MEMORANDUM

GL#34-RO-1694
Speaker Benjamin J.F. Cruz

March 26, 2018

MAR 28 2018
Time: 5:00 [ ] AM [ ] PM File No. 34-18
Received By:

TO: Legislative Secretary, 34th Guam Legislature

FROM: Andrew Gayle, Chairperson, Guam Solid Waste Authority Board

SUBJECT: **PROPOSED NEW RULES**

In accordance with the provisions of 10 G.C.A. § 51A104 and pursuant to the Administrative Adjudication Law ("AAL"), 5 GCA, Chapter 9, the Guam Solid Waste Authority Board of Directors proposes the promulgation of the attached Rules regarding the agency's solid waste management and operations.

Requirements of the AAL have been satisfied. The proposed Rules are in a format approved by the Compiler of Laws as set forth in the "Guidance for Formatting Rules and Regulations (GAR)" published on the Compiler of Laws' website, www.guamcourts.org/Compileroflaws. A public hearing was noticed on February 14, 2018 and held on March 1, 2018 at the GSWA Office at 6:00 p.m. *See* true and correct copy of the Notice published in the Guam Pacific News. Five (5) copies of the proposed Rules were made available for public review at the GSWA main office and the GSWA's website beginning February 14, 2018.

The Board's legal counsel, Georgette Bello Concepcion, conducted the public hearing on March 1, 2018 and Board Member Andrew Gayle, General Manager Greg Martin and Comptroller, Enrique Vinas were present. No other persons attended the hearing and no oral or written comments were received either prior to, at or after the public hearing.

On March 16, 2018, the Attorney General of Guam approved the Rules and as to form and as to compliance with the applicable requirements of the AAL. *See* true and correct Letter dated March 16, 2018 attached hereto. On March 20, 2018, the Governor of Guam approved the proposed Rules and further approved them for submittal to the Legislative Secretary of the Guam Legislature. *See* true and correct copy Letter dated March 20, 2018 attached hereto.

Si Yu'os Ma'ase,

Andrew M. Gayle Jr.

Andrew Gayle, Chairperson
Director

2018 MAR 29 AM 9:16

Office of the People
Senator Régine Biscoe Lee
Legislative Secretary
Date/Time: 3/29/18 @ 3:38pm
Initials:

1694

Guam Solid Waste Authority
542 N. Marine Corps. Drive Tumon, Guam 96913
Tel: (671) 646-3111 | Fax: (671)649-3777 | www.guamsolidwasteauthority.com

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TRANSMITTAL LETTER

DATE: March 28, 2018

TO: Senator Regine Biscoe Lee
Legislative Secretary

FROM: **Clare C. Leon Guerrero**
Secretary for Georgette Bello Concepcion, Esq.

VIA: ___ Courier _√_ Hand Delivery ___ U.S. Mail _ Pick-Up

We are sending the following:

DESCRIPTION

Enclosed are the following documents:

1. Memorandum to the Legislative Secretary, 34th Guam Legislature Re. Proposed New Rules
2. Governor of Guam Approval of Proposed Rules
3. Attorney General Approval of Proposed Rules
4. GSWA Board of Directors' Minutes of Meeting 2-8-18
5. GSWA Board of Directors' Minutes of Meeting 11-29-17
6. GSWA Proposed New Rules
7. Economic Impact Statement (Exhibits A-I)
8. Public Hearing Sign-In Sheet
9. Notice of Hearing Re. March 1, 2018

Date: _____

By: _____

Office of the People
Senator Régine Biscoe Lee
Legislative Secretary
Date/Time: 3/28/18@3:38pm
Initials: CCLG

EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor Of Guam

MAR 20 2018

Memorandum

To: Mr. Andrew Gayle
Interim Chairperson
Guam Solid Waste Authority Board

From: Governor of Guam

Subject: Establishment of GSWA Operational Rules and Regulations

Title 10 G.C.A. Section 51A104 authorizes the Guam Solid Waste Authority (GSWA) to adopt such rules and regulations as may be necessary for its operations and management. Pursuant to this authority, GSWA has prepared a set of administrative rules and regulations which have been duly approved by the Attorney General of Guam pursuant to 5 G.C.A. Section 9303.

In accordance with the Administrative Adjudication Law [5 G.C.A. Section 9303(a)], I hereby approve the attached version of the proposed Rules and Regulations, and further approve them for submittal to the Legislative Secretary of the Guam Legislature.

EDDIE BAZA CALVO

Office of the Attorney General of Guam

590 S. Marine Corps Dr., Ste. 901, Tamuning, Guam 96913

March 16, 2018

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Andrew Gayle, Interim Chairperson
Guam Solid Waste Authority Board
542 N. Marine Corps. Drive
Tumon, Guam 96913

Subject: Attorney General Approval of Proposed Rules of the Guam Solid Waste Authority Regarding the Conduct of Its Affairs (Ref: GSWA 18-0109)

Dear Chairperson Gayle:

The Office of the Attorney General has completed its review of the proposed Rules of the Guam Solid Waste Authority submitted to this office on March 6, 2018.

Pursuant to the Administrative Adjudication Law (AAL), 5 GCA § 9303, I hereby approve the attached version of the proposed Rules as to form, constitutionality, compliance with the applicable requirements of the AAL, and compliance with your agency's statutory authority to promulgate rules.

Please be advised that the current rule-making procedures require your agency to file the proposed Rules with the Speaker of *I Liheslatura* in a format and manner specified in 5 GCA § 9303 as amended by P.L. 34-032 (July 13, 2017). Further, no rule shall become effective until after ninety (90) calendar days have elapsed from the date of filing with the Speaker of *I Liheslatura* during which time and within seventy-five (75) calendar days from the date of filing of the rules with the Speaker, the legislative committee with oversight of the subject matter or the Committee of the Whole shall have conducted one or more public hearings on the proposed rules. After the public hearing and within the 90-day time period, *I Liheslatura* may approve, disapprove, or amend the proposed rules by the passage of a bill into law. In the event *I Liheslatura* declines to formally approve, disapprove, or amend the proposed rules by the passage of a bill into law, the Speaker may certify and the Legislative Secretary may attest to the default approval of compliant rules.

If you have any questions, please contact Deputy Attorney General of the Solicitor Division Karl P. Espaldon at (671) 475-3324, extension 3115.

Sincerely,

ELIZABETH BARRETT-ANDERSON
Attorney General

Attachment

cc: Greg Martin, GSWA General Manager
Georgette Bello Concepcion, Esq.

GUAM SOLID WASTE AUTHORITY
BOARD OF DIRECTORS' MEETING
February 08, 2018
11am-12:08pm
Guam Solid Waste Authority
GSWA Conference Room, Tamuning

I. **Call to Order**
The Guam Solid Waste Authority Board of Directors' meeting was called to order by Chairman, Andrew Gayle, at 11:10 am.

II. **Roll Call**

Board Members:

Andrew Gayle	Chairman
Jonathan Denight	Vice Chairman
Joseph Duenas	Board Member

Management & Staff:

David Manning	Receiver Representative (Via phone)
Greg Martin	GSWA General Manager
Enrique Vinas	GSWA Comptroller
Alicia Fejeran	GSWA Board Clerk
Keilani Mesa	GSWA Customer Service
Roman Perez	GSWA Operations

Guests:

George Castro	Court Reporter
Grace Donaldson	Pacific Human Resources Inc.
Maria Connelley	Pacific Human Resources Inc.
Georgette Concepcion	GSWA Board Attorney
	Office of Senator Telena Nelson

III. **Approval of Minutes**
Board Members reviewed draft minutes from the January 10, 2018 Board meeting. Board members requested for minutes to indicate who made the statement regarding what will occur with the PHRS contract after the receivership. A motion to approve the minutes pending the change was made by Board Vice Chairman, Jonathan Denight. The motion was seconded by Board member, Joseph Duenas. Motion was passed. Board member, Joseph Duenas, wanted to put on record that no Receiver Representative was present in the meeting at this time. Mr. Manning joined the meeting via telephone shortly thereafter.

IV. **Reports**

a. **Management/Receiver's Report**

I. **Monthly Tonnages and Collections**
General Manager Greg Martin stated there was an 85% drop in bulky waste. Board Chairman, Andrew Gayle, inquired on the popularity of the bulky waste program. Mr. Martin and Board Clerk, Alicia Fejeran, described the details of the service. Mr. Martin also reported that the transfer stations had a

small drop in revenue, and that it was possibly due to the construction that was going on throughout the previous months.

ii. **Operating Budget**

Receiver Representative, David Manning, informed the Board that it was too early in the month to be able to provide an operating budget but he will be able to provide an updated report within the next week or so.

iii. **Update on Methane Remediation at Ordot**

Board Clerk, Alicia Fejeran, informed the Board that bid packages for the Ordot Gas Mitigation Piping project will be available for pick up starting Monday February 12, 2018. The Board requested that the Receiver send an update with regard to the Trustee, Engineer, and Ordot Operator bid. Board member, Joseph Duenas, asked Mr. Martin if the Receiver involves him in these procurement processes. Mr. Martin responded that he is not excluded and he attends meetings when they are scheduled. During the latter part of the Board meeting, Chairman Gayle asked Mr. Manning about the pending procurement. Mr. Manning provided the board with an update.

iv. **Update on Land Condemnation**

Receiver Representative, David Manning, reported that there are ongoing issues with Lot 450. He stated that the Receiver and Legal Representative, Vanessa Williams, have been in consultation with the Attorney General's Office with regard to Lot 3434 and they are working toward a resolution.

v. **General Manager's Report**

a. 2019 Budget

General Manager, Greg Martin, reported that the design for the new landfill cell is about 50% complete and was submitted to Guam EPA and USEPA for their review and approval.

Mr. Martin also reported on the DEF program and stated that he is working with Bob Perron of Mr. Rubbishman on the pricing.

Mr. Martin asked Receiver Representative, David Manning, to report on the new cell for Layon. Mr. Manning reported that the new cell will provide significant additional capacity.

Mr. Martin informed the Board that he would like to attend the SWANA Expo in Las Vegas towards the end of April. He advised the Board that Mr. Manning would like the Board or the Board Chairman to provide a written approval for this trip.

Mr. Martin stated that they are also preparing for transition by looking into the contracts that will need amendments so that they come back to GSWA post receivership. He informed the Board that they have identified about twenty contracts so far.

Mr. Martin brought up that there is an audit contract from Deloitte & Touche, and that he had some concerns because he was not present for two out of the three years in question. He stated that he spoke with Board Legal counsel, Georgette Concepcion, and she stated he could go ahead and sign. He also stated he checked with DOA accounting and they also stated he could proceed to sign the audit contract.

He reported that the four employees from GSWA who attended the procurement module had all passed. He also stated that he is trying to set up a meeting with DOA and PHR to assist with the compensation and classification plan.

Comptroller, Enrique Vinas, informed the Board that he has been working with Coleen Cruz and Alicia Fejeran in his understanding and monitoring of the month end processing, but stated that he had no involvement with month-end processing. Board Clerk, Alicia Fejeran, informed the Board that she and Mr. Vinas scheduled to process the end of month procedure after the Board meeting. Ms. Fejeran also provided information on how the billing process works.

Vice Chairman, Jonathan Denight, asked Mr. Manning when Mr. Vinas would be involved in the accounting side of the business, receivables and payables. Mr. Manning stated that he does not know of any reason why Mr. Vinas is not already involved. He informed the Board that Mr. Vinas' role would be one in the same as Mr. Manning's role which is to oversee that the functions are being properly

performed and not actually performing the function. Mr. Manning stated he is open to and welcomes any input Mr. Vinas may have, and that he can raise any issues directly with him. The Board requested that Mr. Vinas be involved in the oversight of the complete accounting process.

b. Committee Reports

i. Personnel Transition

a. Government Classification and Compensation Plan

Mr. Martin reported to the Board that he is setting up a meeting with DOA and PHR to gain a better understanding of the DOA process. He stated he has made calls and left messages with them, and is waiting on a response.

Mr. Martin requested that Alicia Fejeran provide an update on current transitions as far as GG1(s). Ms. Fejeran informed the Board that there were eight new classified employees that were transitioned in. She informed the Board that seven of them were current contracted employees from PHR and one applicant was an outside applicant. Board members, Joseph Duenas and Jonathan Denight, asked why there was urgency in hiring the employees into classified positions and why they were hired. She responded that the positions were budgeted for and the employees selected met the requirements. Mr. Manning responded that the court is well aware of the actions they have been taking with regard to transitioning the employees. He stated that when the receiver has the opportunities to transition the employees into permanent Government of Guam positions they have done so and will continue to do so as long as the Receiver is responsible, as these actions are part of the transition.
Board Member, Joseph Duenas, stated that the decision in hiring these people has been underhanded and it was not fair to the incoming management who will have to work with the employees being transitioned. Mr. Manning stated that these actions are a part of the transition and to the best of his knowledge there has been no notice from the Board or the team they had hired, of being uninterested in keeping the current employees. Vice Chairman Denight, asked Mr. Manning why he is in a rush to transition these employees if he had stated this would increase costs by 30%. Mr. Manning responded that this is a basic situation of what transition requires, and the Receiver does not believe that the contract with PHR is transferrable after Receivership ends. Board member, Joseph Duenas, requested that this conversation be recorded in the transcription of the minutes. Mr. Duenas also stated that a lot of effort went into law so that management, whoever that is in the end, has time to work with them and hire the people who they want. Vice Chairman Denight added that it was also to allow new management to determine the best move forward when the receivership has ended. Chairman Gayle, stated that transition needs to be cooperative. Mr. Manning stated that these people that were hired are drivers, loaders, and a few clerks; a total of eight positions filled. Vice Chairman Denight stated that this was just the beginning of the Receivers move to move the employees all over. Mr. Manning responded that when the Receiver has an opportunity to transition these employees, the Receiver will do so, but he is not sure that they will be able to get it all done before Receivership ends. Chairman Gayle asked Mr. Manning if he was aware that there was a law passed recently that addressed this. Mr. Manning stated that the law that was passed is a law that said that the Board may accept the contract but the Receiver is not in a position to assign the contract and he does not believe that the contract is assignable. Vice Chairman Denight stated that it was specific in the law that the Agency has three years to leave everything in the way the Receiver has set it up so that new management can thus decide the next course of action and the decision of hiring these employees were not the Receiver's decision to make.

Vice Chairman asked representatives from Pacific Human Resources Services (PHRS) on their take of the transition of the eight employees. President of PHRS, Maria Connelley, stated that GBB

has provided them with information on the new positions and the new titles but PHRS personnel knows that new management will be stepping in soon so they have not taken any action on the request that the Receiver has submitted to them with regard to the new pay plan. She stated she is waiting on new management to step in and provide them with their organization structure so that PHRS can proceed with it. She stated that PHRS continues to provide the drivers and sanitation workers who are private employees.

She also informed the Board that she does not think that GSWA has the HR function set up to do the competitive hiring for the Government of Guam employees although GSWA does have the Authority to hire and fire employees. Vice Chairman Denight asked Ms. Connelley if she sees an issue with the transferring the current contract to the Agency post Receivership. Ms. Connelley stated the agreement with GBB has no expiration date. Mr. Manning corrected Ms. Connelley and informed her that in the contract the agreement ends when the Receivership ends. Board member, Joseph Duenas, asked Ms. Connelley if the name could just be changed to GSWA. Board Attorney, Georgette Concepcion, stated that the statute says that the agreement automatically stays. Board member, Joseph Duenas, stated that the Receiver has pointed out that contracting through PHRS has reduced cost and questioned why the Receiver is in a rush to hire three months before the end of Receivership. He stated he does not believe this is fair to new management and disagrees with the Receiver's actions. Board member, Joseph Duenas, asked Ms. Fejeran how many GG1(s) were sent to BBMR. Ms. Fejeran responded that there were 9 GG1(s) sent down but only eight positions were filled. The Board inquired about the increase of employees and Chairman Gayle stated that there was a big jump in the numbers provided to them by Keilani Mesa. Mr. Manning informed the Board there has not been a huge increase and requested that the Board give Ms. Fejeran time to provide an accurate number. Ms. Fejeran asked if she could have some time to respond to the Board via email.

V. **Unfinished Business**

a. **Updates to GSWA Rules**

Board Attorney, Georgette Conception, informed the Board that the emergency rules have been submitted to the legislation. She confirmed with Receiver Operations Manager, Chace Anderson, if the GSWA Conference room would be available on March 1, 2018 at 6p.m. to hold the public hearing. She informed the Board that she just needs the Boards approval to proceed with the hearing. The notice of the hearing will need to be published 10 days prior and that GSWA staff will take care of the publishing. After the public hearing, the rules will be sent to the AG's Office for approval, and then transmitted to the Governor's Office. She informed the Board that she is working with the AG's Office and Governor's Legal Counsel to ensure that everything is all done, and that the packet is with the Legislature by April 1, 2018 so that it allows the Board exactly 90 days from June 30, 2018. Ms. Concepcion stated that an economic impact statement (EIS) needs to be provided as well. She stated that she worked with Mr. Martin and Mr. Vinas with the numbers for the EIS. She stated that there is an economic impact but it is not a new impact and that's how she will be presenting it in her letter. A motion was made by Board member, Joseph Duenas, to give authorization to legal counsel to proceed with the necessary actions to schedule the public hearing and to approve the proposed rules and the economic impact statement. The motion was seconded by Vice Chairman, Jonathan Denight. Motion was passed unanimously.

b. **Motion for Reconsideration**

Chairman Gayle informed the Board that the Attorney General informed him that the AG's office was going to withdraw their motion for reconsideration and advised that the Board also reconsider withdrawing their motion for reconsideration There was a motion made by Board member, Joseph Duenas, to accept the AG's recommendation and withdraw the motion the Board had originally submitted to the court without making any concessions that there were misrepresentation in the original filing. The motion was seconded by Vice Chairman Denight. The motion was passed unanimously.

VI. **New Business**

Board member, Joseph Duenas, stated that management can use GSA and DOA in the interim after the Receivership has ended but if the agency wants to operate as a truly autonomous agency, these functions could be potentially contracted out and this is something the Board needs to think about.

Mr. Martin made a request to Mr. Manning that he and Mr. Vinas have a final say in any new hires because they will be the ones who will have to work with the employees. Mr. Manning stated that to his knowledge GSWA is not hiring new people but simply transitioning current employees into fulltime government positions. He stated that the Receiver is willing to consider any recommendations he may make in such matters.

Board member, Joseph Duenas, stated that new management should sit in the front and represent GSWA at the next court hearing.

VII. **Open Discussion**

None.

VIII. **Public Forum**

None.

IX. **Next Meeting**

The Board scheduled its next meeting for Thursday March 8, 2018, at 11am at the Guam Solid Waste Authority conference room.

X. **Adjourn**

Board member, Joseph Duenas, motioned to adjourn the meeting at 12:18 p.m. Board Vice Chairman, Jonathan Denight, seconded the motion, and the motion passed unanimously.

GUAM SOLID WASTE AUTHORITY
BOARD OF DIRECTORS' MEETING
November 29, 2017 at 11 a.m.
Guam Solid Waste Authority
GSWA Conference Room, Tamuning

I. **Call to Order**
The Guam Solid Waste Authority Board of Directors' meeting was called to order by Chairman, Andrew Gayle, at 11:03 am.

II. **Roll Call**

Board Members:

Andrew Gayle	Chairman
Jonathan Denight	Vice Chairman
Minakshi Hemlani	Secretary

Management & Staff:

David Manning	Receiver Representative (via telephone)
Greg Martin	GSWA General Manager
Alicia Fejeran	GSWA Board Clerk
Keilani Mesa	GSWA Customer Service
Roman Perez	GSWA Operations

Guests:

Georgette Concepcion	Board Legal Counsel
Promilla Sullivan	Court Reporter
Ron White	Green Group Holdings

III. **Approval of Minutes**
Board Members reviewed draft minutes from the November 14, 2017 Board Meeting. Board Vice Chairman, Jonathan Denight, moved to approve the minutes subject to the following changes: Spelling correction of Kathy Kakigi's name on page three under the Adoption of DOA personnel Rules and spelling correction of Attorney Georgette Concepcion's name on page four under the FY-2018 Budget, and remove section that reads, "and have it set to the minimum" on page three under updates to GSWA Rules. Board Secretary, Minakshi Hemlani, seconded the motion. The motion passed unanimously.

IV. **Reports**

a. **Management/Receiver's Report**

i. **Monthly Tonnages and Collections**
Tabled.

ii. **Operating Budget**
Tabled.

iii. **GM Transition Report**
General Manager, Greg Martin, reported to the Board that the Department of Administration (DOA) had submitted a draft Memorandum of Understanding (MOU) and it is currently being reviewed by himself and staff. Board Vice Chairman, Jonathan Denight, requested that the Board start receiving a printed timeline from Mr. Martin that indicates dates and updates regarding transition.
Board Chairman, Andrew Gayle, suggested that management stock up on necessary supplies to ensure that operations can continue post Receivership without any issues. Board clerk, Alicia Fejeran,

advised the Board that there is a new requirement for procurement staff to be certified and that GSWA does not yet have a certified procurement officer. Board Secretary, Minakshi Hemlani, stated that she does not foresee any issues with Alicia Fejeran and Greg Martin certifying any future procurement post Receivership, and legal counsel would do actual procurement bids. Legal Counsel, Georgette Concepcion, reminded the Board that Bill-200 allows for GSWA to handle its own procurement and that she is also familiar with procurement laws.

b. Remaining Court Ordered Tasks

i. Residential Transfer Station Upgrades

Tabled.

ii. Environmental Closure of Dededo Transfer Station

Tabled.

iii. Ordot Post-Closure Operator

Receiver Representative, David Manning, reported that the negotiating process is still ongoing with two proposers. He hopes to have it completed by the end of the year to transition out of the temporary post closure maintenance services.

iv. Independent Engineer for Ordot Post-Closure Maintenance

Mr. Manning reported that the Receiver has not proceeded on any further steps on the procurement, and it will be rescheduled to coincide with the resolution of the methane issues at Ordot; sometimes in Spring of 2018.

v. Trustee

Mr. Manning reported that the Receiver has not proceeded on any further steps on the procurement and it will be rescheduled to coincide with the resolution of the methane issues at Ordot; sometime in Spring of 2018.

c. Committee Reports

i. Management Team Search

a. Comptroller

Chairman Gayle reported that negotiations have been ongoing with the candidate, Mr. Vinas. Bill-200 was passed into law and enables the Board to hire Mr. Vinas as the Comptroller. The Board members discussed Mr. Vinas' draft employment agreement and made changes. The Board informed Mr. Martin that he will be the one to continue the negotiation process with Mr. Vinas. When the negotiating process is completed the final agreement will be prepared and sent to the Attorney General (AG) for her review. If the AG has no issues with the agreement, it will be sent to the Board for their signature and then to Mr. Manning to certify funding. Mr. Manning stated he will sign the agreement as long as the AG has no issues with the terms in the agreement.

ii. Personnel Transition

a. Status of Proposed Legislation

With the passing of Public Law 34-58, all contracts will be extended for three (3) years after the transition. Attorney Concepcion informed the Board that Attorney General recommended that the Board discuss and votes on the continuation of the Pacific Human Resources' Contract and Alicia Fejeran's contract post Receivership. Board Chairman Gayle directed Mr. Martin to look into the contracts and make sure that the contracts will continue after the transition date.

b. Transition of Current Gov. Guam workers

No discussion.

c. Recommendation from AG to novate PHRS agreement

No discussion.

V. **Unfinished Business**

a. Updates to GSWA Rules

Board Chairman Gayle discussed the narrative that the Receivers had provided to the Board describing the

current operational rules under Receivership. Chairman Gayle stated that he would like to adopt the current operational rules that the Receiver has put in place. Mr. Martin stated that he would draft the Rules and submit it by the next Board meeting.

Board Secretary, Minakshi Hemlani, made a motion to authorize Mr. Martin to lead a team or subcommittee to bring the operational rules and regulations up to date, prepare and revise the rules and regulations based on the narrative provided by the Receiver, and work with Attorney Concepcion to format the rules so that the Board could properly transmit them to the Legislature. The motion was seconded by Board Vice Chairman, Jonathan Denight. The motion passed unanimously. The draft should be completed by the next Board meeting on December 13, 2017.

b. **Adoption of DOA Personnel Rules and Regulations**

Attorney Concepcion recommended that the Board adopt and continue with DOA personnel rules and regulations and adopt them as a default. Board Clerk, Alicia Fejeran, informed the Board that she would review DOA Personnel Rules and Regulations to see if she has any recommended changes or suggestions. Board Secretary Hemlani made a motion to adopt DOA Personnel Rules and Regulations subject to any changes that might come up in the discussion with Alicia and Greg. The motion was seconded by Vice Chairman Denight. The motion passed unanimously.

c. **MOU with DOA**

Mr. Martin informed the Board that he would like for the Comptroller to come aboard to review the MOU that was drafted by DOA before approving the agreement. Board Chairman Gayle suggested that the MOU be completed before the end of year 2017.

d. **GM Transition Plan**

Removed from Unfinished Business

e. **Legal Transition Issues Update**

Board Secretary Minakshi Hemlani made a motion to provide a supplemental update to inform the court of the status of the Governor signing the Bill No. 209 into law and further accomplishments that took place at today's Board meeting. The motion was seconded by Vice Chairman Denight. The motion was passed unanimously.

f. **FY18 Budget**

Public Law 34-68 was signed and with its passing, the Budget was also passed.

VI. **New Business**

Mr. Martin informed the Board that GSWA had placed two new trucks out for recycle. Martin plans to work with the Comptroller to see what trucks cost the most and see what can be done with the older trucks. He also reported that the Green Group Holdings' replacement for Ron White will be on Guam next week Monday, and he will be meeting with them and talking to them about the landfill and the methane collection programs.

VII. **Open Discussion**

None.

VIII. **Public Forum**

None.

IX. **Next Meeting**

The Board scheduled its next meeting for Wednesday, December 13, 2017, at 11am at the Guam Solid Waste Authority conference room.

X. **Adjourn**

Board Secretary, Minakshi Hemlani, moved to adjourn the meeting at 12:07 p.m. Board Vice Chairman, Jonathan Denight, seconded the motion, and the motion passed unanimously.

Service Code	Description	Unit Factor	Unit	Unit Price
Description:	**Bulk Collection**			
BWC3	BULKY WASTE CHARGE	1.00	EA	25.000
Description:	**CHARGE**			
REACTV	REACTIVATION CHARGE	0.00	EA	50.000
REINST	REINSTATEMENT FEE	0.00	EA	50.000
RSTNCG	RESTORATION CHARGE	0.00	EA	50.000
RTNCHK	RETURN CHECK FEE	0.00	EA	30.000
Description:	**Commercial Trash Disposal**			
208100	Commercial Hauler - Large	1.00	TON	171.600
208106	Commercial Hauler - Small	1.00	TON	171.600
REINST	Reinstatement Fee	1.00	EA	1000.000
208130	MILITARY WASTE DISPOSAL	1.00	TON	156.000
COMMAC	COMMERCIAL ADDITIONAL CHARGE	1.00	EA	50.000
Description:	**Govt of Guam Trash Disposal**			
208110	Government of Guam Agency	1.00	TON	171.600
208119	Government of Guam Mayor	1.00	TON	0.000
Description:	**RECYCLE COLLECTION**			
109710	Replace 95GA Recycle Cart	1.00	EA	74.750
Description:	**Residential Trash Collection**			
108100	Collect Trash Monthly 48GA Cart	1.00	MO	30.000
108110	Additional Trash Monthly -48GA Cart	1.00	MO	15.000
108300	Collect Trash Monthly 95GA Cart	1.00	MO	30.000
108310	Additional Trash Monthly -95GA Cart	1.00	MO	15.000
109610	Replace 95GA Trash Cart	1.00	EA	74.750
Description:	**Taxes**			
999997	Community Benefit Charge (residential)	1.00	MO	0.380
999998	Community Benefit Charge (Commerical/Govt)	1.00	TON	3.570
Description:	**Trash Tags**			
109550	Trash Tags	1.00	EA	4.000
Description:	**Residential Transfer Station Fees**	1	EA Load	Based on Volume Estimated by Attendent Min 7.50 / Max 22.50 Recycled cardboard/ glass bottles free when placed in recycling containers.

Title 28

Public Utilities

Chapter 6

SOLID WASTE MANAGEMENT

GUAM SOLID WASTE AUTHORITY

Article 1. Preliminary Statements.

§6101. Authority. 10 GCA § 51A104 (c) authorizes the Guam Solid Waste Authority to establish and adopt rules for the administration of its operations.

§ 6102. Repeal of Title 29 of the Guam Administrative Rules and Regulations, Chapter 2. The rules promulgated under Title 29 of the Guam Administrative Rules and Regulations, Chapter 2 are hereby repealed in their entirety.

§6103. Purpose. The purpose of these rules and regulations are: 1) to protect public health, safety and welfare by reducing or eliminating health hazards, fire hazards, offensive odors and unsightly litter attributable to accumulations of solid wastes; 2) to ensure proper, cost effective and environmentally sound disposal of solid waste; and 3) to lessen the demand for landfill sites, conserve land resources by providing maximum recovery of useable materials of solid waste within limits of economic feasibility.

§ 6104. All municipal solid waste shall be finally disposed of at the Layon Landfill which is a Sub-Title D Landfill, with its operations and management outsourced to a private operator. The private operator shall be responsible for obtaining all permits and monitoring of the Landfill site. The Layon Landfill shall not be open to the general public.

§ 6105. Only waste deemed acceptable waste under the Layon Landfill's operating permit shall be disposed of at the Landfill.

§ 6105. Schedule of Rates and Charges. All rates and charges are available free of charge at GSWA on a "Schedule of Rates and Charges" form. This schedule shall be considered as an appendix to these Rules. A Schedule of Rates and Charges shall be publicized on the GSWA website.

§ 6106. Collection of Solid Wastes.

(a) GSWA provides for the collection of solid waste from single or multi-family residences with four or less units.

(b) Collection and Transport Assignments. GSWA services all 19 villages on Guam, service includes; trash and recyclables collection as well as bulky waste collection for residential contracted customers. GSWA does not collect from commercial or industrial businesses.

(c) Right to Transport Own Residential Waste. Any person may transport residential solid waste acceptable for disposal to any of GSWA's residential trash transfer stations.

(d) Collection Intervals. All single and multi-family residential solid wastes, other than bulky rubbish and recyclables, shall be collected at least once weekly.

(e) Point of Collection – Single/Multi-Family . GSWA designates the point of collection at the time the customer signs up for service.

(f) Cart Placement on Curb. Carts should be placed at point of collection the night before their service day.

(g) Grading, Demolition and Construction Wastes. GSWA will not accept such waste at the Layon Landfill. Generators of such waste will be referred to properly permitted private commercial haulers.

§6107. Definitions.

(a) Collection service means the removal of solid waste from residential facilities with four or less units.

(b) Bulky waste means appliances, mattresses, hot water heaters and other bulky and metallic waste furniture and appliances.

(c) Cart means a container provided by GSWA designed for storage of waste and/or recyclable material.

(d) Dwelling means a building or portion thereof designed exclusively for residential occupancy.

(e) GSWA means the Guam Solid Waste Authority.

(f) Household hazardous waste means products used in the home, garden, garage and hobby shops with hazardous characteristics such as poisonous, combustible, flammable or corrosive.

(g) Grading, Demolition and Construction Waste means waste materials generated from the grading of land or the construction, remodeling or destruction of structures.

(h) Government means the government of Guam, all of its agencies, whether line or autonomous and all public corporations.

(i) Manager means the General Manager of Guam Solid Waste Authority or his/her designated representative.

(j) Multi-family dwelling means a building, or portion thereof, used and/or designed as a residence for no more than four independent (4) dwelling units.

(k) Occupant means any person whom, alone or jointly or severally with others, shall be in actual possession of any dwelling unit, or of any other improved real property, either as owner or as a tenant.

(l) Single family residence means a detached building designed for and/or occupied exclusively by one (1) family.

(m) Solid waste means garbage, unwanted or discarded waste materials in a solid or semi-solid state.

(n) Solid Waste Management means the purposeful, systematic control of the generation , storage, collection, transportation, separation, processing and disposal of solid waste.

(o) Special solid waste or special collection means solid waste, including but not limited to tires, grading, demolition and construction waste, batteries, air conditioners, cars, treated infectious waste, dead animals and offal, sewage sludge, asbestos waste and medical waste that requires special handling and separate fees as designated by the GSWA Manager and in compliance with all local permit requirements, state, and Federal laws and regulations.

Article 2. Residential Trash Collection and Recycling.

§6201. Registration and Carts.

(a) Registration. Residents residing in single family residences or multi-family dwellings as defined herein may register for collection service with GSWA by submitting a completed GSWA registration form, paying in full any balance from a previous account and providing proof of residency (rental lease, title or deed, power/water bills) and a valid identification (driver's license, passport or government of Guam issued identification card). Customers are required to draw as detailed a map as possible to the location of their residence. Each new or returning customer will be provided written information as to how to properly participate in GSWA's collection service. Customers will also be provided a large colored paper with a number on it to guide the collection crew to the location at which the carts will be delivered. Upon delivering the carts, the location will be recorded using the Global Position Satellite (GPS) coordinates. Customers may obtain a second cart for an additional cost.

(b) Carts. GSWA shall provide carts to customers occupying single-family residences and multi-family dwellings, as defined herein, upon setting up an account with GSWA. GSWA will only collect solid waste placed in the carts provided by GSWA. Customers must place carts at the designated collection location twelve (12) hours before the day of collection. Customers are responsible for maintaining and cleaning carts.

(c) Waste in Excess of Cart Capacity. If customers have trash exceeding cart capacity, it must be placed in trash bags and tagged with a GSWA excess trash tag. Upon registering for service with GSWA, customers will receive four (4) excess trash tags. Additional tags may be purchased from GSWA. Bagged trash without a tag will not be collected.

(d) Bulky Waste. Residential customers with accounts in good standing may receive up to two (2) free bulky waste collections each calendar year. Bulky waste collection shall be made by appointment only by calling the GSWA Customer Call Center. Bulky waste scheduled for collection shall be placed at the curb in the same general vicinity where they put their carts out for collection. Customers are allowed to place up to five (5) bulky items at the curb for each scheduled collection. Any additional collections in excess of the two (2) allowed herein shall be made for an additional cost as assessed by GSWA. Non-GSWA customers may also make an appointment for bulky waste collection as long as they are located in a residential unit and pay the assessed collection fee.

(e) Grading, Demolition and Construction Waste. Construction and demolition waste are not permitted at the Layon Landfill. GSWA will refer generators of this type of waste to permitted facilities.

(f) Recyclables. If requested a separate recycling cart will be delivered at no additional cost which will be collected twice per month and transported to a permitted recycling processor. These carts will be collected on the same day as the customers' trash carts are collected.

(g) Responsibilities at Point of Collection. Collection crew shall be responsible for the collection of solid waste from the point of collection to the transportation vehicle; provided, the solid waste was stored in compliance with these rules and regulations. Any spillage or displaced solid waste occurring prior to the arrival of the solid waste collectors at the point of collection shall be the responsibility of the customer. Any spillage or displaced litter caused as a result of the duties of the solid waste collectors shall be collected and placed in the transportation vehicle by the solid waste collectors. Any solid waste
collected shall, upon being loaded into transportation equipment, become the property of the collector. Solid waste collectors shall not be required to reach into solid waste containers to remove contents. Authorized containers emptied by solid waste collectors shall be returned to the point of collection.

§6202. Household Hazardous Waste Program.

(a) Disposal of household hazardous waste as defined herein require special handling.

(b) Residential customers may use this program at no charge but are limited to fifteen (15) gallons or one hundred (100) pounds of household hazardous waste items per day.

(c) Only residential customers may utilize this program. Commercial or other entities wishing to dispose of such products will be referred to properly permitted private facilities which provide such services.

(d) Acceptable household hazardous waste can be found on the GSWA website.

§6202. Residential Tipping Fees and Delinquent Accounts.

(a) Tipping fees shall be set pursuant to 10 GCA §§ 51A104(d) and 51A301.

(b) During the first week of each month, GSWA bills for the most recent previous month of service.

(c) All bills are due and payable upon presentation. Payment should be made at financial institutions designated by the GSWA, to authorized representatives or agents.

(d) After thirty (30) days from the billing date, any unpaid balance shall be considered late and shall result in a reminder call to the customer.

(e) Accounts with any unpaid balance after sixty (60) days from the billing date shall be provided written notice notifying customers that service shall be discontinued unless the accounts are brought current within thirty (30) days of the date of said written notice. If accounts are not brought current within the thirty days' written notice, the carts shall be removed from the customer's location.

(f) Restoration of service following collection of the account. Whenever any delinquent customer, whose service has been discontinued pays the sum due plus pre-payment of an additional month of service and a reinstatement fee, service shall be restored and collection will occur at the next regularly scheduled pick up date. Delinquent customers shall be responsible for any reasonable collection costs incurred by GSWA.

(g) Restoration of service following collection of the account by a collection agency. In the event GSWA refers a delinquent account to a collection agency, service shall be restored upon payment of the total sum due, one month's tipping fee and a reinstatement fee.

(h) Unrecovered or unrepairable carts. Customers shall be responsible for the cost of a new cart to replace any unrecovered or unrepairable carts issued to them before service may be restored.

(i) Under certain circumstances customers may seek a reduction in the amount of tipping fees owed. Customers who can show that they have had their service missed substantially during any given month, may request a meeting with the GSWA Manager or designated representative to seek a reduction in charges.

(j) Nonprofit 501(c) organizations, as defined by the U.S. Internal Revenue Code, seeking to perform community-wide cleanups on public property on a non-regular basis may seek from the GSWA Manager or designated representative, a reduction or elimination of the tipping fees for specified containers or hauling vehicles.

(k) Insufficient funds (NSF) checks. GSWA shall be allowed to recover a fee as set forth in the Schedule of Rates and Charges for each instance where a customer tenders payment for GSWA service with an insufficient funds check.

(1) When the GSWA is notified by the customer's bank that there are insufficient funds to cover the check tendered for GSWA service, GSWA shall make a diligent effort to contact the customer, either in person or by telephone, to inform the customer of the inadequate payment. GSWA may, at its discretion, require the customer to make payment in cash, money order, certified check,
or other means which guarantee the customer's payment to GSWA.

(2) A customer who tenders an insufficient check shall in no way be relieved of the obligation to render payment to GSWA under the original terms of the bill nor defer GSWA's provision for termination of service for nonpayment of bills.

(3) When a customer tenders an insufficient check and does not clear the check after being notified by GSWA, GSWA shall debit the account for the written amount plus a service charge as set forth in the Schedule of Rates and Charges.

(l) Customers may pay their bills with credit cards but will be assessed the fee charged by the credit card companies.

(l) Non-permissible reason to deny or terminate service. GSWA may not deny or terminate service for delinquency in payment for services rendered to a prior customer at the premises where service is being provided, except if it can be determined that there is intent between the parties to circumvent the provisions of these regulations, and where the prior customer continues to reside on the premises.

(m) The customer shall be responsible to keep GSWA informed of the customer's most recent billing address. Any bill which is not paid on or before the specified due date after presentation or deposit in the United States Mail shall be deemed delinquent and collection service shall be subject to the provisions of GSWA's discontinuation of service as set forth herein. Failure to receive bills or notices which have been properly placed in the United States Mail shall not prevent such bills from becoming delinquent nor relieve the customer of his obligations therein. Charges for service commence when the customer signs up for collection service, whether used or not.

Article 3. Commercial Accounts.

§ 6301. Registration and Collection.

(a) All commercial trash collection and recycling for commercial entities will be handled by properly permitted private commercial haulers.

(b) Private commercial or other non-governmental entities. An individual commercial entity may open an account for its own waste but must be properly permitted by the Guam

Environmental Protection Agency. GSWA does not provide any curbside solid waste collection or recycling services for commercial entities.

(c) Government Agencies. Government agencies are prohibited from disposing of waste at the Residential Transfer Stations or from utilizing the Household Hazardous Waste Program. Wastes from said agencies shall only be accepted at the Hauler-Only Transfer Station or with prior approval from GSWA, be delivered directly to the Layon Landfill. Government of Guam customers will be issued invoices. Mayors shall receive one free load of waste per day at GSWA facilities. Additional loads are charged in accordance with this Chapter.

(d) Registration. Commercial entities may register for collection service with GSWA by submitting a completed GSWA registration form. Commercial accounts must be approved by the GSWA Manager.

(e) Commercial entities are prohibited from disposing solid waste at the Residential Transfer Stations or hazardous material at the Household Waste Facility.

(f) Unless approved by GSWA management to deliver waste to the Layon Landfill, commercial entities are required to use GSWA's Haulers' Only Transfer Station.

(g) Direct deliveries to Layon Landfill by commercial entities are by appointment only approved by GSWA management. If the commercial entity goes directly to the Layon Landfill without a pre-approved appointment, it will be directed to the Hauler-Only Transfer Station and will not be allowed to deposit its material at the Layon Landfill.

(h) Waste generated by the United States military installations located in Guam will be disposed of and assessed fees under this Chapter as said waste is delivered to the Layon Landfill or transfer stations via a private commercial hauler. The cost of service will be billed to Guam Naval Facilities ("NavFac") and paid directly by NavFac.

§6302. Commercial Tipping Fees and Delinquent Accounts.

(a) Tipping fees shall be set pursuant to 10 GCA §§ 51A104(d) and 51A301.

(b) During the first week of each month, GSWA bills for the most recent previous month of service.

(c) All bills are due and payable upon presentation. Payment should be made at financial institutions designated by the GSWA, to an authorized representative or agent. Designated financial institutions and authorized representatives or agents shall be listed on customer billings and the GSWA website.

(d) After thirty (30) days from the billing date, any unpaid balance shall be considered late and shall result in a reminder call to the customer.

(e) Accounts with any unpaid balance after sixty (60) days from the billing date shall be provided written notice notifying customers that service shall be discontinued unless the accounts are brought current within thirty (30) days of the date of said written notice. If accounts are not brought current within the thirty days' written notice, the account will enter a thirty (30) day termination period. At the beginning of the thirty (30) day period, a public announcement will be made of the pending termination to allow the customers of the pending termination of their contracted haulers to make other arrangements for the proper disposal of their trash. Termination shall be accomplished by barring the delinquent commercial hauler from using the disposal facilities.

(f) **Restoration of service following collection of delinquent accounts.** Upon payment of all outstanding account balances, along with a bond (OR SECURITY DEPOSIT) equivalent to the twelve (12) months' tipping fees incurred by the delinquent commercial customer and a reinstatement fee, service shall be restored.

(g) Liability of commercial haulers for payment of unpaid bills remains the responsibility of the haulers even is services is not restored. Delinquent commercial haulers shall also be responsible for any reasonable collection costs incurred.

Article 4. Hauler-Only Transfer Station.

§ 6401. Commercial haulers and large generators who self-haul must contact GSWA to register for commercial accounts prior to entering the Hauler-Only Transfer Station.

§ 6402. Customers who visit the Hauler-Only Transfer Station, will drive onto the scales, a GSWA employee will retrieve the customer's account, weigh the vehicle and provide the customer with a dump ticket.

§ 6403. An initial tare weight shall be obtained on each vehicle disposing of acceptable waste at the Hauler-Only Transfer Station for the first time.

§ 6404. Tare weight of hauler vehicle. Tare weights will be specific to each vehicle used to deposit trash at the Hauler-Only Transfer Station and will be provided to the customers. These tare weights will be used to determine the weight of each load. The GSWA retains the right to determine a new tare weight for each vehicle at the GSWA's discretion.

§ 6405. Scales. In the event scales are inoperable, haulers shall accept reasonable estimated weight based on historical data.

§ 6406. After obtaining a dump ticket, the hauler vehicle shall be moved to the transfer station where the hauler shall present the dump ticket to the Station operator then proceed to a designated unloading bay and unload the waste onto the tip floor. The Station operator shall sift through the waste for unauthorized material. If any unauthorized material is found in the waste, said material will be returned to the hauler's vehicle. After dumping the waste onto the tip floor, the hauler shall proceed back to the scales to be weighed a second time as to accurately quantify the amount of waste dumped into the Station for disposal.

§ 6407. Acceptable Material. The only waste accepted at the Hauler-Only Transfer Station are non-hazardous solid wastes. Specifically excluded waste are special waste which include: treated infectious waste, dead animals and offal, sewage sludge, asbestos waste (prior written approval of GEPA is required) and treated medical waste.

Article 5. Radioactive Waste.

§ 6501. The Hauler-Only Transfer Stations and the Layon Landfill are equipped with radiation detection sensors. Each load delivered to these facilities shall be screened.

§ 6502. In the event radioactive waste is detected in a load, that load will not be accepted.

§ 6503. If the radioactive waste is brought to the facilities by a GSWA vehicle, said waste shall be placed in a secure container until the radiation subsides and material can be properly disposed.

§ 6504. If the radioactive material is brought to the facilities in a private or non-GSWA government vehicle, the waste will not be accepted and the hauler can either 1) have GSWA place the material placed in a secure container until the radiation subsides and the material can be properly disposed for a for a fee (which is charged by properly permitted private entities that accept such waste); or 2) leave the facilities without depositing the material.

APPENDIX

GSWA

RATE SCHEDULE

ECONOMIC IMPACT STATEMENT
RE.
GSWA OPERATIONAL RULES AND REGULATIONS

A. Background/Purpose.

The Guam Solid Waste Authority ("GSWA") was created under Title 10 of the Guam Code Annotated, Chapter 51A in 2011. The GSWA has statutory authority to adopt rules and regulations necessary to its operations:

> **Powers and Duties of the Authority.**
>
> (a) The Authority shall have and exercise each and all of the following powers:...
>
> (9) adopt such rules and regulations as may be necessary for the exercise of the powers and performance of the duties conferred or imposed upon the Authority or the Board by this Act;

10 GCA § 51A104.

Prior to the creation of the GSWA, its predecessor, the Division of Solid Waste, Department of Public Works was put in Receivership pursuant to Court Order of the U.S. District Court, District of Guam dated March 17, 2008. Pursuant to the District Court March 17, 2008 Order, the Court appointed "a receiver to manage, supervise and oversee the Solid Waste Management Division ("SWM") of DPW." *See* March 17, 2008 Order at 1 attached hereto as Ex. A..

In an Order dated September 2, 2011, the court gave the Receiver full control over GSWA to the same extent as he had over the original DPW solid waste division. *See* September 2, 2011 at 9, attached hereto as Ex. B.

During the nine years the Receiver operated the GSWA it implemented operational rules. In an Order dated December 1, 2017, the Court ordered "the Board, its legal counsel and the new general manager to begin drafting and updating the operational rules and regulations." The December 1, 2017 Order is attached hereto as Exhibit C.

At its November 29, 2017 meeting, the Board adopted all policies, rules and regulations put in place by the Receiver since the Receivership commenced regarding commercial haulers, residential customers, banned materials, the collection of bulky items and metallic goods and

Doc No 34GL-18-1694

penalties imposed for late payments. *See* Board Meeting Minutes of November 29, 2017 attached hereto as Ex. D. The Board instructed GSWA's General Manager to work with staff and the Board's legal counsel to put these policies, rules and regulations in a format acceptable to the Legislative Secretary pursuant to 5 GCA § 9305. Id.

The GSWA Board finds that the adoption of the attached Rules and repeal of Title 29 of the Guam Administrative Rules and Regulations, Chapter 2 in its entirety, is necessary to comply with the District Court of Guam's Order dated December 1, 2017, attached hereto, that "the Board, its legal counsel and the new general manager [] begin drafting and updating the operational rules and regulations."

At a duly noticed Board meeting held on February 7, 2018 at the GSWA Conference Room, Upper Tumon, Guam, the Board discussed and approved the adoption of the propose Rules. *See* (draft) Minutes of Meeting attached hereto as Ex. E.

The implementation of the attached Rules is necessary to ensure the operations of the GSWA remains status quo. Status quo in the operations of the GSWA is necessary to the successful and seamless transition out of Receivership and the proposed Rules are necessary to said success.

B. Economic Impact.

The Board has determined that the Rules transmitted herewith will have an annual impact to the general public and more specifically its commercial and residential ratepayers. The economic impact, however, will not be anything new or additional at this time as the Receiver has been operating the Agency since 2008. The Receiver, with the District Court's approval, set the current tipping rates in 2009. *See* Orders dated Jan. 23, 2009 and July 15, 2009 hereto as Exhibit F. Based on the current tipping rates, the GSWA generates approximately $18,000,000 in annual revenue:

Item	FY 2015	FY 2016	FY 2017	YTD 2018
Commercial & Gov't Tipping Fees	$11,215,834	$12,133,246	$11,785,500	$957,953
Residential Collection Fees	$6,381,321	$6,666,092	$6,867,000	$590,484
Transfer Stations	$298,682	$249,223	$310,700	$33,626
Other Revenue	$64,358	$314,643	$69,600	$3,794
Totals	**$17,960,195**	**$19,363,204**	**$19,032,800**	**$1,585,857**

See GSWA Operating Budgets FY2017 and FY2018 attached hereto as Exhibits G and H, respectively.

Under the GSWA's enabling act and subsequent legislation, it must petition the Public Utilities Commission within 180 days of the termination of the Receivership to either ratify or modify the current tipping rates. 10 GCA § 51A120. Until then, the current rates will remain.

No increase in rates, the cost of living or the cost of doing business as an entity or industry is anticipated at this time and when the rules are initially promulgated. Whether or not an increase in rates is necessary in the future will be contingent on certain factors. Factors such as the cost of operations once the Receivership ends and the amount in debt service the Legislature and Executive Branch will require from the GSWA will determine whether an increase in the tipping rates is necessary. *See* GSWA 2016 Rate Analysis Update (Dec. 31, 2016) attached hereto as Ex. I. The GSWA anticipates the cost of operations will decrease as the Receiver will no longer be operating the Agency at its current annual cost of $1,700,000[1].

See 2016-2017 Quarterly Reports at www.guamsolidwasteauthority.com/documents.

No direct or indirect impact upon employment on Guam or any increase or decrease in the availability of a particular job or jobs, or jobs in general, is anticipated with the implementation of the proposed rules. No impact is anticipated as the number of employees currently employed as classified employees with the Agency will remain post-Receivership, all employment contracts and service contracts shall remain in place up to three years after the Receivership ends. 10 GCA § 51A118(a) and (c).

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1 Payments made to the receiver for 1 calendar year (2016-2017): $1,642,596.71

Payments made to Alicia Fejeran (GBB contract employee) for 1 calendar year, Receiver's contractor (2016-2017): $65,219.65

A trustee who will oversee the post-closure monitoring finances and an operator who will conduct post-closure monitoring of the Ordot will be compensated by the GSWA but it is anticipated said compensation will be less than what is paid to the Receiver.

IN THE DISTRICT COURT OF GUAM

UNITED STATES OF AMERICA, Plaintiff, v. GOVERNMENT OF GUAM, Defendant.	CIVIL CASE NO. 02-00022 **ORDER RE: APPOINTMENT OF RECEIVER**

In the four years since the Consent Decree was entered, which includes the court meeting with the parties and conducting site visits for the last several months, the following observations have become increasingly clear: (1) there has been an historical and present lack of commitment by the island's leaders in addressing this solid waste crisis, (2) the present Governor is committed to coming into compliance with the Consent Decree, and (3) despite the Governor's bests efforts and those of the employees of the Department of Public Works ("DPW"), they alone cannot solve this problem without a concerted effort by all sectors of the Government of Guam. The problem of a highly dysfunctional, largely mismanaged, overly bureaucratic, and politically charged solid waste system, which this Governor has inherited from past administrations, is beyond correction by conventional methods. Accordingly, this court invokes its equity jurisdiction and Rule 70 of the Federal Rules of Civil Procedure and hereby appoints a receiver to manage, supervise and oversee the Solid Waste Management Division ("SWM") of DPW.

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EXHIBIT A 001

Doc. No. 34GL-18-1694.

I. BACKGROUND

The historical background of this case leading up to the entry of the Consent Decree on February 11, 2004, has been presented in several prior orders and need not be reiterated at length here. The court, however, will stress that the Consent Decree was entered into by the parties after extensive arms-length negotiations.

Since the Consent Decree was entered, protracted litigation has resulted from the Government of Guam's noncompliance, which has led to this court's further oversight.[1]/ Concerned over the Government of Guam's lack of progress, on December 6, 2006 the United States filed a Request for a Status Hearing. *See* Docket No. 56. Thereafter it filed a Motion to Enforce Consent Decree, and the Government of Guam filed a Motion to Modify Consent Decree. *See* Docket Nos. 69 and 76. Both motions were filed on January 31, 2007, and were heard by the U.S. Magistrate Judge on March 8, 2007. The Government of Guam requested another four years to complete its duties and responsibilities under the Consent Decree.[2]/ The U.S. Magistrate Judge subsequently recommended that this court deny that request. *See* Docket No. 125. This court adopted that recommendation. *See* Docket No. 177.

In October 2007, this court began conducting monthly status hearings and site visits. *See* Docket No. 146. For its failure to abide by the mandates of the Consent Decree, this court, *inter alia*, imposed stipulated penalties of more than $2.855 million against the Government of Guam.[3]/ *See* Docket No. 177.

More recently, the court invoked the Supremacy Clause, invalidating Section 98 of Public Law 29-19, thereby removing the impediment that officials from the Government of Guam

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[1]/ Since the entry of the Consent Decree, there have been approximately 200 additional pleadings filed dealing with the enforcement of the Consent Decree.

[2]/ The Government of Guam's "revised schedule" proposed that operations at the new landfill in Dandan begin on or about July 30, 2010, with the eventual closure of the Ordot Dump slated for December 16, 2011.

[3]/At the Government of Guam's request, the court stayed the imposition of these penalties in exchange for the Government of Guam's deposit of said funds with the court as proof of its good faith efforts to come into compliance with the Consent Decree.

EXHIBIT A 002

Doc. No. 34GL-18-1694.

argued had prohibited them from proceeding with the development of the Dandan landfill. *See* Docket No. 218.

Despite this court's greater involvement and repeated calls for a unified approach in expeditiously resolving the solid waste crisis, there has been minimal progress. The actions undertaken by the Government of Guam were spurred by this court's orders, rather than out of a genuine commitment to meet its responsibilities to its citizenry. At the March 2008 status hearings, the court was again reminded of how little has been done.

II. Discussion

The court has repeatedly emphasized that time is of the essence. That time has now run out. The U.S. Environmental Protection Agency ("EPA") issued its first administrative order in 1986 directing that the Government of Guam cease discharging leachate from the Ordot Dump. Despite the passage of 22 years, this dump is still in operation with no realistic end in sight. Accordingly, the court must consider drastic remedies to ensure that this islandwide health and environmental hazard does not continue. These remedial measures include the imposition of monetary damages, the appointment of a special master or court monitor, the imposition of a moratorium and the immediate closure of the Ordot Dump, or the appointment of a receiver.

A. Alternative Measures

The court first considers whether it should impose monetary damages to exact compliance. "Courts of equity have traditionally viewed injuries to real property as incapable of being repaired by an award of money judgments. . . . A threat to public health may render legal remedies inadequate in environmental cases." Jason Feingold, *The Case for Imposing Equitable Receiverships Upon Recalcitrant Polluters*, 12 UCLA J. Envtl. L. & Pol'y 207, 218 (1993) (hereinafter "*Recalcitrant Polluters*").

The environmental threat here cannot be disputed. The Ordot Dump is unlined on its bottom and uncapped at its top, and thus acts like a sponge, retaining rain water and releasing it after it has percolated through the dump and absorbed contaminants. *See* Docket No. 55. Mr. Pankaj Arora, Environmental Engineer for the U.S. EPA, stated that the "[f]ailure to close the Ordot Dump will cause other environmental and health problems in addition to the continued

EXHIBIT A 003

Doc. No. 34GL-18-1694.

discharge of leachate. During the DPW's operation of the Ordot Dump, the Dump has continued to pose a vector issue (*i.e.* flies, rodents, and other pests), an odor problem, and a fire hazard."[4]/ Arora Decl. Docket No. 73. The imposition of monetary damages is an inadequate remedy and would not resolve the continuing harm to the environment and the citizens of Guam.

Moreover, given the Government of Guam's limited financial resources, any monetary damages ordered would divert money better spent on Consent Decree projects. Furthermore, this court cannot ignore that a monetary judgment against the Government of Guam, could "eventually be passed on to nonculpable taxpayers." *See* Summary and Comments, 10 Envt'l Law Rep. 10059 (Mar. 1980).

Next, the court considers the appointment of a special master which is authorized by Rule 53 of the Federal Rules of Civil Procedure. At this point in the litigation, however, such an appointment would be a step backwards in terms of complying with the Consent Decree. The special master would oversee compliance with the Consent Decree and upon submission of a "master's report," this court would conduct "appellate-type review." Stuart P. Feldman, *Curbing the Recalcitrant Polluter: Post-Decree Judicial Agents in Environmental Litigation*, 18 B.C. ENVT'L AFF. L. REV. 809, 820 (1991). This additional level of judicial review would likely result in further delay and inaction by the Government of Guam.

The appointment of a special monitor would be even more problematic and subject to challenge. *See, e.g., Hook v. Arizona*, 907 F.Supp. 1326 (D. Ariz 1995) (challenge to appointment of a special monitor to oversee Defendant's compliance with court-ordered remedial measures due to violations of prison inmates' constitutional rights). "In accomplishing their task, monitors generally play a less intrusive role than masters or receivers. Nevertheless, litigants frequently challenge references to monitors." Feldman, *Curbing the Recalcitrant Polluter*, 18 B.C. ENVT'L AFF. L. REV. at 826. Because there is no authority in statute or rule for such an appointment, this court would have to rely solely on its inherent authority to undertake this measure.

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[4]/ From its own site visits, the court is well aware that not only are the surrounding residents exposed to these health hazards, but the DPW employees tasked to work at the Ordot Dump must likewise endure these deplorable conditions.

EXHIBIT A 004

Doc. No. 34GL-18-1694.

This court also rejects the imposition of a moratorium to immediately close the Ordot Dump. Although this prohibition would ensure that no future trash is deposited at the Ordot Dump, it would almost certainly guarantee rampant and widespread illegal dumping. Thus, rather than a specific focus on the discharge of pollutants at one site, there would be an imminent threat of leachate draining into the waters throughout the island. This alternative is not realistic and would indeed result in greater harm to the community.

In sum, these alternative remedies would do little to achieve compliance with the Consent Decree. Accordingly, the court must consider the appointment of a Receiver.

B. AUTHORITY TO APPOINT A RECEIVER

The court is fully cognizant that the appointment of a receiver to ensure compliance with federal environmental laws is a remedy reluctantly and rarely used. Such an appointment is rooted in traditional notions of an equitable receivership and in Rule 70 of the Federal Rules of Civil Procedure. Environmental receiverships have gained acceptance as a remedial measure by the courts.

1. TRADITIONAL NOTIONS OF RECEIVERSHIP

A traditional receivership involved a court in equity appointing a neutral third party to be responsible for holding and protecting specific property, such as real property, estates, and failed businesses. *See generally* Joanne R. Denworth and James Burn, *Moyer's Landfill: Case Study of a Federal Equity Receivership*, 4 TEMPLE ENVTL. L. & TECH. J. 17, 21 (1985). "Receivers historically have been appointed as custodians for property deemed to be in jeopardy of loss from improper diversion or destruction." Feingold, *Recalcitrant Polluters*, 12 UCLA J. ENVTL. L. & POL'Y at 212.

The concept of a receiver has evolved from being simply a custodian of property, and has been used in certain cases as an agent of reform. "The most dramatic and controversial receiverships of the late twentieth century, the institutional reform cases, exemplify the modern exercise of equitable authority to appoint a receiver to address persistent non-compliance with judicial decrees." *Recalcitrant Polluters*, *supra* at 214. A receiver was appointed to implement court-ordered school desegregation in *Morgan v. McDonough*, 540 F.2d 527 (1st Cir. 1976).

EXHIBIT A 005

Doc. No. 34GL-18-1694.

More recently, a receiver was appointed to oversee and administer medical services in California's state prison system. *See Plata v. Schwarzenegger*, No. C01-1351 THE, 2005 WL 2932253 (N.D. Cal. Oct. 3, 2005) (Findings of Fact and Conclusions of Law Re Appointment of Receiver).

These modern remedial receiverships have also arisen in environmental cases. Environmental receiverships found its genesis in 1979, when the City of Detroit, the City's Water and Sewerage Department and the State of Michigan were sued by the United States Environmental Protection Agency for violating the Federal Water Pollution Control Act, 33 U.S.C. § 1251 *et seq.* *United States v. City of Detroit*, 476 F. Supp. 512 (1979). The parties entered into a consent judgment, but despite limited progress "failed to comply with the judgment of th[e] court and federal law governing water pollution." *Id.* at 520. The court *sua sponte* ordered the appointment of a receiver "to secure compliance with the law and th[e] court's judgment." *Id.* The court recognized that such authority to appoint a receiver was "founded in the broad range of equitable powers available to [a district] court to enforce and effectuate its orders and judgments." *Id.*

Relying on *City of Detroit*, the court in *Town of Greenwich v. Department of Transportation*, 10 Envtl. L. Rep. 20178 (1980), appointed a receiver to take control of the Connecticut Department of Transportation ("DOT") to close down a power plant for violating air pollution regulations promulgated pursuant to the federal Clean Air Act 42 U.S.C. § 7401 *et seq.* As in *City of Detroit*, the parties in *Town of Greenwich* entered into a consent judgment, but it was undisputed that the DOT did not comply and continued to violate the air pollution regulation. *Id.* The court appointed a receiver "to secure compliance with the law and the judgment of th[e] Court." *Id.*

Since *City of Detroit*, other courts have ordered receiverships when environmental laws were implicated and concerns regarding health and safety had been raised. *See, e.g., Ohio ex rel. Brown v. Chem-Dyne Corp.*, Case No. CA-80-03-0021, 1981 WL 5234 (Ohio App. Oct. 28, 2981) (unreported) (affirming the appointment of a receiver over a private company that had unlawfully accumulated hazardous waste that polluted the water, and then violated a stipulated

EXHIBIT A 006

Doc. No. 34GL-18-1694.

agreement to cease the pollution); *O'Leary v. Moyer's Landfill, Inc.*, 677 F.Supp. 807, 815 (E.D. Pa. 1988) (holding that the court "retain[ed] ongoing jurisdiction for the duration of the receivership over claims arising with respect to the property in the Receiver's control as a means of protecting the court's own judgment."); *Dep't of Envt'l Prot. v. Emerson*, 563 A.2d 762 (Me. 1989) (affirming the appointment of a receiver to oversee operation of a tire storage and disposal facility and ensure compliance with state laws regarding, *inter alia*, hazardous waste, solid waste management and hazardous clearance); *Ohio ex rel. Celebrezze v. Gibbs*, 573 N.E.2d 62, 67-68 (Ohio 1991) (affirming appointment of a receiver and further holding that state law "enabl[ed] the trial court to exercise its sound jurisdiction to limit or expand a receiver's powers as it deems appropriate."); *United States v. Acadia Woods Add. #2 Sewer Co.*, 41 F. Supp. 2d 632 (W.D. La. 1999) (appointing a receiver to run a wastewater city treatment plant to ensure compliance with federal Clean Water Act).

2. AUTHORITY TO IMPOSE A RECEIVERSHIP

A court has authority, as a court in equity, to establish a receivership. Federal courts are invested with jurisdiction over "all cases in law and equity." U.S. CONST. Art. III, § 2. Indeed, one court stated that its authority to appoint a receiver "is founded in the broad range of equitable powers available to this court to enforce and effectuate its orders and judgments." *City of Detroit*, 512 F.Supp. at 520. Other courts have followed *City of Detroit* and relied on equity jurisdiction to appoint federal receivers in cases where there were violations of environmental laws. *E.g.*, *Town of Greenwich*, 10 Envtl. L. Rep. 20178 ("A court appointed Administrator will be selected . . . [and t]he authority of this Court to exercise such broad remedial power is well articulated by Judge Feikens in *[City of Detroit]* and cases cited therein."); *Alisal Water Corp.*, 326 F.Supp. at 1026 (stating that the evidence at trial "suggests powerfully that significant equitable relief, including the appointment of a receiver for certain specified purposes, is warranted here"); *Acadia Woods*, 41 F. Supp. 2d at 633 (appointing a receiver "based upon the broad range of equitable powers available to this Court to enforce and effectuate its orders and judgment").

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EXHIBIT A 007

Doc. No. 34GL-18-1694.

Courts have also relied on Rule 70 of the Federal Rules of Civil Procedure, which states: "[I]f a party fails to comply [with a judgment] within the time specified . . . the court may direct the act to be done at the cost of the disobedient party by some other person appointed by the court." Fed. R. Civ. P. 70. *See Town of Greenwich*, 10 Envtl. L. Rep. 20178 ("The Administrator . . . is vested with the power and authority provided under Rule 70 of the Federal Rules of Civil Procedure to perform all acts he deems necessary to achieve expeditious compliance . . . . "); *City of Detroit*, 476 F.Supp. at 516 (stating that the receiver was "vested with the power and authority as provided under Rule 70 of the Federal Rules of Civil Procedure to perform any act necessary to achieve expeditious compliance with the Consent Decree.").

Although neither party has moved for the appointment of a receiver, both parties have conceded this court's authority to appoint one. *See* Docket Nos. 147 and 152. At this court's request, both parties submitted the names of individuals and/or firms to serve as potential receiver. *See* Docket Nos. 204 and 206. The court advised the parties that it would interview these candidates, and subsequently met with seven out of the nine nominees.[5]/ These interviews were both educational and enlightening, and further bolsters the court's belief that nothing short of an appointment of a receiver will resolve this crisis.

C. EVIDENCE IN THIS CASE SUPPORTS APPOINTMENT OF A RECEIVER

The history of this case demonstrates that the Government of Guam is paralyzed by an institutional and systemic quagmire that has prevented it from effectively complying with the Consent Decree. The court acknowledges that the Government of Guam, and specifically DPW, has recently shown some advancement toward gaining some compliance with the Consent Decree. However, progress is limited and sporadic.

1. HISTORY OF NONCOMPLIANCE WITH THE MANDATES OF THE CLEAN WATER ACT

From the court's perspective, and in light of the record of this case, the Government of Guam should not be surprised by the court's resort to this drastic measure. The record reveals

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[5]/ The court attempted to interview all nine candidates. One declined to be interviewed, and the court was unable to make contact with the other.

EXHIBIT A 008

Doc. No. 34GL-18-1694.

that the Government of Guam has been on notice of its violation of the Clean Water Act for twenty-two years, when the U.S. EPA issued an Administrative Order in 1986 directing DPW to cease discharge of leachate by May 1, 1987. *See* Lee Decl. Docket No. 75. DPW failed to comply. *Id.* Another Administrative Order was issued in 1990, again requiring the cessation of discharges by June 30, 1992. *See* Complaint, Docket No. 1; Answer, Docket No. 7; Consent Decree, Docket No. 55. Although the U.S. EPA granted an extension until August 15, 1992, DPW again failed to meet this deadline. In 1997, the U.S. EPA amended the 1990 Administrative Order that required DPW to submit a proposed schedule for the design and construction of a cover system to eliminate the discharge of leachate from the Ordot Dump. *See* Complaint, Docket No.1; Lee Decl., Docket No. 75. Although DPW submitted a proposed schedule, it was rejected because it lacked the funding commitment to make the plan credible. *See* Complaint, Docket No.1; Lee Decl., Docket No. 75. Moreover, for two years prior to the filing of the Complaint, the United States and the Government of Guam engaged in intense negotiations, and the United States submitted a proposed consent decree, which was signed by the former governor, the Hon. Carl T.C. Gutierrez, in 2003 just before leaving office. *See* Report and Recommendations, p. 3 n.2, Docket No. 125. In light of the change in administration, further settlement negotiations began with new Government of Guam officials, *id.*, and ultimately, the parties entered into the Consent Decree on February 11, 2004. *See* Docket No. 55. The Consent Decree, herein at issue, was signed by the current governor, Hon. Felix P. Camacho. *See* Consent Decree, Docket No. 55. Yet, more than four years after entering the Consent Decree, compliance with its mandates are minimal: the Ordot Dump remains the island's only means of solid waste disposal; construction of the new landfill at Dandan cannot begin until award of the contract which is expected to occur in five months; the Government of Guam cannot, with any certainty, articulate the means of funding either the closure of the Ordot Dump or the construction of the new landfill; and the Government of Guam has not even decided on the procurement method for the closure of the Ordot Dump or construction of the new landfill.

There are several reasons which lead this court to conclude that the Government of Guam is unable to achieve true compliance with the mandates of the Consent Decree. These reasons

EXHIBIT A 009

Doc. No. 34GL-18-1694.

support the necessity of the appointment of a receiver in this case.

2. LACK OF FINANCIAL COMMITMENT

Most troubling to this court is the lack of financial commitment evinced by the Government of Guam toward funding Consent Decree projects. The Government of Guam has known it was in violation of the Clean Water Act since 1986, and was ordered, twenty-two years ago, to cease discharge of leachate. *See* Lee Decl. Docket No. 75.

Pursuant to ¶10(a) of the Consent Decree, the Government of Guam was required to submit a financial plan for funding the various Consent Decree projects, which included the funding source or sources and a schedule to secure funds for the capital and operating costs necessary to implement said actions. The Government of Guam's Revised Financial Plan indicated a preference for financing the initial sum of approximately $100 million through revenue bonds. *See* Motion to Enforce Consent Decree, Docket No. 69, at Attachment 14. These revenue bonds would then be re-paid through the steady collection of tipping fees and residential customer rates. Despite such a clear need to improve its collection rates in order to obtain these revenue bonds, Lawrence Perez, the director of DPW, testified that the agency has only increased its residential revenue collection rate from 30% to 50%.

This poor collection rate has been an ongoing problem. For example, back in April 2006, the Public Utilities Commission ("PUC") contracted with the Georgetown Consulting Group ("GCG") to examine whether DPW was capable of efficiently billing and collecting an increased rate revenue which would be required to fund the Government of Guam's obligations under a proposed revenue bond.[6]/ The GCG's August 2006 "Focused Audit Report and Recommendations" found that:

> (a) DPW's current billing and collection system is unable to competently handle even the current rate revenue levels much less the increased burden necessary to support the revenue bonds.

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[6]/ At that time, it was anticipated that the existing rates would have to be increased 400% over the next three years in order to pay for the revenue bonds. *See* Motion to Enforce Consent Decree, Docket No. 69, at Attach. 12.

EXHIBIT A 010

Doc. No. 34GL-18-1694.

(b) Substantial remedial action, including operational changes, legislation, regulatory action and rule-making must immediately occur to enable DPW to bill and collect the revenue necessary to fund revenue bond requirements.

(c) If this remedial action does not occur, DPW will not be able to bill and collect the revenues necessary to fund revenue bond obligations and this burden would fall, in part, on the General Fund. Regulatory principles could obstruct the PUC (i) from awarding rate increases to compensate for DPW billing and collection mismanagement; and (ii) from increasing SWM residential customer rates unless the quality of residential service is dramatically improved.

See Motion to Enforce Consent Decree, Docket No. 69, at Attach. 12.

Because of GCG's findings regarding DPW's poor residential service and billing and collection mismanagement, the PUC would not approve any increase in rates. Despite such findings by GCG, DPW has not made any concerted effort to improve its billing practices. A year later in August 2007, the Guam Public Auditor conducted a Public Auditor's Performance Audit and again problems concerning collection procedures were identified. The Public Auditor estimated that $4 million in government revenues were lost due to thousands of residential customers who may not have been billed or had not been provided services. Regardless of the findings by the GCG in 2006 and the Public Auditor in 2007, little has been done in terms of improving DPW's collections. It is disconcerting that DPW's collection rates have not improved at a more significant level, particularly when financial resources are so limited.

The lack of a consistent revenue stream from collections is further exacerbated by the Guam Legislature's failure to provide funding for any of the Consent Decree projects. At the status hearings last week, Mr. Perez testified that DPW prepares two budget proposals annually. The first is an operating budget and the second is a supplemental budget, which he represented was a "wish list" of "unfunded mandates" that included Consent Decree projects. No funding has been provided by the Guam Legislature for the Consent Decree projects. In fact, he stated that the only funding for Consent Decree projects are from grants received and monies the Governor reallocates using his transfer authority. Without a commitment to fund the necessary projects, there is little chance that the closing of the Ordot Dump and opening of the landfill at Dandan will ever occur.

EXHIBIT A 011

Doc. No. 34GL-18-1694.

3. Lack of Cooperation Between the Executive and Legislative Branches

The court finds that there has been an historical failure of the leadership of the Government of Guam to respond to the solid waste crisis. The past and current leaders have failed to take the bold measures necessary to protect the lives and welfare of the citizens of Guam. The record in this case reveals that the Executive and Legislative Branches, in several instances, have not been able to work cooperatively to ensure compliance with the Consent Decree.

The Legislature has not only failed to provide any funding for Consent Decree projects, but it has actively prohibited the expenditure of monies toward development of the landfill at the Dandan site. For example, the Legislature enacted Section 98 of Guam Public Law 29-19 ("Public Law 29-19"), which essentially prohibited the expenditures of funds for any landfill site that the Government of Guam did not yet own. Because the condemnation proceedings in Dandan had not begun, this public law prevented all expenditures that would have facilitated the opening of Dandan.[7]/ Therefore, the completion of a Hydrogeological Report on the Dandan site by Mr. Tor Gudmundsen was significantly delayed because of lack of payment. The actions of the Legislature left the court with no other alternative but to invoke the Supremacy Clause to strike down Section 98 of Public Law 29-19 as a means to enforce compliance with the mandates of the Consent Decree. *See* Docket No. 188.

Additionally, the court ordered the Government of Guam to pay $2.855 million in stipulated penalties by January 24, 2008.[8]/ The Governor used his transfer authority to take money from the budget of the Guam Public School System so that said funds could be deposited with the court. Thereafter, the Legislature, rather than collaborate with the Governor on how to

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[7]/ This court notes that the Government of Guam did not initiate condemnation proceedings until this court imposed a deadline of January 24, 2008. Counsel for the Government of Guam represented to this court that the condemnation complaint was filed that day in the Superior Court of Guam.

[8]/ *See supra,* note 3.

EXHIBIT A 012

Doc. No. 34GL-18-1694.

resolve the government's financial woes, chastised the Governor for using his transfer authority in such a manner.

The Governor's transfer authority is an insufficient means of funding the Consent Decree projects. Guam's solid waste crisis can only be resolved with the concerted efforts of both the executive and legislative branches. This court has repeatedly requested that both branches work together and speak with a united voice in finding a solution to this problem so that this court would not have to resort to appointing a receiver. It is clear, unfortunately, that the court's pleas for cooperation have fallen on deaf ears.

4. LACK OF TANGIBLE PROGRESS

The lack of funding is only one of DPW's problems preventing it from completing the Consent Decree projects. There is a systemic inertia plaguing the Government of Guam. The Public Auditor made a number of recommendations in her August 2007 audit that do not necessarily require the expenditure of funds. For example, the Public Auditor recommended that the Government of Guam enter into service contract agreements with the commercial haulers. Despite having several months to draft these agreements, the Government of Guam is still working on them and is hoping to get them finished "soon."

Additionally, the road design work has been completed for over a year and half, there have been no requests for proposals or invitations to bid put out and no work done in this regard.[2/] Mr. Perez testified that because of the Government of Guam's financial constraints, it is DPW's preference to enter into a private public partnership where a private company would fund the project and provide a "Design, Build, Operate" bid as to the combined road work and the building and operation of the new landfill. However, this possibility has been offered in the past when the court has asked how the Government of Guam was going to meet the mandates under the Consent Decree. *See* Docket No. 67. Despite these representations, no bid has been

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[2/] In fact, during the hearing last week, Mr. Perez testified that DPW had not decided on a precise procurement process to be used, whether an invitation to bid or request for proposal. At this late juncture, it is troubling that DPW is undecided as how to best proceed.

EXHIBIT A 013

Doc. No. 34GL-18-1694.

forthcoming and according to the timeline set forth by TG Engineering, a bid will not be ready for several months. *See* Docket No. 230 Ex. B. The lack of progress in this regard is alarming in light of the fact that the Government of Guam's own experts have stated that the "opening of a new landfill should be expedited and be no later than the end of 2009." *See* Government of Guam's Reply to United States' Comments on Action Report, Docket No. 230, at 9. The court is seriously concerned that the Government of Guam will not be able to meet this deadline and the Ordot Dump will run out of airspace before the new landfill is opened.[10]/

The condemnation of property in Dandan has not been perfected. At the hearing last week, counsel for the Government of Guam represented that not all parties in interest have been served with the condemnation complaint. Furthermore, a new appraisal of the property will be necessary because of the lapse in time in initiating the condemnation proceeding.

Only recently has DPW transferred a civil engineer to the SWM division, yet it is unclear exactly what type of assistance he will be able to provide in furtherance of complying with the Consent Decree, especially since he is neither a professional engineer, nor does he have extensive experience in solid waste management.

These reasons, among many, highlight the failings of the Government of Guam in complying with the mandates of the Consent Decree. There is no single root cause for the solid waste crisis facing the island. As in any case dealing with the Government of Guam, circumstances are sometimes dictated by a combination of individual effort (or lack thereof) and bureaucratic and political forces. In this instance, it is clear that there has been an historical lack of leadership, planning and vision by the island's leaders.

III. CONCLUSION

In light of all of the above, the court concludes that the relevant factors and considerations weigh heavily in favor of the appointment of a Receiver. While the court

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[10]/ The actual amount of remaining airspace is disputed. Testimony has been presented that the available airspace ranges anywhere from 0 days up to 720 days. The court is unsure of the actual figure, but notes that the Government of Guam bases its 720 day calculation on estimates and assumptions. *See* Docket No. 230. This kind of uncertainty needlessly creates public alarm.

EXHIBIT A 014

Doc. No. 34GL-18-1694.

recognizes the level of commitment shown by Governor Felix P. Camacho and appreciates the hard work and limited progress of DPW in the last few months, the Government of Guam lacks the resources, experienced personnel, and necessary support to comply with the Consent Decree on its own. Governor Camacho expressed his frustration when he compared the Government of Guam to a rocking horse: "There is much motion, but no progress." The court concurs with the Governor's characterization of the situation, but cannot accept the lack of forward movement.

Accordingly, the court hereby appoints as Receiver Gershman, Brickner & Bratton, Inc. ("GBB") of Fairfax, Virginia, a solid waste management consulting firm included in the Government of Guam's list of potential receivers. This appointment is, without a doubt, one of the most monumental decisions this court has ever made. It is not made lightly or with relish. Rather, this decision was reached after much deliberation and upon consideration of the complete record in this case.

Therefore, having conducted monthly hearings and site visits in the above-entitled matter to determine the progress made toward complying with the Consent Decree; having considered all the submissions heretofore filed by the parties; in light of the Government of Guam's lengthy history in failing to comply with the Consent Decree and violating the Clean Water Act, 33 U.S.C. § 1251, *et seq.*; and because of the failure of less drastic remedies to secure compliance with the Clean Water Act:

IT IS HEREBY ORDERED that under the broad range of equitable powers available to this court to enforce and effectuate its orders and judgment and Rule 70 of the Federal Rules of Civil Procedure, GBB, acting by and through its Special Principal Associate David L. Manning, is appointed as the Receiver and is vested with the power and authority provided under Rule 70 to perform all acts it deems necessary to achieve expeditious compliance with the Consent Decree.

A. RECEIVER'S AUTHORITY/DUTIES

1. **IT IS ORDERED** that the Receiver shall have full power and authority to enforce the terms of the Consent Decree, and assume all of the responsibilities, functions, duties, powers and authority of the Solid Waste Management Division of the Department of Public Works, and any and all departments, or other divisions of the Department of Public Works insofar as they affect

EXHIBIT A 015

Doc. No. 34GL-18-1694.

the Government of Guam's compliance with the Consent Decree.

2. **IT IS FURTHER ORDERED** that the Receiver shall have the authority required or necessary for the complete management and control of the Consent Decree projects, including but not limited to:

(a) The supervision of all of Government of Guam's employees associated with the Consent Decree projects;

(b) The performance of existing contracts;

(c) The entering into future contracts deemed necessary. In awarding any future contracts, the Receiver shall follow the procedures required in Guam's statutes and regulations, unless, in the best judgment of the Receiver, such compliance would unreasonably delay the progress in meeting the mandates of the Consent Decree;

(d) The hiring of all such consultants, professionals, contractors, engineering firms or counsel which the Receiver deems necessary for the performance of administrative, financial advisory, legal, accounting, engineering, construction, and operations services;

(e) The facilitation of financing and/or borrowing of such funds necessary to carry out the duties relating to the Consent Decree as set forth in the Government of Guam's Revised Financial Plan. If, in the best judgment of the Receiver, the Revised Financial Plan fails to provide the means or methods of financing necessary or would unreasonably delay the progress in meeting the mandates of the Consent Decree, the Receiver is authorized to modify the Plan to provide for alternative means or methods of debt financing it deems appropriate;

(f) The application to the Consolidated Commission on Utilities for rate increases for residential waste collection services and/or tipping fees on a temporary or permanent basis, as appropriate, unless, in the best judgment of the Receiver, such action would unreasonably delay the progress in meeting the mandates of the Consent Decree;

EXHIBIT A 016

Doc. No. 34GL-18-1694.

(g) The full and complete access to the staff, documents, books, records, electronic databases and facilities of any and all Government of Guam departments or divisions of the Department of Public Works and to make such employees and items available to any consultants, accountants, attorneys or other such persons employed by the Receiver;

(h) The full and complete access to the documents, books, records, electronic databases held by any Government of Guam entity that has in its custody records deemed necessary by the Receiver to ensure compliance with the Consent Decree; and

(i) Consultation with the United States Environmental Protection Agency with respect to any aspect of complying with the Consent Decree, and to secure technical advice or assistance from such agency for the purpose of assuring compliance with the Clean Water Act and all other applicable laws and regulations.

B. TERMS OF APPOINTMENT

1. This appointment shall be for the period necessary to achieve compliance with the Consent Decree, unless:

(a) The Receiver recommends termination of this Order as no longer necessary, or modification thereof, and said termination or modification is accepted by this court;

(b) The Receiver requests to be relieved and such request is approved by this court;

(c) This Order is otherwise modified or terminated by this court.

2. The Receiver may, at any time, apply to this court for instructions and/or modification of this Order, and may seek instructions as to whether funds should be expended for a particular purpose.

3. The Receiver shall submit quarterly reports to this court regarding the progress made toward compliance with the Consent Decree.

4. The Receiver is responsible solely to this court. The Receiver shall not be personally liable for any act done in compliance with this Order. No suit shall be filed against the Receiver

without the consent of the court.

C. REMUNERATION

1. IT IS HEREBY ORDERED that the Receiver shall receive remuneration at the rates set forth in the attachment hereto and in the following manner:

(a) On or before the 7th day of each month, the Receiver shall file and serve the court, with a copy to the Government of Guam, a summary of time expended and expenses incurred during the month immediately preceding, along with a billing statement and request for compensation. The court shall review the request for compensation for reasonableness by the 20th of each month, and shall direct that payment be made to the Receiver for all compensation and expenses incurred and found by the court to be reasonable by the 25th of each month.

(b) Payments shall be limited to 90% percent of fees and 100% percent of all expenses deemed reasonable. Ten (10%) percent of fees shall be held in trust accruing interest at prevailing rates for trust accounts to the credit of the Receiver and shall be payable upon completion of the project.

2. The Receiver shall file an application for the payment of fees to any consultant and/or professional hired as authorized herein, such as accountants, legal counsel, and others hired to assist in the performance of administrative duties. Such professional fees shall be paid by the same procedures as set forth for the payment of the Receiver. However, with respect to 10% retainage held in trust, the Receiver may request its release to other consultants and/or professionals hired at the time their work is completed.

3. Defendant shall be responsible for compensation and expenses of the Receiver and of any and all persons or entities employed or contracted by the Receiver in carrying out the provisions of this Order.

D. ORDERS AS REGARD TO OTHER PARTIES/ENTITIES

1. IT IS HEREBY ORDERED that the parties, including but not limited to the United States Environmental Protection Agency, Department of Public Works and Guam Environmental Protection Agency, shall use their best efforts to assist the Receiver in the performance of its

EXHIBIT A 018

Doc. No. 34GL-18-1694.

duties. Furthermore, the parties shall cooperate with, and assist, the Receiver to the extent necessary and appropriate to permit the Receiver to carry out its responsibilities under this Order.

2. **IT IS FURTHER ORDERED** that the parties, including but not limited to the United States Environmental Protection Agency, Department of Public Works and Guam Environmental Protection Agency, are to immediately comply with this Order and are enjoined from interfering in any manner, or from failing to cooperate either directly or indirectly, with the Receiver in the performance of its functions and duties.

E. CONTINUING JURISDICTION

1. This court retains specific and continuing jurisdiction to enforce the provisions of this Order, and to enter such further orders to effectuate the purposes of the Receivership and compliance with the Consent Decree.

2. This court retains jurisdiction to enable any party, subject to this Order, to apply to this court at any time for further orders and directions as may be necessary or appropriate to carry out or construe this Order, to modify any of its provisions, to enforce compliance, and to punish violations of its provisions.

In conclusion, the appointment of GBB as Receiver is a positive step in moving the Government of Guam forward. The Receiver has extensive experience in solid waste management operations and will ensure compliance with the Consent Decree and the Clean Water Act, thus, protecting the natural resources for future generations. It is the court's hope that the Governor and the new Speaker of the Guam Legislature, the Hon. Judith Won Pat, will cooperate with this court's order to see that the Ordot Dump crisis is resolved as expeditiously as possible.

IT IS SO ORDERED.

/s/ Frances M. Tydingco-Gatewood
Chief Judge
Dated: Mar 17, 2008

EXHIBIT A 019

Doc. No. 34GL-18-1694

GBB
SOLID WASTE
MANAGEMENT
CONSULTANTS

March 15, 2008

Honorable Frances Tydingco-Gatewood
Chief Judge
District Court of Guam
520 West Soledad Avenue
Hagåtña, Guam 96910

Re: Letter of Engagement for Services Pursuant to Designation as Receiver

Dear Judge Tydingco-Gatewood:

The purpose of the letter is to confirm the designation of Gershman, Brickner & Bratton, Inc. (GBB) as Receiver pursuant to your Court Order that you have told us will be dated March 17, 2008.

GBB herein designates David L. Manning to be signatory for GBB as Receiver. He would sign correspondence as "David L. Manning, as Receiver Gershman, Brickner & Bratton, Inc. for the United States District Court Territory of Guam." I will be GBB's overall Officer-in-Charge of this engagement. Other GBB officers, staff, and associates will be utilized as the activities dictate. In particular, Chace Anderson, GBB Vice President, will play a significant role.

Approach to this Engagement

In undertaking this assignment, our initial approach will be along the following lines:

1. Review all information in this matter on file with the Court.

2. Make an initial determination of other information needed by the Receivership and prepare a request for the information to be sent to the Defendant.

3. Conduct a visit and associated meetings in Guam for the purpose of:

   a. Becoming familiar with the Solid Waste Management Division, its staff, management, infrastructure, operations, and current set of consultants and contractors;
   b. Establishing offices in facilities provided by the Court and meeting with Court officials who are involved in this matter;
   c. Meeting with Guam Government officials and other stakeholders, including the U.S.E.P.A. Regional office officials who have relevance to accomplishing the objectives in the Consent Decree; and
   d. Visiting the site of the Ordot Dump and the proposed site(s) for the new landfill.

Gershman, Brickner & Bratton, Inc.
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3/15/08

EXHIBIT A 020

4. Prepare a draft Plan of Action and submit it to the Court and other parties as directed by the Court for review and comment.

5. Finalize the Plan of Action and submit it to the Court for approval.

6. Upon approval of the Court, distribute the Plan of Action throughout the Guam Government to appropriate parties and to other parties as necessary, conducting meetings with these individuals and groups as necessary to explain the Plan of Action.

7. Start implementation of the Plan of Action, reporting as necessary to the Court, and updating and issuing addenda to the Plan of Action as is necessary.

During the course of our work, GBB will plan, coordinate, and report on the activities among its staff and others who are involved from the Defendant and other parties as appropriate. GBB will keep the Court apprised of anticipated work activities, staffing, scheduling, and budgeting as they occur, including invoicing and activities reporting as outlined in the Court's Order. GBB will assess specific requirements and identify appropriate resources to be applied and update its work plan, schedule and budget estimates for the work required.

The effective commencement date of our services will be March 17, 2008.

Invoicing and Reporting

Attached to this letter is a compensation rate schedule that will be the basis for charges relevant to this matter. Because travel time to and from Guam will be significant, staff travelling to and from Guam will be allowed to charge up to one-half of their "gate-to-gate" travel time as billable time to this matter. Also, prior to our first trip to Guam, we will submit to the Court for review and approval our plan for our room and board arrangements when on Guam. In addition to our fees and the cost of our room and board arrangements, we will incur some other expenses in connection with our work for the Court in this matter. While these costs could be estimated and added to our fees, we are concerned that such an approach would add more cost to the Receivership than is necessary. Therefore, we prefer to exclude these expenses from our fees and develop a plan that will assure that we cover only our actual and reasonable expenses. We will also submit our plan for these expenses to the Court for review and approval prior to our first trip to Guam. We look forward to receiving guidance from you in this regard.

It is our understanding that the Court has available funds in the amount of approximately $2.8 million that can be used to cover the expenses of the Receivership and that the Court will assure that these funds are replenished from time to time as is necessary to assure that the Receivership is able to successfully achieve its purpose of full compliance with the Consent Decree in this matter.

Invoicing and activities reporting will be done formally on a monthly basis per the requirements of the Court Order. More frequent contact will be made with the Court either by phone, in person, or by e-mail as the situation requires.

3/17/08

EXHIBIT A 021

Doc. No. 34GL-18-1694.

We look forward to this assignment and in achieving the objectives of the Court to bring the Guam Government in compliance with the Consent Decree. If there are any questions, please do not hesitate to contact me.

Sincerely,

GERSHMAN, BRICKNER & BRATTON, INC.

Harvey W. Gershman
President

Attachment

cc: David Manning, GBB
Chace Anderson, GBB

3/15/08

EXHIBIT A 022

Doc. No. 34GL-18-1694.

ATTACHMENT

GERSHMAN, BRICKNER & BRATTON, INC.
COMPENSATION RATE AND FEE SCHEDULE (1, 2)
FOR RECEIVER ASSIGNMENT PER COURT ORDER DATED MARCH 17, 2008

POSITION	($ PER HOUR)
President (Gershman)	250.00
Special Principal Associate (Manning)	250.00
Executive Vice President (Brickner)	225.00
Sr. Vice President (Bratton)	210.00
Vice President (Anderson, Bernheisel)	185.00
Principal Associate/Principal Engineer	165.00
Sr. Project Manager/Sr. Project Engineer/ Sr. Associate Engineer	160.00
Project Manager/Sr. Associate	140.00
Project Engineer/Sr. Consultant/Support Director	125.00
Consultant II/Engineer II/Contract Administrator	105.00
Consultant I/Engineer I	85.00
Support Manager	65.00
Administrative Secretary/Word Processor/ Editor/Staff Accountant	60.00
Clerical/Support Staff/Research Assistant/Graphics Coordinator	45.00

(1) Effective January 1, 2008, subject to 4 percent annual increase as of January 1, 2009.
(2) For payments not received within 30 days of invoicing date, interest charge of 1.00 % per month will be applied.

3/15/08

EXHIBIT A 023

Doc. No. 34GL-18-1694.

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF GUAM

UNITED STATES OF AMERICA, Plaintiff, vs. GOVERNMENT OF GUAM, Defendant.	Civil Case No. 02-00022 ORDER RE: QUARTERLY STATUS HEARING; OFFICIAL CLOSURE OF ORDOT DUMP; AND OFFICIAL OPENING OF LAYON LANDFILL

This matter came before the court on August 31, 2011, for a quarterly status hearing. At that time, the Receiver, Gershman, Brickner & Bratton, Inc. ("the Receiver") provided an update on the progress of Consent Decree projects and on the operations of the Solid Waste Management Division ("SWMD"). *See* Dkt. No. 794.

After approximately three years and five months since its appointment, the Receiver has effectively dealt with many challenges to reach two major milestones under the Consent Decree—the closing of the Ordot Dump and the opening of the Layon Landfill. The court commends the Receiver for its efforts and the tremendous progress it has made thus far. To illustrate how much progress has been made, the court provides a brief background of the case before reaching the substance of the Quarterly Report.

I. BACKGROUND

A. THE ORDOT DUMP

The starting date for the use of the Ordot site as a dump is not documented. However, it is known that the Ordot Dump was in use during World War II. After the liberation of Guam, the

EXHIBIT B 001

Doc. No. 34GL-18-1694.

United States Navy continued to use the site as a disposal area. The U.S. Navy transferred ownership of the Ordot Dump to the Government of Guam in 1950.

The Government of Guam has owned and operated the dump since the 1950 transfer. *See* Dkt. No. 218 at 1. When the dump was started, there were no environmental safeguards implemented to ensure against possible contamination; most notably, the dump is unlined at its bottom and uncapped at its top. *Id.* at 2. As a result of this, the dump acts like a sponge, absorbing rain water and releasing it after it has percolated through the dump and picked up contaminants. *Id.*

Although it reached capacity in 1986, the dump continued to receive virtually all of the industrial and municipal waste from the civilian population of Guam. *Id.* at 1. As a result, what was once a valley is now a 341-foot mountain of trash. *Id.*

B. CLEAN WATER ACT VIOLATIONS

The Ordot Dump has had a long history of operational and environmental problems. In 1982, the dump was declared a Superfund site by the U.S. EPA. *See* Dkt. No. 49 at 3. In 1986, the United States Environmental Protection Agency ("U.S. EPA") issued an administrative order under the Clean Water Act ("CWA"), 33 U.S.C. §§ 1251-1387, directing the Guam Department of Public Works ("DPW") to cease the discharge of leachate from the Ordot Dump by May 1, 1987; DPW failed to comply with this order. *See* Dkt. No. 55 at ¶ 4. U.S. EPA then made several more attempts to deal with the problem administratively, but these attempts also proved fruitless and leachate continued to be discharged from the dump. *See* Dkt. No. 218 at 2.

As a last resort, the United States initiated the instant action on August 7, 2002. *See* Dkt. No. 1. In the complaint, the United States sought an injunction that would require the Government of Guam to comply with the CWA, and prayed for over $50 million in civil penalties from the Government of Guam for the violations of the CWA. *See id* at 6. Ultimately, by filing the suit, the United States wanted to avoid further environmental degradation of Guam by forcing the Government of Guam to close the Ordot Dump and open a new municipal solid waste landfill ("MSWLF") that complied with federal environmental laws and regulations. Dkt.

EXHIBIT B 002

Doc. No. 34GL-18-1694.

No. 218 at 3.

C. THE CONSENT DECREE

Beginning in November 2002, the parties participated in settlement conferences facilitated by the court. *Id.* In December 2003, after approximately one year of negotiating, the parties lodged the Consent Decree with the court. *Id.* On February 11, 2004, following publication on the Federal Register and a period of public comment, the court approved and entered the Consent Decree. *See* Dkt. No. 55.

Among other things, the Consent Decree established a schedule for the closure of the Ordot Dump and the construction and operation of a new, CWA-compliant MSWLF. *See id.* The Government of Guam, however, consistently failed to meet the deadlines set forth in the Consent Decree. *See* Dkt. No. 218 at 4. Most significantly, the Government of Guam did not meet the deadline for the closure of the Ordot Dump or the deadlines for submitting plans for the new Layon Landfill. *Id.*; Dkt. No. 56 at 7.

The lack of progress was partly attributable to Section 98 of Guam Public Law 29-19, which was passed by the Legislature in September 2007. *See* Dkt. No. 218 at 4. Essentially, Section 98 prohibited the expenditure of funds for any landfill site that the Government of Guam did not own. As a result, the Government of Guam could not purchase the Layon land for the new MSWLF or conduct the requisite studies for the new site. *See id.* The court held that Section 98 was unconstitutional and ordered the Government of Guam to allocate funds to condemn the Layon land and for necessary site preparation. *See id.* at 8.

However, despite the removal of the impeding legislation, the Government of Guam continued to make only minimal progress on the Consent Decree. *See* Dkt. No. 239 at 2–3.

D. THE APPOINTMENT OF THE RECEIVER

In March 2008, the court found that "there [was] an historical . . . lack of commitment by the island's leaders in addressing [the] solid waste crisis," and that "[t]he problem of a highly dysfunctional, largely mismanaged, overly bureaucratic, and politically charged solid waste

system, . . . [was] beyond correction by conventional methods." Dkt. No. 239 at 1. Accordingly, after much deliberation and upon consideration of the complete record in this case, the court appointed the Receiver to manage SWMD and vested it with the power and authority to enforce the terms of the Consent Decree. *See id.* at 1, 15.

E. THE INITIAL CONDITION OF SWMD AND OTHER CHALLENGES

In April 2008, when the Receiver took over the reigns of SWMD, it was plagued by a host of operational and financial problems. *See* Dkt. No. 272 at 4. To illustrate, SWMD:

- had only one working trash truck to collect nine daily routes;
- rented two trash trucks from the private sector that often failed mechanically;
- operated a three-shift day during which the sole working trash truck operated nearly around the clock in order to collect customers' trash;
- had no reliable, accurate way to calculate the tonnage of trash disposed at the Ordot Dump;
- spent as much as $11,000 a day[—that is, approximately $4 million on an annualized basis—]to furnish rental equipment and contract operators because its equipment was broken,;
- was organizationally hamstrung by the poor credit management . . . ; and
- had exceptionally low employee morale, poor working conditions, and minimal accountability.

Dkt. No. 538-1 at 10. Additionally, SWMD's billing system was unreliable, and for years, SWMD collected the trash of over 4,000 nonpaying customers for free. *See* Dkt. No. 557-1 at 13.

Beyond administrative matters, the Receiver needed to obtain the requisite environmental permits and zoning approvals to begin the Layon Landfill construction and find a way to increase the life span of the Ordot Dump, which was on course to reach its maximum capacity by September 2009. *See* Dkt. No. 250-1 at 14–15.

The Receiver also faced many external obstacles. The court recalls the following challenges:

- The uncertainty of the Government of Guam's legal title to the Layon Landfill site and difficulty obtaining the requisite zoning approvals (*see* Dkt. Nos. 270 at 1; 272

EXHIBIT B 004

Doc. No. 34GL-18-1694.

at 5);

- The Government of Guam's prolonged inability to pass a workable funding plan, followed by its noncompliance with the court's order to make payments to fund the Consent Decree projects (*see e.g.*, Dkt. Nos. 312 at 3; 330; 340; 372; 388; 403);
- Efforts to interfere with Guam Environmental Protection Agency's compliance with the court-ordered permitting process for the Layon Landfill (*see* Dkt. Nos. 449, 450);
- The discovery of a colony of the Guam Tree Snail (*Partula radiolata*) at the Ylig Bridge project site and the accompanying measures needed to relocate the locally-listed endangered species (*see* Dkt. Nos. 461 at 3; 464 at 1);
- The discovery of ancient remains within the right-of-way of the Access Road (*see* Dkt. No. 715-1 at 9);[1]
- The discovery of an unexploded ordinance at the Ylig Bridge project site;
- The Treasurer of Guam's unauthorized withdrawal of approximately $4.7 million in excess of SWMD's expenditures from the SWMD bank account (*see* Dkt. No. 649 at 3-4); and
- The recent discovery of illegal dumpsites in the vicinity of the Ordot Dump that could complicate the final closure process (*see* Dkt. No. 740).

Despite these challenges, the Receiver has turned the formerly defunct SWMD into an efficient, reliable, and self-financing government entity. Under the Receiver's direction, SWMD has implemented new trash cart and billing systems, which have contributed to an increase in the number of paying customers from 12,589 to more than 17,000. *See* Dkt. No. 715-1 at 3. Furthermore, the Receiver reduced the number of SWMD employees by 45%, while providing more reliable services to customers, as illustrated by the on-time-trash-collection rate of 99.7%. *See* Dkt. No. 794-1 at 2, 14. The Receiver has also expanded services: a curbside recycling pilot program is

[1] Winzler & Kelly worked with the Guam Historic Preservation Office of the Department of Parks and Recreation and SWCA (an archaeological consultant) to prepare a mitigation plan and remove the remains pursuant to the plan. *See* Dkt. No. 715-1 at 10.

currently in place; a bulky and metallic item collection program slated to begin this month, and as required under the Consent Decree, a plan for a household hazardous waste facility is under works. *Id.* at 2, 17. All this, while operating at 46% below the SWMD budget and with funds derived solely from user fees. *Id.* at 19

In addition to the improvements at SWMD, the Receiver has made significant strides in fulfilling the requirements of the Consent Decree. Most recently, after almost two decades of CWA noncompliance, the Receiver closed the Ordot Dump and opened the Layon Landfill.[2] The long overdue closing of the dump and the opening of the landfill are monumental achievements for the Receiver, the employees of SWMD, and the entire island of Guam.

Based on the foregoing, the court hereby orders that the Ordot Dump stop receiving trash, *nunc pro tunc* to August 31, 2011, and that all trash be taken to the Layon Landfill, *nunc pro tunc* to September 1, 2011. The court notes that the new Layon Landfill is fully compliant with the CWA. Additionally, the Receiver shall continue to work on finalizing the closure of the Ordot Dump and fulfilling the remaining requirements of the Consent Decree.

II. THE QUARTERLY REPORT

Pursuant to the concerns raised at the Hearing and in the Report, the following items are **ORDERED**:

Fiscal Year 2012 Operating Budget

At the hearing, the Receiver proposed a Fiscal Year 2012 ("FY 2012") operating budget to the court, noting that the budget needed to be significantly increased as it is the first year that the system will be fully operational with all of its new components.

The FY 2012 operating budget proposal is as follows:

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[2] The Receiver was able to achieve these milestones with the help of many others, including the employees of SWMD, the contractors and subcontractors involved with the Consent Decree projects, DPW, Guam Environmental Protection Agency, U.S. EPA, and the parties. The court commends the efforts of those listed and all of the others that contributed to closing the Ordot Dump and opening the Layon Landfill.

EXHIBIT B 006

Doc. No. 34GL-18-1694.

Layon Landfill	$3,760,190
GSWA Personnel	$2,602,805
Commercial Transfer Station	$2,747,614
Debt Service	$4,497,097
Reserves	$3,729,546
Other Expenses (including fuel, fleet maintenance, capital outlay, utilities, equipment, and the Receiver cost)	$4,211,764
TOTAL FY 2012 OPERATING BUDGET	**$21,549,016**

The court finds that the budget is reasonable and hereby approves the proposed FY 2012 operating budget. Furthermore, the court notes that there are some costs that the Receiver cannot estimate precisely at this time, and hereby authorizes the Receiver to modify the FY 2012 operating budget to address additional needs that may arise during the year.

Delinquent Commercial Hauler Accounts

The Receiver reported that collecting payments from commercial haulers continues to be problematic. Following the last quarterly hearing, the court approved an incentive approach to the delinquency problem. Under the incentive approach, commercial haulers were offered a ten percent discount if they: (1) paid electronically via ACH, (2) paid on time, and (3) refrained from relying on Public Law 25-93 to reduce the amount owed.

Of the five commercial haulers, Mr. Rubbishman was the only hauler to qualify for the incentive discount in July 2011, and is the only hauler that is current with its payments. The other four commercial haulers remain in arrears. The largest unpaid balance is $1,379,500, and the most delinquent account is 465 days behind.[3]

To deal with the delinquency problem the Receiver proposed the following policy:

> **Delinquent bills, discontinuance of service, service charges:** Any unpaid balance after sixty (60) days shall be considered delinquent and shall result

[3] That is 465 days in excess of the 60-day grace period provided by Guam law.

EXHIBIT B 007

Doc. No. 34GL-18-1694

in a letter notifying the commercial hauler that service will be discontinued unless the account is paid in full within thirty (30) days of the date on the letter. If the account is not paid in full within thirty (30) days of the date of the letter, the account will enter a 30-day termination period. At the beginning of the 30-day termination period, a public announcement will be made of the pending termination to allow the customers of the terminating hauler to make other arrangements for the proper disposal of their trash. Termination will be accomplished by barring the delinquent commercial hauler from using the disposal facilities.

Restoration of service following collection of the account: Whenever any delinquent commercial hauler whose service has been terminated pays the account balance in full and posts a payment bond equivalent to the total billing to the account for the 12 months prior to the account's termination and a service fee of $1,000 to defer the cost of restoring their service, service shall be restored.

Liability of the commercial hauler for payment of all unpaid bills remains the responsibility of the commercial hauler even if service is not restored. Delinquent commercial haulers shall also be responsible for any reasonable collection costs incurred.

The court recognizes that this is a significant problem since over 60% of SWMD's revenue is derived from commercial billings. Accordingly, the court hereby approves the proposal on an interim basis, pending a full rate and policy review and approval by the Public Utilities Commission.

Military Participation

The Receiver reported that it is working on finalizing an agreement for the Military's participation as a customer of the Layon Landfill and the new commercial transfer station. The court hereby orders the Receiver and the Government of Guam, including the Governor and the Attorney General, to work together to finalize the agreement with the Military. Military participation shall be based on the rate of $156 per ton as previously approved by this court for other commercial customers. The $156 rate per ton shall remain in effect until such time as it is modified by this court or the Guam Public Utilities Commission adopts a schedule of rates for solid waste services.

Furthermore, the court finds that time is of the essence for this matter as the Military requires trash service by October 1, 2011. Accordingly, the Receiver and the Government of Guam shall make it a priority to finalize the agreement with the Military.

EXHIBIT B 008

Doc. No. 34GL-18-1694.

Guam Solid Waste Authority Act

On April 18, 2011, the Guam Legislature passed the Guam Solid Waste Authority Act ("the Act"). *See* 10 GUAM CODE ANN. Ch. 51A. The Act named the Guam Solid Waste Authority ("GSWA"), an autonomous agency, as the successor of SWMD. *See* 10 GUAM CODE ANN. § 51A103 ("The Solid Waste Management Division, a sub-entity of the Department of Public Works shall continue in existence as *an autonomous, public corporation* now referred to as the Guam Solid Waste Authority (GSWA).") (emphasis added). Accordingly, the court hereby vests the Receiver with full power and authority over GSWA, to the full extent of its previously granted authority over SWMD. *See* Dkt. No. 239.

Furthermore, the court notes that the Receiver raised some issues concerning the Act with the Office of the Attorney General. The Attorney General is hereby ordered to respond to the issues raised by the Receiver on or before October 15, 2011. If the Attorney General finds that this date is impractical, the Attorney General shall work with the Receiver to determine a reasonable date.

Government of Guam's Motion for Order Authorizing Receiver to pay Capital Cost Expenses from Bond Proceeds

Finally, the court acknowledges that the Government of Guam filed a Motion for an Order Authorizing Receiver to pay Capital Cost Expenses from Bond Proceeds. *See* Dkt. No. 790. The United States shall file its response to the motion by September 30, 2011, and the Government of Guam shall file its reply by October 14, 2011. The Receiver shall also file its position on the motion by September 30, 2011.

SO ORDERED.

/s/ Frances M. Tydingco-Gatewood
Chief Judge
Dated: Sep 02, 2011

EXHIBIT B 009

Doc. No. 34GL-18-1694.

DISTRICT COURT OF GUAM

UNITED STATES OF AMERICA,

Plaintiff,

vs.

GOVERNMENT OF GUAM,

Defendant.

CIVIL CASE NO. 02-00022

ORDER
re Extension of the
Federal Receivership

This case came before the court for a hearing on November 28, 2017, at which time the court and the parties discussed issues related to the transition of control over the Guam Solid Waste Authority ("GSWA") from federal Receivership to the Board of Directors (the "Board"). This transition is scheduled to occur at the end of the year pursuant to the timeline approved by the court. *See* Order re Revised Transition Timeline for the Termination of the Federal Receivership and Financing Plan for the Post-Closure of Ordot Dump (the "May 2, 2016 Order") at 6-9, ECF No. 1668. The court, however, expressed uncertainty over whether the Receivership should terminate on December 31, 2017, or whether only a portion of GSWA's operations will be turned over to the Board for management.

As noted by the court in its previous Order, the Post-Closure Plan for the Ordot facility has still not been approved because the proposed plan needs to be updated to address the mitigation of residual methane gas in the soil. *See* Order re Transition and End of the Federal Receivership at 7, ECF No. 1771. At the hearing, the United States stated that the Receiver and its contractors are working diligently to determine the nature and extent of the problem so that an appropriate remedial plan can be implemented, but it will take several months for the Receiver to get the data it needs to

EXHIBIT C 001

Doc. No. 34GL-18-1694.

prepare the remediation plan. The United States reiterated its request that the Receiver remain on board to complete this project, stating that the Receiver is aware of the issues and is the most prepared to deal with this serious public health issue in the most efficient manner. Neither the Board nor the Government of Guam objected to this request, and the court concurs that it would be more efficient for the Receiver to remain to complete this matter. Accordingly, the court orders that the Receivership be extended until at least June 30, 2018, to complete the work associated with the methane gas mitigation plan and the Post-Closure Plan. Additionally, the Receiver is ordered to delay the selection of the trustee[1] and independent engineer to coincide with the schedule for completing the work to resolve the landfill gas migration problem.

The issue the court must determine is whether GSWA's operations and management will remain under the control of the Receiver or whether the Board will assume responsibility over these duties. If the court is inclined to keep the Receiver beyond the December 31st deadline, the Government of Guam and the Board request that the Receiver's purview be limited to issues related to the Post-Closure Plan approval but that control over all administrative, operational and managerial matters should be transferred to the GSWA management and Board. The United States expressed reservations about whether the Board and new GSWA management would be ready to resume control over the agency's operations by the end of the year. The Receiver stated it was prepared to implement whatever the court decided, but it, too, did not believe the Board was ready to assume full responsibility over GSWA's operations. The court agrees with the United States and the Receiver that a smooth transition cannot occur as originally contemplated.

Under the court approved transition timeline, the recruitment of a general manager and chief

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[1] The appointment of a trustee to manage funds in the Ordot Dump Post-Closure Reserve was approved by the court last year. *See* May 2, 2016 Order at 10, ECF No. 1668. The Attorney General and the Board waited more than one year later to object to the financing plan approved by the court and to ask the court to reconsider the appointment of a trustee. A smooth and orderly transition can not reasonably occur when the Government of Guam and the Board wait until what essentially is the eve of transition to address or correct issues such as the transition of contract employees, the adoption of a rate structure and the GSWA budget. The court notes that the issue of the transition of contract employees has been resolved through emergency legislation. *See* Guam Pub. L. 34-58.

EXHIBIT C 002

Doc. No. 34GL-18-1694.

financial officer was to begin in January 2017.[2] *See* May 2, 2016 Order at 6-8, ECF No. 1668 and Status Report (Oct 21, 2015) at 54, Fig. 42, ECF No. 1634-1. In early January 2017, the Receiver began working with the Board to begin the recruitment for these positions. *See* Status Report (May 17, 2017) at 49, ECF No. 1739-1.

> In each step of this process[,] the Receiver . . . worked cooperatively with the Board following the Board's lead with respect to this process. The job announcements were widely advertised on behalf of the Board both on Guam and in industry circles where persons qualified for such a position would pursue such an opportunity. The Receiver . . . also assisted the Board further by evaluating the qualifications of the applicants and working with the Board to schedule interviews [to] advance the process further.

Id.

In August 2017, the Receiver reported that

> [t]he Board has made an offer to a qualified candidate for General Manger contingent on completion of an acceptable background check. With respect to the finance position, there was no interest from qualified individuals in the Chief Financial Officer position as initially advertised. To broaden its search, the Board has revised the job description to solicit applications for a financial [c]ontroller. [The Receiver] agree[s] with this change and are hopeful it will yield qualified candidates for the Board's consideration.[3]

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[2] The court acknowledges that the Board wanted to start this recruitment process earlier and proposed that the general manager and comptroller begin working with the Receiver as early as October 2016, with a termination of the Receivership by March 2017. *See* Government of Guam and the Guam Solid Waste Authority Board's Response to Receiver's Oct. 21, 2015 Report (the "Government of Guam Alternative Plan") at 3, ECF No. 1648. The court adopted the Receiver's proposal instead in order to allow the Receiver to minimize GSWA's expenses by delaying the hiring process for a general manager and comptroller until 2017. Additionally, the approved timeline would allow the Receiver to complete the remaining Consent Decree projects and provided a significant period of overlap for the Receiver to mentor and train the new management team.

[3] According to the Minutes of the Board's meeting held on July 19, 2017,

> [t]he Board agreed that they will change the job opening from the position of CFO (which requires a CPA license) to Controller. Board member, Joseph Duenas, suggested that the Board start the position as unclassified because it allows the Board flexibility with the candidate's salary. Chace Anderson suggested that the advertising for the Controller position should state that pay is negotiable.
>
> Jonathan Denight made a motion to have GSWA management advertise the Controller position and indicate that the position is unclassified and that the pay is negotiable. Joseph Duenas seconded the motion. Motion was passed.

EXHIBIT C 003

Doc. No. 34GL-18-1694.

Status Report (Aug. 23, 2017) at 59, ECF No. 1749-3.

The new General Manager Greg Martin was hired by the Board in September 2017, but the position of chief financial officer or comptroller still has not been filled. The Board represented that an offer had been made to a qualified individual and the selected candidate would begin working by December 11, 2017.[4] The court is troubled, however, that the person selected as the new comptroller will have only three weeks to orient himself and gain a thorough understanding of GSWA's finances such that he can properly assume his role and responsibilities. At the hearing, the Board stated that the three weeks would be sufficient for the selected candidate to transition into the new role, but the court finds this representation to be disingenuous and contrary to the Board's earlier position that "there should be at least a six (6) month transition overlap." Government of Guam Alternative Plan at 3, ECF No. 1648.[5] Regardless of his qualifications, the court finds that a three-week transition

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GSWA Board of Directors' Meeting (July 19, 2017), Minutes at IV.c.i. available at http://www.guamsolidwasteauthority.com/pdf/GSWA-BOD-Approved-Board-Meeting-Minutes-19JULY2017.pdf (last visited Nov. 30, 2017). A copy of these Meeting Minutes is also attached as Exhibit 3 to GSWA Board of Directors' Status Report in Response to Court's Order, ECF 1771 (the "Board's November 27, 2017 Status Report"), ECF No. 1772-3.

[4] At the hearing, the court was informed that the Board asked Senator Ada to amend Bill No. 209-34 (COR) – which originally only dealt with the appropriation of additional funds to GSWA for fiscal year 2018 – on the session floor to include provisions that would create a new unclassified comptroller position. This emergency legislation was needed after the Office of the Attorney General of Guam reviewed the proposed comptroller's contract at the Receiver's request and determined that the Board had no authority to hire a comptroller in an unclassified position. Senator Ada and Speaker Benjamin J.F. Cruz acted swiftly to pass the emergency legislation. Both Speaker Cruz and Senator Ada have consistently attended the numerous hearings held in this case. The Governor signed the amended bill into law on November 28, 2017. *See* Guam Pub. L. 34-68.

The Board had made a determination on July 19, 2017, to advertise the comptroller position as an unclassified position, yet it waited until late November to seek the emergency legislation to authorize the creation of this new position. If the Attorney General had not reviewed the comptroller's contract as requested by the Receiver, then the Board would have likely hired an individual for an unclassified position when it did not have the authority to do so.

[5] The Government of Guam and the Board stated, "**It is important that the new and current management teams have as much time working together as possible, so that the transition can be smooth and seamless.** . . . Assuming the [c]ourt permits the GSWA Board to hire a Management Team, the GSWA Board would like to complete the transition within six (6) months after new management is hired." *Id.* (emphasis added).

EXHIBIT C 004

Doc. No. 34GL-18-1694.

period is wholly inadequate for the new comptroller to familiarize himself with all the requirements of the job. Even Mr. Martin, who has been working with the Receiver and the GSWA staff for more than two months now, admits that he does not have a full understanding of GSWA's finances. He stated that he was focusing more on operations and was waiting for the new comptroller to come onboard to work with the Receiver on the specifics of GSWA's finances.

When the Receiver was first appointed, the finances of GSWA's predecessor – the Solid Waste Management Division ("SWMD") of the Department of Public Works – was in shambles. SWMD was spending as much as $11,000 each day[6] to furnish rental equipment and contract operators because SWMD's equipment was broken. Status Report (Jan. 14, 2009) at 5, ECF No. 328-1 and Status Report (Oct. 21, 2009) at 7, ECF No. 505-1. SWMD's ability to track the accounts of customers who had not paid or who cancelled service was so poor that approximately 4,000 customers – 25% of its customer base – were receiving free services. Status Report (Jan. 14, 2009) at 14, ECF No. 328-1. The Receiver devised a plan for customer tracking and revenue collection that assured both fairness and accountability for services provided, and today GSWA's finances remain strong because of the Receiver's management. GSWA's new management team will not have to deal with the challenges the Receiver faced when it was first appointed, but it is important for the new management team to understand this history in order to fully appreciate all the work the Receiver did to turn this agency into a paragon of efficiency.[7]

As the Receiver noted, a lot of work was done to put in place a complex but rational and manageable computerized system, and the person who assumes responsibility for GSWA's financial management system needs to fully understand it. If the new comptroller starts on December 11, 2017, he would not have gone through one month of closing on the accounts before the Receivership ends. The comptroller needs to thoroughly understand how all the banking arrangements work, how the cost studies have been performed, and these are rather unique to GSWA's operations. It is

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[6] At this rate, the Government of Guam was spending more than $4 million each year for rental equipment.

[7] "Those who cannot remember the past are condemned to repeat it." George Santayana, *Life of Reason, Reason in Common Sense* (1905).

EXHIBIT C 005

Doc. No. 34GL-18-1694.

unreasonable to believe that three weeks is sufficient for the new comptroller to gain all this knowledge. Furthermore, as pointed out by the United States, both the selected comptroller and Mr. Martin will have to wait until January 2018 to undertake mandatory procurement training. Thus, if the Receivership were to end on December 31st, no one at GSWA would be qualified to procure supplies and/or services until the comptroller and Mr. Martin finish the procurement training. This is not the ideal way to transfer control over this multi-million dollar agency, and the court will not allow even a partial transition over GSWA operations to occur in such a slipshod or careless manner.

In addition to the insufficient time to train the new comptroller, extension of the federal Receivership is necessary because the Board has not demonstrated that it is ready to assume control over GSWA's operations. As early as October 21, 2015, the Receiver advised the Board that it needs to focus on revising the rules and regulations:

> Another area the Board should address is the solid waste rules and regulations. The Board has now adopted rules governing its own deliberations and actions. There are, however, operational rules and regulations that should be updated to reflect the way the system operates today as compared to its operation prior to the Receivership. These rules are entitled "Solid Waste Collection, Disposal, Processing and Recycling" and are found in Title 29 of the Guam Administrative Rules and Regulations under the Department of Public Works.

Status Report (Oct 21, 2015) at 54, ECF No. 1634-1.

Under the approved transition timeline, review and upgrade of the solid waste rules and regulations was scheduled to begin in September 2016. *Id.*, Fig. 42. The Board, however, did not take any action to address the rules and regulations until six months ago.[8] According to the Board, "it enlisted the assistance of the Receiver in identifying which rules and regulations the Receiver has implemented conflict with existing solid waste statutes and rules and regulations." Board's November 27, 2017 Status Report at 3, ECF No. 1772. The Board then blames the Receiver for the delay in its own responsibility for updating the rules and regulations by stating that "[t]he Board and

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[8] The court recalls that it raised the issue about the status of GSWA's operational rules and regulations at the May 17, 2017 Status Hearing. Thereafter, the Board included the issue on the Agenda for its May 24, 2017 Board meeting. *See* GSWA Board of Directors' Meeting Agenda (May 24, 2017), available at http://www.guamsolidwasteauthority.com/pdf/GSWA-BOD-Agenda-2017-05-24.pdf (last visited Nov. 30, 2017). *See also* Board's November 27, 2017 Status Report at Ex. 1, ECF No. 1772-1.

EXHIBIT C 006

Doc. No. 34GL-18-1694.

its recently hired General Manger have been waiting on the Receiver for months to provide the rules and regulations in issue." *Id.* at 5. The Board stated it only received the Receiver's comments on the existing rules and regulations on November 27, 2017.

The Board argued that it sought the Receiver's assistance because the Board members had no experience with GSWA's operations[9] and the Receiver, who was in charge of management, would be in a better position to put these rules together. The court disagrees. The promulgation of rules and regulations to govern GSWA operations post-Receivership is primarily a legal matter that is better addressed by the Board and its attorney. The Board has been in place and meeting regularly for more than four years, and its sole responsibility has been to gain an understanding of GSWA's operations so that it would be prepared to take charge of operations at the end of the Receivership.[10] The Board has also had the assistance of legal counsel for most of the time it has been in existence. It is the Board and legal counsel's responsibility to review and update GSWA's rules and regulations. *See* 10 GUAM CODE ANN. §§ 51A104(i) ("The Authority shall . . . adopt such rules and regulations as may be necessary for the exercise of the powers and performance of the duties conferred or imposed upon the Authority or the Board by th[e Guam Solid Waste Authority] Act.") and 51A105 ("All powers vested in the Authority . . . shall be exercised by a GSWA Board of Directors[.]"). The Board has not adequately explained why it did not start this review process in

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[9] While the Board is comprised of voluntary members from the public, having accepted the appointment, the Board had an obligation to diligently carry out its fiduciary duties. As noted by the court,

> a smooth and orderly transition of authority . . . can only be accomplished through a cooperative working relationship between the Board and the Receiver. The Receiver has lived up to the fiduciary duty entrusted to it by this court and the people of Guam. With time and experience, the court hopes the Board will become equally capable of managing Guam's solid waste system, exercising the high standard of care required by a fiduciary.

Order re Transition from Court-Appointed Receiver to the GSWA Board (July 1, 2013) at 2, ECF No. 1132.

[10] *See* Order (June 26, 2013) at 1, ECF No. 1123 ("The court appreciates the Board's desires to learn more about GSWA operations in preparation for the eventual transition from [R]eceivership.").

EXHIBIT C 007

Doc. No. 34GL-18-1694.

September 2016 as envisioned under the approved timeline.

Since the Board's creation and appointment, the court has always encouraged the Board members to utilize the time during the transition period wisely in order

> to become proficient in its knowledge about the system so there can be an orderly handoff when court orders it. The Board should read the Consent Decree (ECF No. 55), the Order appointing the Receiver (ECF 239), and all 16 Quarterly Reports prepared by the Receiver. Additionally, the court believes the Board should also be knowledgeable about the financial status of GSWA and the supplemental bond indenture in connection with the 2009 Section 30 bonds. Therefore, the Board should read all Orders related to how these bond monies were obtained and how they are to be disbursed, including all previous audit reports of the solid waste system since the Consent Decree was entered.

Order re Transition from Court-Appointed Receiver to the GSWA Board (July 1, 2013) at 2, ECF No. 1132. To date, the Receiver has filed a total of 25 status reports.[11] These status reports, in addition to the Receiver's special reports, describe in detail the various components of the solid waste system implemented by the Receiver. There is nothing new in the narrative report recently provided by the Receiver to the Board. All of the information contained in the narrative report were previously discussed in past status reports and special reports. *See e.g.*, Status Report (Jan. 14, 2009) at 13-20, ECF No. 328-1 (describing cart rollout plan); Status Report (July 15, 2009) at 10-15, ECF No. 463-1 (describing cart rollout plan and customer outreach); Status Report (Jan. 14, 2010) at 13-17, ECF No. 538-1 (discussing rollout of new cart system and new operating procedures used to clean-up customer records and accounts); Status Report (Apr. 8, 2010) at10-15, ECF No. 557-1 (continuing discussion of residential collections, new systems and billing); Status Report (Aug. 11, 2010) at 10-21, ECF No. 605-1 (detailed discussion of new residential services model, the new customer billing system, curbside recycling pilot program, bulky waste collection program and delinquent customer issues and police to address this); Status Report (Apr. 14, 2011) at 32-34, ECF No. 715-1 (commercial customers); Status Report (Dec. 7, 2011) at 18-19 and 26-29, ECF No. 859-1 (discussion of metallic and bulky waste collection program, introductory discussion of household hazardous waste, discussion of commercial account collection issues); Status Report (Apr. 11, 2012)

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[11] These status reports can be found at ECF Nos. 250-1, 269-1, 328-1, 427-1, 463-1, 505-1, 538-1, 557-1, 605-1, 646-1, 715-1, 794-1, 859-1, 931-1, 972-1, 1067-1, 1267-1, 1369-1, 1422-1, 1531-1, 1634-1, 1675-1, 1687-1, 1739-3 and 1749-3.

EXHIBIT C 008

Doc. No. 34GL-18-1694.

at 14-22, ECF No. 931-1 (discussing hauler only transfer station, Layon Landfill operations, curbside recycling program and Standard Operator Procedures ("SOPs")[12] as under development); Special Report re Islandwide Curbside Recycling, ECF No. 1158; and Status Report (Mar. 5, 2015) at 13, ECF No. 1531-1 (discussion of household hazardous waste facility and program).

If the Board and its counsel had read these reports as directed by the court, then it would have been clear from the start that the existing rules and regulations promulgated before the appointment of the Receiver are no longer applicable to the solid waste system currently in existence. While the Board has expressed its intent to adopt the rules implemented by the Receiver, the Board has not taken any concrete steps to draft these rules despite the fact that it has had the information it needed to begin the revision process. The Receiver has always cooperated in this process, and there is no reason why the relationship between the Receiver and the Board continues to be strained and antagonistic.[13] The Board needs to begin treating the Receiver as an ally and not an adversary in this transition process.[14] Everyone – the court, the Receiver and the United States included – wants the

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[12] The Receiver later reported that

> GSWA has been developing Standard Operating Procedures (SOPs) in order to provide direction, improve communication, reduce training time, and improve work consistency for GSWA personnel. SOPs are designed to enhance quality control by defining the work proce4ss, identifying records, and developing confidence in personnel that they are meeting the goals of the organization. The SOP development process includes workers in all areas of the organization, who are identifying and working through issues to come up with clear and pragmatic SOPs. During this quarter, 25 SOPs have been finished.

Status Report (July 18, 2012) at 16-17, ECF No. 972-1.

In addition to these SOPs, the court is aware that operations manuals have been developed and submitted to the Government of Guam for GSWA's facilities as part of the permitting process. Thus, the Government of Guam has had access to operating manuals for the following facilities: Layon Landfill, the Hauler-Only Transfer Station, the Residential Transfer Stations and the Household Hazardous Waste Facility.

[13] The court cautions that it will not tolerate unprofessional decorum in the courtroom.

[14] The court reminds the Government of Guam and the Board that it was the Government of Guam who included Gershman, Birckner & Bratton, Inc. on its list of qualified receivers. *See* Government of Guam List of Receivers, Ex. A, ECF No. 206.

EXHIBIT C 009

Doc. No. 34GL-18-1694.

Board to succeed once the transition occurs, but control over GSWA operations can not be transferred to the Board without the proper promulgation of the revised rules and regulations, a process which will take several months. Accordingly, the court orders the Board, its legal counsel and the new general manager to begin drafting and updating the operational rules and regulations. Until then, the court orders that the Receivership be extended until at least June 30, 2018,[15] and the Receiver shall continue to exercise full power and authority over all GSWA functions, duties and responsibilities.

IT IS SO ORDERED.

/s/ Frances M. Tydingco-Gatewood
Chief Judge
Dated: Dec 01, 2017

[15] The compensation and classification plan for GSWA being worked on by Maria Connelly of Pacific Human Resources, Inc. ("PHRS"), Mr. Martin and Alicia Fejeran should be completed before then, and the court looks forward to reviewing the updated classification plan.

EXHIBIT C 010

Doc. No. 34GL-18-1694.

GUAM SOLID WASTE AUTHORITY
BOARD OF DIRECTORS' MEETING
November 29, 2017 at 11 a.m.
Guam Solid Waste Authority
GSWA Conference Room, Tamuning

I. **Call to Order**
The Guam Solid Waste Authority Board of Directors' meeting was called to order by Chairman, Andrew Gayle, at 11:03 am.

II. **Roll Call**

Board Members:

Andrew Gayle	Chairman
Jonathan Denight	Vice Chairman
Minakshi Hemlani	Secretary

Management & Staff:

David Manning	Receiver Representative (via telephone)
Greg Martin	GSWA General Manager
Alicia Fejeran	GSWA Board Clerk
Keilani Mesa	GSWA Customer Service
Roman Perez	GSWA Operations

Guests:

Georgette Concepcion	Board Legal Counsel
Promilla Sullivan	Court Reporter
Ron White	Green Group Holdings

III. **Approval of Minutes**
Board Members reviewed draft minutes from the November 14, 2017 Board Meeting. Board Vice Chairman, Jonathan Denight, moved to approve the minutes subject to the following changes: Spelling correction of Kathy Kakigi's name on page three under the Adoption of DOA personnel Rules and spelling correction of Attorney Georgette Concepcion's name on page four under the FY-2018 Budget, and remove section that reads, "and have it set to the minimum" on page three under updates to GSWA Rules. Board Secretary, Minakshi Hemlani, seconded the motion. The motion passed unanimously.

IV. **Reports**

a. **Management/Receiver's Report**

i. **Monthly Tonnages and Collections**
Tabled.

ii. **Operating Budget**
Tabled.

iii. **GM Transition Report**
General Manager, Greg Martin, reported to the Board that the Department of Administration (DOA) had submitted a draft Memorandum of Understanding (MOU) and it is currently being reviewed by himself and staff. Board Vice Chairman, Jonathan Denight, requested that the Board start receiving a printed timeline from Mr. Martin that indicates dates and updates regarding transition.
Board Chairman, Andrew Gayle, suggested that management stock up on necessary supplies to ensure that operations can continue post Receivership without any issues. Board clerk, Alicia Fejeran,

EXHIBIT D 001

advised the Board that there is a new requirement for procurement staff to be certified and that GSWA does not yet have a certified procurement officer. Board Secretary, Minakshi Hemlani, stated that she does not foresee any issues with Alicia Fejeran and Greg Martin certifying any future procurement post Receivership, and legal counsel would do actual procurement bids. Legal Counsel, Georgette Concepcion, reminded the Board that Bill-200 allows for GSWA to handle its own procurement and that she is also familiar with procurement laws.

b. Remaining Court Ordered Tasks

i. Residential Transfer Station Upgrades

Tabled.

ii. Environmental Closure of Dededo Transfer Station

Tabled.

iii. Ordot Post-Closure Operator

Receiver Representative, David Manning, reported that the negotiating process is still ongoing with two proposers. He hopes to have it completed by the end of the year to transition out of the temporary post closure maintenance services.

iv. Independent Engineer for Ordot Post-Closure Maintenance

Mr. Manning reported that the Receiver has not proceeded on any further steps on the procurement, and it will be rescheduled to coincide with the resolution of the methane issues at Ordot; sometimes in Spring of 2018.

v. Trustee

Mr. Manning reported that the Receiver has not proceeded on any further steps on the procurement and it will be rescheduled to coincide with the resolution of the methane issues at Ordot; sometime in Spring of 2018.

c. Committee Reports

i. Management Team Search

a. Comptroller

Chairman Gayle reported that negotiations have been ongoing with the candidate, Mr. Vinas. Bill-200 was passed into law and enables the Board to hire Mr. Vinas as the Comptroller. The Board members discussed Mr. Vinas' draft employment agreement and made changes. The Board informed Mr. Martin that he will be the one to continue the negotiation process with Mr. Vinas. When the negotiating process is completed the final agreement will be prepared and sent to the Attorney General (AG) for her review. If the AG has no issues with the agreement, it will be sent to the Board for their signature and then to Mr. Manning to certify funding. Mr. Manning stated he will sign the agreement as long as the AG has no issues with the terms in the agreement.

ii. Personnel Transition

a. Status of Proposed Legislation

With the passing of Public Law 34-58, all contracts will be extended for three (3) years after the transition. Attorney Concepcion informed the Board that Attorney General recommended that the Board discuss and votes on the continuation of the Pacific Human Resources' Contract and Alicia Fejeran's contract post Receivership. Board Chairman Gayle directed Mr. Martin to look into the contracts and make sure that the contracts will continue after the transition date.

b. Transition of Current Gov. Guam workers

No discussion.

c. Recommendation from AG to novate PHRS agreement

No discussion.

V. Unfinished Business

a. Updates to GSWA Rules

Board Chairman Gayle discussed the narrative that the Receivers had provided to the Board describing the

EXHIBIT D 002

Doc. No. 34GL-18-1694.

current operational rules under Receivership. Chairman Gayle stated that he would like to adopt the current operational rules that the Receiver has put in place. Mr. Martin stated that he would draft the Rules and submit it by the next Board meeting.
Board Secretary, Minakshi Hemlani, made a motion to authorize Mr. Martin to lead a team or subcommittee to bring the operational rules and regulations up to date, prepare and revise the rules and regulations based on the narrative provided by the Receiver, and work with Attorney Concepcion to format the rules so that the Board could properly transmit them to the Legislature. The motion was seconded by Board Vice Chairman, Jonathan Denight. The motion passed unanimously. The draft should be completed by the next Board meeting on December 13, 2017.

b. **Adoption of DOA Personnel Rules and Regulations**
Attorney Concepcion recommended that the Board adopt and continue with DOA personnel rules and regulations and adopt them as a default. Board Clerk, Alicia Fejeran, informed the Board that she would review DOA Personnel Rules and Regulations to see if she has any recommended changes or suggestions. Board Secretary Hemlani made a motion to adopt DOA Personnel Rules and Regulations subject to any changes that might come up in the discussion with Alicia and Greg. The motion was seconded by Vice Chairman Denight. The motion passed unanimously.

c. **MOU with DOA**
Mr. Martin informed the Board that he would like for the Comptroller to come aboard to review the MOU that was drafted by DOA before approving the agreement. Board Chairman Gayle suggested that the MOU be completed before the end of year 2017.

d. **GM Transition Plan**
Removed from Unfinished Business

e. **Legal Transition Issues Update**
Board Secretary Minakshi Hemlani made a motion to provide a supplemental update to inform the court of the status of the Governor signing the Bill No. 209 into law and further accomplishments that took place at today's Board meeting. The motion was seconded by Vice Chairman Denight. The motion was passed unanimously.

f. **FY18 Budget**
Public Law 34-68 was signed and with its passing, the Budget was also passed.

VI. **New Business**
Mr. Martin informed the Board that GSWA had placed two new trucks out for recycle. Martin plans to work with the Comptroller to see what trucks cost the most and see what can be done with the older trucks. He also reported that the Green Group Holdings' replacement for Ron White will be on Guam next week Monday, and he will be meeting with them and talking to them about the landfill and the methane collection programs.

VII. **Open Discussion**
None.

VIII. **Public Forum**
None.

IX. **Next Meeting**
The Board scheduled its next meeting for Wednesday, December 13, 2017, at 11am at the Guam Solid Waste Authority conference room.

X. **Adjourn**
Board Secretary, Minakshi Hemlani, moved to adjourn the meeting at 12:07 p.m. Board Vice Chairman, Jonathan Denight, seconded the motion, and the motion passed unanimously.

GUAM SOLID WASTE AUTHORITY
BOARD OF DIRECTORS' MEETING
February 08, 2018
11am-12:08pm
Guam Solid Waste Authority
GSWA Conference Room, Tamuning

I. **Call to Order**
The Guam Solid Waste Authority Board of Directors' meeting was called to order by Chairman, Andrew Gayle, at 11:10 am.

II. **Roll Call**

Board Members:

Andrew Gayle	Chairman
Jonathan Denight	Vice Chairman
Joseph Duenas	Board Member

Management & Staff:

David Manning	Receiver Representative (Via phone)
Greg Martin	GSWA General Manager
Enrique Vinas	GSWA Comptroller
Alicia Fejeran	GSWA Board Clerk
Keilani Mesa	GSWA Customer Service
Roman Perez	GSWA Operations

Guests:

George Castro	Court Reporter
Grace Donaldson	Pacific Human Resources Inc.
Maria Connelley	Pacific Human Resources Inc.
Georgette Concepcion	GSWA Board Attorney
	Office of Senator Telena Nelson

III. **Approval of Minutes**
Board Members reviewed draft minutes from the January 10, 2018 Board meeting. Board members requested for minutes to indicate who made the statement regarding what will occur with the PHRS contract after the receivership. A motion to approve the minutes pending the change was made by Board Vice Chairman, Jonathan Denight. The motion was seconded by Board member, Joseph Duenas. Motion was passed. Board member, Joseph Duenas, wanted to put on record that no Receiver Representative was present in the meeting at this time. Mr. Manning joined the meeting via telephone shortly thereafter.

IV. **Reports**

a. **Management/Receiver's Report**

i. **Monthly Tonnages and Collections**
General Manager Greg Martin stated there was an 85% drop in bulky waste. Board Chairman, Andrew Gayle, inquired on the popularity of the bulky waste program. Mr. Martin and Board Clerk, Alicia Fejeran, described the details of the service. Mr. Martin also reported that the transfer stations had a

EXHIBIT E 001

small drop in revenue, and that it was possibly due to the construction that was going on throughout the previous months.

ii. **Operating Budget**

Receiver Representative, David Manning, informed the Board that it was too early in the month to be able to provide an operating budget but he will be able to provide an updated report within the next week or so.

iii. **Update on Methane Remediation at Ordot**

Board Clerk, Alicia Fejeran, informed the Board that bid packages for the Ordot Gas Mitigation Piping project will be available for pick up starting Monday February 12, 2018. The Board requested that the Receiver send an update with regard to the Trustee, Engineer, and Ordot Operator bid. Board member, Joseph Duenas, asked Mr. Martin if the Receiver involves him in these procurement processes. Mr. Martin responded that he is not excluded and he attends meetings when they are scheduled. During the latter part of the Board meeting, Chairman Gayle asked Mr. Manning about the pending procurement. Mr. Manning provided the board with an update.

iv. **Update on Land Condemnation**

Receiver Representative, David Manning, reported that there are ongoing issues with Lot 450. He stated that the Receiver and Legal Representative, Vanessa Williams, have been in consultation with the Attorney General's Office with regard to Lot 3434 and they are working toward a resolution.

v. **General Manager's Report**

a. 2019 Budget

General Manager, Greg Martin, reported that the design for the new landfill cell is about 50% complete and was submitted to Guam EPA and USEPA for their review and approval.

Mr. Martin also reported on the DEF program and stated that he is working with Bob Perron of Mr. Rubbishman on the pricing.

Mr. Martin asked Receiver Representative, David Manning, to report on the new cell for Layon. Mr. Manning reported that the new cell will provide significant additional capacity.

Mr. Martin informed the Board that he would like to attend the SWANA Expo in Las Vegas towards the end of April. He advised the Board that Mr. Manning would like the Board or the Board Chairman to provide a written approval for this trip.

Mr. Martin stated that they are also preparing for transition by looking into the contracts that will need amendments so that they come back to GSWA post receivership. He informed the Board that they have identified about twenty contracts so far.

Mr. Martin brought up that there is an audit contract from Deloitte & Touche, and that he had some concerns because he was not present for two out of the three years in question. He stated that he spoke with Board Legal counsel, Georgette Concepcion, and she stated he could go ahead and sign. He also stated he checked with DOA accounting and they also stated he could proceed to sign the audit contract.

He reported that the four employees from GSWA who attended the procurement module had all passed. He also stated that he is trying to set up a meeting with DOA and PHR to assist with the compensation and classification plan.

Comptroller, Enrique Vinas, informed the Board that he has been working with Coleen Cruz and Alicia Fejeran in his understanding and monitoring of the month end processing, but stated that he had no involvement with month-end processing. Board Clerk, Alicia Fejeran, informed the Board that she and Mr. Vinas scheduled to process the end of month procedure after the Board meeting. Ms. Fejeran also provided information on how the billing process works.

Vice Chairman, Jonathan Denight, asked Mr. Manning when Mr. Vinas would be involved in the accounting side of the business, receivables and payables. Mr. Manning stated that he does not know of any reason why Mr. Vinas is not already involved. He informed the Board that Mr. Vinas' role would be one in the same as Mr. Manning's role which is to oversee that the functions are being properly

performed and not actually performing the function. Mr. Manning stated he is open to and welcomes any input Mr. Vinas may have, and that he can raise any issues directly with him. The Board requested that Mr. Vinas be involved in the oversight of the complete accounting process.

b. Committee Reports

I. Personnel Transition

a. Government Classification and Compensation Plan

Mr. Martin reported to the Board that he is setting up a meeting with DOA and PHR to gain a better understanding of the DOA process. He stated he has made calls and left messages with them, and is waiting on a response.

Mr. Martin requested that Alicia Fejeran provide an update on current transitions as far as GG1(s). Ms. Fejeran informed the Board that there were eight new classified employees that were transitioned in. She informed the Board that seven of them were current contracted employees from PHR and one applicant was an outside applicant. Board members, Joseph Duenas and Jonathan Denight, asked why there was urgency in hiring the employees into classified positions and why they were hired. She responded that the positions were budgeted for and the employees selected met the requirements. Mr. Manning responded that the court is well aware of the actions they have been taking with regard to transitioning the employees. He stated that when the receiver has the opportunities to transition the employees into permanent Government of Guam positions they have done so and will continue to do so as long as the Receiver is responsible, as these actions are part of the transition.

Board Member, Joseph Duenas, stated that the decision in hiring these people has been underhanded and it was not fair to the incoming management who will have to work with the employees being transitioned. Mr. Manning stated that these actions are a part of the transition and to the best of his knowledge there has been no notice from the Board or the team they had hired, of being uninterested in keeping the current employees. Vice Chairman Denight, asked Mr. Manning why he is in a rush to transition these employees if he had stated this would increase costs by 30%. Mr. Manning responded that this is a basic situation of what transition requires, and the Receiver does not believe that the contract with PHR is transferrable after Receivership ends. Board member, Joseph Duenas, requested that this conversation be recorded in the transcription of the minutes. Mr. Duenas also stated that a lot of effort went into law so that management, whoever that is in the end, has time to work with them and hire the people who they want. Vice Chairman Denight added that it was also to allow new management to determine the best move forward when the receivership has ended. Chairman Gayle, stated that transition needs to be cooperative. Mr. Manning stated that these people that were hired are drivers, loaders, and a few clerks; a total of eight positions filled. Vice Chairman Denight stated that this was just the beginning of the Receivers move to move the employees all over. Mr. Manning responded that when the Receiver has an opportunity to transition these employees, the Receiver will do so, but he is not sure that they will be able to get it all done before Receivership ends. Chairman Gayle asked Mr. Manning if he was aware that there was a law passed recently that addressed this. Mr. Manning stated that the law that was passed is a law that said that the Board may accept the contract but the Receiver is not in a position to assign the contract and he does not believe that the contract is assignable. Vice Chairman Denight stated that it was specific in the law that the Agency has three years to leave everything in the way the Receiver has set it up so that new management can thus decide the next course of action and the decision of hiring these employees were not the Receiver's decision to make.

Vice Chairman asked representatives from Pacific Human Resources Services (PHRS) on their take of the transition of the eight employees. President of PHRS, Maria Connelley, stated that GBB

has provided them with information on the new positions and the new titles but PHRS personnel knows that new management will be stepping in soon so they have not taken any action on the request that the Receiver has submitted to them with regard to the new pay plan. She stated she is waiting on new management to step in and provide them with their organization structure so that PHRS can proceed with it. She stated that PHRS continues to provide the drivers and sanitation workers who are private employees.

She also informed the Board that she does not think that GSWA has the HR function set up to do the competitive hiring for the Government of Guam employees although GSWA does have the Authority to hire and fire employees. Vice Chairman Denight asked Ms. Connelley if she sees an issue with the transferring the current contract to the Agency post Receivership. Ms. Connelley stated the agreement with GBB has no expiration date. Mr. Manning corrected Ms. Connelley and informed her that in the contract the agreement ends when the Receivership ends. Board member, Joseph Duenas, asked Ms. Connelley if the name could just be changed to GSWA. Board Attorney, Georgette Concepcion, stated that the statute says that the agreement automatically stays. Board member, Joseph Duenas, stated that the Receiver has pointed out that contracting through PHRS has reduced cost and questioned why the Receiver is in a rush to hire three months before the end of Receivership. He stated he does not believe this is fair to new management and disagrees with the Receiver's actions. Board member, Joseph Duenas, asked Ms. Fejeran how many GG1(s) were sent to BBMR. Ms. Fejeran responded that there were 9 GG1(s) sent down but only eight positions were filled. The Board inquired about the increase of employees and Chairman Gayle stated that there was a big jump in the numbers provided to them by Keilani Mesa. Mr. Manning informed the Board there has not been a huge increase and requested that the Board give Ms. Fejeran time to provide an accurate number. Ms. Fejeran asked if she could have some time to respond to the Board via email.

V. Unfinished Business

a. Updates to GSWA Rules

Board Attorney, Georgette Conception, informed the Board that the emergency rules have been submitted to the legislation. She confirmed with Receiver Operations Manager, Chace Anderson, if the GSWA Conference room would be available on March 1, 2018 at 6p.m. to hold the public hearing. She informed the Board that she just needs the Boards approval to proceed with the hearing. The notice of the hearing will need to be published 10 days prior and that GSWA staff will take care of the publishing. After the public hearing, the rules will be sent to the AG's Office for approval, and then transmitted to the Governor's Office. She informed the Board that she is working with the AG's Office and Governor's Legal Counsel to ensure that everything is all done, and that the packet is with the Legislature by April 1, 2018 so that it allows the Board exactly 90 days from June 30, 2018. Ms. Concepcion stated that an economic impact statement (EIS) needs to be provided as well. She stated that she worked with Mr. Martin and Mr. Vinas with the numbers for the EIS. She stated that there is an economic impact but it is not a new impact and that's how she will be presenting it in her letter. A motion was made by Board member, Joseph Duenas, to give authorization to legal counsel to proceed with the necessary actions to schedule the public hearing and to approve the proposed rules and the economic impact statement. The motion was seconded by Vice Chairman, Jonathan Denight. Motion was passed unanimously.

b. Motion for Reconsideration

Chairman Gayle informed the Board that the Attorney General informed him that the AG's office was going to withdraw their motion for reconsideration and advised that the Board also reconsider withdrawing their motion for reconsideration There was a motion made by Board member, Joseph Duenas, to accept the AG's recommendation and withdraw the motion the Board had originally submitted to the court without making any concessions that there were misrepresentation in the original filing. The motion was seconded by Vice Chairman Denight. The motion was passed unanimously.

EXHIBIT E 004

Doc. No. 34GL-18-1694.

VI. **New Business**

Board member, Joseph Duenas, stated that management can use GSA and DOA in the interim after the Receivership has ended but if the agency wants to operate as a truly autonomous agency, these functions could be potentially contracted out and this is something the Board needs to think about.

Mr. Martin made a request to Mr. Manning that he and Mr. Vinas have a final say in any new hires because they will be the ones who will have to work with the employees. Mr. Manning stated that to his knowledge GSWA is not hiring new people but simply transitioning current employees into fulltime government positions. He stated that the Receiver is willing to consider any recommendations he may make in such matters.

Board member, Joseph Duenas, stated that new management should sit in the front and represent GSWA at the next court hearing.

VII. **Open Discussion**

None.

VIII. **Public Forum**

None.

IX. **Next Meeting**

The Board scheduled its next meeting for Thursday March 8, 2018, at 11am at the Guam Solid Waste Authority conference room.

X. **Adjourn**

Board member, Joseph Duenas, motioned to adjourn the meeting at 12:18 p.m. Board Vice Chairman, Jonathan Denight, seconded the motion, and the motion passed unanimously.

DISTRICT COURT OF GUAM

TERRITORY OF GUAM

UNITED STATES OF AMERICA, Plaintiff, vs. GOVERNMENT OF GUAM, Defendant.	Civil Case No. 02-00022 **ORDER**

This matter came before the court on January 14, 2009, for a quarterly status hearing. At that time, the Receiver, Gershman, Brickner & Bratton, Inc. ("GBB") provided an update on the progress of Consent Decree projects and on the operations of the Solid Waste Management Division ("SWMD"). *See* Docket No. 328. GBB also outlined a proposed cart rollout program and an account management system. In addition, GBB reiterated its continued need for the court's assistance in securing the funds necessary for the Consent Decree projects. To that end, GBB requested the court order a payment schedule.

The Government of Guam requested one week to respond to GBB's request that the court adopt a schedule of cash payments. The court granted the Government of Guam's request that it be given one week to respond to GBB's request by January 22, 2009. *See* Docket No. 330.

On January 21, 2009, the Government of Guam filed a request for an extension of time, until February 2, 2009, to submit its response to GBB's request that the court order a schedule

EXHIBIT F 001

Doc. No. 34GL-18-1694.

of cash payments. *See* Docket No. 333. Based upon the representations of the Receiver that an extension of time should be granted and with no opposition from the United States, the court granted the request. *See* Docket No. 337.

The extension of time granted the Government of Guam to work with the Receiver in exploring other financing options should not serve to delay the necessary work in moving forward with the other recommendations made by the Receiver. It is important to point out that the Receiver reported at the status hearing that as of December 31, 2008, the Ordot Dump had 938 days of air space remaining. As of today, there are only 915 days of air space remaining. There is simply no additional time to prolong the closure of the Ordot Dump and the opening of the new Municipal Solid Waste Landfill Facility at Layon.

Accordingly, the court will continue to ensure that the timetable is followed. Consistent with this court's past orders for the Government of Guam to achieve compliance with the Consent Decree, the court hereby **ORDERS** the following:

1. The court adopts GBB's plan to implement a cart rollout plan and account management system, and directs GBB to proceed with said plan and system. *See* Docket No. 328;

2. GBB is permitted to establish appropriate interim tipping and collection fees. Interim commercial tipping fees shall go into effect on July 1, 2009. The effective date of the increase of residential collection fees shall be established at a later date; and

3. GBB shall petition the Public Utilities Commission to approve increases in the commercial and residential rates at an appropriate time during 2009.

SO ORDERED.

/s/ Frances M. Tydingco-Gatewood
Chief Judge
Dated: Jan 23, 2009

EXHIBIT F 002

Doc. No. 34GL-18-1694.

DISTRICT COURT OF GUAM

TERRITORY OF GUAM

UNITED STATES OF AMERICA Plaintiff, vs. GOVERNMENT OF GUAM, Defendant.	Civil Case No. 02-00022 **ORDER**

This matter came before the court on July 15, 2009, for a quarterly status hearing. At that time, the Receiver, Gershman, Brickner & Bratton, Inc. ("GBB") reported on the progress of Consent Decree projects and on the operations of the Solid Waste Management System ("SWDM"). *See* Docket No. 463. Various Guam agencies also provided updates on their respective work on the Consent Decree projects. The court is concerned about the Department of Public Works' ("DPW") report. Specifically, DPW addressed the possible delay in the construction and expansion of the Ylig Bridge because a colony of *Partula radiolata*, a rare Guam Tree Snail, had been found living under the bridge. The court orders the plaintiff and the United States Fish and Wildlife Service to provide assistance to DPW in this regard to make sure there is an expedited solution.

Additionally, to ensure that there is ongoing progress to meet the previously established Consent Decree timetable the following is ordered:

- DPW is ordered to file progress reports every two weeks, beginning on August

EXHIBIT F 003

Doc. No. 34GL-18-1694.

1, 2009 regarding the *Partula radiolata* and its efforts in addressing the situation;

- The Guam Environmental Protection Agency is hereby directed to file a request detailing its budgetary need for additional funds in order to work on specific Consent Decree Projects. Said request shall be filed by 12:00 noon, July 29, 2009;
- The Government of Guam shall use its best efforts to execute the Letter of Intent with the military by close of business on July 17, 2009; and
- GBB is permitted to establish appropriate interim residential collection fees as set forth in its July 2009 quarterly report.

Lastly, the next status hearing is scheduled for October 21, 2009 at 9:00 a.m. All parties previously ordered to attend the July 15, 2009 status hearing are required to attend the October 21 status hearing.

SO ORDERED.

/s/ Frances M. Tydingco-Gatewood
Chief Judge
Dated: Jul 15, 2009

EXHIBIT F 004

Doc. No. 34GL-18-1694.

Guam Solid Waste Authority
Operating Budget
FY 2017
Preliminary Expenditures and Revenues As of September 30, 2017

Item	Total Annual Budget	Budget to Date	Estimated Total Expenditures FY 2017	% over (under) Budget to Date
Personnel Expenses:				
Regular Salaries	$1,236,000	$1,236,000	$ 987,400	-20.1%
Overtime/Special Pay	$206,000	$206,000	$ 95,700	-53.5%
Contract Employees	$1,236,000	$1,236,000	$ 1,275,000	3.2%
Benefits	$412,000	$412,000	$ 373,900	-9.2%
Sub-total	**$3,090,000**	**$3,090,000**	**$ 2,732,000**	**-11.6%**
Non-Personnel Expenses:				
Travel	$5,000	$5,000	$17,500	250.0%
Contractual Services:				
Layon Landfill Operation	$3,708,000	$3,708,000	$3,294,400	-11.2%
Hauler-Only Transfer Station	$2,884,000	$2,884,000	$2,914,700	1.1%
Other	$2,832,912	$2,832,912	$3,365,800	18.8%
Debt Service	$0	$0	$0	N/A
Supplies and Materials	$566,500	$566,500	$290,900	-48.6%
Equipment	$10,300	$10,300	$20,000	94.2%
Utilities - Power and Water	$123,600	$123,600	$75,000	-39.3%
Communications	$12,360	$12,360	$0	-100.0%
Capital Outlay	$0	$0	$ 25,000	N/A
Miscellaneous	$123,600	$123,600	$88,000	-28.8%
Required Reserve Contributions:				
Equipment Replacement	$701,100	$701,100	$680,600	-2.9%
Cell Closure	$50,000	$50,000	$50,000	0.0%
Post Closure Care	$100,000	$100,000	$100,000	0.0%
Future Cell Development	$50,000	$50,000	$50,000	0.0%
Reserve - Unfunded Expenses	$4,497,097	$4,497,097	$4,497,100	0.0%
Sub-total Non-Personel Expense	**$ 15,664,469**	**$15,664,469**	**$ 15,469,000**	**-1.2%**
Grand-total Expenditures / Reserves	$18,754,469	$18,754,469	$18,201,000	-3.0%
Revenue:				
Commercial & Gov't Tipping Fees	$11,806,624	$11,806,624	$11,785,500	-0.2%
Residential Collection Fees	$6,407,000	$6,407,000	$6,867,000	7.2%
Transfer Stations	$293,000	$293,000	$310,700	6.0%
Other Revenue	$28,800	$28,800	$69,600	141.7%
Total Revenue	$18,535,424	$18,535,424	$19,032,800	2.7%
Surplus / (Deficit)*	($219,045)	($219,045)	$831,800	N/A

Note: This report is based on preliminary month-end numbers from the Department of Administration and cash payments made by the Receiver through the Trust Account. It is preliminary and subject to change based on subsequent DOA updates and accounting adjustments. Revenue is based on billed amounts as reported in GSWA monthly revenue reports.

* Surplus goes to reserve for future years (i.e. fund balance) and deficits are covered by the same reserve. Interest income on reserve accounts not included in operating revenue.

EXHIBIT G

Guam Solid Waste Authority
Operating Budget
FY 2018

Preliminary Expenditures and Revenues As of December 31, 2017

Item	Total Annual Budget	Budget to Date	Preliminary Spending and Revenue Prior Months	This Month: Trust Account Spending and Revenue	This Month: DOA Preliminary Spending	Preliminary Spending and Revenue YTD	% over (under) Budget to Date
Personnel Expenses:							
Regular Salaries	$1,000,000	$250,000	$177,059		$ 87,963	$ 265,022	6.0%
Overtime/Special Pay	$75,000	$18,750	$18,415	$	$ 7,037	$ 25,452	35.7%
Contract Employees	$1,400,000	$350,000	$206,710	$ 159,290		$ 365,999	4.6%
Benefits	$400,000	$100,000	$66,769	$	$ 33,287	$ 100,056	0.1%
Sub-total	**$2,875,000**	**$718,750**	**$468,953**	**$ 159,290**	**$ 128,287**	**$ 756,529**	**5.3%**
Non-Personnel Expenses:							
Travel	$0	$0	$4,925	$ 12,891	$	$17,815	N/A
Contractual Services:							
Layon Landfill Operation	$3,500,000	$875,000	$741,160	$ 397,409		$1,138,569	30.1%
Hauler-Only Transfer Station	$3,000,000	$750,000	$496,587	$ 256,195		$752,782	0.4%
Other	$3,250,000	$812,750	$596,216	$ 70,933	$ 125,801	$792,949	-2.4%
Supplies and Materials	$350,000	$87,500	$16,539		$ 36,254	$52,793	-39.7%
Equipment	$20,000	$5,000	$1,177		$ 1,431	$2,608	-47.8%
Utilities - Power and Water	$90,000	$22,500	$7,848		$ 6,511	$14,359	-36.2%
Communications		$0	$9,601		$ 3,943.74	$13,545	N/A
Capital Outlay	$25,000	$6,250	$0			$0	N/A
Miscellaneous	$90,000	$22,500	$25,626	$	$ 690	$26,316	17.0%
Required Reserve Contributions:			$0				
Equipment Replacement	$680,645	$170,161	$116,850	$ 58,425	$	$175,275	3.0%
Cell Closure	$50,000	$12,500	$8,333	$ 4,167	$ -	$12,500	0.0%
Post Closure Care	$100,000	$25,000	$16,667	$ 8,333	$	$25,000	0.0%
Future Cell Development	$50,000	$12,500	$8,333	$ 4,167	$ -	$12,500	0.0%
Reserve - Unfunded Expenses	$4,497,097	$1,124,274	$749,516	$ 374,758	$	$1,124,274	N/A
Sub-total	**$ 15,703,742**	**$ 3,925,935**	**$ 2,799,377**	**$ 1,187,277**	**$ 174,630**	**$ 4,161,284**	**6.0%**
Grand-total Expenditures / Reserves	$18,578,742	$4,644,685	$3,268,330	$1,346,567	$302,917	$4,917,813	5.9%
Revenue:							
Commercial & Gov't Tipping Fees	$11,790,000	$2,947,500	$1,940,924	$957,953	$0	$2,898,877	-1.6%
Residential Collection Fees	$7,000,000	$1,750,000	$1,184,226	$590,484	$0	$1,774,710	1.4%
Transfer Stations	$350,000	$87,500	$53,280	$33,626	$0	$86,905	-0.7%
Other Revenue	$20,000	$5,000	$8,210	$3,794	$0	$12,004	140.1%
Total Revenue	$19,160,000	$4,790,000	$3,186,640	$1,585,856	$0	$4,772,496	-0.4%
Surplus / (Deficit)*	$581,258	$145,315	($81,690)	$239,290	N/A	($145,317)	

Note: This report is based on preliminary month-end numbers from the Department of Administration and cash payments made by the Receiver through the Trust Account. It is preliminary and subject to change based on subsequent DOA updates and accounting adjustments. Amounts shown in the column GovGuam Preliminary Spending includes spending that occurred in prior months but which was not previously recorded by DOA. Revenue is based on billed amounts as reported in GSWA monthly revenue reports.

* Surplus goes to reserve for future years (i.e. fund balance) and deficits are covered by the same reserve. Interest income on reserve accounts not included in operating revenue.

1/9/2018

EXHIBIT H

Special Report of the Receiver

2016 Rate Analysis Update

Civil Case No. 02-00022
United States of America v. Government of Guam
Guam Solid Waste Management Division

Prepared for:

U.S. District Court of Guam

Submitted by:

GBB
SOLID WASTE
MANAGEMENT
CONSULTANTS
RECEIVER

Gershman, Brickner & Bratton, Inc.
8550 Arlington Blvd, Suite 304
Fairfax, Virginia 22031

December 31, 2016

Printed on recycled paper

EXHIBIT I 001

Doc. No. 34GL-18-1694.

Pursuant to the Order of the District Court dated October 7, 2016, the Receiver submits the attached update (see Exhibit A) of the Rate Study for the Guam Solid Waste Authority (GSWA). The rate study was first completed and submitted to this Court and subsequently to the Guam Public Utilities Commission (PUC) in June of 2012. The 2012 study included the interim rates approved by the District Court[1], the rates that would be needed if the Government of Guam allowed a privately owned landfill to be built on Guam[2], and the rates that would be needed if GSWA is required to transfer funds to the Government of Guam's General Fund to offset the Government of Guam's use of federal Section 30 funds to pay the debt service on the 2009 Series A Section 30 Bonds issued by the Government of Guam to finance compliance with the Consent Decree.

In 2012, it was the Receiver's recommendation that no rate increase was needed. The interim rates were sufficient for the continued operation of GSWA and completion of the Consent Decree. However, the 2012 study also found that a significant rate increase would be required if the Government of Guam mandated that GSWA transfer funds to the General Fund of the Government of Guam each year to offset the Government of Guam's use of federal Section 30 funds to pay the debt service on the 2009 Series A Section 30 Bonds.

The PUC declined to act on the rates in 2012 without a clear recommendation from the Government of Guam. The PUC specifically invited the Government of Guam to intervene in the matter. The Government of Guam, however, never responded with the result being that GSWA remains under the interim rates recommended by the Receiver and approved by the District Court.

Based on the 2016 Rate Analysis Update submitted with this report, ***the Receiver again recommends no rate increase***. We find that the interim rates under which GSWA is currently operating are sufficient to fully fund GSWA operations and fully fund the requirements of the Consent Decree and GSWA's

[1] The Court approved interim rates recommended by the Receiver and directed the Receiver to submit the GSWA rate structure to the PUC for its review and to establish permanent rates for GSWA. After conferring with the PUC, it was mutually decided to delay the submission of a rate structure to the PUC due to a lack of complete data upon which to base rates. In 2012 it was agreed between the Receiver and staff of the PUC that sufficient data had been obtained, thus providing the basis for the 2012 rate study.

[2] At the time the 2012 Rate Study was developed, Guam's regulatory authorities were considering a proposal from Guam Resource Recovery Partners (GRRP) to build another landfill on Guam, therefore, the effect such an additional facility would have on GSWA rates was examined in the 2012 study. That proposal has not been pursued by GRRP, therefore, the 2016 rate study does not include this matter.

additional capital expenses[3]. However, if the Government of Guam decides to impose the additional burden on GSWA Customers of transferring funds from GSWA to the General Fund to offset the Government of Guam's use of federal Section 30 funds to pay the debt service on the 2009 Series A Section 30 Bonds, a significant rate increase will be required.

The following table outlines the rates recommended by the Receiver (i.e. Receiver Rate) and the rates required if the Government of Guam decides to impose an additional burden on GSWA Customers of transferring funds from GSWA to the General Fund (i.e. the GovGuam Rate).

Receiver Rates vs Rate Required to Transfer Funds to GovGuam General Fund

Customer Type	Receiver Rate*	GovGuam Rate*
Residential Curbside	$ 30.00	$ 50.00
Residential Transfer Station	$7.50/$15.00	$12.00/$24.00
Commercial	$ 171.60	$ 250.00

*The Host Community Premium Fee not included.

On a percentage basis, residential rates would increase 60 percent and commercial rates would increase almost 69 percent.

Rate increases of this magnitude would, without doubt, place GSWA services out of reach for some current GSWA customers, thereby increasing the likelihood of illegal dumping or otherwise illegally disposing of trash. Only experience will reveal how many customers would resort to such an approach, but it is likely to be significant. Such an outcome is also likely to create a downward cycle for services and an upward cycle for rates since the fixed cost of the entire system must then be spread over fewer customers.

The Receiver recognizes that it is the Government of Guam's prerogative to decide how it finances solid waste services. However, the Receiver believes that the current mix of customer fees and use of federal Section 30 funds to pay for solid waste services, is reasonable and in the best interests of perpetuating an economically and environmentally sound solid waste program.

The 2016 Rate Analysis Update also examined the Host Community Premium Surcharge Fees that are administered by GSWA. Based on the updated analysis, the Receiver believes the current fee does not need any adjustment at this time. However, it is recommended that it be monitored closely since the

[3] These additional capital expenses include the cost of closing cells 1 and 2 of the Layon Landfill and opening a new cell at the landfill. See Receiver's Quarterly Report dated October 21, 2015 for a more detailed discussion of the funding plan for the Additional Consent Decree Projects and future GSWA capital expenses.

fee may need some adjustment in the relatively near future to ensure that it remains within the parameters established by Guam Law and the orders of the PUC.

In conclusion, a rate study is a complex analysis of both current costs and demand for services and future costs and demand for services. As a result, some of the financial analysis included in the study may not be clear to the reader. The Receiver is pleased to be available to the Court, the GSWA Board of Directors and others to both address their questions and clarify any issues or address any errors the reader may identify.

We thank the Court for its consideration of this important matter.

I declare under penalty of perjury under the laws of Guam and the United States that the foregoing is true and correct.

Dated this 31st day of December 2016.



David L. Manning
Receiver Representative

Guam Solid Waste Authority

2016 Rate Analysis Update

December 31, 2016

GBB
SOLID WASTE
MANAGEMENT
CONSULTANTS
RECEIVER

Doc. No. 34GL-18-1694.

Table of Contents

	Page(s)
2016 Rate Model with No General Fund Transfer	1
2016 Rate Model Including a General Fund Transfer	2
Cost of Current GSWA Personnel Under Receivership and Projected Cost Post-Receivership	3 - 4
Waste Disposed by GSWA FY 2010 to FY 2016	5
Waste Projections	6
Landfill Operator Base and Variable Cost	7
Hauler-only Transfer Station Base and Variable Rates	8
Limited Obligation (Section 30) Bonds, Series 2106 A Historic/Projected Debt Service Schedule	9 - 10
The Financial Impact of Discounts on Commercial Billing	11
Estimated Fund Balance	12
Equipment Replacement Reserve	13
New Cell Development Reserve	14
Cell Closure Reserve	15
Layon Landfill Post Closure Reserve	16
Host Community Premium Surcharge	17
Financing Plan for Unfunded Consent Decree Expenses	18
Key Assumptions	19

EXHIBIT I 006

Doc. No. 34GL-18-1694.

Exhibit A

2016 Rate Model
(No General Fund Transfer)

Program Revenue and Cost	FY 2017 Amount	FY 2017 Rate Residential Customer Month	FY 2017 Rate Ton Disposed	FY 2018 Amount	FY 2018 Rate Residential Customer Month	FY 2018 Rate Ton Disposed	FY 2019 Amount	FY 2019 Rate Residential Customer Month	FY 2019 Rate Ton Disposed	FY 2020 Amount	FY 2020 Rate Residential Customer Month	FY 2020 Rate Ton Disposed	FY 2021 Amount	FY 2021 Rate Residential Customer Month	FY 2021 Rate Ton Disposed
Total Tons	103,836		$ 171.60	106,951		$ 171.60	110,160		$ 171.60	113,465		$ 171.60	116,963		$ 171.60
Total Direct Billable Tons	74,113			76,342			78,632			80,991			83,420		
Total Residential Customers	17,900	$ 30.00		18,258	$ 30.00		18,623	$ 30.00		18,996	$ 30.00		19,376	$ 30.00	
Total Residential Tons	23,433			24,136			24,860			25,606			26,374		
Revenue:															
Disposal Tipping Fees	$ 12,718,648			$ 13,100,208			$ 13,493,214			$ 13,898,010			$ 14,314,951		
Commercial Discount Offset	$ (820,991)			$ (845,003)			$ (870,353)			$ (896,464)			$ (923,357)		
Residential Collection Fees	$ 6,448,000			$ 6,572,880			$ 6,704,338			$ 6,838,424			$ 6,975,193		
Self Haul Fees (i.e. Residential Transfer Stations)	$ 250,000			$ 257,500			$ 265,225			$ 273,182			$ 281,377		
Restoration Fees	$ 58,700			$ 60,461			$ 62,275			$ 64,143			$ 66,067		
Reactivation Fees	$ 2,250			$ 2,318			$ 2,387			$ 2,459			$ 2,532		
Trash Tag Fees	$ 3,600			$ 3,708			$ 3,819			$ 3,934			$ 4,052		
Recycling Revenue	$ 6,400			$ 6,592			$ 6,790			$ 6,993			$ 7,203		
Offset for uncollectable accounts	$ (1,100,000)			$ (1,129,214)			$ (1,159,217)			$ (1,190,042)			$ (1,221,712)		
	$ 17,563,207			$ 18,029,449			$ 18,508,478			$ 19,000,640			$ 19,506,306		
Expenditures and Reserve Deposits:															
Administration:															
Salaries and Benefits	$ 757,706			$ 1,382,552			$ 1,424,028			$ 1,466,749			$ 1,510,752		
Travel*	$ 5,000			$ 5,150			$ 5,305			$ 5,464			$ 5,628		
Equipment*	$ 10,000			$ 10,300			$ 10,609			$ 10,927			$ 11,255		
Supplies and Materials	$ 17,125			$ 17,638			$ 18,168			$ 18,713			$ 19,274		
Contractual	$ 545,564			$ 561,952			$ 578,810			$ 596,175			$ 614,060		
Utilities:	$ 13,000			$ 13,390			$ 13,792			$ 14,205			$ 14,632		
Receiver Expense	$ 583,400			$ 175,976			$ -			$ -			$ -		
Reserve for Unfunded Consent Decree Expens	$ 4,497,097			$ 4,497,097			$ 4,497,097			$ 4,497,097			$ 4,497,097		
Total Administration and Consent Decree Reserve	$ 6,528,911			$ 6,664,054			$ 6,547,808			$ 6,609,330			$ 6,672,897		
Disposal (Landfill and related activities):															
Salaries and Benefits	$ 112,825		$ 1.52	$ 116,206		$ 1.52	$ 119,692		$ 1.52	$ 123,283		$ 1.52	$ 126,981		$ 1.52
Groundwater monitoring*	$ 200,000		$ 2.70	$ 206,000		$ 2.70	$ 212,180		$ 2.70	$ 218,545		$ 2.70	$ 225,102		$ 2.70
Landfill Operator Cost**	$ 3,437,625		$ 46.38	$ 3,498,995		$ 45.83	$ 3,562,062		$ 45.90	$ 3,626,871		$ 44.78	$ 3,693,471		$ 44.69
Hauler-Only Transfer Station Cost**	$ 2,954,777		$ 39.87	$ 3,063,473		$ 40.13	$ 3,176,527		$ 40.90	$ 3,294,114		$ 40.67	$ 3,416,415		$ 40.98
Residential Disposal	$ (2,262,179)		$ (30.52)	$ (2,320,810)		$ (30.40)	$ (2,380,582)		$ (30.79)	$ (2,444,328)		$ (30.18)	$ (2,504,647)		$ (30.04)
Administration	$ 2,219,549		$ 29.87	$ 3,577,835		$ 46.87	$ 3,505,299		$ 44.58	$ 3,528,942		$ 43.57	$ 3,650,080		$ 43.78
Contingency	$ 200,000		$ 2.70	$ 206,000		$ 2.70	$ 212,180		$ 2.70	$ 218,545		$ 2.70	$ 225,102		$ 2.70
Transfer to GovGuam General Fund	$ -		$ -	$ -		$ -	$ -		$ -	$ -		$ -	$ -		$ -
Reserve Contributions:															
New Cell Development	$ 50,000		$ 0.67	$ 50,000		$ 0.65	$ 50,000		$ 0.64	$ 50,000		$ 0.62	$ 50,000		$ 0.60
Cell Closure	$ 100,000		$ 1.35	$ 100,000		$ 1.31	$ 100,000		$ 1.27	$ 100,000		$ 1.23	$ 100,000		$ 1.20
Post Closure Care	$ 100,000		$ 1.35	$ 100,000		$ 1.31	$ 100,000		$ 1.27	$ 100,000		$ 1.23	$ 100,000		$ 1.20
Total Disposal	$ 7,106,593		$ 95.88	$ 8,597,698		$ 112.62	$ 8,656,437		$ 110.09	$ 8,815,972		$ 108.85	$ 8,902,484		$ 108.57
Residential Collection:															
Salaries and Benefits	$ 2,604,808	$ 12.13		$ 2,682,952	$ 12.25		$ 2,763,441	$ 12.37		$ 2,846,344	$ 12.49		$ 2,931,734	$ 12.86	
Fuel	$ 369,300	$ 1.72		$ 380,379	$ 1.74		$ 391,790	$ 1.75		$ 403,544	$ 1.77		$ 415,650	$ 1.82	
Vehicle Maintenance	$ 1,253,900	$ 5.84		$ 1,291,105	$ 5.89		$ 1,329,838	$ 5.95		$ 1,369,733	$ 6.01		$ 1,410,825	$ 6.19	
Other Contractual	$ 910,600	$ 4.24		$ 937,918	$ 4.28		$ 966,056	$ 4.32		$ 995,037	$ 4.37		$ 1,024,888	$ 4.50	
Landfill Disposal Cost (Full Cost)	$ 2,262,179	$ 10.53		$ 2,320,810	$ 10.59		$ 2,381,502	$ 10.66		$ 2,444,328	$ 10.72		$ 2,584,647	$ 11.34	
Supplies	$ 108,200	$ 0.50		$ 111,446	$ 0.51		$ 114,789	$ 0.51		$ 118,233	$ 0.52		$ 121,780	$ 0.53	
Household Hazardous Waste Program	$ 501,800	$ 2.34		$ 516,854	$ 2.36		$ 532,360	$ 2.38		$ 548,330	$ 2.41		$ 564,780	$ 2.48	
Administration	$ 4,315,367	$ 20.09		$ 3,086,220	$ 14.09		$ 3,042,509	$ 13.61		$ 3,080,387	$ 13.51		$ 3,122,637	$ 13.70	
Contingency	$ 50,000	$ 0.23		$ 51,500	$ 0.24		$ 53,045	$ 0.24		$ 54,636	$ 0.24		$ 56,275	$ 0.25	
Reserve Contributions:															
Equipment Replacement	$ 1,021,551	$ 4.76		$ 1,324,086	$ 6.04		$ 1,324,086	$ 5.92		$ 1,324,086	$ 5.81		$ 1,324,086	$ 5.81	
Total Residential	$ 13,997,900	$ 62.37		$ 12,703,271	$ 57.98		$ 12,899,417	$ 57.72		$ 13,184,660	$ 57.84		$ 13,557,304	$ 59.48	
Total Disposal	$ 7,106,593	34.7%	70.9%	$ 8,597,698	53.7%		$ 8,656,437	53.5%		$ 8,815,972	53.4%		$ 8,902,484	53.2%	
Total Residential	$ 13,997,900	65.3%	29.1%	$ 12,703,271	46.3%		$ 12,899,417	46.5%		$ 13,184,660	46.6%		$ 13,557,304	46.8%	
Grand Total	$ 20,503,894			$ 21,300,969			$ 21,555,854			$ 22,000,632			$ 22,459,788		
Surplus / (Shortfall)	$ (2,940,687)		$ (39.68)	$ (3,271,520)		$ (31.51)	$ (3,047,377)		$ (29.35)	$ (2,999,992)		$ (28.89)	$ (2,953,482)		$ (21.01)
Fund Balance	$ 22,654,689			$ 19,383,169			$ 16,335,793			$ 13,335,800			$ 10,382,318		
Minimum Fund Balance (45 Day Reserve)	$ 2,527,877			$ 2,626,147			$ 2,657,571			$ 2,712,407			$ 2,769,015		

*Allowance not based on actual spending.
**Includes utilities, insurance, cost for excluded waste, pilot vehicle escorts paid as pass-thru expenses.

Case 1:02-cv-00022 Document 1703 Filed 12/31/16 Page 7 of 25

EXHIBIT I 007

Doc. No. 34GL-18-1694.

2016 Rate Model
(Including General Fund Transfer)

Program Revenue and Cost	FY 2017 Amount	FY 2017 Rate Residential Customer Month	FY 2017 Rate Ton Disposed	FY 2018 Amount	FY 2018 Rate Residential Customer Month	FY 2018 Rate Ton Disposed	FY 2019 Amount	FY 2019 Rate Residential Customer Month	FY 2019 Rate Ton Disposed	FY 2020 Amount	FY 2020 Rate Residential Customer Month	FY 2020 Rate Ton Disposed	FY 2021 Amount	FY 2021 Rate Residential Customer Month	FY 2021 Rate Ton Disposed
Total Tons	103,836		$ 250.00	106,951		$ 250.00	110,160		$ 250.00	113,465		$ 250.00	116,869		$ 250.00
Total Direct Billable Tons	74,118			76,342			78,632			80,991			83,420		
Total Residential Customers	17,900	$ 50.00		18,258	$ 50.00		18,623	$ 50.00		18,996	$ 50.00		19,376	$ 50.00	
Total Residential Tons	23,431			24,136			24,860			25,606			26,374		
Revenue:															
Disposal Tipping Fees	$ 18,529,499			$ 19,085,384			$ 19,657,946			$ 20,247,684			$ 20,855,115		
Commercial Discount Offset	$ (1,195,209)			$ (1,231,065)			$ (1,267,997)			$ (1,306,037)			$ (1,345,218)		
Residential Collection Fees	$ 10,740,000			$ 10,954,800			$ 11,173,896			$ 11,397,374			$ 11,625,321		
Self Haul Fees (i.e. Residential Transfer Stations)	$ 250,000			$ 257,500			$ 265,225			$ 273,182			$ 281,377		
Restoration Fees	$ 58,700			$ 60,461			$ 62,275			$ 64,143			$ 66,067		
Reactivation Fees	$ 2,256			$ 2,318			$ 2,387			$ 2,459			$ 2,532		
Trash Tag Fees	$ 3,600			$ 3,708			$ 3,819			$ 3,934			$ 4,052		
Recycling Revenue	$ 6,400			$ 6,592			$ 6,790			$ 6,993			$ 7,203		
Offset for uncollectable accounts	$ (1,100,000)			$ (1,717,498)			$ (1,762,566)			$ (1,808,857)			$ (1,856,405)		
	$ 27,295,241			$ 27,422,200			$ 28,141,774			$ 28,880,875			$ 29,640,045		
Expenditures and Reserve Deposits:															
Administration:															
Salaries and Benefits	$ 757,706			$ 1,382,552			$ 1,424,028			$ 1,466,749			$ 1,510,752		
Travel*	$ 5,000			$ 5,150			$ 5,305			$ 5,464			$ 5,628		
Equipment*	$ 10,000			$ 10,300			$ 10,609			$ 10,927			$ 11,255		
Supplies and Materials	$ 17,125			$ 17,638			$ 18,168			$ 18,713			$ 19,274		
Contractual	$ 545,584			$ 561,952			$ 578,810			$ 596,175			$ 614,060		
Utilities:	$ 13,000			$ 13,390			$ 13,792			$ 14,205			$ 14,632		
Receiver Expense	$ 683,400			$ 175,976			$ -			$ -			$ -		
Reserve for Unfunded Consent Decree Expens	$ 4,497,097			$ 4,497,097			$ 4,497,097			$ 4,497,097			$ 4,497,097		
Total Administration and Consent Decree Reserve	$ 6,248,911			$ 6,664,054			$ 6,547,808			$ 6,609,330			$ 6,672,697		
Disposal (Landfill and related activities):															
Salaries and Benefits	$ 112,821		$ 1.52	$ 116,206		$ 1.52	$ 119,692		$ 1.52	$ 123,283		$ 1.52	$ 126,981		$ 1.52
Groundwater monitoring*	$ 200,000		$ 2.70	$ 206,000		$ 2.70	$ 212,180		$ 2.70	$ 218,545		$ 2.70	$ 225,102		$ 2.70
Landfill Operator Cost**	$ 3,437,625		$ 46.38	$ 3,498,995		$ 45.83	$ 3,562,062		$ 45.30	$ 3,626,871		$ 44.78	$ 3,693,471		$ 45.60
Hauler-Only Transfer Station Cost**	$ 2,954,777		$ 39.87	$ 3,063,473		$ 40.13	$ 3,176,527		$ 40.40	$ 3,294,114		$ 40.67	$ 3,416,415		$ 42.18
Residential Disposal	$ (4,282,874)		$ (57.78)	$ (5,005,343)		$ (65.57)	$ (5,703,791)		$ (72.54)	$ (6,689,816)		$ (82.60)	$ (6,959,402)		$ (85.93)
Administration	$ 3,085,718		$ 41.63	$ 3,577,835		$ 46.87	$ 3,505,299		$ 44.58	$ 3,528,942		$ 43.57	$ 3,550,060		$ 43.83
Contingency	$ 200,000		$ 2.70	$ 206,000		$ 2.70	$ 212,180		$ 2.70	$ 218,545		$ 2.70	$ 225,102		$ 2.78
Transfer to GovGuam General Fund	$ 6,391,415		$ 86.23	$ 8,243,806		$ 111.23	$ 9,905,107		$ 133.64	$ 12,288,878		$ 165.80	$ 12,294,224		$ 165.87
Reserve Contributions:									$ -			$ -			$ -
New Cell Development	$ 50,000		$ 0.67	$ 50,000		$ 0.65	$ 50,000		$ 0.64	$ 50,000		$ 0.62	$ 50,000		$ 0.61
Cell Closure	$ 100,000		$ 1.35	$ 100,000		$ 1.31	$ 100,000		$ 1.27	$ 100,000		$ 1.23	$ 100,000		$ 1.23
Post Closure Care	$ 100,000		$ 1.35	$ 100,000		$ 1.31	$ 100,000		$ 1.27	$ 100,000		$ 1.23	$ 100,000		$ 1.23
Total Disposal	$ 12,349,482		$ 166.62	$ 14,156,972		$ 188.68	$ 15,239,256		$ 201.48	$ 16,859,362		$ 222.23	$ 16,821,953		$ 221.78
Residential Collection:															
Salaries and Benefits	$ 2,604,808	$ 12.13		$ 2,682,952	$ 12.25		$ 2,763,441	$ 12.37		$ 2,846,344	$ 12.49		$ 2,931,734	$ 12.86	
Fuel	$ 369,300	$ 1.72		$ 380,379	$ 1.74		$ 391,790	$ 1.75		$ 403,544	$ 1.77		$ 415,650	$ 1.82	
Vehicle Maintenance	$ 1,253,500	$ 5.84		$ 1,291,105	$ 5.89		$ 1,329,838	$ 5.95		$ 1,369,733	$ 6.01		$ 1,410,825	$ 6.19	
Other Contractual	$ 910,600	$ 4.24		$ 937,918	$ 4.28		$ 966,056	$ 4.32		$ 995,037	$ 4.37		$ 1,024,888	$ 4.50	
Landfill Disposal Cost (Full Cost)	$ 4,282,874	$ 19.94		$ 5,005,343	$ 22.85		$ 5,703,791	$ 25.52		$ 6,689,816	$ 29.35		$ 6,959,402	$ 30.53	
Supplies	$ 108,200	$ 0.50		$ 111,446	$ 0.51		$ 114,789	$ 0.51		$ 118,233	$ 0.52		$ 121,780	$ 0.53	
Household Hazardous Waste Program	$ 501,800	$ 2.34		$ 516,854	$ 2.36		$ 532,360	$ 2.38		$ 548,330	$ 2.41		$ 564,780	$ 2.48	
Administration	$ 3,443,194	$ 16.03		$ 3,086,220	$ 14.09		$ 3,042,509	$ 13.61		$ 3,080,387	$ 13.51		$ 3,122,637	$ 13.70	
Contingency	$ 50,000	$ 0.23		$ 51,500	$ 0.24		$ 53,045	$ 0.24		$ 54,636	$ 0.24		$ 56,275	$ 0.25	
Reserve Contributions:															
Equipment Replacement	$ 1,021,551	$ 4.76		$ 1,324,086	$ 6.04		$ 1,324,086	$ 5.92		$ 1,324,086	$ 5.81		$ 1,324,086	$ 5.81	
Total Residential	$ 14,545,826	$ 67.72		$ 15,387,804	$ 70.23		$ 16,221,705	$ 72.59		$ 17,430,148	$ 76.47		$ 17,932,059	$ 78.67	
Total Disposal	$ 12,349,482	45.9%	70.9%	$ 14,156,972	53.7%		$ 15,239,256	53.5%		$ 16,859,362	53.4%		$ 16,821,953	53.2%	
Total Residential	$ 14,545,826	54.1%	29.1%	$ 15,387,804	46.3%		$ 16,221,705	46.5%		$ 17,430,148	46.6%		$ 17,932,059	46.8%	
Grand Total	$ 26,895,309			$ 29,544,775			$ 31,460,961			$ 34,289,510			$ 34,754,012		
Surplus / (Shortfall)	$ 399,932		$ 5.40	$ (2,122,576)		$ (20.44)	$ (3,319,187)		$ (31.97)	$ (5,408,635)		$ (52.09)	$ (5,113,967)		$ (71.61)
Fund Balance	$ 25,995,308			$ 23,872,732			$ 20,553,545			$ 15,144,910			$ 10,030,943		
Minimum Fund Balance (45 Day Reserve)	$ 3,315,860			$ 3,642,507			$ 3,878,749			$ 4,227,474			$ 4,284,741		

*Allowance not based on actual spending.

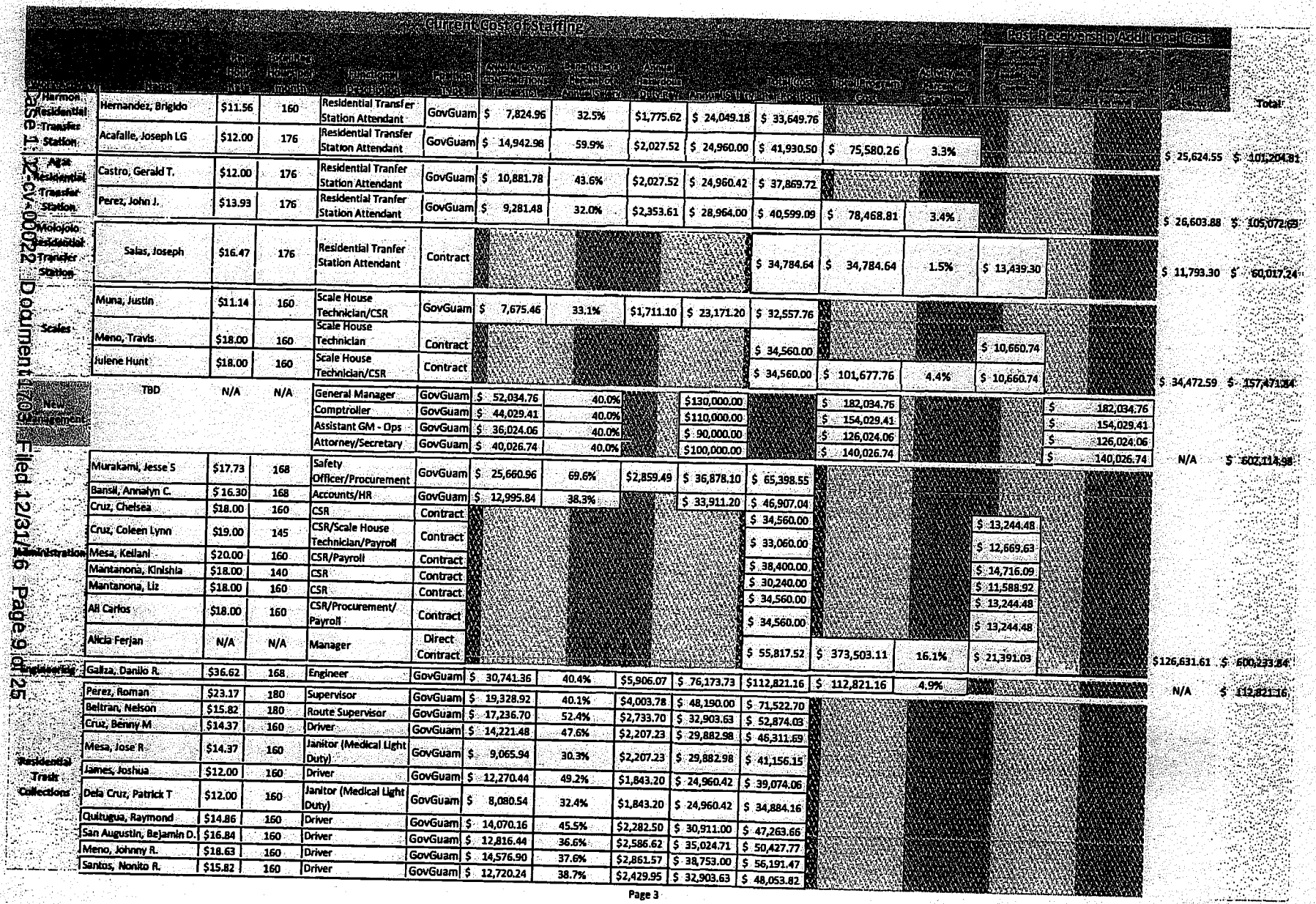
**Includes utilities, insurance, cost for excluded waste, pilot vehicle escorts paid as pass-thru expenses.

Case 1:02-cv-00022 Document 1703 Filed 12/31/16 Page 8 of 25

EXHIBIT I 008

Doc. No. 34GL-18-1694.

Cost of Current GSWA Personnel Under the Receivership and Projected Cost Post-Receivership



	Name	Rate	Hours/Month	Position	Funding Type	Annual Compensation	Benefits Percentage Amount	Annual Benefits Amount	Total Cost	Total Program Cost	Annual Cost Increase Percentage	Annual Cost Increase Amount	Total	Additional Cost	Total
Harmon Residential Transfer Station	Hernandez, Brigido	$11.56	160	Residential Transfer Station Attendant	GovGuam	$ 7,824.96	32.5%	$1,775.62	$ 24,049.18	$ 33,649.76					
	Acafalle, Joseph LG	$12.00	176	Residential Transfer Station Attendant	GovGuam	$ 14,942.98	59.9%	$2,027.52	$ 24,960.00	$ 41,930.50	$ 75,580.26	3.3%		$ 25,624.55	$ 101,204.81
Agat Residential Transfer Station	Castro, Gerald T.	$12.00	176	Residential Tranfer Station Attendant	GovGuam	$ 10,881.78	43.6%	$2,027.52	$ 24,960.42	$ 37,869.72					
	Perez, John J.	$13.93	176	Residential Tranfer Station Attendant	GovGuam	$ 9,281.48	32.0%	$2,353.61	$ 28,964.00	$ 40,599.09	$ 78,468.81	3.4%		$ 26,603.88	$ 105,072.69
Mokojolo Residential Transfer Station	Salas, Joseph	$16.47	176	Residential Tranfer Station Attendant	Contract				$ 34,784.64	$ 34,784.64	1.5%	$ 13,439.30		$ 11,793.30	$ 60,017.24
Scales	Muna, Justin	$11.14	160	Scale House Technician/CSR	GovGuam	$ 7,675.46	33.1%	$1,711.10	$ 23,171.20	$ 32,557.76					
	Meno, Travis	$18.00	160	Scale House Technician	Contract				$ 34,560.00			$ 10,660.74			
	Julene Hunt	$18.00	160	Scale House Technician/CSR	Contract				$ 34,560.00	$ 101,677.76	4.4%	$ 10,660.74		$ 34,472.59	$ 157,471.84
New Management	TBD	N/A	N/A	General Manager	GovGuam	$ 52,034.76	40.0%		$130,000.00				$ 182,034.76		
				Comptroller	GovGuam	$ 44,029.41	40.0%		$110,000.00				$ 154,029.41		
				Assistant GM - Ops	GovGuam	$ 36,024.06	40.0%		$ 90,000.00				$ 126,024.06		
				Attorney/Secretary	GovGuam	$ 40,026.74	40.0%		$100,000.00				$ 140,026.74	N/A	$ 602,114.98
Administration	Murakami, Jesse S	$17.73	168	Safety Officer/Procurement	GovGuam	$ 25,660.96	69.6%	$2,859.49	$ 36,878.10	$ 65,398.55					
	Bansil, Annalyn C.	$16.30	168	Accounts/HR	GovGuam	$ 12,995.84	38.3%		$ 33,911.20	$ 46,907.04					
	Cruz, Chelsea	$18.00	160	CSR	Contract					$ 34,560.00		$ 13,244.48			
	Cruz, Coleen Lynn	$19.00	145	CSR/Scale House Technician/Payroll	Contract					$ 33,060.00		$ 12,669.63			
	Mesa, Kellani	$20.00	160	CSR/Payroll	Contract					$ 38,400.00		$ 14,716.09			
	Mantanona, Kinishia	$18.00	140	CSR	Contract					$ 30,240.00		$ 11,588.92			
	Mantanona, Liz	$18.00	160	CSR	Contract					$ 34,560.00		$ 13,244.48			
	Ali Carlos	$18.00	160	CSR/Procurement/ Payroll	Contract					$ 34,560.00		$ 13,244.48			
	Alicia Ferjan	N/A	N/A	Manager	Direct Contract					$ 55,817.52	$ 373,503.11	16.1%	$ 21,391.03	$126,631.61	$ 600,233.84
Engineering	Galiza, Danilo R.	$36.62	168	Engineer	GovGuam	$ 30,741.36	40.4%	$5,906.07	$ 76,173.73	$112,821.16	$ 112,821.16	4.9%		N/A	$ 112,821.16
Residential Trash Collections	Perez, Roman	$23.17	180	Supervisor	GovGuam	$ 19,328.92	40.1%	$4,003.78	$ 48,190.00	$ 71,522.70					
	Beltran, Nelson	$15.82	180	Route Supervisor	GovGuam	$ 17,236.70	52.4%	$2,733.70	$ 32,903.63	$ 52,874.03					
	Cruz, Benny M	$14.37	160	Driver	GovGuam	$ 14,221.48	47.6%	$2,207.23	$ 29,882.98	$ 46,311.69					
	Mesa, Jose R	$14.37	160	Janitor (Medical Light Duty)	GovGuam	$ 9,065.94	30.3%	$2,207.23	$ 29,882.98	$ 41,156.15					
	James, Joshua	$12.00	160	Driver	GovGuam	$ 12,270.44	49.2%	$1,843.20	$ 24,960.42	$ 39,074.06					
	Dela Cruz, Patrick T	$12.00	160	Janitor (Medical Light Duty)	GovGuam	$ 8,080.54	32.4%	$1,843.20	$ 24,960.42	$ 34,884.16					
	Quitugua, Raymond	$14.86	160	Driver	GovGuam	$ 14,070.16	45.5%	$2,282.50	$ 30,911.00	$ 47,263.66					
	San Augustin, Bejamin D.	$16.84	160	Driver	GovGuam	$ 12,816.44	36.6%	$2,586.62	$ 35,024.71	$ 50,427.77					
	Meno, Johnny R.	$18.63	160	Driver	GovGuam	$ 14,576.90	37.6%	$2,861.57	$ 38,753.00	$ 56,191.47					
	Santos, Nonito R.	$15.82	160	Driver	GovGuam	$ 12,720.24	38.7%	$2,429.95	$ 32,903.63	$ 48,053.82					

Case 1:22-cv-00022 Document 170 Filed 12/31/19 Page 9 of 25

Cost of Current GSWA Personnel Under the Receivership and Projected Cost Post-Receivership

Work Activity	Name	Rate	Total Hours per Month	Position Description	Position Type	Employer Contribution Benefits	Benefits as a % of Annual Salary	Annual Salary	Total Cost per Position	Total Payroll Cost	Activity Cost as a Percent of Total Payroll	Activity Cost per Month	Activity Cost per Year	Adjustment Factor	Total
Residential Trash Collections	Charfauros, John P.	$15.82	160	Driver	GovGuam	$ 16,425.76	49.9%	$2,429.95	$ 32,903.63	$ 51,759.34					
	Gogue, Jesse LG	$18.06	160	Driver	GovGuam	$ 11,421.02	30.4%	$2,774.02	$ 37,561.68	$ 51,756.72					
	Manibusan, Barbara L	$20.51	176	Delivery/Repossession of Carts	GovGuam	$ 19,705.92	46.2%	$3,465.37	$ 42,661.02	$ 65,832.31					
	Mendoza, Dennis O.	$12.00	160	Driver	GovGuam	$ 11,272.30	45.2%	$1,843.20	$ 24,960.42	$ 38,075.92					
	Hasohtang, William W.	$14.86	160	Driver	GovGuam	$ 13,408.98	43.4%	$2,282.50	$ 30,911.00	$ 46,602.48					
	Perez Jr, Luis	$12.00	160	Driver	GovGuam	$ 14,132.04	56.6%	$1,843.20	$ 24,960.42	$ 40,935.66					
	Perez, Junior	$13.93	160	Janitor (Medical Light Duty)	GovGuam	$ 12,096.50	41.8%	$2,139.65	$ 28,964.00	$ 43,200.15					
	Milano, Noel	$11.14	160	Driver	GovGuam	$ 14,261.26	61.5%	$1,711.10	$ 23,171.20	$ 39,143.56					
	Rivera, Ronald P.	$13.29	176	Driver	GovGuam	$ 8,886.02	32.1%	$2,245.48	$ 27,648.00	$ 38,779.50					
	Borja, Jeremy	$16.47	128	Driver/Loader	Contract			$ 983.04	$ 26,280.96				$ 10,393.41		
	Calip, Kenny	$17.45	160	Driver	Contract			$1,228.80	$ 34,732.80				$ 13,735.89		
	Castro, Anthony	$17.45	176	Loader/CSR	Contract			$1,351.68	$ 38,206.08				$ 15,109.48		
	Castro, Blaren	$16.47	140	Loader/Driver	Contract			$1,075.20	$ 28,744.80				$ 11,367.80		
	Cepeda, Thomas	$18.00	150	Driver	Contract			$1,152.00	$ 33,552.00				$ 13,268.92		
	Salas, Vincent Q.	$12.00	176	Driver	GovGuam	$ 10,881.78	43.6%	$2,027.52	$ 24,960.42	$ 37,869.72					
	Cruz, John Joe	$16.47	118	Loader	Contract			$ 906.24	$ 24,227.76				$ 9,581.43		
	Fejeran, Turbo	$16.47	131.5	Loader	Contract			$1,009.92	$ 26,999.58				$ 10,677.61		
	Ford, Raymond	$17.45	59	Loader/Driver	Contract			$ 453.12	$ 12,807.72				$ 5,065.11		
	Lujan, Justin	$18.54	160.5	Driver	Contract			$1,232.64	$ 36,940.68				$ 14,609.05		
	Mauricio, Noreburt	$16.47	125.5	Loader	Contract			$ 963.84	$ 25,767.66				$ 10,190.42		
	Quinata, JoPatrick	$18.00	160	Driver	Contract			$1,228.80	$ 35,788.80				$ 14,153.51		
	Saralu, Michael	$16.47	160	Loader	Contract			$1,228.80	$ 32,851.20				$ 12,991.77		
	De Guzman, John	$16.47	149	Loader	Contract			$1,144.32	$ 30,592.68				$ 12,098.58		
	Rosario, John	$16.47	131.5	Loader	Contract			$1,009.92	$ 26,999.58				$ 10,677.61		
	Wallace, Emui	$16.47	40	Loader	Contract			$ 307.20	$ 8,212.80				$ 3,247.94		
	Eny Bali	$16.47	20	Loader	Contract			$ 153.60	$ 4,106.40				$ 1,623.97		
	Palikkan, Nena	$16.47	72	Loader	Contract			$ 552.96	$ 14,783.04				$ 5,846.30		
	Quintanilla, Jimmy	$16.47	76	Loader	Contract			$ 583.68	$ 15,604.32				$ 6,171.09		
	Sablan, Jevon	$16.47	105.5	Loader	Contract			$ 810.24	$ 21,661.26				$ 8,566.45		
	Sablan, Vicente	$16.47	103	Loader	Contract			$ 791.04	$ 21,147.96				$ 8,363.45		
	Salas, Keith	$16.47	150	Loader	Contract			$1,152.00	$ 30,798.00				$ 12,179.78		
	Sanchez, Raymond	$16.47	141	Loader	Contract			$1,082.88	$ 28,950.12				$ 11,449.00		
	Sanchez, Ben	$16.47	40	Loader	Contract			$ 307.20	$ 8,212.80				$ 3,247.94		
	Quinata, Joey	$18.00	139.5	Driver	Contract			$1,071.36	$ 31,203.36	$ 1,540,887.22	66.5%	$ 12,340.09		$560,669.35	$2,338,513.16
									Grand Total (see note)	$ 2,919,837.95			$ 602,114.98	$785,795.28	$4,077,449.72

Note: This is a snapshot of the staffing at a specific point in time. Staffing and hours vary from week to week rusulting in annual

EXHIBIT I 010

Doc. No. 34GL-18-1694.

Case 1:02-cv-00022 Document 1703 File 12/31/16 Page 10 of 25

Waste Disposed By GSWA FY 2010 to FY 2016

Source of Trash	FY 2010	FY 2011	% Chg	FY 2012	% Chg	FY 2013	% Chg	FY 2014	% Chg	FY 2015	% Chg	FY 2016	% Chg
Community Cleanup	29.23	15.88	-45.7%	10.12	-36.3%	10.38	2.6%	13.29	28.0%	11.74	-11.7%	17.62	50.1%
Agat Transfer Station Non Compact	770.66	794.98	3.2%	980.37	23.3%	1,016.70	3.7%	832.44	-18.1%	839.88	0.9%	866.60	3.2%
Bulky Waste	-	0.25	N/A	61.53	24512.0%	56.52	-8.1%	54.59	-3.4%	74.63	36.7%	87.25	16.9%
Commercial Solid Waste	53,278.56	51,991.85	-2.4%	54,288.73	4.4%	53,015.38	-2.3%	53,356.68	0.6%	54,748.15		56,393.33	3.0%
Ordot Transfer Station	1,389.92	1,369.17	-1.5%	-	N/A	-	N/A	-	N/A	-		-	N/A
Dededo Transfer Station Non comp	2,360.42	2,601.76	10.2%	3,827.15	47.1%	3,807.93	-0.5%	3,322.71	-12.7%	2,507.52	-24.5%	-	-100.0%
Harmon Transfer Station	-	-	N/A	-	N/A	-	N/A	-	N/A	873.04		2,736.83	213.5%
Pattles	19.60	38.42	96.0%	46.67	21.5%	40.84	-12.5%	48.39	18.5%	45.93	-5.1%	37.90	-17.5%
Govt Solid Waste Non Compacted	2,356.86	2,149.81	-8.8%	2,056.79	-4.3%	6,160.27	199.5%	8,868.81	44.0%	8,070.37	-9.0%	9,317.38	15.5%
Malojloj Transfer Station Non Comp	688.96	612.70	-11.1%	732.83	19.6%	766.05	4.5%	642.70	-16.1%	733.17	14.1%	913.80	24.6%
Military (Navy & Air Force)	-	-	N/A	8,284.75	N/A	7,922.81	-4.4%	7,612.11	-3.9%	8,034.04		8,142.60	1.4%
Mayor's Solid Waste Non Compacted	1,316.21	1,399.13	6.3%	1,411.78	0.9%	1,562.76	10.7%	1,477.86	-5.4%	1,733.01	17.3%	1,947.24	12.4%
Residential Packer Truck-GSWA	19,806.27	19,790.78	-0.1%	20,291.25	2.5%	19,577.21	-3.5%	18,632.12	-4.8%	20,028.11	7.5%	20,350.34	1.6%
GRAND TOTAL	**82,016.68**	**80,764.71**	**-1.5%**	**91,991.97**	**13.9%**	**93,936.85**	**2.1%**	**94,861.70**	**1.0%**	**97,699.59**	**3.0%**	**100,810.89**	**3.2%**
												Avg (5 years) Growth	2.2%

Case 1:16-cv-00030 Document 1703 Filed 12/31/16 Page 11 of 25

Case 1:02-cv-00022 Document 173 Filed 12/31/18 Page 12 of 26

WASTE PROJECTIONS

LAYON LANDFILL

Rate of increase of Waste 3.00% per year

Airspace Utilization Factor 0.6 tons per cubic yard

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025		Average FY15 & 16
Residential Transfer Stations	4,954	4,517	4,653	4,792	4,936	5,084	5,237	5,394	5,556	5,722	5,894	Indirect	
Residential Waste (curbside collection)	22,544	22,750	23,433	24,136	24,860	25,606	26,374	27,165	27,980	28,820	29,684	Indirect	
Commercial Waste	54,748	56,394	58,086	59,829	61,624	63,472	65,376	67,338	69,358	71,439	73,582	Direct	55,571
Government Waste (excluding Mayors)	8,070	9,317	9,597	9,885	10,181	10,487	10,801	11,125	11,459	11,803	12,157	Direct	8,694
Mayors	1,733	1,947	2,006	2,066	2,128	2,192	2,257	2,325	2,395	2,467	2,541	Mixed	210
Other	132	143	147	151	156	161	166	170	176	181	186	Not Billed	
Total Estimated Civilian Tonnage	92,181	95,069	97,921	100,859	103,885	107,001	110,212	113,518	116,923	120,431	124,044		93,625
Reduction for Recycled Materials	2,515	2,400	2,472	2,546	2,623	2,701	2,782	2,866	2,952	3,040	3,132	Not Billed	
Layon Projected Waste Without Military	89,666	92,669	95,449	98,313	101,262	104,300	107,429	110,652	113,972	117,391	120,912		
Tonnage Per Day Without Military	247	254	262	270	278	286	294	303	312	322	331		
Cubic Yards Without Military	149,443	154,449	159,082	163,855	168,770	173,834	179,049	184,420	189,953	195,651	201,521		
Cumulative Landfill CY Consumed Without Military	149,443	303,891	462,974	626,828	795,599	969,432	1,148,481	1,332,901	1,522,853	1,718,505	1,920,025		
Air Force Solid Waste	3,125	2,940	3,028	3,119	3,212	3,309	3,408	3,510	3,616	3,724	3,836	Direct	3,032
Navy Solid Waste	4,909	5,203	5,359	5,520	5,685	5,856	6,031	6,212	6,399	6,591	6,788	Direct	5,056
Total Military Solid Waste	8,034	8,143	8,387	8,638	8,898	9,165	9,440	9,723	10,014	10,315	10,624		
Total Waste to Layon (Including Military)	97,700	100,812	103,836	106,951	110,160	113,465	116,869	120,375	123,986	127,705	131,537		
Tonnage Per Day With Military	268	276	285	293	302	311	320	330	340	350	360		101,713
Cubic Yards With Military		168,020	173,060	178,252	183,600	189,108	194,781	200,624	206,643	212,842	219,228		
Cumulative Landfill CY Consumed With Military		168,020	173,060	351,313	534,912	724,020	918,801	1,119,426	1,326,069	1,538,911	1,758,139		

Note: All numbers are tons unless otherwise labeled.

EXHIBIT I 012

Doc. No. 34GL-18-1694.

Landfill Operator Base and Variable Cost

Layon Landfill

Based on GGH approved contract.

	Actual Results					Projected				
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Tons	91,992	93,937	94,862	97,700	100,811	103,597	106,460	109,402	112,425	115,532
Base Operating Tonnage	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Base Operating Fee	2,871,681	2,941,147	2,978,264	2,997,474	$ 2,881,231.72	$2,881,231.72	$2,881,231.72	$2,881,231.72	$2,881,231.72	$2,881,231.72
Compactor MOU Offset	($24,000)	($24,000)	($24,000)	($24,000)	($20,000)	N/A	N/A	N/A	N/A	N/A
Net Operating Fee	$ 2,847,681	$ 2,917,147	$ 2,954,264	$ 2,973,474	$ 2,861,232	$ 2,881,232	$ 2,881,232	$ 2,881,232	$ 2,881,232	$ 2,881,232
Tons in excess of 80,000	7,684	12,122	11,434	14,253	16,211	19,802	22,560	25,394	28,306	31,299
Cost per Ton	$ 21.90	$ 22.72	$ 22.98	$ 22.98	$ 20.68	$ 22.25	$ 22.25	$ 22.25	$ 22.25	$ 22.25
Cost - Tons in excess of 80,000	$ 168,287.48	$ 275,421.61	$ 262,756.31	$ 327,544.51	$ 335,252.58	$ 440,624.41	$ 501,994.66	$ 565,060.86	$ 629,869.85	$ 696,469.81
Total Cost - Base Fee and Excess Fee	$ 3,015,968.20	$ 3,192,568.29	$ 3,217,020.26	$ 3,301,018.26	$ 3,196,484.30	$3,321,856.13	$3,383,226.38	$3,446,292.58	$3,511,101.57	$3,577,701.53
Pass-thru Cost	$ 117,548.49	$ 122,443.50	$ 190,908.21	$ 114,024.31	$ 115,768.99	$ 115,768.99	$ 115,768.99	$ 115,768.99	$ 115,768.99	$ 115,768.99
Total Cost	**$ 3,133,516.69**	**$ 3,315,011.79**	**$ 3,407,928.47**	**$ 3,415,042.57**	**$ 3,312,253.29**	**$3,437,625.12**	**$3,498,995.37**	**$3,562,061.57**	**$3,626,870.56**	**$3,693,470.52**

Inflation Assumption for growth in the waste stream.....	2.8%
Average % of total tons disosed in landfill.....	96.3%
Averaage actual base operating fee.....	$ 2,933,959.36
Average actual cost of excess fee per ton.....	$ 22.25

Case 16-1002 Document 1703 Filed 07/31/16 Page 13 of 25

Hauler-only Transfer Station Base and Variable Rates

Based on Guahan Waste Control Contract

	Actual									
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Contract Cost per Ton	$28.15	$ 28.71	$ 29.21	$ 29.70	$ 30.06	$ 30.56	$ 31.06	$ 31.58	$ 32.10	$ 32.63
Tons	87,204	85,933	82,544	86,507	86,541	88,548	90,601	92,702	94,851	97,051
Base Tonnage	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Base Operating Fee	$ 2,252,000.00	$ 2,296,800.00	$ 2,336,800.00	$ 2,376,000.00	$ 2,404,800.00	$ 2,452,639.72	$ 2,493,234.12	$ 2,534,500.42	$ 2,576,449.73	$ 2,619,093.36
Tons in excess of Base	7,204	5,933	2,544	6,507	6,541	8,548	10,601	12,702	14,851	17,051
Fee for tons in excess of Base	$202,792.04	$170,343.03	$74,324.55	$193,271.56	$196,627.27	$261,199.96	$329,301.65	$401,089.44	$476,727.03	$556,384.93
Fuel Cost	$178,378.01	$ 181,140.02	$ 173,914.07	$ 137,090.87	$ 104,230.74	$ 104,230.74	$ 104,230.74	$ 104,230.74	$ 104,230.74	$ 104,230.74
Other Pass-Through Cost	$140,515.57	$ 140,504.37	$ 123,552.00	$ 132,321.60	$ 136,706.40	$ 136,706.40	$ 136,706.40	$ 136,706.40	$ 136,706.40	$ 136,706.40
Total Cost	$ 2,773,685.62	$ 2,788,787.42	$ 2,708,590.62	$ 2,838,684.03	$ 2,842,364.41	$ 2,954,776.82	$ 3,063,472.91	$ 3,176,527.00	$ 3,294,113.91	$ 3,416,415.42
Total Cost Per Ton	$31.81	$32.45	$32.81	$32.81	$32.84	$33.37	$33.81	$34.27	$34.73	$35.20

Inflation Assumption..... 1.7% increase per year of cost

Average % total waste through transfer station.. 92.0%

Components of the Initial Contract Service Charge Before Fuel and	
Facility Fee	$2.50
Operations Fee	$10.54
Transport Fee	$15.11
Total Fee	$28.15

See section 4.01 of contract

Case 1:22-cv-00022 Document 1703 Filed 12/31/16 Page 14 of 25

EXHIBIT I 014

Limited Obligation (Section 30) Bonds, Series 2106 A
Historic/Projected Debt Service Schedule

Date	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Outstanding Balance	Debt Service Attributable to System Bonds
12/1/2016	$ 1,630,000.00	2.000%	$ 3,403,501.10	$ 5,033,501.10		$234,975,000.00	
6/1/2017			$ 5,874,375.00	$ 5,874,375.00			
9/30/2017					$ 10,907,876.10		$ 6,391,415.24
12/1/2017	$ 2,380,000.00	5.000%	$ 5,874,375.00	$ 8,254,375.00		$232,595,000.00	
6/1/2018			$ 5,814,875.00	$ 5,814,875.00			
9/30/2018					$ 14,069,250.00		$ 8,243,806.41
12/1/2018	$ 5,410,000.00	5.000%	$ 5,814,875.00	$ 11,224,875.00		$227,185,000.00	
6/1/2019			$ 5,679,625.00	$ 5,679,625.00			
9/30/2019					$ 16,904,500.00		$ 9,905,106.91
12/1/2019	$ 9,860,000.00	5.000%	$ 5,679,625.00	$ 15,539,625.00		$217,325,000.00	
6/1/2020			$ 5,433,125.00	$ 5,433,125.00			
9/30/2020					$ 20,972,750.00		$ 12,288,877.58
12/1/2020	$ 10,375,000.00	5.000%	$ 5,433,125.00	$ 15,808,125.00		$206,950,000.00	
6/1/2021			$ 5,173,750.00	$ 5,173,750.00			
9/30/2021					$ 20,981,875.00		$ 12,294,224.33
12/1/2021	$ 10,915,000.00	5.000%	$ 5,173,750.00	$ 16,088,750.00		$196,035,000.00	
6/1/2022			$ 4,900,875.00	$ 4,900,875.00			
9/30/2022					$ 20,989,625.00		$ 12,298,765.40
12/1/2022	$ 11,475,000.00	5.000%	$ 4,900,875.00	$ 16,375,875.00		$184,560,000.00	
6/1/2023			$ 4,614,000.00	$ 4,614,000.00			
9/30/2023					$ 20,989,875.00		$ 12,298,911.89
12/1/2023	$ 10,140,000.00	5.000%	$ 4,614,000.00	$ 14,754,000.00		$174,420,000.00	
6/1/2024			$ 4,360,500.00	$ 4,360,500.00			
9/30/2024					$ 19,114,500.00		$ 11,200,045.32
12/1/2024	$ 9,280,000.00	5.000%	$ 4,360,500.00	$ 13,640,500.00		$165,140,000.00	
6/1/2025			$ 4,128,500.00	$ 4,128,500.00			
9/30/2025					$ 17,769,000.00		$ 10,411,656.35
12/1/2025	$ 9,755,000.00	5.000%	$ 4,128,500.00	$ 13,883,500.00		$155,385,000.00	
6/1/2026			$ 3,884,625.00	$ 3,884,625.00			
9/30/2026					$ 17,768,125.00		$ 10,411,143.65
12/1/2026	$ 10,255,000.00	5.000%	$ 3,884,625.00	$ 14,139,625.00		$145,130,000.00	
6/1/2027			$ 3,628,250.00	$ 3,628,250.00			
9/30/2027					$ 17,767,875.00		$ 10,410,997.16
12/1/2027	$ 10,780,000.00	5.000%	$ 3,628,250.00	$ 14,408,250.00		$134,350,000.00	
6/1/2028			$ 3,358,750.00	$ 3,358,750.00			
9/30/2028					$ 17,767,000.00		$ 10,410,484.46
12/1/2028	$ 11,335,000.00	5.000%	$ 3,358,750.00	$ 14,693,750.00		$123,015,000.00	
6/1/2029			$ 3,075,375.00	$ 3,075,375.00			
9/30/2029					$ 17,769,125.00		$ 10,411,729.59
12/1/2029	$ 12,675,000.00	5.000%	$ 3,075,375.00	$ 15,750,375.00		$110,340,000.00	
6/1/2030			$ 2,758,500.00	$ 2,758,500.00			
9/30/2030					$ 18,508,875.00		$ 10,845,182.39
12/1/2030	$ 12,510,000.00	5.000%	$ 2,758,500.00	$ 15,268,500.00		$ 97,830,000.00	
6/1/2031			$ 2,445,750.00	$ 2,445,750.00			
9/30/2031					$ 17,714,250.00		$ 10,379,575.86

Doc. No. 34GL-18-1694.

Date	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Outstanding Balance	Debt Service Attributable to System Bonds
12/1/2031	$ 13,160,000.00	5.000%	$ 2,445,750.00	$ 15,605,750.00		$ 84,670,000.00	
6/1/2032			$ 2,116,750.00	$ 2,116,750.00			
9/30/2032					$ 17,722,500.00		$ 10,384,409.91
12/1/2032	$ 13,835,000.00	5.000%	$ 2,116,750.00	$ 15,951,750.00		$ 70,835,000.00	
6/1/2033			$ 1,770,875.00	$ 1,770,875.00			
9/30/2033					$ 17,722,625.00		$ 10,384,483.15
12/1/2033	$ 14,540,000.00	5.000%	$ 1,770,875.00	$ 16,310,875.00		$ 56,295,000.00	
6/1/2034			$ 1,407,375.00	$ 1,407,375.00			
9/30/2034					$ 17,718,250.00		$ 10,381,919.64
12/1/2034	$ 15,290,000.00	5.000%	$ 1,407,375.00	$ 16,697,375.00		$ 41,005,000.00	
6/1/2035			$ 1,025,125.00	$ 1,025,125.00			
9/30/2035					$ 17,722,500.00		$ 10,384,409.91
12/1/2035	$ 2,555,000.00	5.000%	$ 1,025,125.00	$ 3,580,125.00		$ 38,450,000.00	
6/1/2036			$ 961,250.00	$ 961,250.00			
9/30/2036					$ 4,541,375.00		$ 2,660,995.88
12/1/2036	$ 2,690,000.00	5.000%	$ 961,250.00	$ 3,651,250.00		$ 35,760,000.00	
6/1/2037			$ 894,000.00	$ 894,000.00			
9/30/2037					$ 4,545,250.00		$ 2,663,266.42
12/1/2037	$ 2,825,000.00	5.000%	$ 894,000.00	$ 3,719,000.00		$ 32,935,000.00	
6/1/2038			$ 823,375.00	$ 823,375.00			
9/30/2038					$ 4,542,375.00		$ 2,661,581.83
12/1/2038	$ 2,970,000.00	5.000%	$ 823,375.00	$ 3,793,375.00		$ 29,965,000.00	
6/1/2039			$ 749,125.00	$ 749,125.00			
9/30/2039					$ 4,542,500.00		$ 2,661,655.07
12/1/2039	$ 3,125,000.00	5.000%	$ 749,125.00	$ 3,874,125.00		$ 26,840,000.00	
6/1/2040			$ 671,000.00	$ 671,000.00			
9/30/2040					$ 4,545,125.00		$ 2,663,193.18
12/1/2040	$ 3,285,000.00	5.000%	$ 671,000.00	$ 3,956,000.00		$ 23,555,000.00	
6/1/2041			$ 588,875.00	$ 588,875.00			
9/30/2041					$ 4,544,875.00		$ 2,663,046.69
12/1/2041	$ 3,450,000.00	5.000%	$ 588,875.00	$ 4,038,875.00		$ 20,105,000.00	
6/1/2042			$ 502,625.00	$ 502,625.00			
9/30/2042					$ 4,541,500.00		$ 2,661,069.13
12/1/2042	$ 3,630,000.00	5.000%	$ 502,625.00	$ 4,132,625.00		$ 16,475,000.00	
6/1/2043			$ 411,875.00	$ 411,875.00			
9/30/2043					$ 4,544,500.00		$ 2,662,826.96
12/1/2043	$ 3,815,000.00	5.000%	$ 411,875.00	$ 4,226,875.00		$ 12,660,000.00	
6/1/2044			$ 316,500.00	$ 316,500.00			
9/30/2044					$ 4,543,375.00		$ 2,662,167.77
12/1/2044	$ 4,010,000.00	5.000%	$ 316,500.00	$ 4,326,500.00		$ 8,650,000.00	
6/1/2045			$ 216,250.00	$ 216,250.00			
9/30/2045					$ 4,542,750.00		$ 2,661,801.56
12/1/2045	$ 4,215,000.00	5.000%	$ 216,250.00	$ 4,431,250.00		$ 4,435,000.00	
6/1/2046			$ 110,875.00	$ 110,875.00			
9/30/2046					$ 4,542,125.00		$ 2,661,435.34
12/1/2046	$ 4,435,000.00	5.000%	$ 110,875.00	$ 4,545,875.00		$ -	
9/30/2047					$ 4,545,875.00		$ 2,663,632.64
	$236,605,000.00		$158,797,001.10	$395,402,001.10	$395,402,001.10		$231,683,817.64

Case 1:02-cv-00022 Document 1703 Filed 12/31/16 Page 17 of 25

The Financial Impact of Discounts on Commercial Billing

CUSTOMERS	FY 2016 TOTAL	FY 2015 TOTAL	FY 2014 TOTAL	FY 2013 TOTAL	AVERAGE
MR RUBBISHMAN	$517,250.78	$496,346.91	$467,893.32	$475,023.63	$489,128.66
TRASHCO	$27,109.21	$29,842.40	$28,669.84	$41,347.03	$31,742.12
LAGU SANITATION COMPANY	$20,000.00	$0.00	$0.00	$0.00	$5,000.00
PACIFIC WASTE SYSTEMS, LLC	$129,080.49	$173,525.21	$158,163.25	$79,584.07	$135,088.26
ISLAND WASTE MANAGEMENT	$0.00	$0.00	$0.00	$0.00	$0.00
NAVFACMAR GUAM*	$ 130,179.29	$ 128,699.15	$ 121,466.47	$ 126,424.55	$126,692.36
TOTAL DISCOUNTS	$823,619.77	$828,413.67	$776,192.88	$722,379.28	$787,651.40
TOTAL COMMERCIAL AND GOVERNMENT BILLING	$12,826,686.82	$12,298,412.21	$12,079,966.52	$11,639,248.57	$12,211,078.53
DISCOUNTS AS A PERCENTAGE OF TOTAL COMMERCIAL AND GOVERNMENT	6.4%	6.7%	6.4%	6.2%	6.5%

*In an order dated April 19, 2011, the District Court approved an incentive plan for large commercial haulers that provided for a ten percent rate increase for commercial accounts and a discount for large commercial haulers that would off-set the increase if they meet all of the following criteria: (1) paid electronically via ACH, (2) paid on time, and (3) refrained from relying on Public Law 25-93 to reduce the amount owed. In a subsequent Order, dated September 2, 2011, the Court, reaffirmed its approval of the incentive plan, pending review of all GSWA rates by the Public Utilities Commission, and also ordered, upon the Receiver's recommendation, that the military would pay a rate of $156 per ton. The basis of the Receiver's recommendation was that it was already NavFac's policy to pay by ACH, its payment was guaranteed by the U.S. Government and it was ineligible to use the provisions of Public Law 25-93 . The calculation included in this schedule is to quantify the value of this to NavFac for the purpose of creating an offset to the full rate of $171.60 upon which this rate study is based.

Solid Waste Management Division Estimated Fund Balance 30-Sep-16 (Unaudited)	
Elements of Fund Balance	**Amount**
Fund Balance @ 9/30/15	$ 19,811,362.00
Revenue FY 2016	$ 19,119,473.00
Expenses FY 2016	$ 13,335,459.00
Excess (Deficit) FY 2016	$ 5,784,014.00
Est Fund Balance @ 9/30/16	$ 25,595,376.00
Note: Revenue is on accrual basis.	

Equipment Replacement Reserve

Equipment Type	# of Units	Cost Per Unit at Purchase	Year Purchased	Equipment Life Expectancy in Months	Equipment Life Expectancy in Years	Year to be replaced*	Estimated Replacement Cost per Unit	Total Cost of Replacement	Annual Required Deposit	FY 2017 Replacement Deposit	FY 2018 Replacement Deposit	FY 2019 Replacement Deposit	FY 2020 Replacement Deposit	FY 2021 Replacement Deposit	Totals FY2017 to FY 2021	Required Balance for at End of 5-Year Period
Packer Trucks	2	$ 306,478.57	2016	60	5	2021	$ 355,292.66	$ 710,585.32	$ 142,117.06	$ 142,117.06	$ 142,117.06	$ 142,117.06	$ 142,117.06	$ 710,585.32	$1,279,053.58	$ 568,468.26
Packer Trucks	4	$ 306,478.57	2009	60	5	2014	$ 376,929.98	$1,507,719.92	$ 301,543.98	$1,507,719.92	$ 60,308.80	$ 60,308.80	$ 60,308.80	$ 60,308.80	$1,748,955.11	$ 241,235.19
Packer Trucks	4	$ 306,478.57	2010	60	5	2015	$ 376,929.98	$1,507,719.92	$ 301,543.98	$1,507,719.92	$ 60,308.80	$ 60,308.80	$ 60,308.80	$ 60,308.80	$1,748,955.11	$ 241,235.19
Roll Off Truck	2	$ 275,068.56	2011	60	5	2016	$ 369,669.14	$ 739,338.28	$ 147,867.66	$ 739,338.28	$ 29,573.53	$ 29,573.53	$ 29,573.53	$ 29,573.53	$ 857,632.40	$ 118,294.12
Knuckleboom-20 Roll Off	2	$ 98,238.27	2011	144	12	2023	$ 140,064.28	$ 280,128.56	$ 23,344.05	$ 23,344.05	$ 23,344.05	$ 23,344.05	$ 23,344.05	$ 23,344.05	$ 116,720.23	$ 163,408.33
Bury Packer	3	$ 71,168.88	2009	84	7	2016	$ 86,221.88	$ 258,665.64	$ 36,952.23	$ 258,665.64	$ 36,952.23	$ 36,952.23	$ 36,952.23	$ 36,952.23	$ 406,474.58	$ 147,808.94
Bury Packer	2	$ 71,168.88	2012	84	7	2019	$ 87,528.75	$ 175,057.50	$ 25,008.21	$ 25,008.21	$ 25,008.21	$ 25,008.21	$ 125,041.07	$ 25,008.21	$ 200,065.71	$ 25,008.21
Pickup Truck	1	$ 20,636.00	2004	84	7	2011	$ 33,083.61	$ 33,083.61	$ 4,726.23	$ 33,083.61	$ 4,726.23	$ 4,726.23	$ 4,726.23	$ 4,726.23	$ 51,988.53	$ 18,904.92
Pickup Truck	3	$ 26,900.00	2010	84	7	2017	$ 33,083.61	$ 99,250.83	$ 14,178.69	$ 99,250.83	$ 14,178.69	$ 14,178.69	$ 14,178.69	$ 14,178.69	$ 155,965.59	$ 56,714.76
Pickup Truck	2	$ 22,700.00	2007	84	7	2014	$ 31,184.47	$ 62,368.94	$ 8,909.85	$ 62,368.94	$ 8,909.85	$ 8,909.85	$ 8,909.85	$ 8,909.85	$ 98,008.33	$ 35,639.39
Pickup Truck	4	$ 26,426.00	2016	84	7	2023	$ 32,501.88	$ 130,007.52	$ 18,572.50	$ 18,572.50	$ 18,572.50	$ 18,572.50	$ 18,572.50	$ 18,572.50	$ 92,862.51	$ 37,145.01
Stationary Compactor	3	$ 39,229.00	2012	144	12	2024	$ 55,931.17	$ 167,793.51	$ 13,982.79	$ 13,982.79	$ 13,982.79	$ 13,982.79	$ 13,982.79	$ 13,982.79	$ 69,913.96	$ 97,879.55
Roll-Off Container - 33 CY	7	$ 13,056.00	2014	120	10	2024	$ 17,546.17	$ 122,823.19	$ 12,282.32	$ 12,282.32	$ 12,282.32	$ 12,282.32	$ 12,282.32	$ 12,282.32	$ 61,411.60	$ 61,411.60
Roll-Off Container - 37 CY	7	$ 14,988.00	2012	120	10	2022	$ 20,142.62	$ 140,998.34	$ 14,099.83	$ 14,099.83	$ 14,099.83	$ 14,099.83	$ 14,099.83	$ 14,099.83	$ 70,499.17	$ 70,499.17
Roll-Off Container - 33 CY	2	$ 27,275.00	2009	120	10	2019	$ 36,655.32	$ 73,310.64	$ 7,331.06	$ 7,331.06	$ 7,331.06	$ 58,648.51	$ 7,331.06	$ 7,331.06	$ 87,972.77	$ 14,662.13
Octagon Compactor Receiver	3	$ 13,905.00	2012	120	10	2022	$ 18,687.16	$ 56,061.48	$ 5,606.15	$ 5,606.15	$ 5,606.15	$ 5,606.15	$ 5,606.15	$ 5,606.15	$ 28,030.74	$ 28,030.74
Roll Off Container - 40 CY	8	$ 24,506.96	2010	120	10	2020	$ 32,934.01	$ 263,472.08	$ 26,347.21	$ 26,347.21	$ 26,347.21	$ 26,347.21	$ 184,430.46	$ 26,347.21	$ 289,819.29	$ 26,347.21
Roll Off Container - 8.75CY	2	$ 6,500.00	2016	120	10	2026	$ 8,735.46	$ 17,470.92	$ 1,747.09	$ 1,747.09	$ 1,747.09	$ 1,747.09	$ 1,747.09	$ 1,747.09	$ 8,735.46	$ 8,735.46
Total										$4,417,188.97	$ 423,999.96	$ 524,032.81	$ 423,999.96	$ 992,468.21	$7,373,064.67	$1,961,428.16

Five Year Total Plus Required Balance @9/30/21	$9,334,492.83
Account Balance @ 9-30-2016	$2,928,541.40
FY 2017 Deposits Oct-Jan	$ 226,881.52
Required Addition to Reserve	$6,179,069.91
Monthly Deposit Feb 2017 Forward	$ 110,340.53

* Units scheduled for replacement prior to FY2017 are assumed to be replaced in FY2017.

Document 1703 Filed 12/31/16 Page 19 of 25

New Cell Development Reserve

Cost of new cell developed per	$	900,000
Size of cell 3 (acres)		9.8
Size of cell 4 (acres)		10
Base year cost of Cells 3 and 4	$	17,820,000
Projected inflation at same rate as operating budget.		

Inflation Factor	3.0%	Inflation Factor	3.0%
Earnings Assumption	2.0%	Earnings Assumption	0.5%

	Year	Cell Development Contribution	Allocation from Reserve for Unfunded Expenses	Cell Development Expense	Investment Earnings	Reserve Balance	Year	Estimated Cell Development Cost Per Acre
1	2012	$ 50,000		$ -	$ 201	$ 50,201	1	$ 900,000
2	2013	$ 50,000		$ -	$ 512	$ 100,713	2	$ 927,000
3	2014	$ 50,000		$ -	$ 394	$ 151,107	3	$ 954,810
4	2015	$ 50,000			$ 211	$ 201,318	4	$ 983,454
5	2016	$ 50,000		$ -	$ 275	$ 251,593	5	$ 1,012,958
6	2017	$ 50,000		$ -	$ 1,132	$ 302,724	6	$ 1,043,347
7	2018	$ 50,000		$ -	$ 1,383	$ 354,107	7	$ 1,074,647
8	2019	$ 50,000			$ 1,639	$ 405,746	8	$ 1,106,886
9	2020	$ 50,000	$5,295,321	$ 5,295,321	$ 1,896	$ 457,641	9	$ 1,140,093
10	2021	$ 50,000	$5,295,321	$ 5,295,321	$ 2,154	$ 509,795	10	$ 1,174,296
11	2022	$ 50,000		$ -	$ 2,413	$ 562,208	11	$ 1,209,525
12	2023	$ 4,000,000		$ -	$ 2,674	$ 4,564,882	12	$ 1,245,810
13	2024	$ 4,000,000		$ 6,415,924	$ 12,811	$ 2,161,769	13	$ 1,283,185
14	2025	$ 3,000,000		$ 3,207,962	$ 32,824	$ 1,986,632	14	$ 1,321,680
15	2026	$ 4,000,000		$ 3,207,962	$ 18,309	$ 2,796,979	15	$ 1,361,331
16	2027	$ 4,000,000		$ -	$ 19,933	$ 6,816,912	16	$ 1,402,171
17	2028	$ 4,000,000		$ -	$ 23,985	$ 10,840,897	17	$ 1,444,236
18	2029	$ 4,000,000		$ 9,892,293	$ 44,085	$ 4,992,688	18	$ 1,487,563
19	2030	$ 4,000,000		$ 4,946,147	$ 64,204	$ 4,110,746	19	$ 1,532,190
20	2031	$ 4,000,000		$ 4,946,147	$ 34,963	$ 3,199,563	20	$ 1,578,155
21	2032	$ 5,000,000		$ -	$ 30,554	$ 8,230,117	21	$ 1,625,500
22	2033	$ 5,000,000		$ -	$ 28,498	$ 13,258,615	22	$ 1,674,265
23	2034	$ 5,000,000		$ 10,174,509	$ 53,651	$ 8,137,756	23	$ 1,724,493
24	2035	$ 5,000,000		$ 5,087,255	$ 78,793	$ 8,129,295	24	$ 1,776,228
25	2036	$ 5,000,000		$ 5,087,255	$ 53,189	$ 8,095,229	25	$ 1,829,515
26	2037	$ 5,000,000		$ -	$ 53,146	$ 13,148,375	26	$ 1,884,400
27	2038	$ 5,000,000		$ -	$ 52,976	$ 18,201,352	27	$ 1,940,932
28	2039	$ 5,000,000		$ -	$ 78,242	$ 23,279,593	28	$ 1,999,160
29	2040	$ 5,000,000		$ 16,576,036	$ 103,507	$ 11,807,064	29	$ 2,059,135
30	2041	$ 5,000,000		$ 8,288,018	$ 128,898	$ 8,647,944	30	$ 2,120,909
31	2042	$ 5,000,000		$ 8,288,018	$ 71,535	$ 5,431,461	31	$ 2,184,536
32	2043	$ 5,000,000		$ -	$ 55,740	$ 10,487,201	32	$ 2,250,072
33	2044	$ 5,000,000		$ -	$ 39,657	$ 15,526,858	33	$ 2,317,574
34	2045	$ 5,000,000		$ 16,948,422	$ 64,936	$ 3,643,372	34	$ 2,387,102
35	2046	$ 5,000,000		$ 8,474,211	$ 90,134	$ 259,295	35	$ 2,458,715
36	2047	$ 5,000,000		$ 4,237,106	$ 30,717	$ 1,052,907	36	$ 2,532,476
37	2048	$ 5,000,000		$ 4,237,106	$ 13,796	$ 1,829,598	37	$ 2,608,450
38	2049	$ 5,000,000		$ -	$ 17,765	$ 6,847,362	38	$ 2,686,704
39	2050	$ 6,000,000		$ -	$ 21,648	$ 12,869,010	39	$ 2,767,305
40	2051	$ 6,000,000		$ -	$ 49,237	$ 18,918,247	40	$ 2,850,324
41	2052	$ 6,000,000		$ 12,770,878	$ 79,345	$ 12,226,714	41	$ 2,935,834
42	2053	$ 6,500,000		$ 12,770,878	$ 109,591	$ 6,065,427	42	$ 3,023,909
43	2054	$ 6,500,000		$ 13,860,087	$ 77,384	$ (1,217,276)	43	$ 3,114,626
44	2055	$ 6,500,000		$ 6,930,044	$ 46,577	$ (1,600,742)	44	$ 3,208,065
45	2056	$ 6,500,000		$ 6,930,044	$ 10,164	$ (2,020,622)	45	$ 3,304,307
46	2057	$ 6,500,000		$ 20,760,961	$ 8,246	$ (16,273,337)	46	$ 3,403,436
47	2058	$ 6,500,000		$ 10,380,481	$ 6,147	$ (20,147,671)	47	$ 3,505,539
48	2059	$ 6,500,000		$ 10,380,481	$ (65,117)	$ (24,093,268)	48	$ 3,610,706
49	2060	$ 6,500,000		$ -	$ (84,488)	$ (17,677,757)	49	$ 3,719,027
50	2061	$ 6,500,000		$ -	$ (104,216)	$ (11,281,973)	50	$ 3,830,597
51	2062	$ 6,500,000		$ -	$ (72,139)	$ (4,854,112)	51	$ 3,945,515
52	2063	$ 6,500,000		$ -	$ (40,160)	$ 1,605,728	52	$ 4,063,881

Cell Closure Reserve

1 Life of cells 1 and 2 is expected to be 7 years with Military and 9 years without Military.
2 Projected inflation at same rate as operating budget.

Cells	Average size	Cost Per Acre	Total	Number of Cells Per Cycle	Total Required Reserve
11	11.6	$ 199,000	$ 2,304,782	1	$2,304,782

Year	Cell Closure Contribution	Allocation from Reserve for Unfunded Expenses	Cell Closure Expenses	Investment Earnings	Reserve Balance	FY Year	Year	Estimated Closure Cost Per Acre
1	$ 50,000		$ -	$ 201	$ 50,201	2012	1	$ 199,000
2	$ 50,000		$ -	$ 512	$ 100,713	2013	2	$ 204,970
3	$ 50,000		$ -	$ 394	$ 151,107	2014	3	$ 211,119
4	$ 50,000		$ -	$ 211	$ 201,318	2015	4	$ 217,453
5	$ 50,000		$ -	$ 275	$ 251,593	2016	5	$ 223,976
6	$ 100,000		$ -	$ 5,032	$ 356,625	2017	6	$ 230,696
7	$ 100,000			$ 7,132	$ 463,757	2018	7	$ 237,616
8	$ 100,000		$ -	$ 9,275	$ 573,032	2019	8	$ 244,745
9	$ 100,000		$ -	$ 11,461	$ 684,493	2020	9	$ 252,087
10	$ 100,000	$ 2,636,988	$ 2,908,078	$ 13,690	$ 527,092	2021	10	$ 259,650
11	$ 100,000	$ 2,636,988	$ 2,908,078	$ 10,542	$ 366,543	2022	11	$ 267,439
12	$ 150,000		$ -	$ 7,331	$ 523,874	2023	12	$ 275,463
13	$ 150,000		$ -	$ 10,477	$ 684,351	2024	13	$ 283,726
14	$ 150,000	$ 600,000	$ 1,431,967	$ 13,687	$ 16,071	2025	14	$ 292,238
15	$ 150,000	$ 1,300,000	$ 1,431,967	$ 321	$ 34,425	2026	15	$ 301,005
16	$ 150,000		$ -	$ 689	$ 185,114	2027	16	$ 310,036
17	$ 750,000		$ -	$ 3,702	$ 938,816	2028	17	$ 319,337
18	$ 750,000		$ -	$ 18,776	$ 1,707,593	2029	18	$ 328,917
19	$ 750,000		$ -	$ 34,152	$ 2,491,744	2030	19	$ 338,784
20	$ 750,000		$ 1,744,739	$ 49,835	$ 1,546,841	2031	20	$ 348,948
21	$ 750,000		$ 1,744,739	$ 30,937	$ 583,039	2032	21	$ 359,416
22	$ 750,000		$ -	$ 11,661	$ 1,344,700	2033	22	$ 370,199
23	$ 1,000,000		$ -	$ 26,894	$ 2,371,594	2034	23	$ 381,305
24	$ 1,000,000		$ -	$ 47,432	$ 3,419,026	2035	24	$ 392,744
25	$ 1,000,000		$ 2,690,098	$ 68,381	$ 1,797,308	2036	25	$ 404,526
26	$ 1,000,000		$ 2,690,098	$ 35,946	$ 143,156	2037	26	$ 416,662
27	$ 1,000,000		$ -	$ 2,863	$ 1,146,019	2038	27	$ 429,162
28	$ 1,000,000		$ -	$ 22,920	$ 2,168,940	2039	28	$ 442,037
29	$ 1,000,000		$ -	$ 43,379	$ 3,212,319	2040	29	$ 455,298
30	$ 1,000,000		$ 2,766,844	$ 64,246	$ 1,509,721	2041	30	$ 468,957
31	$ 1,500,000		$ 2,766,844	$ 30,194	$ 273,072	2042	31	$ 483,025
32	$ 1,500,000		$ -	$ 5,461	$ 1,778,534	2043	32	$ 497,516
33	$ 1,500,000		$ -	$ 35,571	$ 3,314,104	2044	33	$ 512,441
34	$ 1,500,000		$ -	$ 66,282	$ 4,880,386	2045	34	$ 527,815
35	$ 2,000,000		$ -	$ 97,608	$ 6,977,994	2046	35	$ 543,649
36	$ 2,000,000		$ 4,507,667	$ 139,560	$ 4,609,887	2047	36	$ 559,959
37	$ 2,000,000		$ 4,507,667	$ 92,198	$ 2,194,418	2048	37	$ 576,757
38	$ 2,000,000		$ -	$ 43,888	$ 4,238,306	2049	38	$ 594,060
39	$ 2,000,000		$ -	$ 84,766	$ 6,323,072	2050	39	$ 611,882
40	$ 2,000,000		$ -	$ 126,461	$ 8,449,534	2051	40	$ 630,238
41	$ 2,000,000		$ -	$ 168,991	$ 10,618,524	2052	41	$ 649,146
42	$ 2,000,000		$ 4,747,201	$ 212,370	$ 8,083,694	2053	42	$ 668,620
43	$ 2,000,000		$ 4,747,201	$ 161,674	$ 5,498,166	2054	43	$ 688,678
44	$ 2,000,000		$ -	$ 109,963	$ 7,608,130	2055	44	$ 709,339
45	$ 2,000,000		$ 3,178,193	$ 152,163	$ 6,582,100	2056	45	$ 730,619
46	$ 2,000,000		$ 3,178,193	$ 131,642	$ 5,535,549	2057	46	$ 752,538
47	$ 2,000,000		$ -	$ 110,711	$ 7,646,260	2058	47	$ 775,114
48	$ 2,000,000		$ 3,552,734	$ 152,925	$ 6,246,452	2059	48	$ 798,367
49	$ 1,770,000		$ 3,552,734	$ 124,929	$ 4,588,647	2060	49	$ 822,318
50			$ 10,333,250	$ 91,773	$ (5,652,830)	2061	50	$ 846,988
51			$ -	$ (113,057)	$ (5,765,886)	2062	51	$ 872,397
52			$ -	$ (115,318)	$ (5,881,204)	2063	52	$ 898,569
53			$ -	$ (117,624)	$ (5,998,828)	2064	53	$ 925,526

Layon Landfill Post Closure Reserve

			Inflation Factor	3.0%				Inflation Factor	3.0%		
			Per Acre Post Closure Cost	$ 5,039				Earnings Assumption	4.0%		
Year	Fiscal Year	Post Closure Contribution	Post Closure Expenses	Investment Earnings	Reserve Balance			Year	Post Closure Inflation Adj Cost		
1	2012	$ 100,000	$ -	$ 325.14	$ 100,325			1	$ 641,911		
2	2013	$ 100,000	$ -	$ 996	$ 201,321			2	$ 661,168		
3	2014	$ 100,000	$ -	$ 870	$ 302,191			3	$ 681,003		
4	2015	$ 100,000	$ -	$ 422	$ 402,613			4	$ 701,433		
5	2016	$ 100,000	$ -	$ 549	$ 503,162			5	$ 722,476		
6	2017	$ 100,000	$ -	$ 20,126	$ 623,289			6	$ 744,150		
7	2018	$ 100,000	$ -	$ 24,932	$ 748,220			7	$ 766,475		
8	2019	$ 100,000	$ -	$ 29,929	$ 878,149			8	$ 789,469		
9	2020	$ 100,000	$ -	$ 35,126	$ 1,013,275			9	$ 813,153		
10	2021	$ 100,000	$ -	$ 40,531	$ 1,153,806			10	$ 837,548		
11	2022	$ 200,000	$ -	$ 46,152	$ 1,399,958			11	$ 862,674		
12	2023	$ 200,000	$ -	$ 55,998	$ 1,655,957			12	$ 888,555		
13	2024	$ 200,000	$ -	$ 66,238	$ 1,922,195			13	$ 915,211		
14	2025	$ 200,000	$ -	$ 76,888	$ 2,199,083			14	$ 942,667		
15	2026	$ 200,000	$ -	$ 87,963	$ 2,487,046			15	$ 970,948		
16	2027	$ 400,000	$ -	$ 99,482	$ 2,986,528			16	$ 1,000,076		
17	2028	$ 400,000	$ -	$ 119,461	$ 3,505,989			17	$ 1,030,078		
18	2029	$ 400,000	$ -	$ 140,240	$ 4,046,229			18	$ 1,060,981		
19	2030	$ 400,000	$ -	$ 161,849	$ 4,608,078			19	$ 1,092,810		
20	2031	$ 400,000	$ -	$ 184,323	$ 5,192,401			20	$ 1,125,594		
21	2032	$ 400,000	$ -	$ 207,696	$ 5,800,097			21	$ 1,159,362		
22	2033	$ 400,000	$ -	$ 232,004	$ 6,432,101			22	$ 1,194,143		
23	2034	$ 400,000	$ -	$ 257,284	$ 7,089,385			23	$ 1,229,967		
24	2035	$ 400,000	$ -	$ 283,575	$ 7,772,960			24	$ 1,266,866		
25	2036	$ 400,000	$ -	$ 310,918	$ 8,483,879			25	$ 1,304,872		
26	2037	$ 400,000	$ -	$ 339,355	$ 9,223,234			26	$ 1,344,018		
27	2038	$ 400,000	$ -	$ 368,929	$ 9,992,163			27	$ 1,384,339		
28	2039	$ 400,000	$ -	$ 399,687	$ 10,791,850			28	$ 1,425,869		
29	2040	$ 400,000	$ -	$ 431,674	$ 11,623,524			29	$ 1,468,645		
30	2041	$ 400,000	$ -	$ 464,941	$ 12,488,465			30	$ 1,512,705		
31	2042	$ 400,000	$ -	$ 499,539	$ 13,388,003			31	$ 1,558,086		
32	2043	$ 400,000	$ -	$ 535,520	$ 14,323,523			32	$ 1,604,828		
33	2044	$ 400,000	$ -	$ 572,941	$ 15,296,464			33	$ 1,652,973		
34	2045	$ 400,000	$ -	$ 611,859	$ 16,308,323			34	$ 1,702,562		
35	2046	$ 1,000,000	$ -	$ 652,333	$ 17,960,656			35	$ 1,753,639		
36	2047	$ 1,000,000	$ -	$ 718,426	$ 19,679,082			36	$ 1,806,248		
37	2048	$ 1,000,000	$ -	$ 787,163	$ 21,466,245			37	$ 1,860,436		
38	2049	$ 1,000,000	$ -	$ 858,650	$ 23,324,895			38	$ 1,916,249		
39	2050	$ 1,000,000	$ -	$ 932,996	$ 25,257,891			39	$ 1,973,736		
40	2051	$ 1,000,000	$ -	$ 1,010,316	$ 27,268,207			40	$ 2,032,948		
41	2052	$ 1,000,000	$ -	$ 1,090,728	$ 29,358,935			41	$ 2,093,937		
42	2053	$ 1,000,000	$ -	$ 1,174,357	$ 31,533,292			42	$ 2,156,755		
43	2054	$ 1,000,000	$ -	$ 1,261,332	$ 33,794,624			43	$ 2,221,458		
44	2055	$ 1,000,000	$ -	$ 1,351,785	$ 36,146,409			44	$ 2,288,101		
45	2056	$ 1,000,000	$ -	$ 1,445,856	$ 38,592,265			45	$ 2,356,744		
46	2057	$ 1,000,000	$ -	$ 1,543,691	$ 41,135,956			46	$ 2,427,447		
47	2058	$ 1,000,000	$ -	$ 1,645,438	$ 43,781,394			47	$ 2,500,270		
48	2059	$ 1,000,000	$ -	$ 1,751,256	$ 46,532,650			48	$ 2,575,278		
49	2060	$ 1,000,000	$ -	$ 1,861,306	$ 49,393,956			49	$ 2,652,537		
50	2061	$ 1,000,000	$ -	$ 1,975,758	$ 52,369,714			50	$ 2,732,113		
51	2062	$ 1,000,000	$ -	$ 2,094,789	$ 55,464,503			51	$ 2,814,076		
52	2063	$ 1,000,000	$ -	$ 2,218,580	$ 58,683,083			52	$ 2,898,498		
53	2064		$ 2,288,101	$ 1,445,856	$ 57,840,838						
54	2065		$ 2,356,744	$ 2,313,634	$ 57,797,727						
55	2066		$ 2,427,447	$ 2,311,909	$ 57,682,189						
56	2067		$ 2,500,270	$ 2,307,288	$ 57,489,206						
57	2068		$ 2,575,278	$ 2,299,568	$ 57,213,496						
58	2069		$ 2,652,537	$ 2,288,540	$ 56,849,500						
59	2070		$ 2,732,113	$ 2,273,980	$ 56,391,367						
60	2071		$ 2,814,076	$ 2,255,655	$ 55,832,945						
61	2072		$ 2,898,498	$ 2,233,318	$ 55,167,765						
62	2073		$ 2,985,453	$ 2,206,711	$ 54,389,022						
63	2074		$ 3,075,017	$ 2,175,561	$ 53,489,566						
64	2075		$ 3,167,267	$ 2,139,583	$ 52,461,881						
65	2076		$ 3,262,286	$ 2,098,475	$ 51,298,071						
66	2077		$ 3,360,154	$ 2,051,923	$ 49,989,839						
67	2078		$ 3,460,959	$ 1,999,594	$ 48,528,474						
68	2079		$ 3,564,787	$ 1,941,139	$ 46,904,826						
69	2080		$ 3,671,731	$ 1,876,193	$ 45,109,288						
70	2081		$ 3,781,883	$ 1,804,372	$ 43,131,776						
71	2082		$ 3,895,340	$ 1,725,271	$ 40,961,708						
72	2083		$ 4,012,200	$ 1,638,468	$ 38,587,976						
73	2084		$ 4,132,566	$ 1,543,519	$ 35,998,930						
74	2085		$ 4,256,543	$ 1,439,957	$ 33,182,344						
75	2086		$ 4,384,239	$ 1,327,294	$ 30,125,399						
76	2087		$ 4,515,766	$ 1,205,016	$ 26,814,649						
77	2088		$ 4,651,239	$ 1,072,586	$ 23,235,996						
78	2089		$ 4,790,776	$ 929,440	$ 19,374,660						
79	2090		$ 4,934,500	$ 774,986	$ 15,215,146						
80	2091		$ 5,082,535	$ 608,606	$ 10,741,218						
81	2092		$ 5,235,011	$ 429,649	$ 5,935,856						
82	2093		$ 5,392,061	$ 237,434	$ 781,229						

Doc. No. 34GL-18-1694.

Host Community Premium Surcharge

	Amount Authorized	Actual Fee Assessment	Difference	Actual Amount Paid
FY 2011	$ 25,000.00	$ -	$ (25,000.00)	$ -
FY 2012	$ 300,000.00	$ -	$(300,000.00)	$ -
FY 2013	$ 300,000.00	$ 313,561.96	$ 13,561.96	$ -
FY 2014	$ 300,000.00	$ 327,143.96	$ 27,143.96	$ 556,167.52
FY 2015	$ 300,000.00	$ 332,455.60	$ 32,455.60	$ 286,180.82
FY 2016	$ 300,000.00	$ 345,719.00	$ 45,719.00	$ 327,343.00
	$1,525,000.00	$1,318,880.52	$(206,119.48)	$1,169,691.34

The current fee is $0.38 per month for residential accounts and $3.57 per ton for commercial and government accounts. While the law governing the fee sets the maximum amount available to be paid to each community at $150,000 per year, it also states that the fee it is to be collected from the opening of the Layon Landfill. Due to the timing of the law's enactment and regulatory process required by the law to actually implement the fee, the fee was not actually implemented until October 2012, which is the beginning of fiscal year 2013. However, as shown above, the approved assessment has produced more than $300,000 annually. The PUC has ordered that the excess be allocated to the two eligible communities until such time as the total fee paid to these communities is equal to the full fee that would have been paid to them if the fee had actually been assessed from the opening of the Layon Landfill on September 1, 2011. As shown above, the fee at the time of this study (December 2016) remains short of the amount that would have been paid to the respective communities had the fee been implemented at the time of the opening of the Layon Landfill by $206,119.48. Therefore no change in the fee is recommended at this time. GSWA should closely monitor this matter and advise the PUC when the total authjorized fee has been paid to these communities since the fee may need adjusting at that time.

Financing Plan for Unfunded Consent Decree Expenses

Future Capital and Ordot Post Closure Funding Requirements	
Funding Required	Total
Additional Projects	$ 9,442,900.00
Post-closure cost for Ordot Dump	$15,670,893.97
Construction of new cell at Layon	$10,590,642.09
Closure cost for cells 1 & 2	$ 5,273,975.41
Total	**$40,978,411.47**

Future Capital and Ordot Post-Closure Funding Cash Flow

	Funding Requirement			Funds Available				
Year	Additional Projects	Allocation of Funds to Ordot Dump Post-Closure Reserve	Closure Cost of Cells 1 &2 and New cell at Layon Landfill	Balance at Beginning of FY*	Funds Added During FY (Includes Actual and Estimated Interest Earnings)	Funds Used for Capital and Ordot Post-Closure Expense During FY	Funds Used for Legal Expense During FY	Balance at End of FY
FY2014				$ 2,437,501.89	$ 1,873,790.40	$ -		$ 4,311,292.29
FY2015				$ 4,311,292.29	$ 4,500,314.89	$ -	$ 77,441.35	$ 8,734,165.83
FY2016	$ 4,721,450.00	$ 2,000,000.00		$ 8,734,165.83	$ 4,501,596.96	$ 6,721,450.00	$ 100,000.00	$ 6,414,312.79
FY2017	$ 4,721,450.00	$ 2,000,000.00		$ 6,414,312.79	$ 4,501,596.96	$ 6,721,450.00	$ 100,000.00	$ 4,094,459.75
FY2018	$ -	$ 2,000,000.00		$ 4,094,459.75	$ 4,501,596.96	$ 2,000,000.00	$ 100,000.00	$ 6,496,056.71
FY2019	$ -	$ 2,000,000.00		$ 6,496,056.71	$ 4,501,596.96	$ 2,000,000.00	$ 100,000.00	$ 8,897,653.67
FY2020	$ -	$ 2,000,000.00	$5,295,321.05	$ 8,897,653.67	$ 4,501,596.96	$ 7,295,321.05	$ 100,000.00	$ 6,003,929.59
FY2021	$ -	$ 2,000,000.00	$7,932,308.75	$ 6,003,929.59	$ 4,501,596.96	$ 9,932,308.75	$ 100,000.00	$ 473,217.80
FY2022	$ -	$ 2,000,000.00	$2,636,987.71	$ 473,217.80	$ 4,501,596.96	$ 4,636,987.71	$ 100,000.00	$ 237,827.05
FY2023	$ -	$ 1,670,900.00		$ 237,827.05	$ 4,501,596.96	$ 1,670,900.00	$ 100,000.00	$ 2,968,524.01
FY2024	$ -			$ 2,968,524.01	$ 4,501,596.96	$ -	$ 100,000.00	$ 7,370,120.97
FY2025	$ -			$ 7,370,120.97	$ 4,501,596.96	$ -	$ 100,000.00	$11,771,717.93

*For FY14 the beginning balance is May 1, the first month these funds were set aside for this purpose.

Note: Shaded areas are estimates. Areas not shaded are actual expenditures and funds avaialble.

EXHIBIT I 024

Doc. No. 34GL-18-1694.

Case 1:02-cv-00022 Document 1703 Filed 12/31/16 Page 24 of 25

Key Assumptions	
1	Disposal, residential and support services, exclusive of contract services, are assumed to grow at a rate of 3% per
2	Fund balance is based on the audited fund balance for FY 2015 plus the unaudited revenue and expenditures for FY 2016.
3	The Hauler-only Transfer Station services are based on the contract with Guahan Waste Services as amended. The scale house is run by GSWA.
4	The Layon Landfill is operated by a qualified operator, currently Green Group Holdings (GGH Guam, LLC formerly Herzog Environmental, Inc.). The scale house is operated by the GSWA and a GSWA contract monitor is assigned to ensure contract compliance.
5	Waste (excluding C&D and other unacceptable waste) generated off-base by Military families, construction and other Military related activities will be disposed of at the Layon Landfill as civilian waste.
6	Military waste estimates are based on actual experience as measured by GSWA scale weights since services were initiated on 10-1-2011.
7	Non-military waste is based on actual scale weights at the Hauler-only Transfer Station and the Layon Landfill since the opening of the landfill on September 1, 2011 with an annual growth rate of 3 percent.
8	Airspace utilization factor is 0.6 tons of waste, daily and intermediate cover will occupy 1 cubic yard of airspace.
9	Debt service for the new 2016 bonds was allocated to System Bonds (i.e. Solid Waste Bonds) by determining the remaining outstanding principal balance for the 2009 System Bonds from the 2009 debt service schedule. We then calculated the percentage that this amount comprised of the total new 2016 principal amount of bonds. The resulting percentage was then applied to the new 2016 debt service schedule to obtain the debt service arising from the refinanced System Bonds.
10	Investment earnings to date on the reserves are short term bank interest rates. We assume that post-Receivership the Board will reinvest these funds in long-term US Treasury Securities to obtain a very secure but market-based rate of return.

EXHIBIT I 025

Doc. No. 34GL-18-1694.

Guam Solid Waste Authority
Rules and Regulations Public Hearing
March 1,2018

PUBLIC ATTENDEES

	NAME:
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	

OTHER ATTENDEES

	NAME:	COMPANY/AGENCY
1	Georgette Concepcion	GSWA legal counsel
2	George Castro	Ikpo Resources
3	ANDREW GAYLE	GSWA BOARD MEMBER
4		
5		
6		
7		

GSWA STAFF

	NAME:
1	Greg Mafnas
2	Enrique Vinas
3	Colleen Cruz
4	

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RENTALS

GOOD: 2 Lines / 3 Consecutive Days — $30.00
BETTER: 3 Lines / 7 Consecutive Days — $60.00
BEST: 5 Lines / 10 Consecutive Days — $150.00

ROOMMATES

Conditions/Restrictions: Roommate
Ad format: Male/female, age, # of bathrooms, pets and anything else
GOOD: 3 Lines / 7 Consecutive Days — $30.00
BETTER: 5 Lines / 10 Consecutive Days — $75.00

AUTOMOTIVE PACKAGES

Automotive items below $500 in total value
Conditions/Restrictions: Vehicles must be operable
Ad format: Make, Model, Year
GOOD: 3 Lines / 7 Consecutive Days — $30.00
BETTER: 5 Lines / 10 Consecutive Days — $75.00
BEST: 7 Lines / 14 Consecutive Days — $150.00
Price must be included in the ad to qualify.

SUPER DEALS

Personal items below $500 in total value
GOOD: 3 Lines / 7 Consecutive Days — $27.50
BETTER: 5 Lines / 10 Consecutive Days — $55.00
BEST: 7 Lines / 14 Consecutive Days — $110.00
Price must be included in the ad to qualify.

PRIVATE PARTY PLEASERS

Personal items below $2,500 in total value
GOOD: 3 Lines / 7 Consecutive Days — $30.00
BETTER: 5 Lines / 10 Consecutive Days — $75.00
BEST: 7 Lines / 14 Consecutive Days — $150.00
Price must be included in the ad to qualify.

Personal items below $7,500 in total value
GOOD: 3 Lines / 7 Consecutive Days — $60.00
BETTER: 5 Lines / 10 Consecutive Days — $150.00
BEST: 7 Lines / 14 Consecutive Days — $300.00
Price must be included in the ad to qualify.

GARAGE SALE

Ad placing: Runs on Sunday
Conditions/Restrictions: Consecutive days
Ad format: Village, Date, Time
GOOD: 3 Lines / 7 Consecutive Days — $30.00
BETTER: 5 Lines / 10 Consecutive Days — $75.00
BEST: 7 Lines / 14 Consecutive Days — $150.00

PETS

GOOD: 3 Lines / 7 Consecutive Days — $30.00
BETTER: 5 Lines / 10 Consecutive Days — $75.00
BEST: 7 Lines / 14 Consecutive Days — $150.00

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Harley FLSTF Fat Boy '07 Only 4K mi, Exc cond. A LOT of parts. $11K 4894055 to see.

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Shitzus for sale 3 males 12 weeks old. 1st shots $500 each 777-7836

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Homes-Rent

Dededo 3br/2ba w/ref, stve, a/c, wtr. Near mrkt. Sec 8 ok? 632-0025/727-1973/727-0025

Yigo spacious 2bd 1ba $900/mo, $900 sec dep. 3bd Hse + big yard $1100/mo. 653-5083

Rooms-Rent

Dededo 4bd/3ba w/ solar panels, low utilities. Fenced. $1400/mo. Call 483-5829

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all kinds of things...

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CONTRACTORS LICENSE BOARD
Inetnon Malisensiayen Kontratista
542 North Marine Corp Drive A. – Tamuning, Guam 96913
649-2211, 649-9676, 649-2210 (Fax)
EDDIE BAZA CALVO, GOVERNOR
RAY TENORIO, LT. GOVERNOR
EDWARD P. CRUZ, EXECUTIVE DIRECTOR

NOTICE OF GOVERNMENT MEETING

The Contractors License Board regular board meeting will be held on Wednesday, February 21, 2018 at 10:00 a.m. at the Contractors License Board conference room, located at 542 North Marine Corps Drive in Upper Tumon.

For any special accommodations, please contact 649-2211/9676.

Guam Solid Waste Authority
Board of Directors Notice of Hearing

6:00 p.m. Thursday, March 1, 2018
Guam Solid Waste Authority,
2nd Floor, 524 N. Marine Corps Drive

The Guam Solid Waste Authority Board of Directors proposes to promulgate rules regarding solid waste operations as authorized by 10 G.C.A. § 51A104. Pursuant to the Administrative Adjudication Law, 5 G.C.A., Chapter 9, any interested party may present relevant information concerning the proposed rules and regulations. Copies of the proposed rules and regulations and other information may be inspected at the above location or by calling 646-3111 or on the GSWA's website at www.guamsolidwasteauthority.com.

Big Brothers Big Sisters of Guam

Vacancy Announcement

EXECUTIVE DIRECTOR

The successful candidate would be responsible for overseeing day-to-day operations, programming and fund development activities of Guam's premier youth mentoring nonprofit organization. Minimum qualifications include:

- Bachelor's degree in social services or related field
- Management experience in a nonprofit, public or private organization
- Excellent grant writing skills and grant/project management skills
- Strong organizational and time management skills
- Strong data management skills (program and financial data)
- Ability to interact effectively with people of diverse backgrounds

Primary responsibilities include recruiting mentors and mentees, providing case management support, fundraising (grant-writing, donor solicitation, special events), directing all office communications, liaising with program partners including government agencies, NGOs and corporate partners, and supervision of full-time and part-time staff. Some evening/weekend work required.

Please submit all application materials (including cover letter, resume, and names and contact information for three professional references) to bbbsg@teleguam.net.