	411,346
Hotel	686,269
Irrigation	3,397
Residential	3,064,638
Total	5,099,879



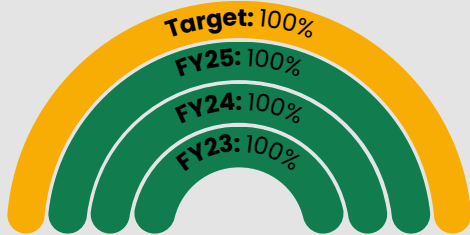
FY25 WASTEWATER FLOWS (in '000 gallons)

Commercial	551,272
Federal	760,742
Government	338,329
Hotel	454,959
Residential	1,847,407
Total	3,952,709

LEVELS OF SERVICE (LOS)

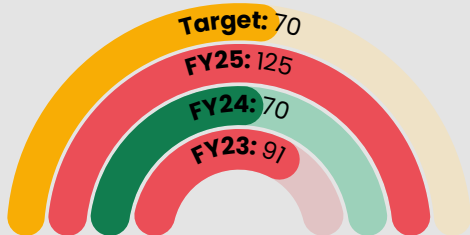
LOS 1: Drinking Water Quality

Compliance with drinking water quality standards



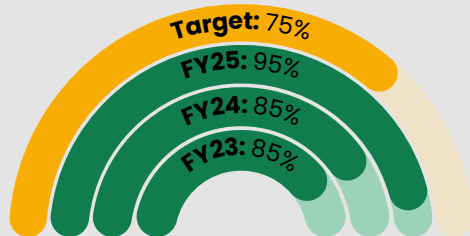
LOS 2: Reliability of Water Supply

Unplanned water service outages each year



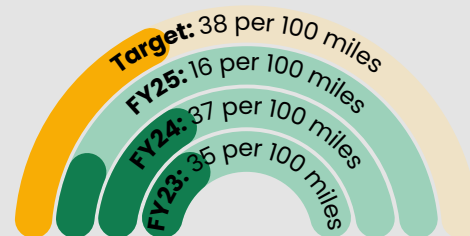
LOS 3: Wastewater Effluent Discharge

Compliance with USEPA requirements for wastewater effluent discharges from treatment plants during non-storm periods



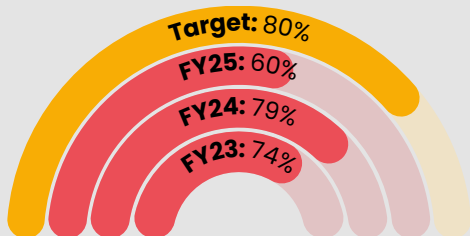
LOS 4: Wastewater System Spills

Number of spills/100 system miles/year from wastewater system



LOS 9: CIP Execution Schedule

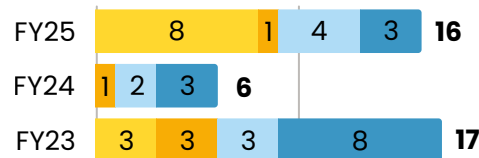
CIP project expenditures encumbered per CIP plan



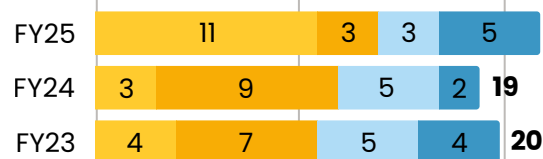
CAPITAL IMPROVEMENT PROJECTS

The Guam Waterworks Authority's FY2025–FY2029 Capital Improvement Program totals \$899 million and focuses on critical upgrades across water and wastewater systems. Key investments include projects required by the Partial Consent Decree, addressing emerging contaminants, reducing water loss through line replacements, and enhancing overall system operations. These improvements are essential to ensure regulatory compliance, system reliability, and long-term sustainability of water and wastewater services for the island. More information is available on guamwaterworks.org/five-year-financial-plan-and-comment.

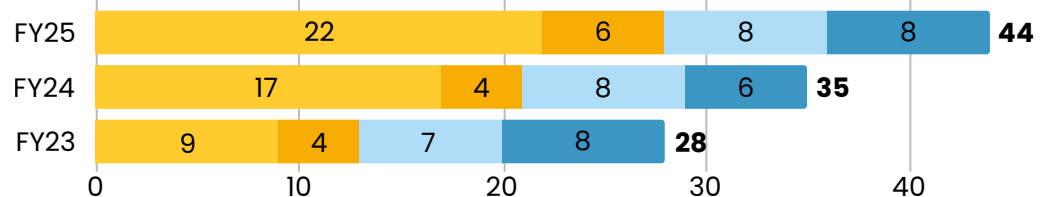
Completed



In Construction/Construction Procurement



In Design/Design Procurement



● Island-Wide ● Southern Villages ● Northern Villages ● Central Villages



The Kaiser tank initially was constructed in 1992 with a holding capacity of 2.5 mg. Early master planning efforts highlighted strong sentiments of the poor condition of the Kaiser tank. Today as a result of the Engineering Department's efforts, the Kaiser tank is rehabilitated and improved maintaining the total available storage capacity of the Kaiser-Harmon Industrial pressure zone. The project avoided costly replacement of the tank, built resilience in the water system, and will help to maintain water service for years to come.

What would you like to see reported on this page?
Please let us know by contacting (671) 300-6851 or ccr@guamwaterworks.org.

FINANCES

FY25

FY24

%
Change

FY23

Operating Revenues (excluding SDC)

Water Revenues

Agricultural	\$ 512,638	\$ 501,463	2%	\$ 368,471
Golf Course	147,252	18,620	691%	116,491
Commercial	19,380,075	17,467,530	11%	14,461,167
Federal	754,739	33,854	2129%	25,097
Government	9,165,542	9,053,937	1%	7,514,091
Hotel	14,588,487	12,143,153	20%	9,046,164
Irrigation	41,032	38,727	6%	34,965
Residential	46,833,178	42,668,267	10%	37,209,436
Total Water Revenues	\$ 91,422,943	\$ 81,925,551	12%	\$68,775,882

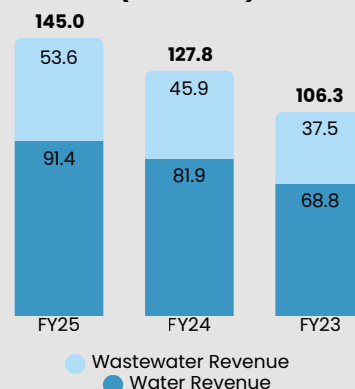
Wastewater Revenues

Commercial	\$ 10,314,493	\$ 9,280,158	11%	\$ 8,538,306
Federal	12,613,431	9,093,663	39%	7,094,928
Government	5,426,399	5,583,721	-3%	4,356,099
Hotel	12,813,667	10,835,621	18%	8,100,157
Residential	12,394,493	11,077,096	12%	9,389,071
Total Wastewater Revenues	\$53,562,483	\$45,870,259	17%	\$ 37,478,561

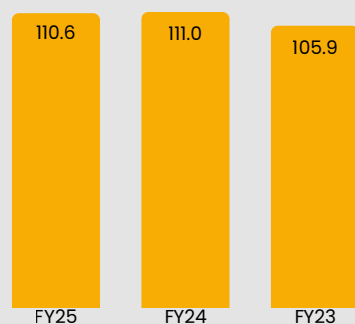
Operating Expenses

Power purchases	\$ 19,917,470	\$ 21,892,448	-9%	\$ 24,397,961
Water purchases	7,421,447	8,662,002	-14%	7,038,954
Sludge (waste) disposal fees	1,336,335	1,099,837	22%	676,362
Depreciation	29,427,589	30,172,311	-2%	30,911,997
Salaries, wages and benefits	28,914,078	27,106,931	7%	24,470,756
Administrative and general	10,754,027	8,213,661	31%	8,346,930
Contractual	5,989,602	5,237,504	14%	5,421,883
Retiree benefits	6,830,313	8,661,999	-21%	4,621,864
Total Operating Expenses	\$110,590,861	\$111,046,693	0%	\$105,886,707

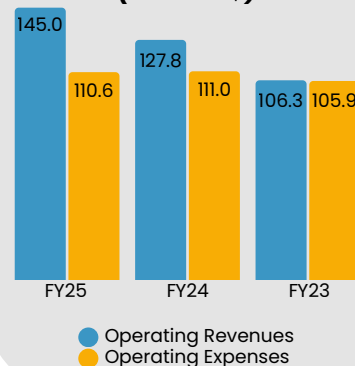
OPERATING REVENUES (excluding SDC) (Millions \$)



OPERATING EXPENSES (Millions \$)



OPERATING REVENUES VS OPERATING EXPENSES (Millions \$)



An independent audit conducted by Ernst & Young LLP has yielded a favorable outcome for FY2025, resulting in a clean audit opinion on GWA's financial statements for the thirteenth consecutive year. GWA also received a clean compliance audit opinion for two major federal programs and a qualified opinion for one major federal program with total questioned costs of \$637,158. Additionally, GWA qualified as a low-risk auditee. The audited financial statements for GWA were officially issued on June 3, 2026.

GWA ended the year in a stronger financial position than the year before, with overall net worth growing by \$20.1 million to \$358.2 million. The Authority brought in \$135.8 million in operating revenues during the year — reflecting a rate adjustment approved by the Public Utilities Commission effective October 2024 — and received \$16.2 million in federal grants to support infrastructure projects. GWA also issued \$266.5 million in revenue bonds at a premium, generating proceeds to fund \$250.0 million in critical water and wastewater system upgrades, \$19.8 million for the required bond reserve fund and \$3.1 million for issuance costs.

For a comprehensive overview of our financial details, please visit our website at guamwaterworks.org/financial-reports.



CHALLENGES & OUTLOOK

GWA is working to improve and maintain safe, reliable water and wastewater services while meeting court and regulatory requirements and long-term financial obligations. Several key factors are expected to affect GWA's future financial position and results of operations:

- **Court-Ordered Compliance Requirements:** GWA must upgrade water and wastewater infrastructure under a federal court order through FY2027. These improvements aim to provide safer, more reliable services but require significant funding. Only one reservoir-related project remains outstanding, with completion expected in December 2026.
- **Partial Consent Decree:** The 10-year program (through 2034) is underway to reduce and prevent sewer overflows and improve the wastewater system. These projects make up about 30% of planned infrastructure spending through FY2029. As of the date of issuance of the FY2025 financial statements, GWA is on track to meet all deadlines due under the Partial Consent Decree.
- **Dieldrin Response:** New guidance from the Guam Environmental Protection Agency established acceptable limits for dieldrin in drinking water. As a result, two wells were shut down and one well remained operational, but customers served by it received precautionary public notices. Temporary granular activated carbon (GAC) filtration systems were installed to maintain safe drinking water quality. Permanent GAC treatment systems are planned for completion in 2026, though these upgrades are expected to increase operational and capital costs.
- **Rate Increases:** Rate increases for FY2026 remain subject to annual true-up proceedings before the Public Utilities Commission. The outcome of future true-ups will affect revenue and may influence GWA's ability to meet debt service coverage and capital funding targets.
- **Construction Market Conditions and Funding Availability:** Global supply issues resulting from the ongoing U.S.-Israel military conflict with Iran, rising construction costs due to inflation, labor shortages, and the military buildup affecting the availability of construction contractors may delay capital projects and increase expenses. The timing and availability of federal funding may also affect capital project execution and financing needs.
- **Salary Market Adjustment:** Salary adjustments continue to be implemented in phases to recruit and retain skilled workers, which supports long-term operational stability but increases operating costs.
- **Legal Matters:** Ongoing legal proceedings may result in additional costs and could affect capital project execution and financing activities if the outcomes are unfavorable.

WE WANT TO HEAR FROM YOU!

Do you like this report? Do you believe it should include different or additional information? Please let us know by contacting (671) 300-6851 or ccr@guamwaterworks.org.

CONTACT INFORMATION

Customer Service: (671) 647-7800/3 or customers@guamwaterworks.org

Pay by Phone: (671) 647-4729

Water Outages/Leaks (24/7): (671) 646-4211

Pay Online: PayGWA.com

GWA Customer Service Online Portal: gwa.custhelp.com



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