



**GUAM SOLID WASTE AUTHORITY  
BOARD OF DIRECTORS' MEETING MINUTES  
Thursday, January 14, 2021  
1:00 pm-2:49 pm  
Guam Solid Waste Authority Via Video Conference**

**I. Call to Order**

The Guam Solid Waste Authority (GSWA) Board of Directors' meeting was called to order by Chairman Gayle at 1:05 p.m.

**II. Roll Call**

**Board Members:**

Andrew Gayle	Chairman
Minakshi Hemlani	Vice Chairwoman
Margaret Denney	Secretary
Jim Oehlerking	Member

**Management & Staff:**

Larry J. Gast	General Manager
Pedro A. Leon Guerrero Jr.	Assistant General Manager
Katherine Kakigi	Comptroller
Alicia Fejeran	Chief of Administration
Roman Perez	Operations
Keilani Mesa	Administrative Assistant
Chelsea Cruz	Customer Service

**Guests:**

Ken Orcutt	Office of the Attorney General of Guam
Anne Wenn	Guam Pacific Daily News

**III. Approval of Minutes**

The Board reviewed the minutes for the Board meeting held on December 10, 2020. Vice Chairwoman Hemlani made a motion to approve the minutes and the motion was seconded by Member Oehlerking. The motion was passed unanimously.

**IV. Reports**

**a. Management Reports**

**i. Operational Update**

General Manager Gast reported that he had requested the opinion of the Public Utilities Commission (PUC) regarding the implementation of new fees including bin deposits and paper invoice/billing fees and was told that it would have to go before the PUC for approval. Board members and management discussed the process with the PUC and how a rate study would be necessary for justification to implement fees. Chairman Gayle recommended that they go before the PUC in FY2021 with the recommended rate study that was done by the MSW consultants who conducted the management audit because it will take some time for these changes to be implemented. Chairman Gayle recommended that GSWA work with



GHD to initiate a rate docket with the PUC. Mr. Gast stated that GSWA needs more information on how the mandatory trash collection is going to be instituted before determining a proper rate change. He also reported that GSWA is trying to work out some of the routing issues for the requested information and reports regarding the mandatory trash collection study that is being conducted by the consultants contracted with Guam EPA. Member Oehlerking inquired as to what other states have done with regard to mandating trash collection. Mr. Gast stated that almost all trash collection in the US is on the taxes. Secretary Denney inquired as to whether GSWA has the funds available for this. Mr. Gast stated that there is currently no funding, but there could be if the removal of the discount for commercial haulers is resolved.

Comptroller Kakigi presented GSWA's Operations Fund as of November 30, 2020. She provided an overview of revenues by type and expenditures by object class. She indicated that there were some savings from the personnel expenditures. She also reported that contractual services are over the budgeted amount and is primarily due to the increased leachate at Layon from the rain. Another increase in contractual services was in personnel from the Pacific Human Resources temporary staff that were hired to fill the decrease in government staff. Member Oehlerking inquired as to why the leachate is so high. General Manager Gast stated that there was more rain this year versus last year. Comptroller Kakigi stated that in all other expenditures, GSWA remained within budget, but closed with an operating loss of \$217,000.00. Secretary Denney inquired about the personnel expenses and how it should have a savings if GSWA lost several Government of Guam employees. General Manager Gast informed her that there was a savings in Government expenditures for personnel and only an increase of 24,000 in contractual personnel. Chairman Gayle stated that for future reports he would like to see it month-by-month and will provide Comptroller Kakigi a sample of his request. Ms. Kakigi stated she would like to request that the Board approve to have GSWA defer the reserves in the amount of \$850,000.00. Assistant General Manager Leon Guerrero stated that the \$30,000.00 of the reserves will go to repairing a packer truck and making it operational. Comptroller Kakigi stated the deferred monies will be allocated to fleet service and the temporary staffing services. Member Oehlerking inquired what the normal run rate was for fleet services. General Manager Gast stated that between \$1.2M to \$2M is normally spent. Member Oehlerking inquired why only \$247,000 was encumbered for this service. General Manager Gast explained to him about the budget that was approved by the Legislature and how GSWA had to make cuts to balance the budget. AGM Leon Guerrero stated he is scheduling a meeting with Fleet Services so they can go over the current protocol regarding how they currently repair vehicles and bill GSWA. He stated he is reviewing and spot-checking the invoices from Fleet Services before GSWA makes payment.

Comptroller Kakigi reported that the Bank of Guam has doubled its charges for collecting payments from \$1.00 to \$2.00 per customer payment received at their locations. Comptroller Kakigi stated she wanted to get Board approval for GSWA to work out a Memorandum of Understanding with Guam Power Authority and Guam Waterworks Authority to collect payments for GSWA. General Manager Gast stated that because of this increase BOG will be taking 7% of GSWA's revenue per transaction. Chairman Gayle stated that he does not think that the management team needs Board approval.



Chief of Administration Fejeran presented an overview of the Customer Service operations and performance indicators for the 1<sup>st</sup> quarter of FY 2021. COA Fejeran reported that GSWA has encountered high volume of calls with about 20% - 30% of the phone calls being missed calls which includes calls coming in after hours. Chairman Gayle recommended that GSWA look into an automated call distribution system. Ms. Fejeran also presented the challenges that the GSWA is facing such as COVID 19 causing shortage in trash cart inventory and being short staffed. Member Oehlerking inquired if GSWA has any cart inventory. Ms. Fejeran stated that there were about 400 recycle carts that were delivered as temporary trash carts. and that there is currently an invitation for bid out for 95-gallon roll off carts and GSWA is hoping to award soon.

Vice Chair Hemlani made a motion to authorize General Manager Gast to inquire and begin the process of speaking with GHD regarding the price and timeline in bringing forth a rate case to present to the PUC on GSWA's behalf. The motion was seconded by Secretary Denney. The motion was passed unanimously.

**b. Committee Reports**

**i. GM Search / Succession Plan**

No update.

**ii. Zero Waste**

General Manager Gast stated that during the oversight meeting with Senator Perez he brought up utilizing the revolving recycling fund to subsidize the household waste, bulky waste, and recycling services. He stated he informed the Senator that GSWA cannot afford these services and would have to cut some of the free services and he doesn't want to do this. He stated the Senator would like to bring forth legislation that would allow for GSWA to piggyback on GPA and GWA bids and large contracts. General Manager Gast stated that he also brought up the funding being taken by the legislature from GSWA and allocating it to GEPA.

**V. Unfinished Business**

**a. Status of Receivership**

**i. Ordot Post Closure Update**

Attorney Orcutt informed the Board that they are in the process of filing a joint report to the District Court. GSWA had contributed an update on the Cell 3 progress and a financial status for the joint report to the court. Attorney Orcutt stated things are extended and there are proposed deadlines; however, there is nothing set yet. There is a permit that needs to be issued by GEPA and that certain steps have to happen before they can proceed with the permit.

**b. CIP Grant Request Update**

Comptroller Kakigi stated that Ms. Bertha Duenas stated she will not entertain any CIP requests until a mandatory trash collection budget is submitted. General Manager Gast stated he has one that is just an estimate that he is working on. Chairman Gayle asked if this could be submitted to the Board by the next meeting. General Manager Gast stated that he will work on it and provide it to Board by the next meeting. Chairman Gayle stated they can review it and maybe it could be the information that they submit to the Governor's fiscal team.

**c. Mandatory Trash Collection**

Discussed earlier in the meeting.



**d. Rate Update**

Discussed earlier in the meeting.

**e. Policy and Procedures Update**

Discussed earlier in the meeting.

**f. Cell 3 Construction Update**

General Manager Gast reported that there will be a meeting with CTI, Northwest Lining, and GSWA on Tuesday to plan out who will be responsible for certain parts of the project. Northwest Lining stated they would still be able to meet their original deadline. General Manager Gast stated that GSWA granted CTI the contract extension; however, CTI is requesting for compensatory damage for the days that Department of Public Health shut them down. Board members agreed that management should dispute this request for compensation for the 16-days they were shutdown.

**VI. New Business**

None.

**VII. Open Discussion**

Chairman Gayle stated that the US Supreme Court has agreed to hear the AG's case about the lawsuit against the US Navy sharing a portion of the costs to close the Ordot dump.

**VIII. Public Forum**

None.

**IX. Next Meeting**

The next Board meeting is scheduled for Thursday, February 11, 2021 via video conference at 1 p.m.

**X. Adjournment**

Secretary Denney moved to adjourn meeting at 2:49 p.m. The motion was seconded by member Oehlerking and passed unanimously.