



**GUAM SOLID WASTE AUTHORITY
BOARD OF DIRECTORS' MEETING MINUTES
Friday, March 29, 2019
1:00pm-2:00pm
Guam Solid Waste Authority Conference Room**

I. Call to Order

The Guam Solid Waste Authority Board of Directors' meeting was called to order by Chairman, Andrew Gayle, at 1:03 p.m.

II. Roll Call

Board Members:

Andrew Gayle	Chairman
Minakshi Hemlani	Board Secretary
Dana Gutierrez	Board Member

Management & Staff:

David Manning	Receiver Representative (via phone)
Larry J. Gast	General Manager
Kathrine Kakigi	Comptroller
Alicia Fejeran	Board Clerk
Keilani Mesa	Administrative Assistant

Guests:

Maria Connelley	PHRS
Grace Donaldson	PHRS

III. Approval of Minutes

A motion was made by Board Secretary, Minakshi Hemlani, to approve the minutes for December 20, 2018. The motion was seconded by Board member Dana Gutierrez. Motion was passed. The minutes for February 28, 2019 will be provided to Board Secretary Hemlani for her review.

IV. Reports

a. Management/Receiver's Report

i. Operating Budget

GSWA Comptroller, Kathrine Kakigi, reported that although the report indicates a surplus of \$2.3 million, that this is not the case due to all expenses not yet being recorded as vendor invoices are slowly trickling in. She stated that she is confident that at the end of the fiscal year GSWA should have some sort of surplus. She also reported that the reserves account is on track.

Ms. Kakigi stated she can provide the Board with bank balances. She also stated that the recycling programs are purely cost centered with no offsets. Chairman Gayle inquired if GSWA can be compensated by law to offset costs for the collection.

ii. Cash Collections and Billing (Revenue Report)

Receiver Representative, David Manning, reported that the revenue is pretty stable and the only issue that he sees is a gap in payment by NavFac. Mr. Manning stated that he communicated with NavFac and they will be making a payment shortly.

iii. Tonnage Report



None.

iv. Transition Update

General Manager, Larry Gast, reported that he has worries about the amount of revenue and the amount of expenses being expended but understands why the Receiver has to contract out necessary functions. He does see that there could be cost saving available in the future once transition out of receivership occurs. Mr. Gast, Mr. Manning, and Chairman Gayle discussed the fire that had occurred the night before that was nearing the Ordot Dump. Mr. Gast stated that he has some minor safety housekeeping suggestions. Mr. Manning reported that there is a fire protection protocol that is in place and is exercised from time to time with the operator of Ordot Dump. Mr. Manning stated that he will be available at any time and is happy to communicate with Mr. Gast.

b. Committee Reports

i. Personnel Transition

Alicia Fejeran informed the Board that there are about 23 employees still under the temporary employment agency, PHRS. Mrs. Kakigi informed the Board that we just hired our new Chief of Administration. Chairman Gayle explained to new Board member, Ms. Dana Gutierrez, about the contract employees and the intention of moving forward. Chairman Gayle also informed Ms. Gutierrez that there was some question about whether or not the PHRS contract was assignable to GSWA post-receivership.

c. Government Classification and Compensation Plan Update

Alicia Fejeran informed the Board that after the initial compensation plan presentation to the Board, the committee worked with Allied Business on making revisions and updates. However, due to the sudden passing of Dr. Karri Perez, there has been a delay in completing the compensation plan and presentation. Mr. Gast shared that in his experience in the solid waste industry, it is hard to retain people in positions such as a dump truck driver if they are receiving the same pay as others. He hopes to pursue a career track for the employees that would hopefully instill more pride in their job.

Board Secretary Hemlani requested for an update on Vice Chairman Denight's inquiry on an accounting system. Mrs. Kakigi informed the Board that her priority is the cell three project at Layon Landfill, but that her goal is to work on bringing the accounting in-house.

V. Unfinished Business

a. Financing Plan Update

Mr. Gast informed the Board that there was a meeting this week regarding the financing plan of cell 3. He stated that it looks like they are leaning toward bonds, and it still undecided on whether it will be USDA, bond or bank. Mr. Gast informed the Board that the long-term care for cells one and two at Layon Landfill are underfunded by about \$5.5 million. The Board discussed speaking to different Senators about receiving their support for a future bill that would allow GSWA to borrow funds.

b. GSWA Board Legal Counsel Status

Board Chairman Gayle stated that the Board needs to form a committee to head the procurement to create an RFP for legal services. Board member Dana Gutierrez agreed to work on the procurement process for the legal services. Board Chairman Gayle advised Ms. Gutierrez to work with GSWA management and staff. The Board members discussed current GSWA legal counsel Ms. Vanessa Williams and requested for a copy of her contract to review the terms and conditions. Mr. Manning will provide letter of engagement to the Board for their reference.

VI. New Business

a. Contract Assignments Post-Receivership

Mr. Manning stated he is still waiting for the contract assignments from the Attorney General's office. Board Chairman Gayle stated he will reach out and follow up. Board Chairman Gayle spoke with the Board about the Pacific Human Resources, Inc. contract and how a new contract had to be executed to be effective the day after the Receivership ends. Chairman Gayle stated that he spoke to Senator Ada about the intent of the legislation he created for GSWA and Chairman was advised to just ensure that the contracts are identical to the existing



contracts. A motion was made to approve the contract for PHRS, Inc. by Board secretary Minakshi Hemlani. The motion was seconded by Board member Dana Gutierrez. The motion was passed unanimously.

b. Court Order

The court is requiring the Board to respond to the U.S. Government filing. Board Chairman Gayle stated he can work with Attorney Ken Orcutt. The Board agreed to designate Chairman Gayle to work on the response with the Attorney General's office.

c. Bank Accounts

Mr. Manning recommended that GSWA inform the banks about the transition and that Mrs. Kakigi work on the forms that is necessary for transitioning the accounts. Mr. Manning also informed the Board that he will still be available to be contacted post receivership.

VII. Open Discussion

None.

VIII. Public Forum

None.

IX. Next Meeting

The next Board meeting will be held on Thursday, April 11, 2019 at the GSWA Conference room at 1:00 p.m.

X. Adjournment

Board member Dana Gutierrez motioned to adjourn meeting at 2:16 p.m. The motion was seconded by Board Secretary Hemlani and passed unanimously.