

DEPARTMENT OF PUBLIC WORKS

DEPARTMENT OF PUBLIC WORKS VILLAGE STREETS MASTER PLAN

PERFORMANCE AUDIT
FY 2018 through FY 2025

OPA Report No. 26-02
February 2026





Department of Public Works Village Streets Master Plan

**Performance Audit
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Executive Summary
Department of Public Works' Village Streets Master Plan
OPA Report No. 26-02, February 2026

Our audit of the Department of Public Works' (DPW) Village Streets Master Plan (VSMP) found it has not been fully implemented and needs to be updated. Specifically, we found:

- a. Government Officials Not Aware of VSMP
- b. Road Priority Listing in the VSMP Needs to be Updated
- c. VSMP Does Not Cover Road Construction
- d. DPW and Village Mayors Lack a Unified Road Maintenance Process
- e. VSMP Lacks a Clear, Capable Funding Source

The 2009 Village Streets Master Plan (VSMP), approved by DPW in 2010, was intended to serve as its strategic roadmap to prioritize maintenance and repairs on village streets and ensure that taxpayer funds are used effectively to keep roads safe and accessible. However, we found that the VSMP has not been fully implemented for village street maintenance and has remained largely unchanged since it was developed in 2009. Although DPW continues to perform roadwork island-wide, the VSMP is not embedded in current planning, prioritization, or funding decisions. As a result, road maintenance activities are not consistently aligned with the plan's documented priorities. While some villages have addressed severely deteriorated streets, the absence of a consistent, preventive-maintenance approach has allowed minor defects to escalate into major failures. Small potholes, when left unaddressed, expand and eventually require full recutting and repaving, resulting in significantly higher repair costs. Without an updated and actively used VSMP with a designated funding source, DPW and the mayors lack a shared framework for prioritizing work, evaluating road conditions, and coordinating improvements across villages.

Government Officials Not Aware of VSMP

During our entrance conference, the DPW Director expressed uncertainty about the existence of the 2009 VSMP and stated that DPW carries out its road projects in conjunction with the mayors. However, interviews with four village mayors further demonstrated the lack of awareness and use of the VSMP. Three of the four mayors had never seen the 2009 plan and learned of it only when asked during our fieldwork. Our discussions with the Mayor's Council of Guam (MCOG) confirmed that no formal mechanism exists to regularly engage mayors in reviewing or updating road-priority needs. Instead, DPW periodically requests road lists from individual villages, without a standardized or collaborative framework. With the VSMP intending to serve as the plan to prioritize village street improvements, leadership's lack of awareness indicates the VSMP is not utilized or considered in current agency planning.

Given the constant cycle of new leadership in the MCOG and the lack of an institutionalized process to orient the plan to incoming mayors, awareness of the VSMP has diminished over time. Without formal integration into agency operations, the VSMP remains fairly unknown and unused by key stakeholders more than fifteen years after its publication.

Road Priority Listing in the VSMP Needs to be Updated

Since the village mayors weren't familiar with the VSMP, OPA showed copies of their respective village priority list to the President of the MCOG and provided copies to mayors interviewed for the audit. Upon their review, they noted that many of the listed priorities for their respective villages were outdated and described the current VSMP as obsolete in practice.

When the plan was first published, it stated that many of the existing roadways had deteriorated beyond general maintenance issues. We noted that 1,782 of 3,024 village roads (roughly 59 percent) listed in the plan were not assigned a priority grade, and the remaining grades likely no longer reflect current road conditions more than fifteen years later.

Mayors also noted inconsistencies in how the plan was applied, noting that work had been completed on some lower-priority or ungraded roads while higher-priority areas remained unattended. This is contrary to the VSMP, as it was intended to be a methodology to prioritize certain projects to make the best use of available funding.

Additionally, while DPW reported that no new roads have been constructed, mayors explained that land development and housing growth have resulted in roads being renamed and extended. In some cases, previously unpaved dirt or cascajo (gravel) roads were later paved. These changes may have altered the road network over time, but are not reflected in the VSMP listings or DPW records. Because the VSMP has not been updated to reflect these modifications, its road inventory and priority listing no longer accurately represent current village conditions or needs.

VSMP Does Not Cover Road Construction

The VSMP primarily serves as a maintenance and improvement plan designed to prioritize repairs on existing village streets when fundings is available. It lacks clear provisions for planning or constructing new infrastructure in areas without established roads. As such, the VSMP focuses on preserving existing infrastructure. The closest relevant category within the plan was "paving", which groups various work types, such as signing, drainage, and other appurtenances associated with a paving project for an unpaved road. Roads that were designated with this work type are assumed to have no infrastructure. However, the plan does not distinguish whether this category constitutes construction. The unclear distinction between what constitutes "maintenance" versus "construction" may complicate project planning and prioritization.

DPW and Village Mayors Lack a Unified Road Maintenance Process

While 5 GCA Chapter 40 outlines the mayor's responsibilities, including performing general minor repair and maintenance work, the practical application of these duties often extends beyond what the law prescribes. In practice, many mayors have assumed responsibility for tasks that should fall under DPW's purview (such as pothole patching, grass cutting, and installation of speed humps and signage), sometimes using village operational funds to address immediate needs. Typically, mayors initiate contact with DPW to request assistance for repairs, particularly on secondary and tertiary roads. Due to limited assistance from DPW, mayors sometimes need to allocate their operational funds to address road maintenance needs. The manner in which DPW responds to these requests is inconsistent and lacks a coordinated, standardized process with village leadership, contributing to road maintenance that is largely reactive rather than preventive.

VSMP Lacks a Clear, Capable Funding Source

While DPW has access to multiple funds for road-related projects, the VSMP itself lacks a dedicated and reliable funding source. Funding decisions for VSMP projects appear to rest largely at the agency's discretion. Originally, the VSMP was intended to help GovGuam to secure public grants, loans, and/or bonds to fund village street improvements. However, according to DPW, they have not received any. Per VSMP, \$2 million of Guam Liquid Fuel Tax revenue was to be allocated for village street improvements per year and distributed proportionately based on village needs. This amount falls far short of the estimated \$746 million total cost of projects identified in the 2009 VSMP, meaning it would take over 373 years to fund the plan fully at that rate. This disparity demonstrates that the funding level has not been sufficient to implement the plan as designed.

Between FY 2019 and FY 2025, about \$43.2 million was spent from the General Fund, GHF, and ARPA funds on highway and village street projects. Of this, an estimated \$7.7 million (about 18%) supported village street-related expenses, a little over \$1 million on average annually. This spending pattern highlights a stronger capability and prioritization toward highway and federally funded road projects compared to village street projects. Based on DPW's own assessment, consistent implementation of road maintenance activities for village streets would require an estimated \$9 to 10 million a year in funding.

Conclusion and Recommendations

Several factors have contributed to the VSMP's limited use and effectiveness. As the approved planning framework for prioritizing village street improvements, the VSMP was intended to guide DPW's scheduling, coordination, and resource allocation. However, many government officials, including DPW leadership and village mayors, were unaware of the plan or believed it had been superseded by other transportation documents, which our review determined none have formally replaced or updated the VSMP as the roadmap for village streets. The road priority list within the VSMP is significantly outdated, with many streets renamed, newly opened, or ungraded, and with no mechanism to revise priorities as village needs evolve. Without periodic updates, the plan's inventory and ranking system no longer reflect current conditions, limiting its usefulness as a decision-making tool.

Additionally, DPW and village mayors also lack a unified road maintenance process. With no clearly defined SOP existing to govern how DPW and mayors coordinate road work, the process results in inconsistent service levels and inefficient use of limited resources. The plan also does not include guidance for road construction, leaving residents in certain areas, particularly those experiencing growth or lacking basic paved access, without a pathway toward essential infrastructure. Compounding these issues is the absence of a dedicated funding source directly tied to the VSMP. While DPW uses a mix of the General Fund, Guam Highway Fund, and various special appropriations to support road-related work, these funding streams are not structured around the VSMP and do not ensure long-term support for planned village-street improvements.

Without an updated and actively implemented plan, supported by both clear operational procedures and a designated funding source, DPW and the mayors lack a shared framework for prioritizing work, evaluating road conditions, and coordinating improvements across villages. Therefore, we made the following recommendations:

1. DPW update the VSMP into a current, actionable, and collaborative maintenance plan and adopt it as the agency's primary scheduling tool for village-street work.
2. DPW and the Guam Legislature to establish a consistent, dedicated funding source strictly to the VSMP to allow DPW to plan and implement improvements effectively.

We acknowledge that DPW has indicated efforts are underway to address these matters, with the goal of improving village streets throughout the island of Guam.



Benjamin J.F. Cruz
Public Auditor

Introduction

This report presents the results of our performance audit conducted on the Department of Public Works' (DPW) Village Street Master Plan (VSMP). This audit was ranked 2nd in terms of priority in the Office of Public Accountability's (OPA) Annual Work Plan for 2025 and serves as a follow-up to the performance audit issued by OPA in December 2017 (OPA Report No. 17-09, Department of Public Works (DPW) Village Streets Management Strategy).

The objectives, scope, and methodology for this audit are detailed in Appendix 1.

Background

DPW was established under Public Law (P.L.) 1-88 in 1952 under § 5104. DPW's mission is to provide, to the people of Guam, a safe, smooth, and high-quality roadway system, an efficient, reliable, and safe school bus transportation system. The administration is responsible for constructing and maintaining all government buildings and capital projects, all within an efficient and cost-effective manner.

P.L. 1-88 enacted in 1952, established DPW with the responsibility of providing the following services:

1. Public Safety - administered through the enforcement of building codes, flood control measures and public education on highway safety.
2. Transportation - services are provided for the safe and efficient transportation of school children and the public as needed and during times of calamities and emergencies.
3. Highway Maintenance - services are provided to ensure a safe, efficient, and modern Highway System that is responsive to the needs of the people.
4. Government-Wide Support - administered to enhance program effectiveness and efficiency by formulating policies, allocating resources, and administering budgetary and financial information related to operations and personnel and to provide maintenance services, repairs, construction services and custodial work to upkeep public buildings and other government facilities.
5. Capital Improvement Projects - to provide professional and technical services for the government's infrastructure projects.

These divisions assist in providing service to ensure the department's mission to fulfilled to the people of Guam.

Division of Highways

The Division of Highways (the Division) is the branch of DPW that is responsible for managing the Guam Highway Fund and overseeing the island-wide Village Streets Restoration and Pothole Repairs Programs. This includes planning, design, and construction of all highway improvement projects and maintenance rehabilitation of the island's existing roadway network. Its main role is to provide a safe, efficient, and sustainable transportation system that supports economic diversification, resource conservation, and an exceptional quality of life.

To fulfill this vision, the Division focuses on the following:

- Identification of short and long-range transportation needs and improvement strategies
- Address the impacts of the proposed military build-up
- Establishment of sustainable financing and project implementation recommendations
- Identification of policy and institutional improvements to promote better decision making

In addition, the Division manages territorial highway maintenance, repair, and restoration of highway systems involving primary, secondary and collector roads; village streets; steel and concrete bridges; drainage systems; ponding basins; shoulder maintenance; It administers highway encroachment permits, conducts inspection and quality-control reviews, oversees maintenance contracts for drywells, insecticide treatment of guardrails and shoulders, performs in-house design of minor road construction, and participation in emergency response activities required by the Civil Defense Director.

As of April 2025, Guam has 1,019 miles of public road. Of the 1,019 miles, 160 miles are routed roads, 688 miles are village streets, and 171 miles are within the Department of Defense. Primary roads and village streets have different purposes:

1. Primary roads serve as the main highway on Guam. These roads are also known as routed roads and are usually associated with number identification, e.g., Route 1.
2. Village streets serve to connect residential areas to Guam's highway.
 - a. Secondary roads: roads that lead off from the primary roads, e.g., Ysengsong Road.
 - b. Tertiary roads: roads that lead off from secondary roads, e.g., street roads.

Village Streets Master Plan

The 2030 Guam Transportation Plan (GTP) is a long-term strategy to improve transportation infrastructure and operations throughout Guam. The VSMP focuses on arterials, collectors, and local roads, mostly excluding the federal-aid routed road projects identified in the GTP. GTP noted necessary improvements to village streets to be in line with DPW's vision of providing a safe, efficient, and sustainable transportation system for residents, visitors, and military personnel who supports economic diversification, resource conservation, and an exceptional quality of life.

The publication of the VSMP expanded on the needed village streets improvements noted in the GTP. The VSMP is a planning-level document developed to assess and prioritize island-wide village street infrastructure needs, including roads, drainage, lighting, guardrails, signage, bus stops, safety features, and related structures. Funded by the Federal Highway Administration (FHWA), the VSMP was intended to assist the Government of Guam (GovGuam) in establishing a baseline inventory of village street conditions and identifying needed improvements to roadways connecting to the federally funded routed road network.

The VSMP was approved by DPW on May 12, 2010, and a public hearing was held on May 25, 2010 as part of GovGuam's master plan adoption process. The plan anticipated that GovGuam would use it to support the pursuit of public grants, loans, or bond financing for village street improvements. The VSMP was one of three major transportation planning initiatives developed by DPW in 2009, alongside the Territorial Transportation Improvement Plan and the Haul Road Network Plan, and was intended to provide a structured and strategic framework for improving Guam's transportation infrastructure.

The VSMP inventoried deficiencies in village streets such as potholes, unpaved roadways, and pavement failures among others. The processes to identify these deficiencies included collaboration with the mayors, holding public meetings, and surveying approximately 400 locations. For example, the mayors assisted in identifying needed village street repairs, based on issues including: 1) safety, 2) pavement repair, 3) drainage, 4) street lights, 5) signage, 6) road extensions, and 7) road openings.

Overall, village streets deficiencies are categorized into 11 Work Types describing improvements: 1) traffic safety, 2) bus stops, 3) paving, 4) pavement repair, 5) street extension/widening, 6) lighting, 7) signage, 8) drainage, 9) utilities, 10) guardrails, and 11) structures and other.

The VSMP prioritized village streets needing improvement based on evaluation criteria. Village streets with the highest total score are the highest priority projects and will be completed first when funding becomes available. The VSMP estimated a cost of \$746 million (M) to complete work on the village streets.

Funding the prioritized village streets projects would come from Guam Liquid Fuel Tax revenue, federal government grants, and government-sponsored loans and bonds.

Guam Transportation Improvement Program

An update to the Guam Transportation Plan (GTP), the Guam Transportation Improvement Program (GTIP), was approved in March 2020 to provide a near-term financially feasible, and fiscally constrained plan, which is an adjunct to the 2030 GTP. The GTIP outlined the highway projects that the DPW prioritizes for the expenditure of federal funds for the related fiscal period. The plan initially covered federal fiscal years (FY) 2020–2023, was amended in December 2020, and was later updated and approved in August 2024 to cover FY 2024–2027.

Mayors Village Streets Responsibilities

Under 5 GCA Chapter 40, § 40113, mayors have exclusive responsibility for performing general minor repair and maintenance work not to exceed \$5,000, which may include cleaning, painting, plumbing, trash collection, landscape maintenance, upkeep of drainage facilities, planting trees, plants, and flowers, maintenance of street light signs, and replacement of streetlights.

Village Streets Fund

The Village Streets Fund (VSF) is defined in 5 GCA Chapter 1, § 1504. The VSF is used for the purposes of payment to vendors for village road planning, design, construction, reconstruction, improvement, repair and maintenance services, supplies and equipment to be used for road repair and maintenance, the acquisition of rights of way, or to service debt payments of revenue bonds which may be issued to fund the construction, repair and maintenance of secondary and tertiary roads. DPW relies on multiple funding sources to support VSF in the planning, construction, and maintenance of Guam’s road infrastructure. Special Revenue Funds are typically created in Guam law or Executive Order and carry defined statutory purposes and limitations to help ensure expenditures align with legislative intent.

General Fund

The General Fund is the fund into which all government revenues, not otherwise restricted by statute, are deposited and from which appropriations are made. The three primary sources of General Fund revenues are Income Taxes, Business Privilege Taxes, also known as gross receipt tax (GRT), and Federal Sources, some of which may be applicable for use by DPW for Village Streets in their budget.

Guam Highway Fund

The Guam Highway Fund (GHF) funds the maintenance and construction of existing highways, including roads and village streets. Title 5 of the Guam Code Annotated (GCA) Chapter 54 defines the funding source for GHF. Specifically, monies received from Liquid Fuel Tax, annual vehicle license and registration fees, and revenue made available from the Federal Government for public highway purposes and highway safety-related plans, programs, and projects shall be deposited to GHF. Funding of GHF is separate from other funds of the Government of Guam (GovGuam), and independent records shall be kept.

No part or portion of the monies in the GHF or from whatever source derived shall be used for the maintenance or operation of a public transit system.

Results of Audit

Based on our review of the laws, rules and regulations, OPA Report No. 17-09, the VSMP, meetings with selected village mayors, and relevant documents with respect to DPW, we found that the VSMP released in 2009 lacks full implementation and needs to be updated. Specifically, we found:

Village Streets Master Plan (VSMP) Lacks Full Implementation:

- a. Government Officials Not Aware of VSMP
- b. Road Priority Listing in the VSMP Needs to be Updated
- c. VSMP Does Not Cover Road Construction
- d. DPW and Village Mayors Lack a Unified Road Maintenance Process
- e. VSMP Lacks a Clear, Capable Funding Source

VSMP Lacks Full Implementation

The 2009 Village Streets Master Plan (VSMP), approved by DPW in 2010, was intended to serve as its strategic roadmap to prioritize maintenance and repairs on village streets and ensure that taxpayer funds are used effectively to keep roads safe and accessible. The plan established a baseline inventory of village roads and was designed to guide prioritization, funding decisions, and long-term improvements to ensure safe and accessible roadways. The VSMP would serve as the framework for village street planning and prioritization. However, we found that the VSMP has not been fully implemented for village street maintenance and has remained largely unchanged since it was developed in 2009.

Although DPW continues to perform roadwork island-wide, the VSMP is not embedded in current planning, prioritization, or funding decisions. As a result, road maintenance activities are not consistently aligned with the plan's documented priorities. While some villages have addressed severely deteriorated streets, the absence of a consistent, preventive-maintenance approach has allowed minor defects to escalate into major failures. Small potholes, when left unaddressed, expand and eventually require full recutting and repaving, resulting in significantly higher repair costs.

In DPW's responses to OPA Report 23-01 (Status of Audit Recommendations), addressing recommendations from OPA Report 17-09 (DPW Village Street Management Strategy), DPW indicated that the 2020 Guam Transportation Improvement Program (GTIP) served as an adjunct to both the 2030 Guam Transportation Plan (GTP) and the VSMP. However, our review determined that the GTIP is primarily an adjunct to the 2030 Guam Transportation Plan and prioritizes on federally-funded highway road projects. While certain projects in the VSMP may overlap with projects in the GTP, the GTIP does not replace, revise, or provide an update to the VSMP as a planning document for village streets.

The five major issues contribute to the VSMP's need for revision and implementation are as follows:

1. Key government officials were not aware nor familiar with the VSMP, indicating that the plan is not embedded in current operations or decision-making;

2. Road priority listing within the plan is significantly outdated;
3. The VSMP itself does not include guidance on road construction, which may limit its scope and usefulness; and
4. DPW and village mayors lack a unified road maintenance process where mayors may have an active role in addressing road needs.
5. VSMP does not have a defined or dedicated funding source to implement the plan.

While DPW draws from multiple funds such as the General Fund, the Guam Highway Fund, and American Rescue Plan Act (ARPA) funds to support road projects, none of these are specifically linked to the VSMP. Without a consistent and identifiable funding mechanism, the plan cannot serve as a reliable guide for planning or responsibly allocating resources. Some of these concerns remain consistent with findings from OPA's 2017 performance audit.

Despite the limitations in implementing the VSMP, DPW has undertaken efforts in recent years to address village street needs. In the past 18 years, DPW has completed 142 road-related projects, 60 of which were federally-funded and 82 using local funds. Following OPA Report No. 17-09 issued in 2017, DPW has implemented a Village Streets Road Evaluation Form and establish performance measures, and road evaluation procedures. They also began providing updates to the Legislature, and developed the Village Streets Paving and Maintenance Program, which has received funding of about \$2 million every fiscal year and received special appropriations of up to \$10 million in the prior years.

However, DPW's operational capacity has declined substantially. Its workforce decreased from an estimated 1,100 employees in the late 1990s to about 260 employees today, including around 80 bus drivers. As a result, DPW lacks sufficient staff and equipment to fully address road-maintenance needs, and its role in roadwork is primarily preparatory. While DPW can perform pre-repair preparation work, all repaving work is fully outsourced to Hawaiian Rock. These operational constraints further limit DPW's ability to systematically implement the VSMP as originally intended.

Given these conditions, we recommend that DPW update the VSMP into a current, actionable, collaborative maintenance plan and adopt it as the agency's primary scheduling tool for village-street work to keep roads safe and the public protected. The updated plan should identify short-term tasks, emphasize preventive maintenance to avoid larger failures, and align work with the funding, crews, and equipment available.

Government Officials Not Aware of VSMP

During our entrance conference, the DPW Director expressed uncertainty about the existence of the 2009 VSMP and stated that DPW carries out its road projects in conjunction with the mayors. However, interviews with four village mayors further demonstrated the lack of awareness and use of the VSMP. Three of the four mayors had never seen the 2009 plan and became aware of it only when asked during our audit fieldwork. None described any formal, ongoing process with DPW or the Mayor's Council of Guam (MCOG) to establish or revisit village-street priorities based on the VSMP. Instead, communication occurs through informal channels, generally driven by the mayor's requests, email exchanges, or one-on-one follow-ups. With the VSMP intending to serve

as the plan to prioritize village street improvements, leadership's lack of awareness indicates the VSMP is not utilized or considered in current agency planning.

Our discussions with the MCOG in October 2025 confirmed that no formal mechanism exists to regularly engage mayors in the review or update of road-priority needs under the VSMP. Instead, DPW periodically requests road lists from individual villages, but there is no standardized communication process in updating the lists within the plan. Given the constant cycle of new leadership in the MCOG and the lack of an institutionalized process to orient the plan to incoming mayors, awareness of the VSMP has diminished over time. Without formal integration into agency operations, the VSMP remains fairly unknown and unused by key stakeholders more than fifteen years after its publication.

As a result, DPW and village mayors do not share a common, updated basis for prioritizing village-street projects. This has contributed to inconsistent prioritization and a largely complaint-driven workflow, rather than initial roadmap set by the VSMP.

Overall, the VSMP has not been fully implemented or maintained because DPW has not established clear processes for updating, communicating, and using the plan as the foundation for its village-street maintenance program. Without formal integration into agency operations, the VSMP remains fairly unknown and unused by key stakeholders more than fifteen years after its publication.

Road Priority Listing in the VSMP Needs to be Updated

Since the village mayors weren't familiar with the VSMP, OPA showed copies of their respective village priority list to the President of the MCOG and provided copies to mayors interviewed for the audit. Upon their review, they noted that many of the listed priorities for their respective villages were outdated and described the current VSMP as obsolete in practice. One mayor maintains his own internal priority list because several streets have been renamed or opened since 2009. Another mayor reported having submitted an updated list to DPW and identified areas that still require paving, particularly in locations experiencing growth or persistent flooding. A third mayor explained that, while some roads identified in the VSMP priority list had been addressed, others remain incomplete.

When the plan was first published, it stated that many of the existing roadways had deteriorated beyond general maintenance issues. We noted that 1,782 of 3,024 village roads (roughly 59 percent) listed in the plan were not assigned a priority grade, and the remaining grades likely no longer reflect current road conditions more than fifteen years later.

Mayors also noted inconsistencies in how the plan was applied, noting that work had been completed on some lower-priority or ungraded roads while higher-priority areas remained unattended. This is contrary to the VSMP, as it was intended to be a methodology to prioritize certain projects to make the best use of available funding.

Additionally, while DPW reported that no new roads have been constructed, mayors explained that land development and housing growth have resulted in roads being renamed and extended. In some cases, previously unpaved dirt or cascajo (gravel) roads were later paved. These changes

may have altered the road network over time, but are not reflected in the VSMP listings or DPW records. Because the VSMP has not been updated to reflect these modifications, its road inventory and priority listing no longer accurately represent current village conditions or needs.

The absence of a current and validated priority listing limits the VSMP's effectiveness as a planning and resource-allocation tool. DPW should update the VSMP priority listing in coordination with village mayors and other relevant stakeholders to validate current road conditions, identify priority needs, and develop realistic cost estimates and implementation timelines. Regular coordination, such as quarterly or semiannual check-ins or reports, should be institutionalized to ensure the plan remains accurate and relevant.

VSMP Does Not Cover Road Construction

The VSMP primarily serves as a maintenance and improvement plan designed to focus on the highest priority projects on existing village streets when funding is available. It lacks clear provisions for planning or constructing new infrastructure in areas without established roads. As such, the VSMP focuses on preserving existing infrastructure.

The closest related category within the VSMP is "paving", which groups various work types, such as signing, drainage, and other appurtenances associated with a paving project for an unpaved road. Roads that were designated with this work type are assumed to have no infrastructure. However, the plan does not distinguish whether this category constitutes construction.

Although DPW reported that no new roads have been constructed in the past seven years, discussions with Government of Guam officials raised concerns about how the distinction between road maintenance and road construction affects the planning and funding of Guam's road infrastructure. Questions arose on whether current funding mechanisms and planning tools, such as the VSMP, adequately address the new road construction or are limited to the repair and maintenance of existing roads.

During fieldwork, we were informed of cases where residents, including youth, must navigate unpaved dirt or gravel paths to access schools or public transit. In another case, deteriorated road conditions prevented fire personnel from driving to an emergency, forcing them to walk in and increasing the risk during patient transport. This may signal infrastructure gaps that fall outside the scope of road maintenance programs, and may limit access of essential services.

While maintaining existing roads is essential, leaving some residential areas without any improvement raises concerns about accessibility and safety. Furthermore, the unclear distinction between what constitutes "maintenance" versus "construction" may complicate project planning and prioritization.

In updating the VSMP, DPW may clarify how these road infrastructure gaps are identified and addressed. Establishing clearer parameters between maintenance, reconstruction, and infrastructure development would improve planning transparency to help ensure that all communities have safe and reliable access to essential services, even if new road construction is not currently undertaken.

DPW and Village Mayors Lack a Unified Road Maintenance Process

While 5 GCA Chapter 40 outlines the mayor's responsibilities, including performing general minor repair and maintenance work, the practical application of these duties often extends beyond what the law prescribes. In practice, many mayors have assumed responsibility for tasks that should fall under DPW's purview (such as pothole patching, grass cutting, and installation of speed humps and signage), sometimes using village operational funds to address immediate needs.

Typically, mayors initiate contact with DPW to request assistance for repairs, particularly on secondary and tertiary roads. Due to limited assistance from DPW, mayors sometimes need to allocate their operational funds to address road maintenance needs. The manner in which DPW responds to these requests is inconsistent and lacks a coordinated, standardized process with village leadership, contributing to road maintenance that is largely reactive rather than preventive.

Mayors also play an active role in addressing road maintenance issues within their villages. This often includes identifying and reporting road conditions, such as potholes, directly to DPW through email or direct communication. When a resident reports a pothole or a blocked village road, the outcome depends on whether the mayor can obtain the materials quickly and whether there is a clear way to request, schedule, and confirm the work. When DPW does not provide asphalt or other materials, mayors may use their office budgets to purchase supplies to carry out basic repairs themselves.

Mayors reported that they frequently perform minor road repairs themselves and often must purchase or source materials when DPW support is delayed or unavailable. One mayor buys cold patch and owns a tap machine and pavement cutter to fill potholes. Another conducts pothole repairs using milling or cold mix when available and occasionally borrows equipment. A third noted that while DPW supplies coral promptly, cold mix is inconsistently provided and often must be purchased by the mayor, prompting escalated requests when DPW responses lag. When DPW does address roads, several mayors also stated that DPW does not consistently provide completion feedback, making it difficult to verify when requested work has been finished.

Although mayors are responsible for minor maintenance tasks, the absence of a formalized Standard Operating Procedure (SOP) for road maintenance between DPW and the mayors means that the process can vary from village to village. Typically, maintenance on routed roads is handled by DPW, while secondary and tertiary roads are more commonly managed by the mayors. The effect is that service levels are uneven across villages, which may lead to inefficient use of limited resources. When timely materials and support are unavailable, minor defects persist and grow, increasing future repair needs. Inconsistent feedback makes it harder to plan village staffing and budget costs for village street maintenance. An updated VSMP, supported by clearly defined SOPs could help establish a more consistent and collaborative process that benefits both DPW and the village mayors and the communities.

VSMP Lacks a Clear, Capable Funding Source

While DPW has access to multiple funds for road-related projects, the VSMP itself lacks a dedicated and reliable funding source. Funding decisions for VSMP projects appear to rest largely at the agency's discretion.

Originally, the VSMP was intended to help GovGuam secure federal government grants and government sponsored loans and bonds to fund village street improvements. However, according to DPW, they have not received any.

Per VSMP, approximately \$2 million of Guam Liquid Fuel Tax revenue was to be allocated for village street improvements per year and distributed proportionately based on village needs. This amount falls far short of the estimated \$746 million total cost of projects identified in the 2009 VSMP, meaning it would take over 373 years to fund the plan fully at that rate. This disparity demonstrates that the funding level has not been sufficient to implement the plan as designed.

Between FY 2019 and FY 2025, about \$43.2 million (M) was spent from the General Fund, GHF, and ARPA funds on operations, inclusive of highway and village street projects. Of this, an estimated \$7.7 million (about 18%) supported village street-related expenses (including salaries, contracts, supplies, and capital expenditures), a little over \$1 million on average annually. This spending pattern highlights a stronger capability toward highway and federally funded road projects compared to village street projects. While DPW is able to utilize these sources, these fundings streams are not structured around the implementation of the VSMP and do not ensure sustained, long-term support for village street improvements. Based on DPW's own assessment, consistent implementation of road maintenance activities for village streets would require an estimated \$9 to 10 million a year in funding.

Securing a dedicated funding source would provide DPW with reliable resources for village road maintenance, repair, and improvements, enabling more effective use of village improvement allocated funds and addressing critical infrastructure needs identified in the plan.

To improve village project prioritization and implementation, it is recommended that DPW and the Guam Legislature establish a consistent and dedicated funding source such as direct link between the VSMP and the VSF or other designated revenue stream. DPW and the Guam Legislature to designate financial resources strictly to the plan. Establishing a consistent, dedicated funding source, such as a direct link between the VSMP and the Village Streets Fund or another designated revenue stream, would allow DPW to plan and implement improvements more effectively.

Conclusion and Recommendations

Several factors have contributed to the VSMP's limited use and effectiveness. As the approved planning framework for prioritizing village street improvements, the VSMP was intended to guide DPW's scheduling, coordination, and resource allocation. However, many government officials, including DPW leadership and village mayors, were unaware of the plan or believed it had been superseded by other transportation documents, which our review determined none have formally replaced or updated the VSMP as the roadmap for village streets. The road priority list within the VSMP is significantly outdated, with many streets renamed, newly opened, or ungraded, and with no mechanism to revise priorities as village needs evolve. Without periodic updates, the plan's inventory and ranking system no longer reflect current conditions, limiting its usefulness as a decision-making tool.

Additionally, DPW and village mayors also lack a unified road maintenance process. With no clearly defined SOP existing to govern how DPW and mayors coordinate road work, the process results in inconsistent service levels and inefficient use of limited resources. The plan also does not include guidance for road construction, leaving residents in certain areas, particularly those experiencing growth or lacking basic paved access, without a pathway toward essential infrastructure. Compounding these issues is the absence of a dedicated funding source directly tied to the VSMP. While DPW uses a mix of the General Fund, Guam Highway Fund, and various special appropriations to support road-related work, these funding streams are not structured around the VSMP and do not ensure long-term support for planned village-street improvements.

Without an updated and actively implemented plan, supported by both clear operational procedures and a designated funding source, DPW and the mayors lack a shared framework for prioritizing work, evaluating road conditions, and coordinating improvements across villages. Therefore, we made the following recommendations:

1. DPW update the VSMP into a current, actionable, and collaborative maintenance plan and adopt it as the agency's primary scheduling tool for village-street work.
2. DPW and the Guam Legislature to establish a consistent, dedicated funding source strictly to the VSMP to allow DPW to plan and implement improvements effectively.

We acknowledge that DPW has indicated efforts are underway to address these matters, with the goal of improving village streets throughout the island of Guam.

Classification of Monetary Amounts

No.	Finding Description	Questioned Cost	Potential Savings	Unrealized Revenues	Other Financial Impact	Total Financial Impact
Village Streets Master Plan (VSMP) Lacks Full Implementation						
1.	Village Streets Master Plan Lacks Full Implementation	\$0	\$0	\$0	\$0	\$0
a.	Government Officials Not Aware of VSMP	\$0	\$0	\$0	\$0	\$0
b.	Road Priority Listing in the VSMP Needs to be Updated	\$0	\$0	\$0	\$0	\$0
c.	VSMP Does Not Cover Road Construction	\$0	\$0	\$0	\$0	\$0
d.	DPW and Village Mayors Lack a Unified Road Maintenance Process	\$0	\$0	\$0	\$0	\$0
e.	VSMP Lacks a Clear, Capable Funding Source	\$0	\$0	\$0	\$0	\$0

Management Response and OPA Reply

On January 16, 2026, OPA provided DPW with a draft report for a management response. Following this, on January 26, 2026, an exit conference took place between OPA and DPW, discussing the findings and recommendations of the Village Streets Master Plan performance audit. DPW submitted its official management response on February 13, 2026.

DPW Response: In the management response, DPW acknowledged the findings and recommendations of the OPA audit regarding the incomplete implementation of the Village Streets Master Plan performance audit, which remained unchanged since 2009.

DPW agreed that implementation of the master plan has been inconsistent due to funding constraints, procurement delays, and utility coordination challenges. To address these deficiencies, DPW submitted a corrective action plan outlining structured measures to improve execution, accountability, funding alignment, and inter-agency coordination.

Specifically, DPW committed to:

- Conducting an updated road condition assessment;
- Establishing a five-year phased implementation schedule;
- Securing dedicated funding for road maintenance;
- Addressing utility coordination conflicts;
- Improving interagency coordination; and
- Publishing transparent progress reports to enhance accountability.

OPA Reply: The OPA acknowledges DPW's agreement with the audit findings and its commitment to implementing corrective actions. The outlined measures, if properly executed and supported with adequate funding and coordination, should improve long-term planning, transparency, and accountability in the implementation of the Village Streets Master Plan.

See Appendix 7 for DPW's detailed management response.

The legislation creating OPA requires agencies to prepare a corrective action plan to implement audit recommendations, to document the progress in implementing the audit recommendations, and to endeavor to have implementation completed no later than the beginning of the next fiscal year.

We sincerely appreciate the cooperation and assistance provided by the staff and management of DPW throughout the audit process.

OFFICE OF PUBLIC ACCOUNTABILITY



Benjamin J.F. Cruz
Public Auditor

Appendix 1: Objective, Scope, and Methodology

Page 1 of 1

Objective

The objectives of the audit were: 1) to assess the status of the Village Streets Master Plan, along with DPW's progress in maintaining village streets; and 2) to determine what potential funding sources would be adequate for the Village Streets Master Plan.

Scope

Our review covers FY 2018 to FY 2025, encompassing the time elapsed from the previous audit (OPA Report 17-07) to the present day. We reviewed the progress made by DPW regarding the Village Streets Master Plan since then.

Methodology

To accomplish our objective, we performed the following:

- Conducted interviews and walkthroughs with DPW officials and staff and obtained an understanding of the process and internal controls for DPW's road maintenance management strategy.
- Background research to compile criteria relevant to understanding DPW and its processes.
- Review of applicable laws, regulations, and policies related to DPW.
- Compilation and review of documents and data received from DPW, including the Village Streets Master Plan and transaction reports.
- Review and documentation of prior Office of Accountability audit reports, GovGuam financial audits, and other relevant reports related to DPW's road maintenance processes.
- Conduct interviews with relevant government officials to understand the role of the legislature and mayors in road maintenance coordination, as well as any concerns regarding DPW and the usage of funds.
- Corroborate evidence from DPW and officials to ensure accuracy of statements received.
- Review expenditure data from DPW and road-related funds, which includes maintenance-related expenses, equipment, contracts, salaries, and operational costs.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Prior Audit Coverage

Department of Public Works Village Streets Management Strategy Performance Audit, OPA Report No. 17-09, December 2017

The audit found that DPW's Division of Highways did not have an effective asset management strategy to protect and prolong the life of village streets and ensure taxpayer dollars were utilized in the most cost-effective manner for roads most in need of repair.

Specifically,

1. The Division of Highways (the Division) did not take action to ensure the Village Streets Master Plan (VSMP) was regularly monitored and properly implemented;
2. Repairs of village streets were determined on a reactive basis; and
3. Management did not keep records of performance metrics to evaluate the achievement of goals.

The current audit will serve as a follow-up to the prior audit regarding DPW's Road Maintenance Management Strategy.

Office of Public Accountability's Status of Audit Recommendations Analysis, OPA Report No. 23-01, January 2023

Based on the findings from the previous audit issued in December 2017, OPA suggested recommendations for DPW to improve their processes. In November of 2022, DPW Director Vince Arriola provided a response to the report's recommendations, indicating the agency's status and action plan to implement OPA's suggestions.

The following are OPA's recommendations, along with DPW's respective status and action plan:

1. Recommendation: Update the VSMP, or if deemed no longer appropriate, establish a system to objectively review and prioritize village streets so that funding is used on most critical needs.

Status: Completed

Action Plan: In March 2020 DPW's Federal Highways Division developed the Transportation Improvement Program (GTIP) for the federal fiscal year 2020-2023. This GTIP is adjunct to the 2030 Guam Transportation Plan (GTP) and the VSMP, Guam's long-range (20+ year) multi-modal transportation strategy and follows previous GTIP documents and provides a near-term improvement plan that is financially feasible to ensure that funding is used on most critical needs.

2. Recommendation: Implement a Pavement Management System or a comparable system within their means to allow DPW to apply the lowest-cost treatment at the right time.

Status: Completed

Action Plan: Regal Diaz is in charge of implementing the changes and DPW has implemented a Village Streets Road Evaluation system to augment and confirm the prioritization listing provided by the respective Village Mayors as a means of ensuring the most cost-effective delivery of secondary and tertiary road repair and resurfacing occurs.

3. Recommendation: Establish performance measures to guide village street operations and to evaluate achievement of goals.

Status: Completed

Action Plan: DPW's village street operations are performance measures and goals are established in the VSMP and 2030 GTIP. The performances are reported monthly to the Speaker of the Guam Legislature. The report is completed by DPW's Federal Highways Division staff.

Office of The Governor – Title 5 Guam Code Annotated (GCA) Chapter 1**§1504. Limited Obligation Highway Refunding Bonds.**

(k) Village Streets Fund. There is hereby created, separate and apart from other funds of the government of Guam, a fund known as the Village Streets Fund (VSF). (1) The VSF shall be used exclusively for the purposes of payment to vendors for village road planning, design, construction, reconstruction, improvement, repair and maintenance services, supplies and equipment to be used for road repair and maintenance, the acquisition of rights of way, or to service debt payments of revenue bonds which may be issued to fund the construction, repair and maintenance of secondary and tertiary roads. All roads defined as “major arterial”, “minor arterial” and “major collector”, as defined in the Highway System Classification Map of Guam, shall continue to be maintained by the Department of Public Works and are excluded from the proceeds of the VSF. (2) Funds deposited into the VSF shall be subject to Legislative appropriation prior to expenditures from such fund and shall not be subject to any transfer authority.

Highway Projects – 5 GCA Chapter 54**§54102. Territorial Highway Fund.**

- (a) For the purpose of securing the for the entire Territory proper maintenance and construction of existing highways, including roads and city and village streets and for implementing all highway-safety related plans, programs and projects, there is hereby established a fund to be known as the Territorial Highway Fund, which fund to be maintained separate and apart from any other funds of the government of Guam, and independent records shall be kept in connection therewith.
- (b) For the period beginning July 1, 1971, all monies received under 11 GCA Finance & Taxation, Chapter 26, Article 4 and 16 GCA § 7160 and monies and revenue made available from the Federal Government for public highway purposes and highway safety related plans, programs and projects shall be deposited with the Territorial Highway Fund, provided further that any increase of tax revenue pursuant to 11 GCA Chapter 26, Article 4 shall revert to the General Fund to the extent that the increase of tax imposed. Accounting procedures for the funds shall be prescribed by the Director of Administration and suitable reserves shall be maintained for tax drawbacks under this Article which shall be paid from the Fund.
- (c) Monies deposited in the Territorial Highway Fund shall be expended only after appropriation thereof is made by the Legislature and upon vouchers properly certified by the Director of Public Works for the purposes of acquisition of right-of-ways, planning, designing, constructing, reconstructing, improving, repairing, and maintaining of public highways, including roads and city and village streets. The Director of Public Works shall quarterly render an accounting of transactions of the Fund to the Governor and the Legislature. Accounting procedures for the Fund shall be prescribed by the Director of Administration.

Mayors of Guam – 5 GCA Chapter 40

§40113. Mayors: Maintenance Functions and Areas of Responsibility.

- (a) Mayors shall have exclusive responsibility, in the areas defined in Subsection (b) of this Section, for performing general minor repair and maintenance work which may include, but is not necessarily limited to, cleaning, painting, plumbing, trash collection, landscape maintenance, upkeep of drainage facilities, planting of trees, plants and flowers, maintenance of street signs and replacement of streetlights. For purposes of this Section, “minor repair and maintenance work” shall include only work for which the combined costs of supplies and labor does not exceed Five Thousand Dollars (\$5,000.00) for any particular repair or maintenance project or activity.
- (b) The Mayors are responsible for general minor repair and maintenance of village public streets and roads, public streetlights, public buildings being used to house the Mayor’s Office, and community centers in their respective districts (...)
- (c) Nothing in this Chapter shall be interpreted as limiting the power of Mayors to enter into contracts for the performance of repair and maintenance functions.

Use Tax Law – 11 GCA Chapter 28

§28112. Continuing Appropriation.

Upon enactment of this Act, and each fiscal year thereafter:

- (a) Sums based on twenty percent (20%) of the total Use Tax collected in the previous fiscal year shall be appropriated to the “Department of Public Works Services Village Roadway Funds” to cover costs associated with improvements, repairs, and general maintenance to roads on Guam not covered by Office of Federal Highway Funds. This appropriation is continuous, but is contingent on the annual submission of a detailed budget to I Liheslaturan Guåhan by the Director of the DPW.

Business Privilege Tax Law – 11 GCA Chapter 26

§26402. Levy.

There is hereby levied, and shall be assessed and collected, upon every distributor, in addition to any other taxes provided by law, an excise tax to be measured by the application of the rates set forth in the next succeeding § 26403 against any transfer in Guam of liquid fuel made by a distributor, except that the liquid fuel tax shall not be applied more than once with respect to the same liquid fuel. Provided, however, that the provisions of this Article shall not apply to liquefied petroleum gas, unless the same is used as fuel for transportation purposes.

§26403. Rates.

Notwithstanding the requirements of § 16311 of Article 3, Chapter 16, Title 3, Guam Code Annotated, and any other provision of law, the following rates shall apply in computing, assessing, and collecting the liquid fuel tax, effective January 1, 2018:

- (a) A tax at the rate of Fourteen Cents (\$0.14) per gallon on diesel fuel; and
- (b) A tax at the rate of Fifteen Cents (\$0.15) per gallon on all other liquid fuel as defined herein except liquid fuel used for commercial aviation purposes which is taxed at a rate of Eight Cents (\$0.08) per gallon.

Public Law 34-44 – Increase the Liquid Fuel Tax rates by four cents (\$0.04) per gallon, effective January 1, 2018, for the purpose of funding village road repair and construction projects.

Public Law 36-105 – Temporarily waive the levy of excise taxes, automotive surcharges, and mass transit automotive surcharges on liquid fuel for one hundred eighty (180) calendar days, and amends appropriations in PL 36-54 for the Department of Public Works and the Guam Regional Transit Authority.

Public Law 36-124 – Authorize the extension of the Gas Tax Relief Act for another one hundred eighty (180) calendar days and appropriates \$5,215,823 to the Guam Highway Fund from excess FY 2022 general fund revenues to cover its financial impact.

Public Law 37-18 – Authorize the extension of the Gas Tax Relief Act for another one hundred eighty (180) calendar days.

Public Law 37-125 – Makes appropriations for the operations of the Executive, Legislative, and Judicial branches of the Government of Guam for FY ending September 30, 2025, as well as other appropriations and, establishes miscellaneous and administrative provisions.

Bill No. 39-38 – Appropriate ten million dollars (\$10,000,000) from excess FY 2025 general fund revenues as noted in PL 37-125 to the Department of Public Works for resurfacing and repairing village streets and roads.

Bill No. 260-36 – Repeals PL 34-44 to reduce liquid fuel tax rates by four cents (\$0.04) per gallon to rates prior to January 1, 2018.

Bill No. 261-36 – Repeal Article 4 and Article 5, both of chapter 26, Title 11, GCA, relative to eliminating the liquid fuel tax.



Road Evaluation



Village:

Street Name:

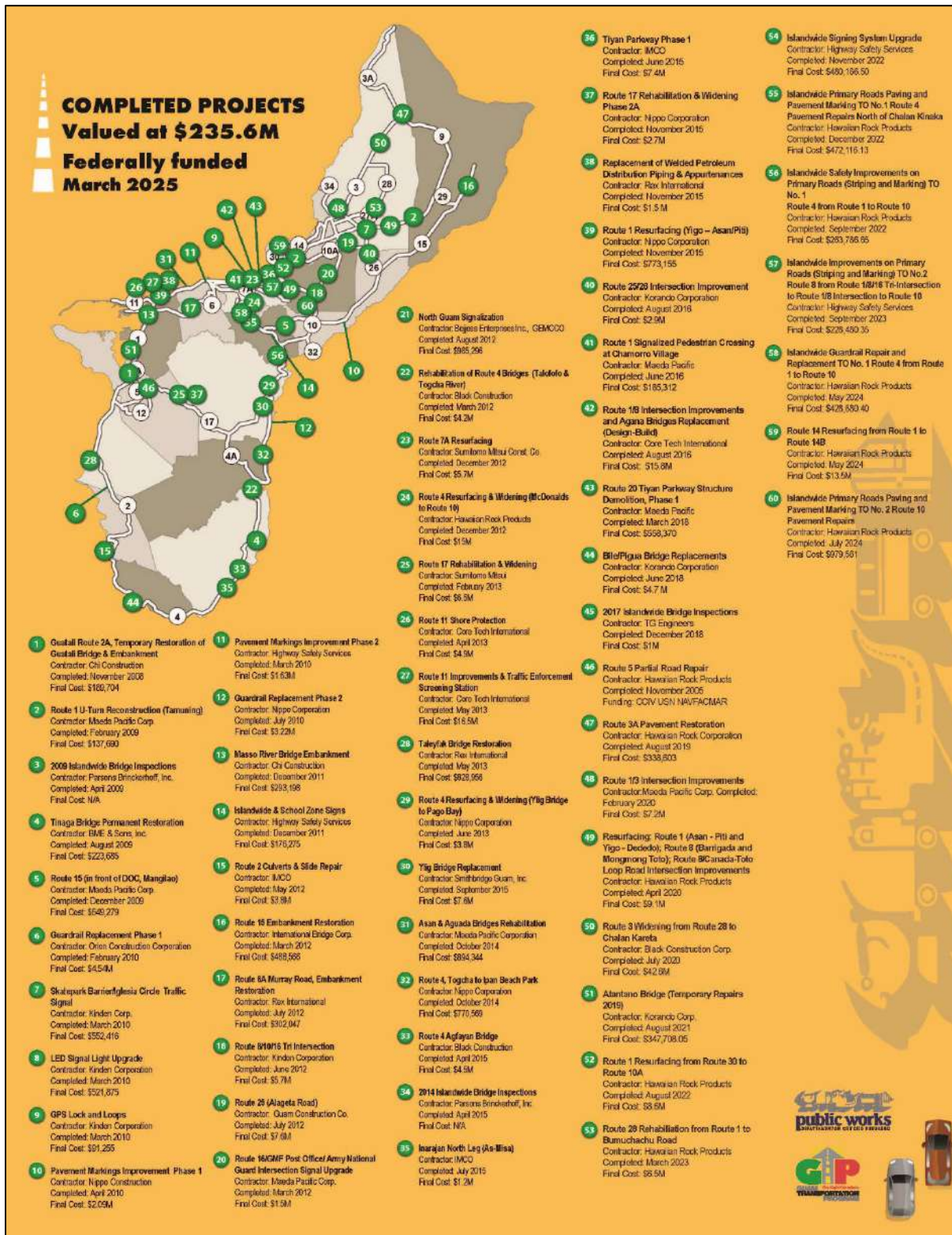
Rater's Name:

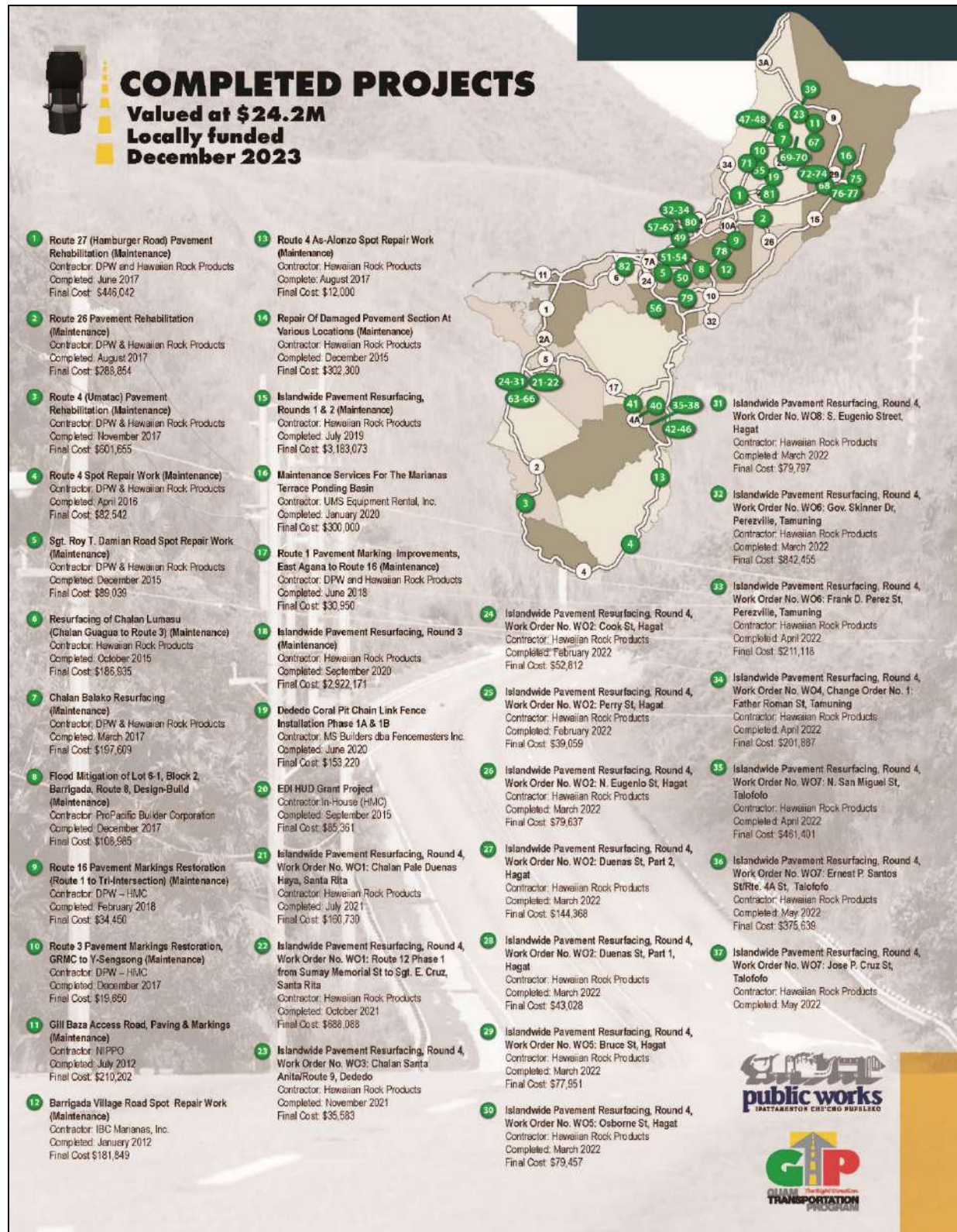
	Good 1	Not so Good 2	OK 3	Not so OK 4	Needs Work 5	Total Points
1 Traffic Volume						0
2 Number of Residents						0
3 Safety conditions - Proper lanes						0
4 Safety conditions - Proper lighting						0
5 Road conditions - pot holes						0
6 Road Conditions - traction						0
7 Crashes						0
8 Traffic Congestion (connectivity)						0
9 Preservation of infrastucture						0
10 Rights of Way						0
Grand Total Points						0

Note: 30 and over points, road needs repair/resurfacing.

	1	2	3	4	5
Traffic volume	<249	250	500	>750	>1000
Number of Residents	>10	>30	>50	>75	>100
Safety conditions - Proper lanes	40 ft paved	30 paved	20 paved	10 paved	not paved
Safety conditions - Proper lighting	lighted				no lights
Road conditions - pot holes	no pot holes				5ft holes
Road Conditions - traction	anti skid		traction ok		slippery
Crashes	no crashes		1/6mo		>2/ 6mo
Traffic Congestion (connectivity)	no congest		5min wait		30 min wait
Preservation of infrastucture					
ROW	no issue		minor issues		need leg

Additional Notes:







COMPLETED PROJECTS

Valued at \$24.2M
Locally funded
December 2023

<p>38 Islandwide Pavement Resurfacing, Round 4, Work Order No. W07: Jose P. Cruz St/Rte. 4A, Talofolo Contractor: Hawaiian Rock Products Completed: May 2022 Final Cost: \$277,943</p> <p>39 Islandwide Pavement Resurfacing, Round 4, Work Order No. W011: Route 9 Portion, Yigo Contractor: Hawaiian Rock Products Completed: May 2022 Final Cost: \$509,963</p> <p>40 Islandwide Pavement Resurfacing, Round 4, Work Order No. W08: Rancho Camacho St, Talofolo Contractor: Hawaiian Rock Products Completed: May 2022 Final Cost: \$97,880</p> <p>41 Islandwide Pavement Resurfacing, Round 4, Work Order No. W09: Route 4A Portion, Talofolo Contractor: Hawaiian Rock Products Completed: May 2022 Final Cost: \$301,415</p> <p>42 Islandwide Pavement Resurfacing, Round 4, Work Order No. W012: Pacha Dr, Ipan, Talofolo Contractor: Hawaiian Rock Products Completed: June 2022 Final Cost: \$165,870</p> <p>43 Islandwide Pavement Resurfacing, Round 4, Work Order No. W012: Dondel Dr, Ipan, Talofolo Contractor: Hawaiian Rock Products Completed: June 2022 Final Cost: \$38,312</p> <p>44 Islandwide Pavement Resurfacing, Round 4, Work Order No. W012: Okso Antonio B. Duena St, Ipan, Talofolo Contractor: Hawaiian Rock Products Completed: June 2022 Final Cost: \$78,041</p> <p>45 Islandwide Pavement Resurfacing, Round 4, Work Order No. W012: Cruz Hts, Ipan, Talofolo Contractor: Hawaiian Rock Products Completed: June 2022 Final Cost: \$148,213</p> <p>46 Islandwide Pavement Resurfacing, Round 4, Work Order No. W012: Francisco Perez St, Ipan, Talofolo Contractor: Hawaiian Rock Products Completed: June 2022 Final Cost: \$57,764</p> <p>47 Design-Build of New Infiltration Trenches, Chalan Bongbong, Dededo Contractor: ZME Pacific Completed: June 2022 Final Cost: \$38,585</p> <p>48 Design-Build of New Infiltration Trenches, Chalan Puga Matchena, Dededo Contractor: ZME Pacific Completed: June 2022 Final Cost: \$38,940</p> <p>49 Route 30 (Portion) Exploratory Excavation Contractor: Ian Construction Completed: May 2022 Final Cost: \$32,800</p>	<p>50 Islandwide Pavement Resurfacing, Round 4, Work Order W0610: Sgt. Roy T. Damien, MTM Contractor: Hawaiian Rock Products Completed: August 2022 Final Cost: \$1,398,540</p> <p>51 Islandwide Pavement Resurfacing, Round 4, Work Order W0613: Manibusan St, MTM Contractor: Hawaiian Rock Products Completed: August 2022 Final Cost: \$194,062</p> <p>52 Islandwide Pavement Resurfacing, Round 4, Work Order W0613: Angon St, MTM Contractor: Hawaiian Rock Products Completed: September 2022 Final Cost: \$337,398</p> <p>53 Islandwide Pavement Resurfacing, Round 4, Work Order W0613: Baiaku St, MTM Contractor: Hawaiian Rock Products Completed: September 2022 Final Cost: \$71,170</p> <p>54 Islandwide Pavement Resurfacing, Round 4, Work Order W0613: Robat St, MTM Contractor: Hawaiian Rock Products Completed: August 2022 Final Cost: \$187,379</p> <p>55 Islandwide Pavement Resurfacing, Round 4, Work Order W0614: Swamp Road Contractor: Hawaiian Rock Products Completed: September 2022 Final Cost: \$637,802</p> <p>56 Islandwide Pavement Resurfacing, Round 4, Work Order W0614: Chalan Famale, Chalan Pago Contractor: Hawaiian Rock Products Completed: October 2022 Final Cost: \$1,060,389</p> <p>57 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0619: Belmont Ave, Jonestown, Tamuning Contractor: Hawaiian Rock Products Completed: October 2022 Final Cost: \$124,076</p> <p>58 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0619: Linda Way, Jonestown, Tamuning Contractor: Hawaiian Rock Products Completed: October 2022 Final Cost: \$114,217</p> <p>59 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0619: Veronica Way, Jonestown, Tamuning Contractor: Hawaiian Rock Products Completed: October 2022 Final Cost: \$114,610</p> <p>60 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0619: Vivian Way, Jonestown, Tamuning Contractor: Hawaiian Rock Products Completed: October 2022 Final Cost: \$167,417</p> <p>61 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0619: Acho Tasi St, Jonestown, Tamuning Contractor: Hawaiian Rock Products Completed: October 2022 Final Cost: \$89,741</p> <p>62 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0620: Tun Josem Emelian Camecho St, Tamuning Contractor: Hawaiian Rock Products Completed: October 2022 Final Cost: \$103,790</p> <p>63 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0618: San Vicente Ave, Hagat Contractor: Hawaiian Rock Products Completed: November 2022 Final Cost: \$538,602</p> <p>64 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0618: San Isidro, Hagat Contractor: Hawaiian Rock Products Completed: November 2022 Final Cost: \$155,802</p> <p>65 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0621: San Roque, Hagat Contractor: Hawaiian Rock Products Completed: November 2022 Final Cost: \$185,692</p> <p>66 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0621: San Vicente Ave, Hagat Contractor: Hawaiian Rock Products Completed: November 2022 Final Cost: \$26,258</p> <p>67 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0619: Chalan Cabesa, Yigo Contractor: Hawaiian Rock Products Completed: November 2022 Final Cost: \$102,812</p> <p>68 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0617: Tun Ignacio Chana/David Flores Court, Yigo Contractor: Hawaiian Rock Products Completed: December 2022 Final Cost: \$161,956</p> <p>69 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0617: Chalan Bada Portion, Yigo Contractor: Hawaiian Rock Products Completed: November 2022 Final Cost: \$279,200</p> <p>70 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0623: Chalan Koda Portion, Yigo Contractor: Hawaiian Rock Products Completed: January 2023 Final Cost: \$119,052</p> <p>71 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0622: Arom Street, Yigo Contractor: Hawaiian Rock Products Completed: February 2023 Final Cost: \$102,812</p> <p>72 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0622: Chalan Nette, Yigo Contractor: Hawaiian Rock Products Completed: February 2023 Final Cost: \$126,253</p> <p>73 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0622: Chalan Iglesias, Yigo Contractor: Hawaiian Rock Products Completed: February 2023 Final Cost: \$60,840</p> <p>74 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0628: Chalan Lujuna Portion/Route 1, Yigo Contractor: Hawaiian Rock Products Completed: February 2023 Final Cost: \$63,749</p> <p>75 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0628: Chalan Lujuna Portion/Route 15, Yigo Contractor: Hawaiian Rock Products Completed: February 2023 Final Cost: \$48,822</p> <p>76 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0627: Chalan Josem Tan Ana, Yigo Contractor: Hawaiian Rock Products Completed: March 2023 Final Cost: \$104,506</p> <p>77 Islandwide Pavement Resurfacing, Round 4, Work Order No. W0627: Chalan Okso Familien Fanatanon Portion, Yigo Contractor: Hawaiian Rock Products Completed: March 2023 Final Cost: \$36,467</p> <p>78 Islandwide Pangliran Way Ponding Basin Fencing, Barrigab Contractor: MS Builders Inc. DBA: Fence Masters Completed: April 2023 Final Cost: \$20,776</p> <p>79 Islandwide Pavement Resurfacing, Round 4, W0625, W0634, W0634-2: Maimai Road Portion, Chalan Pago Contractor: Hawaiian Rock Products Completed: October 2023 Final Cost: \$1,180,669</p> <p>80 Islandwide Pavement Resurfacing, Round 4, Work Order W0633: Route 14 Portion, Tamuning Contractor: Hawaiian Rock Products Completed: July 2023 Final Cost: \$49,457</p> <p>81 Islandwide Pavement Resurfacing, Round 4, Work Order W0635: Route 28 Portion, Dededo Contractor: Hawaiian Rock Products Completed: March 2023 Final Cost: \$70,635</p> <p>82 Islandwide Pavement Resurfacing, Round 4, Work Order W0630 & W0631: Maria Candelaria Street, Asan-Maina Contractor: Hawaiian Rock Products Completed: October 2023 Final Cost: \$349,157</p>
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The Honorable
LOURDES A. LEON GUERRERO
Maga' Håga - Governor

The Honorable
JOSHUA F. TENORIO
Sigundo Maga' Låhi - Lieutenant Governor



Director
VINCENT P. ARRIOLA
Deputy Director
LINDA J. IBANEZ
Deputy Director
ERNEST G. CANDOLETA, JR.
Deputy Director

MEMORANDUM

To: Benjamin J. Cruz, Public Auditor, Office of Public Accountability

From: Vincent P. Arriola, Director

Subject: Department of Public Works Village Streets Master Plan

The purpose of this memorandum is to present a corrective action plan addressing the incomplete implementation of the village street paving master plan under the Government of Guam. This plan has remained unchanged since 2009.

The village street paving master plan was developed to systematically rehabilitate and maintain village roadways. However, implementation has been inconsistent due to funding constraints, procurement delays and utility coordination.

This plan outlines structured measures to improve execution, accountability, funding alignment, and inter-agency coordination. The Department of Public Works (DPW) agrees with the Office of Public Accountability (OPA) findings regarding the lack of full implementation.

To move forward, DPW recommends the following action:

- Conducting an updated road condition assessment
- Establishing a five-year phased implementation schedule
- Securing dedicated funding for road maintenance
- Utility coordination conflicts
- Improving interagency coordination
- Publishing transparent progress reports

If you have any questions, please contact my office at 671-646-3131 or email:
vince.arriola@dpw.guam.gov


VINCENT P. ARRIOLA
13 FEB 2026

Appendix 8: Status of Audit Recommendations

No.	Addressee	Audit Recommendation	Status	Actions Required
1.	DPW	Update the VSMP into a current, actionable, and collaborative maintenance plan and adopt it as the agency's primary scheduling tool for village-street work.	OPEN	Provide a corrective action plan with responsible official and timeline of implementation
2.	DPW Guam Legislature	Establishing a consistent, dedicated funding source, such as a direct link between the VSMP and the Village Streets Fund or another designated revenue stream.	OPEN	Provide a corrective action plan with responsible official and timeline of implementation

DEPARTMENT OF PUBLIC WORKS VILLAGE STREETS MASTER PLAN Report No. 26-02, February 2026

ACKNOWLEDGEMENTS

Key contributions to this report were made by:

Carlsen Ponce, Audit Staff

Thomas Eladio Battung, CFE, Auditor-In-Charge

Jerrick J.J.G. Hernandez, MA, CIA, CGFM, CFE, CICA, CGAP, Audit Supervisor

Benjamin J.F. Cruz, Public Auditor

MISSION STATEMENT

We independently conduct audits and administer procurement appeals to safeguard public trust and promote good governance for the people of Guam.

VISION

The Government of Guam is the standard of public trust and good governance.

CORE VALUES

Objective

To have an independent and impartial mind.

Professional

To adhere to ethical and professional standards.

Accountable

To be responsible and transparent in our actions.

REPORTING FRAUD, WASTE, AND ABUSE

- Call our HOTLINE at (671) 47AUDIT (472 8348)
- Visit our website at www.opaguam.org
- Call our office at (671) 475 0390
- Fax our office at (671) 472 7951
- Or visit us at Suite 401 DNA Building in Hagåtña

All information will be held in strict confidence.



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