



**GUAM SOLID WASTE AUTHORITY
BOARD OF DIRECTORS' MEETING MINUTES
Thursday, February 25, 2021
1:05 pm-2:43 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:

Andrew Gayle	Chairman
Minakshi Hemlani	Vice Chairwoman
Margaret Denney	Secretary

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
Jesse Murakami	Safety Officer

Guests:

Ken Orcutt	Office of the Attorney General of Guam
Charlene Flores	Office of Senator Perez
Gerry Partido	PNC

III. Unfinished Business

a. Rate Case Straw Plan

General Manager Gast presented a Rate Increase Timeline to the Board of Directors. He stated it would take a month to generate a request for proposal and is hoping by the 6th month in the timeline for GSWA's contractor to be proposing to be placed on the PUC's docket. The Board of Directors authorized management to start preparing for the RFP to be released. Chairman Gayle stated that management and the BOD need to see what recommendation that was received would be the best to choose from. General Manager Gast stated that he stated the two-tier option would be the best from his perspective. Comptroller Kakigi stated that in her conversations with Attorney Horecky, the two-tier plan is an option that can be presented. There was discussion about including the elimination of the prompt-pay option for the commercial accounts. Vice Chairwoman Hemlani made a motion to proceed with the plan as presented with the timeline presented and the two-tier option with a possible third-tier option that introduces the elimination of the prompt-pay discount. The motion was seconded by Secretary Denney and passed unanimously.



b. Mandatory Trash Collection

General Manager Gast presented a straw plan to the Board of Directors regarding the Island Wide Household Collection. He stated that projections can only be made and that the decisions made by the legislature will provide better determination of the required steps that GSWA management would need to take to implement the Island Wide Household Collection. Board Chairman Gayle requested that General Manager Gast provide examples of legislation that other entities have in place. General Manager Gast stated that providing mandatory or Island Wide Household Trash collection will result in an increase in expenditures for GSWA. General Manager Gast stated that GSWA would have to undergo many changes to include moving operations to a possible two-shift schedule, moving operations to Layan, expanding customer service, and making changes to scheduling. He also stated that the residential transfer stations would have to be closed down because there would be no need for these stations. Secretary Denney inquired about the recycling for the multi-household or apartment complexes that would like to recycle. General Manager Gast stated the GSWA cannot ask its paying customers to fund the recycling convenience for apartments because technically only residential customers should be utilizing the services at the transfer stations, and if mandatory collection comes into place, there would be no need for the recycling at the transfer stations. General Manager Gast stated one of his concerns is how this will affect the commercial tonnages and GSWA would need to monitor the commercial accounts if and when this comes into play. He also stated that GSWA would need to give an acceleration of the existing assets because most of the carts are over ten years old. He also emphasized that GSWA cannot fund this collection without an external funding source. He stated that GSWA will need to increase rates in order to cover the increase in expenditures as well. He also provided a basic breakdown of the equipment that would be needed or recommended once this collection is in place and that it may cost about \$6.5 million. He stated that the estimates provided were based on the assumption that GSWA will be billing for the services as opposed to charges being included in property taxes, but that he had to choose one assumption in order to provide an estimate. He emphasized that any changes to the assumptions will have a drastic impact on the estimates. Chairman Gayle stated that GSWA will share the straw plan with Ms. Flores from the Office of Senator Perez and then he will contact her regarding meeting with Senator Perez.

IV. Committee Report

a. Succession Planning

i. Recommendation regarding Education Requirements for GM

Chairman Gayle stated that he and the Vice Chairwoman spoke with a possible candidate who is definitely viable; however, there are limitations with the legislation and it precludes several viable candidates from applying. Chairman Gayle would like to propose an amendment to the educational requirement. He stated he will send a note to Ms. Flores to set up a meeting with Senator Perez regarding this situation. He stated that GSWA has some proposed language for an amendment to present.

ii. Next Steps

Chairman Gayle will discuss amendment to the legislation with oversight chair Senator Perez.

V. Open Discussion

None.

VI. Public Forum

None.

VII. Next Meeting

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



VIII. Adjournment

Vice Chairwoman Hemlani moved to adjourn meeting at 2:15 p.m. The motion was seconded by Secretary Denney and passed unanimously.