



GUAM SOLID WASTE AUTHORITY
BOARD OF DIRECTORS' MEETING

June 3, 2015

11am – 12pm

Ricardo J. Bordallo Governor's Complex, Adelup

Large Conference Room

Minutes

I. Call to Order

The Guam Solid Waste Authority Board of Directors' meeting was called to order by Interim Chairman, Andrew Gayle, at 11:05am.

II. Roll Call

Board Members:

Andrew Gayle

Interim Chairman

Jonathan Denight

Interim Vice Chairman

Joseph Duenas

Board Member

Management & Staff:

David Manning

GBB Receiver Representative via phone

Chace Anderson

GBB Receiver, Operations Manager

Alicia Fejeran

GSWA Customer Service Supervisor

Coleen Cruz

GSWA Customer Service

Guests:

Georgette Concepcion

GSWA Board Legal Counsel

George Castro

Court Reporter

III. Approval of Minutes

A motion to approve the minutes of the meeting held on May 13, 2015 was made by Board member, Joseph Duenas. The motion was seconded by Interim Board Vice Chair, Jonathan Denight. Motion was carried and minutes were approved.

IV. Reports

a. Management / Receiver Report

Receiver Operations Manager, Chace Anderson, explained the tonnage report to the board. He stated that the tonnage has increased by 4,000 tons in the past 12 months.



Mr. Anderson spoke about the Operations of GSWA after Typhoon Dolphin. He stated that the typhoon did not affect residential customers because trash collection does not occur on Fridays. Residential transfer stations and the Layon Landfill were closed on Friday, 5/16 and Saturday, 5/17. The hauler transfer station opened on Saturday, 5/17. Layon Landfill opened early on Monday, 5/18. There were few reports of trash bins going missing during the typhoon. Most missing bins were located.

b. Highlights of 5/28/15 court rulings

i. Transition Timeline

Receiver Representative, David Manning, explained the court order that was issued on 5/27/15 and stated that the court will be issuing one more order.

A new transition timeline will be presented at the next Court Status Hearing per court order.

Board Vice Chair, Jonathan Denight, inquired on the finances of GSWA. The amount of money the Receiver is holding in reserve that would have been paid to the Government of Guam for the debt service is about \$4.8M. Mr. Manning also provided approximations of what other funds are in reserve within the operating budget.

The Board and Receiver also discussed the additional projects such as the construction of Dero Road and some of the issues in the construction of Route 4.

The Board and Receiver discussed stopping the GM and Controller search due to the transition timeline being suspended. David Manning stated that the search will not continue until a new transition timeline is established, and will resume at the time it is indicated on the new timeline. Mr. Denight suggested that the Board move forward with the GM and Controller search. He believes it would be better for the GM and Controller to have more time with the Receiver. Mr. Manning disagreed by stating that the overlap of GM/Controller and the Receiver would need to be an overlap of 60-90 days. He stated that dual management would consume needed resources and leave these employees without any work to do until the transition occurs.

Board Vice Chair, Jonathan Denight, suggested that a lot of money could be saved if the Receiver focused only on the Ordot closure and have the remaining functions of the agency transferred to the Board. He stated that this money that would be saved could be spent on the projects that need funding. Receiver Representative, Mr. Manning, stated that this would not be cost effective and would instead cost more money to hire the GM and Controller and to transition contracted employees into Government of Guam employees.



- ii. **Next Quarterly Status Hearing postponed until 9/29/15 at 8:30am**
No discussion

V. Unfinished Business

a. Sub-Committee Reports

i. GSWA Board of Directors Rules and Regulations

Proposed rules and regulations have been approved by the Attorney General. A letter will be sent to the Governor's Office and a response should be given within a week then it will be sent to the Legislative Office. Rules and Regulations would be promulgated prior to the next court status hearing.

ii. GSWA General Manager Search

Vice Chairman, Jonathan Denight, stated that the advertisements are ready for publishing. Advertising in local media and off-island solid waste websites would cost about \$2800. Receiver Rep, David Manning, stated that the Receiver will only fund the advertisements when the new timeline is approved by the Court.

iii. GSWA CFO Search

b. GSWA Rate Model Update

Board Chairman, Andrew Gayle, and Vice Chairman, Jonathan Denight, reported that they informally met with the Administrative Law Judge of the Public Utilities Commission. The ALJ had informed them that the Board could submit a letter to the PUC about ratifying the GSWA rates, but the PUC would also need an updated rate model. Receiver Representative, David Manning, stated that the Board could not go to the PUC to ratify rates as per the 5/27/15 Court Order because they are not yet in authority. He stated that rates could only be changed by Court order, through the PUC, or through Legislation. Mr. Manning also stated that he went to the PUC with the current rate structure, but action was not taken, however, the Board stated that the PUC did not receive any petition from the Receiver to act on any rate.

The Board requested for an updated rate model from the Receiver. Mr. Manning stated he would work on updating the rate model when time permits.

VI. New Business

a. Letter to the Court

Board Vice Chairman, Jonathan Denight, spoke about some of the unresolved issues that need some clarification from the Court such as moving forward with the hiring of the GM and Controller, issues with the GSWA rates, and the current arrangement with the Board's Legal Counsel.

The Board and Receiver discussed the money appropriated for the Board. Receiver Operations Manager, Chace Anderson, explained that the last fiscal year, 2014, \$100,000 was appropriated, but the current fiscal year, 2015, BBMR confirmed that it was not in the budget. Board member, Joseph Duenas, will confirm if the money that was previously



appropriated is still available.

Board Vice Chairman, Jonathan Denight, made a motion to have legal counsel draft this letter to the Court, circulate this letter to the Board, and once approved, the Board will submit it to the court.

Mr. Manning informed the Board that he could not commit to paying their legal counsel to draft the letter because it needs to be in her scope of work. Chace Anderson suggested that if it is not in her scope of work, that the GSWA staff could draft it.

Board member, Joseph Duenas, seconded the motion. Motion was approved.

VII. Open Discussion

None.

VIII. Public Forum

None.

IX. Next Meeting

- X. The next meeting will be held on July 15, 2015 at the Governor's office in the small or large conference room at 11am.

XI. Adjourn

Motion to adjourn meeting at 12:18pm was made by Joseph Duenas. Motion was seconded by Jonathan Denight. Motion passed.