



**GUAM SOLID WASTE AUTHORITY
BOARD OF DIRECTORS' MEETING MINUTES
Friday May 8, 2020
1:00 pm-2:00 pm**

I. Call to Order

The Guam Solid Waste Authority (GSWA) Board of Directors' meeting was called to order by Chairman Gayle at 1:09 p.m.

II. Roll Call

Board Members:

Andrew Gayle	Chairman
Minakshi Hemlani	Vice Chairwoman
Dana Gutierrez	Secretary
Jim Oehlerking	Member
Peggy Denney	Member

Management & Staff:

Larry J. Gast	General Manager
Katherine Kakigi	Comptroller
Alicia Fejeran	Chief of Administration
Keilani Mesa	Administrative Assistant

Guests:

Bruce Lloyd	Pacific Daily News
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III. Approval of Minutes

The Board reviewed the draft minutes for the April 24, 2020 Board meeting. Board Member Denney requested to update the COVID-19 section, last paragraph, to reflect Comptroller Kakigi's name when referring to the idea of exploring the option of a collection agency. Member Denney also requested to update the spelling of "pours" in the Cell 3 Construction Update. Member Denney moved to approve the minutes subject to the suggested corrections. The motion was seconded by Vice Chairwoman Hemlani and passed unanimously.

IV. Reports

a. Management Report

i. COVID-19 Impact

General Manager Gast provided an update on GSWA Contractor, Mr. Rubbishman. General Manager Gast stated that the management at Mr. Rubbishman believes they have adequate Personal Protective Equipment to resume sorting recyclables and the only issue they need to work on is the social distancing requirements. General Manager Gast anticipates resuming recycling services by the week of May 18, 2020. Member Oehlerking inquired how GSWA plans to inform customers about the curbside recycling service being provided. General Manager Gast informed him that he will inform the Joint Information Center and Chief of Administration Fejeran added that GSWA can also send out recycle email reminders. General Manager Gast stated that he will work with Mr. Rubbishman's personnel and conduct a trial run with some of the recyclables GSWA currently has in containers. General Manager Gast suggested holding off on informing the public



until the trial run has been successful. He also informed the Board that he needs to figure out a plan for plastics because GSWA cannot afford shipping costs of \$12,000.00 per month. Member Denney inquired if plastics were currently being stockpiled at Pyramid Recycling Center. Member Denney stated that to her knowledge, the plastics are just being baled and stockpiled. General Manager Gast stated he is working with Guam EPA and will continue to work with them about the possibility about having plastics removed from the acceptable curbside recycling materials. General Manager Gast stated that he, Guam EPA, and Senator Sabina Perez had a conference call discussion about the any immediate relief for the recycling issues on Monday, May 4, 2020. General Manager Gast stated that the Household Hazardous Waste (HHW) Facility is still operable during this time. He stated that he wants to open the GSWA Office by Monday, May 11, 2020.

ii. 2020 Budget Update

Comptroller Kakigi stated she was able to update the financial statements up through March 31, 2020 with actual numbers. She stated the revenue is showing a slight decrease, and it is primarily with the commercial fees. She stated there is a decrease of \$139,000.00 in revenue which is also a slight COVID-19 impact. She stated the net operating number is a positive number; however, there are still invoices pending such as Fleet Services invoices that need to be paid. She stated that GSWA is currently tracking a 40.4% decrease. Member Oehlerking inquired on why GSWA is over budget in the overtime presented. Comptroller Kakigi stated that she does not expect for GSWA to go over budget in overtime by the end of fiscal year. She also anticipates that when the reimbursements from FEMA come through that GSWA will be able to adjust its expenditures. Member Denney inquired on whether the shifts are staggered. General Manager Gast responded that the shifts are not staggered and that the overtime is also accrued when holidays occur.

Comptroller Kakigi informed the Board that the plan to bring the HHW services in-house has been cancelled and she removed that as a savings opportunity from the financial statement. She also stated that the savings had been adjusted for Mr. Rubbishman due to the vehicle escort services still being active and the new savings presented in the report will reflect \$48,307.00. Member Oehlerking asked for clarification about the escort services because he was under the impression that the service was already cancelled. Comptroller Kakigi stated that management wanted a legal opinion about the contract terms with regard to this service.

Chairman Gayle inquired on what relief request has been submitted to Homeland Security. Comptroller Kakigi stated that she has a contact person who has informed her to keep proper documentation for submission. Comptroller Kakigi stated that they are still working out the technical side and that GSWA's portfolio will be set up to submit these documents. Member Oehlerking inquired on what type of opportunity in relief is management looking to request for. Member Oehlerking also inquired on the shortfall and how it will be covered. Comptroller Kakigi stated that there is funding in the unrestricted fund balance or reserves that they will use to cover the shortfall. Chairman Gayle stated he is also talking to other people on how to offset this revenue loss and what the options GSWA has in order to be a successful municipal solid waste. Chairman Gayle also reminded the Board that the management audit is also what is needed to make adjustments to revenue options for GSWA. General Manager Gast stated another option that GSWA may have is to start reducing services such as the free services at the HHW Facility, recycling, and all the free services being offered to the public but is paid by revenue from existing customers. Member Denney inquired for clarification on who utilizes the free services besides current customers. General Manager Gast informed her that the way the law is written, everyone



utilizes the free services and no charges are incurred by anyone other than the customers of GSWA. General Manager Gast also stated that he believes one of the recommendations that will result from the management audit would be to reduce the hours of the Southern Transfer Stations. Member Denney stated that she still believes that there is a vast majority of residents who are unaware of the services available at the transfer stations.

iii. Operational Report

Comptroller Kakigi presented to the Board the Tonnage report and provide numbers that compares a rolling year-to-date average from the periods May 2018 – April 2019 versus May 2019 – April 2020. She pointed out that April 2019 versus April 2020 would indicate that the commercial tonnage shows a decrease of 36.1% due to COVID-19. Member Oehlerking pointed out that there was an increase with the Navy Account. General Manager Gast stated that the Navy had contracted Mr. Rubbishman to provide separate containers for the ship that is docked. Chairman Gayle pointed out that there is a reduction in the residential accounts because there are more loads being directed to the Layon landfill than being processed through the Hauler-only station. Comptroller Kakigi stated that she will present to the Board an update on the outstanding balance of accounts of 120+ days past due for the Board to formally vote on action by the next Board meeting.

iv. PUC Management Audit Update

Chairman Gayle requested for General Manager Gast to reach out and try and get an update on a timeline for the management audit. Member Denney inquired on whether the Board will have an opportunity to discuss the report and provide input. General Manager Gast stated there will be a public presentation to the Public Utilities Commission for input and once that is completed everyone will have access to that report. Chairman Gayle stated the draft was circulated to the Board members. General Manager Gast stated that if anyone has any questions to provide them to him and he will communicate it to the contractor.

b. Committee Reports

i. Legal Counsel Procurement Update

Chairman Gayle stated that there has been communication about a memorandum of agreement about legal services. He stated that unless management has any questions or concerns it looks like they can execute the memorandum of agreement soon. Secretary Gutierrez inquired about the status of the current legal services procurement. Comptroller Kakigi stated she would still like input from the Attorney General's Office with regard to the current procurement. Comptroller Kakigi also stated she would like to reduce the amount of funding available for this service. Chairman Gayle stated she can present this reduction idea at the next Board meeting.

ii. Revolving Recycling Fund Update

Chairman Gayle stated there is response group that will meet with Senator Perez.

V. Unfinished Business

a. Cell 3 Construction Update

General Manager Gast stated that this week GSWA processed its fifth payment to CoreTech. He stated the processes are in better shape and is starting to have a better working relationship with them. Member Oehlerking inquired on whether the issue about the hard rock has been settled. General Manager Gast stated GSWA will probably have to go into negotiations with CoreTech because there is some work that requires more than just digging; however, there is enough funding to cover the additional work. He stated the deeper CoreTech digs the harder the rock is becoming.



Chairman Gayle inquired about scheduling and if it is factored in. General Manager Gast informed him it is.

b. Court Hearing Update

i. Post Closure Plan update and timeline

General Manager Gast stated he will be communicating with Chris Lund by next week. General Manager Gast stated he is anticipating that it should be close to taking the final samples and should be able to provide a better update by the next board meeting.

ii. Trustee Agreement review and approval

None.

VI. New Business

General Manager Gast stated that there have been discussions about Essential Workers receiving double pay for when the Government shut-down; however, he believes that 75% should be covered by FEMA but that would still leave 25% cost impact for GSWA. Secretary Gutierrez stated her understanding is that Department of Administration has requested for an AG's opinion on the matter. General Manager Gast stated that he wanted to ensure the Board was informed so that it was not a surprise should it be approved. Secretary Gutierrez inquired on whether GSWA has been paying the hazardous differential pay. General Manager Gast stated that GSWA employees receive hazardous pay normally. Vice Chairwoman suggested that management double check because the COVID-19 Response differential should be an addition. General Manager Gast stated he will double check what GSWA has been paying. Secretary Gutierrez asked that General Manager Gast seek guidance from Department of Administration or the Attorney General's Office about this matter. Secretary Gutierrez inquired if management has confirmed that FEMA will reimburse the personnel expenses. General Manager Gast stated that in his experience with FEMA that if emergency pay is in detailed and in place for people who are essential workers, prior to the event happening, then we will be reimbursed. Member Oehlerking asked that management quantify the amount that management thinks GSWA will be reimbursed. General Manager Gast stated that Region 9 FEMA will have a webinar on May 13, 2020. Chairman Gayle stated that a helpful thing for the Board and management would be to see what the impact will be.

Secretary Dana Gutierrez raised a concern stating that she received an email from a member of the public stating that they had received a response three weeks after they sent an email to GSWA customer service and wanted management to look into this matter.

VII. Open Discussion

None.

VIII. Public Forum

None.

IX. Next Meeting

The next online Board meeting is scheduled for Friday, May 22, 2020 at 1:00p.m.

X. Adjournment

Board Member Denney moved to adjourn meeting at 2:21 p.m. The motion was seconded by Board Member Oehlerking and was passed unanimously.