



**GUAM SOLID WASTE AUTHORITY
BOARD OF DIRECTORS' MEETING MINUTES
Wednesday, April 07, 2021
1:02 pm-2:34 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 1:02 p.m.

II. Roll Call

Board Members:

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

Management & Staff:

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|----------------------------|---------------------------|
| Larry J. Gast | General Manager |
| Pedro A. Leon Guerrero Jr. | Assistant General Manager |
| Katherine Kakigi | Comptroller |
| Alicia Fejeran | Chief of Administration |
| Roman Perez | SWM Superintendent |
| Keilani Mesa | Administrative Assistant |
| April Sunaz | Customer Service |

Guests:

| | |
|-----------------|----------------------------------------|
| Ken Orcutt | Office of the Attorney General of Guam |
| Charlene Flores | Office of Senator Perez |
| Jerry Partido | PNC |

III. Approval of Minutes

The Board reviewed the minutes for the Board meeting held on March 11, 2021. Vice Chairwoman Hemlani made a motion to approve the minutes and the motion was seconded by Secretary Denney. The motion passed unanimously.

IV. Reports

a. Management Reports

i. Operational Update

General Manager Gast stated that management has a lot of items on their agenda at this time with regard to the loss of revenue. Comptroller Kakigi went over the operating budget with its new details and breakdowns for comparatives. Comptroller Kakigi stated that compared to last year the revenue is less than what was collected as of February 2021. She stated there was 3.1% less revenues. Comptroller Kakigi said that the reduction was primarily from the commercial accounts due to COVID 19. Comptroller Kakigi stated that the Government revenues have increased due to the GWA payments. Comptroller Kakigi stated that compared



to last year the residential accounts have increased by 3.1%. She also highlighted that the transfer station has also increased by \$7k. Secretary Denney inquired about the Host Community Benefit Charge and asked for an explanation as to how it was calculated and collected. Chairman Gayle explained the statute that requires GSWA to collect and transfer out the monies quarterly but that it is a separate charge and not a cost to GSWA. Comptroller Kakigi stated that there is a savings in personnel salaries because there was a loss of two employees and GSWA also has one employee on Military Leave Without Pay. Comptroller Kakigi stated that GSWA management staff is doing their best not to increase expenditures. Chairman Gayle provided a breakdown of the revenue and the expenditures and where GSWA stands with the reserves and operationally. Chairman Gayle stated that he has been working with management and the Governor's office on the plan regarding the issue with the revenue. Comptroller Kakigi stated that she prefers to wait until meeting with the Governor before presenting anything to the Board. Member Oehlerking inquired about the federal funding and the longer term rate increase. Chairman Gayle restated that these plans are in discussion. Member Oehlerking inquired as to where the increase at the Transfer Stations has come from. Comptroller Kakigi stated that it is from those customers who do not have residential trash collection. Chairman Gayle stated that the increase may also come from people who have excess trash that needs to be disposed of. General Manager Gast stated that the MSW company did not do a detailed report regarding the Residential Transfer Stations and only indicated that the program is underfunded. Comptroller Kakigi stated that the disposal and transportation of the trash collected at the transfer station is still a cost to GSWA at the Hauler-Only station. Comptroller Kakigi stated she has been working with SWM Superintendent Perez regarding monitoring the number of tons being dumped for residential. General Manager Gast informed the Board members that there has been a lot of equipment and vehicle failures that have caused management to haul more frequently to the Hauler-Only station. Secretary Denney stated that she was informed that in the village of Talofofo one of her friends is the only resident receiving trash collection in the area and that the rest of the neighborhood gets trash collected by the Mayor's office. She is concerned that it is inappropriate for the Mayors to be providing this kind of collection. Chairman Gayle stated that the Island Wide Collection Initiative would hopefully address this issue.

b. Committee Reports

i. GM Search / Succession Plan

Chairman Gayle informed the Board that Senator Perez introduced Bill 86-36 which adopted language to broaden the education requirements for the GM candidates. There was a public hearing the day before and for the most part everyone who attended agreed with the proposed revision and saw the need for the bill. He stated that there is a very good chance that the legislation will pass fairly quickly.

ii. Zero Waste Round Table / Revolving Recycling Fund Subsidy

Assistant GM Leon Guerrero Jr. stated that he attended the roundtable meeting along with Secretary Denney. He stated there is a new draft of the Zero Waste Regulations and GSWA is in the draft and will perhaps be a recipient of funding. Chairman Gayle requested for the draft to be provided to him.

V. Unfinished Business

a. Status of Receivership

i. Ordot Post Closure, Update to the Court



Attorney Orcutt stated he would rather not get into the specifics at this time because they are at a sensitive stage in the negotiation and would probably have a better report at the next Board meeting.

b. Island Wide Trash Collection

Chairman Gayle stated that there is a plan that is being worked on by Bertha Duenas from the Governor's Office and Comptroller Kakigi.

c. Rate Change Update

Chairman Gayle stated that he does think that GSWA should still proceed with the procurement of the consultant and as things evolve they can either proceed or cancel, but he does believe it is in GSWA's best interest to implement the rate change and all the other discussions regarding billing and the itemization of costs. He also stated that GSWA should still present a rate case even if it does not change its base rates. Chairman Gayle stated there is a resolution that Comptroller Kakigi would like for the Board to approve with regards to GWA and GPA accepting GSWA payments. Comptroller Kakigi stated that the CCU would like Board approval or a Board Resolution. Comptroller Kakigi stated that this should give GSWA some cost savings. The first resolution is GSWA2021-001 which authorizes management to engage in the MOU with GPWA to accept GSWA Payments over the Counter and GSWA2021-002 to join GPWA's RFP for merchant services. A motion was made by Vice Chairwoman Hemlani to approve Board Resolution 2021-001 and 2021-002 and seconded by Secretary Denney. The motion passed unanimously.

d. Government of Guam vs. US Department of Navy in the Supreme Court

Attorney Orcutt stated April 26, 2021 is the start of oral argument. He also stated that there is a long way to go before a decision is made and it will take probably a year or more before the case for damages goes to trial.

e. Cell 3 Construction Update

General Manager Gast stated that Northwest Lining is still progressing faster than CTI. He stated that they have caught up to the area that CTI has prepared for Northwest Lining. He stated a substantial completion should be seen by June. CTI has changed their contractor for the electrical service to the new cell and they did not provide enough for the new company and were requesting the qualifications that were defined for their new subcontractor that wasn't identified in the original agreement. Vice Chairwoman Hemlani inquired on the life span of Cell 3. General Manager Gast stated it would probably last about 5-6 years.

VI. New Business

Chairman Gayle stated he sent a copy of proposed legislation from Senator Perez's office which simply requires landlords to make arrangements for garbage collection. Board members were asked to review the language and add their input.

Chairman Gayle stated that the Governor has reappointed Minakshi Hemlani to serve another 4-year term and the Governor also appointed Corazon Montellano to replace Dana Gutierrez.

VII. Open Discussion

Secretary Denney stated that she and Assistant General Manager Leon Guerrero Jr. received an email regarding the SWANA Zero Waste Certification Training inviting them to participate and attend. A motion was made by Vice Chairwoman Hemlani to reallocate the funding from GSWA Travel budget for the SWANA Zero Waste Certification training with Secretary Denney being the designee from the Board. The motion was seconded by Member Oehlerking and passed unanimously. Attendees from GSWA would also be identified.



VIII. Public Forum

None.

IX. Next Meeting

The next Board meeting is scheduled for Tuesday, May 4, 2021 via video conference at 1 p.m.

X. Adjournment

Secretary Denney moved to adjourn meeting at 2:34 p.m. The motion was seconded by Vice Chairwoman Hemlani and passed unanimously.