




Guam SOLID WASTE RECEIVER

Quarterly Report
of
Receivership for the Government of Guam
Guam Solid Waste Authority
Pursuant to the Order of the
United States District Court of Guam

Presented by
Gershman, Brickner & Bratton, Inc.
November 8, 2016




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Guam SOLID WASTE RECEIVER

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1. ORDOT DUMP – POST CLOSURE MANAGEMENT



April 1, 2016 – June 30 2016



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Leachate Tank Cleaning and Inspection, April 2016

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Ordot Dump – Post Closure (Interim Management by GHD)

- Post Closure Activities
 - Three Primary Activities:
 - Operations
 - Maintenance
 - Compliance Monitoring
 - Covering Seven Closure Systems/Networks
 - Leachate Collection and Removal System
 - Gas Collection and Control System
 - Cover System/Stormwater Management System
 - Perimeter Landfill Gas Monitoring Well Network
 - Perimeter Groundwater Monitoring Well Network
 - Perimeter Security Fence
 - Standby Power Generation


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Ordot Dump – Post Closure

- Highlights thru June 30, 2016
 - Leachate total volume captured:
 - 8.9 million gallons
 - Leachate average daily volume dropping:
 - 7,000 gallons per day, down from 20,000 gallons in January 2016
 - Landfill Gas Total Flow volume collected:
103 millions of cubic feet of greenhouse gases
 - Landfill Gas Flow average daily volume dropping:
227 cubic feet per minute, down from 265


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Ordot Dump – Post Closure

Operations, Maintenance, and Compliance Monitoring

- Leachate Collection System
 - Protects the environment by preventing millions of gallons of leachate from polluting the Lonfit River and ground water
- Post closure work included:
 - Inspection of tanks, pumps, pipes, electrical controls and back-up power
 - Maintenance work on Tanks (under warranty)
 - Quarterly monitoring of leachate quality and volume
 - Leachate meets GWA acceptance requirements this reporting quarter
 - Wastewater Operator provided oversight



Tank Cleaning and Inspection


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Ordot Dump – Post Closure Operations, Maintenance, and Compliance Monitoring (cont'd)





- Gas Collection and Control System
 - Protects the environment by preventing millions of cubic feet of greenhouse gases from escaping
- Post closure work included:
 - Oversight of Warranty work
 - System adjustments to maximize gas collection
 - Maintenance/repairs of Blower
 - Maintain gas monitoring meters
 - Routine weekly gas readings


Gas Flare System

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Ordot Dump Post Closure Interim Operations, Maintenance, and Compliance Monitoring (cont'd)





- Perimeter Landfill Gas Monitoring
 - Network of monitoring wells detect landfill gas, if any, in the perimeter outside the gas collection system
 - Two perimeter gas monitoring wells consistently have readings above compliance levels
 - Cause was identified as trash found outside the main waste pile
 - This waste was relocated to the main waste pile but residual readings remain above compliance levels
 - A gas mitigation plan has been developed to address this matter
 - Expected to be condition of Closure certification by USEPA and GEPA

Landfill Gas Monitoring Well



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Ordot Dump Post Closure

Compliance Monitoring and Interim Operations and Maintenance (cont'd)



- Stormwater Systems Collect Stormwater diverted from the Ordot Dump and allow it to naturally return to the environment
- Post closure work includes:
 - Periodic inspections
 - Maintenance as needed
 - Reporting documentation

 Monitoring of initial settlement

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Ordot Dump Post Closure

Compliance Monitoring and Interim Operations and Maintenance (cont'd)





Groundwater Monitoring Well



Security Fence and Vegetation

- Post closure work includes:
 - Groundwater Wells
 - Regulatory compliance
 - Periodic groundwater sampling (late 2016)
 - Perimeter Security Fence
 - Maintain the fence, signs and entrances
 - Maintain the fire break
 - Standby Generator
 - Separate Air Permit
 - Maintenance and reporting


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Ordot Dump Post Closure Plan

Approval of Post Closure Care Plan Still Pending with USEPA

- Plan developed by Receiver with experts and in consultation the regulatory agencies
- Plan remains under review by USEPA and GEPA
- Acceptance of Construction Certification Report is also pending
- All requested documentation has been provided
- We are hopeful USEPA will formally approve in late 2016 or early 2017


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2. LAYON LANDFILL AND CONSENT DECREE PROJECTS

April 1, 2016 – June 30, 2016




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April 2016

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Layon Landfill

Environmental Monitoring and Compliance



- Ongoing Landfill Facility Permit compliance
 - Performed quarterly stormwater monitoring
 - Performed semi-annual groundwater monitoring
 - Performed quarterly landfill gas monitoring
 - Performed semi-annual well inspections
 - Conducted subdrain tank monitoring
 - Continued monitoring GWA's Inarajan WWTP – no adverse effects
 - Installing surge tank to assist GWA in proper management of leachate (Notice To Proceed issued at this time)
- Continued regular GEPA/USEPA/Receiver coordination meetings for all regulatory and permit aspects of work

Conclusion: The Layon Landfill meets all applicable environmental standards and regulations.



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Layon Landfill


Environmental Monitoring and Compliance (cont'd)

- Pending Decisions for GEPA/USEPA regarding:
 - Recommendations for any changes to the plans for upgrades to the residential transfer stations
 - Recommendations for any changes to the plans for the environmental closure of the Dededo Residential Transfer Station
 - Use of Tire Derived Aggregate for Cell Operations
 - Reduced frequency of Subdrain Tank Sampling



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Consent Decree Projects: Residential Transfer Stations


Upgrading Agat and Malojloj - Dededo Environmental Closure

- DPW building permit application submitted and under review; currently, there is historic research needed at Malojloj
- On April 26, 2016, the project was bid
- Bidding period closed June 24, 2016 – only one bid received and it was rejected as non-responsive and non-responsible
- New procurement initiated using competitive negotiation
- Lowest cost bidder is Core Tech International – final contract pending
- Review of Agat, Malojloj and Dededo plans under way by USEPA
- USEPA visited all sites in early March to facilitate Review
- Project construction period is set for 365 consecutive calendar days



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Consent Decree Projects: Dero Road Resurfacing

- Notice to Proceed issued April 11 and construction is underway
- Progress ahead of schedule as of June 30, 2016
- Currently project is substantially complete for work originally contemplated
- Paving completed, stormwater systems installed
- Striping ongoing
- Additional stormwater issue has come to our attention



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Consent Decree Projects: Dero Road Resurfacing



Additional Stormwater Issue

- Flooding at the Judge Sablan Street/Dero Road Intersection
 - The stormwater improvements built into and adjacent to the roadway by the current project should handle normal rainfalls
 - Prior development in the vicinity but outside the roadway failed to adequately address stormwater
 - Consequently, during very heavy rainfalls flooding may still occur
 - Currently exploring options that may be able to address this issue
 - We will keep the Court informed




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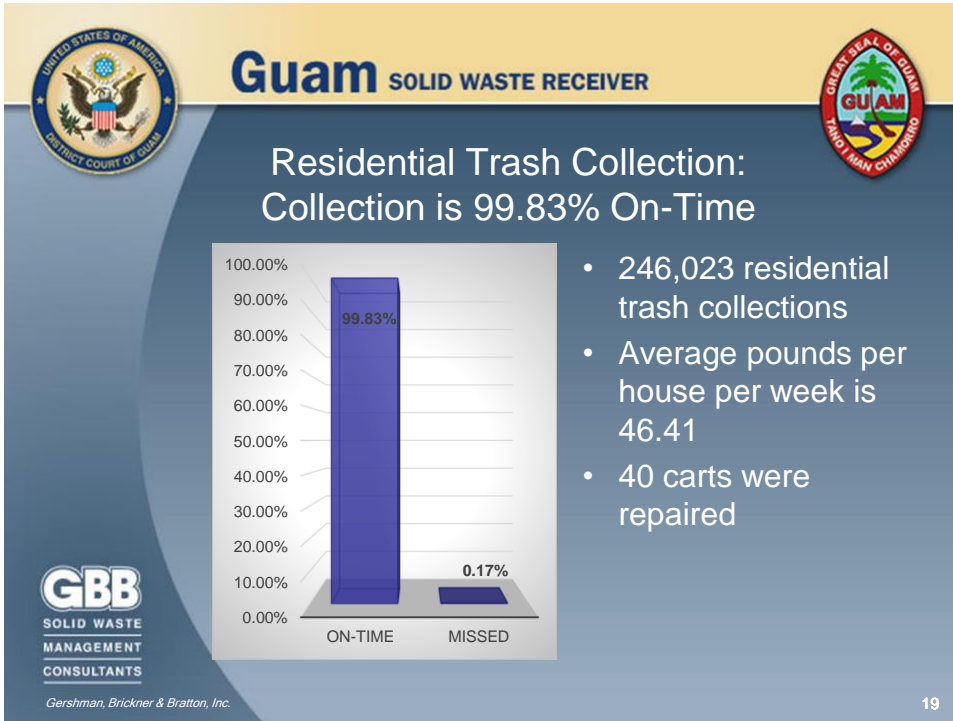
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3. OPERATIONS OF THE GUAM SOLID WASTE AUTHORITY, April– June 2016



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Administration




- Customer Service:
 - Assisted 1,989 walk-in customers
 - Made courtesy phone calls to customers who were late paying their bills and in jeopardy of having their carts repossessed for lack of payment
 - Sent 4,732 courtesy letters to customers who were 60 and over 90 days behind on their payments
- Total staffing
 - There were 56 Full-time employees, a reduction of 43% from the 99 FTE the SWMD had in 2008




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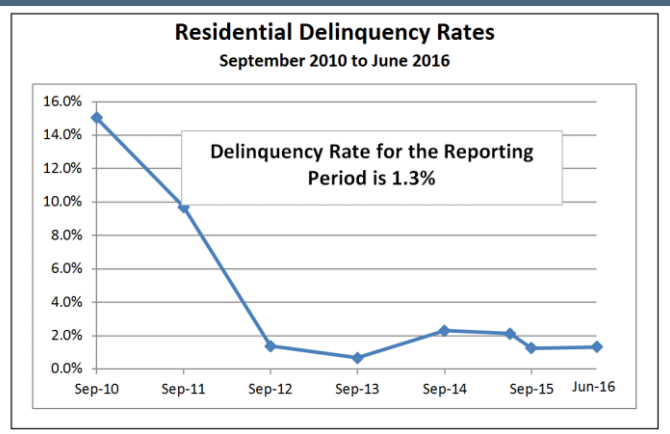


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Residential Delinquency: Rate Remains Very Low

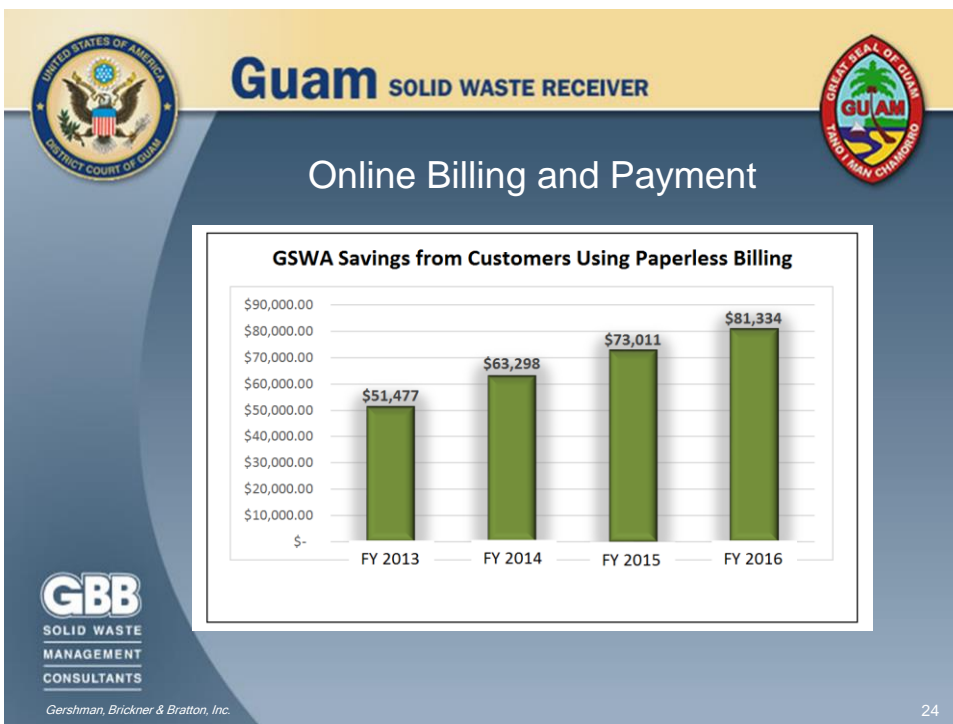
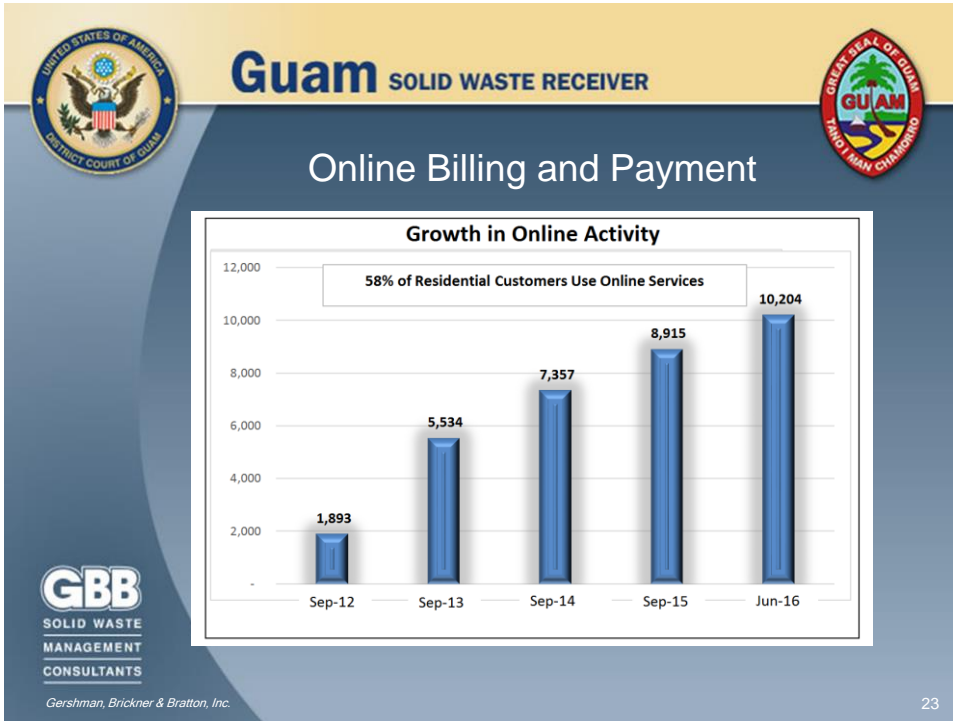


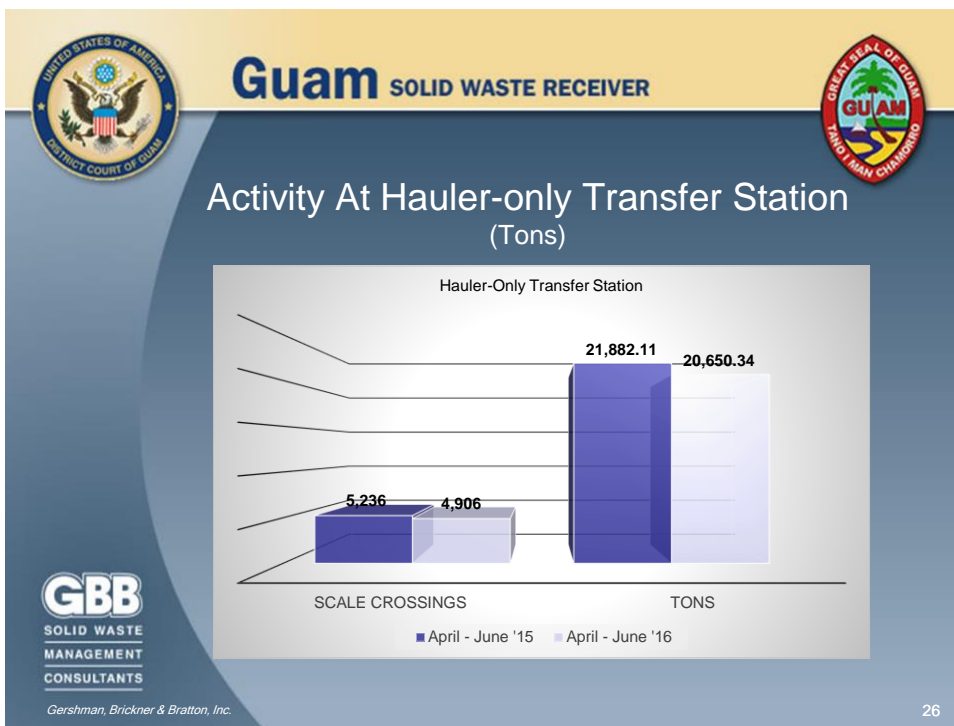
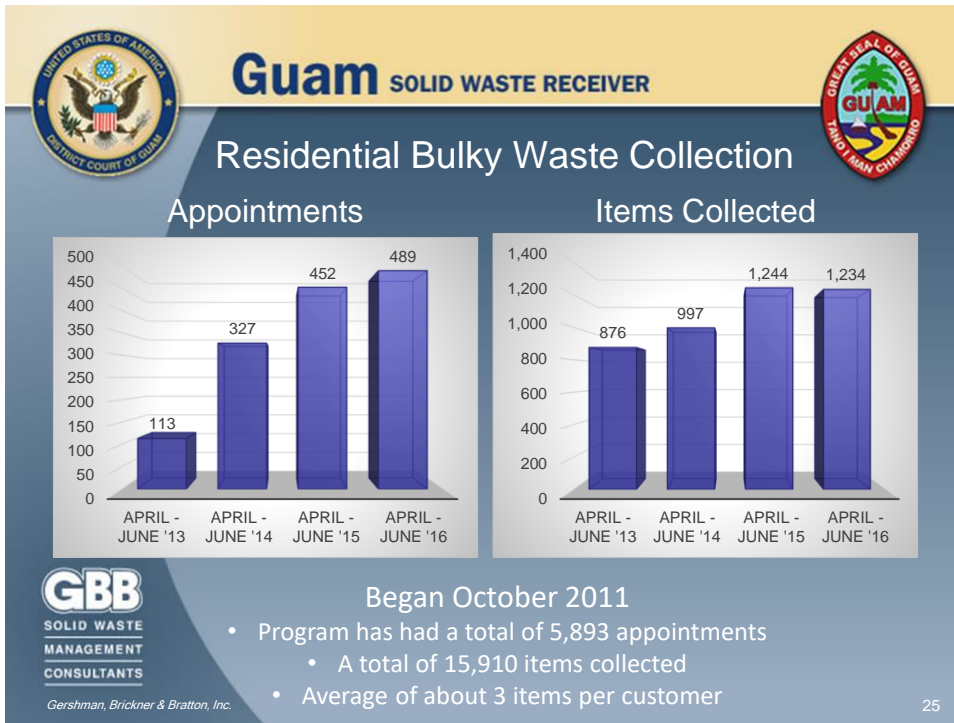
Reporting Period	Delinquency Rate (%)
Sep-10	~15.0
Sep-11	10.0
Sep-12	1.3
Sep-13	~1.0
Sep-14	~2.5
Sep-15	~1.5
Jun-16	~1.3

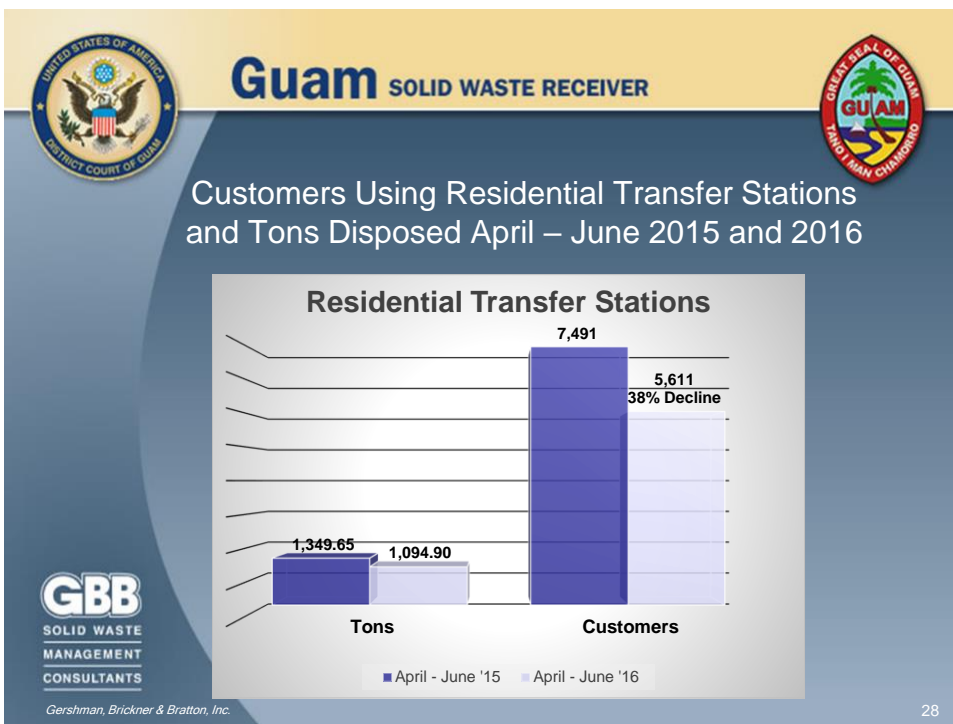
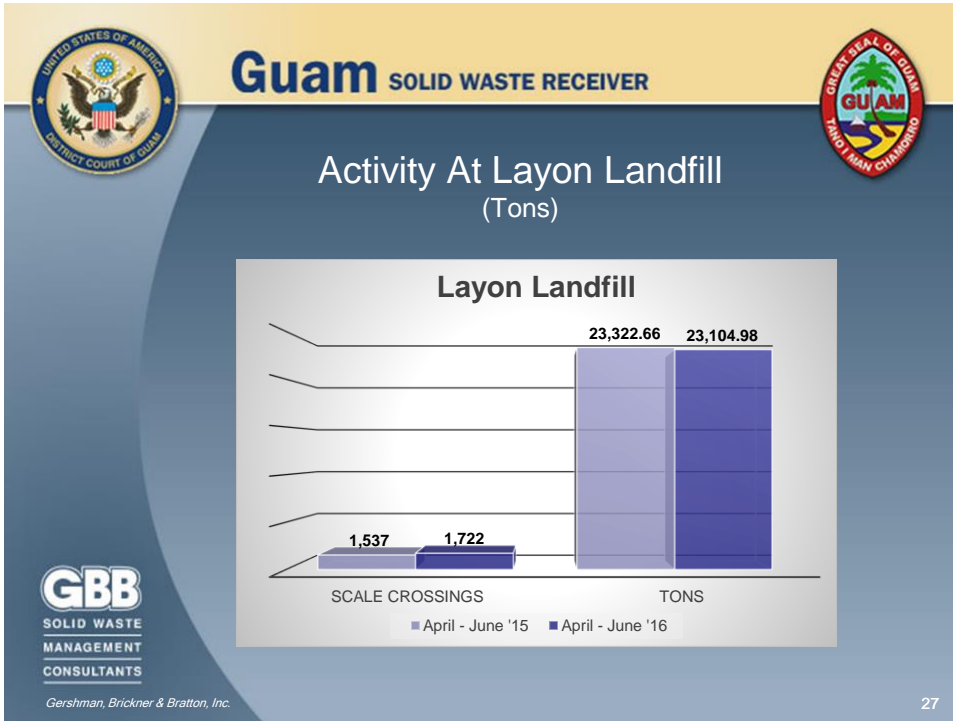


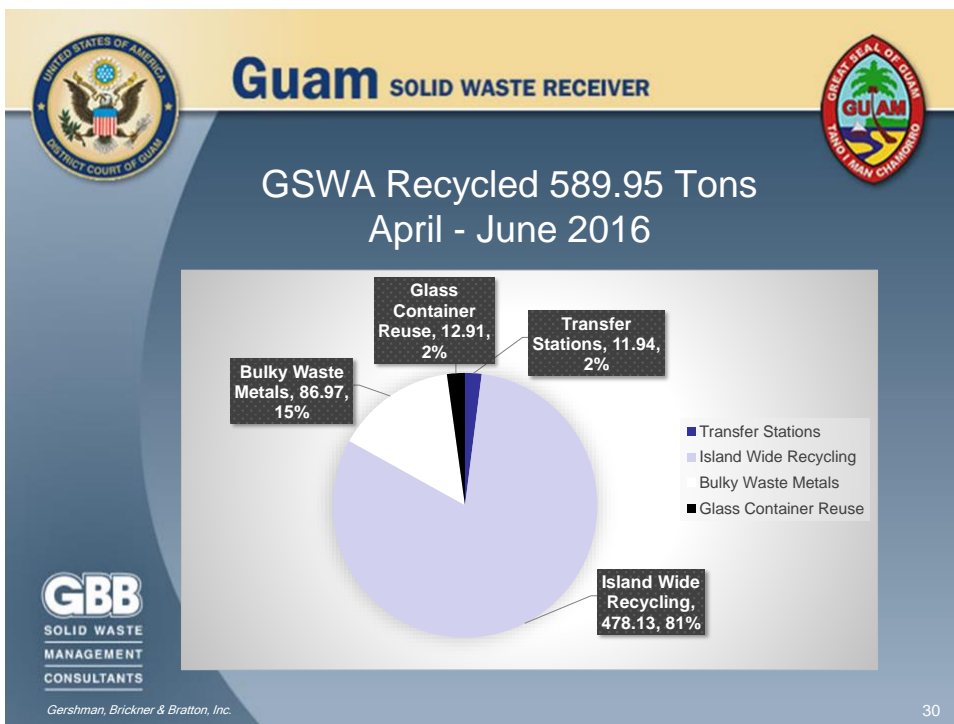
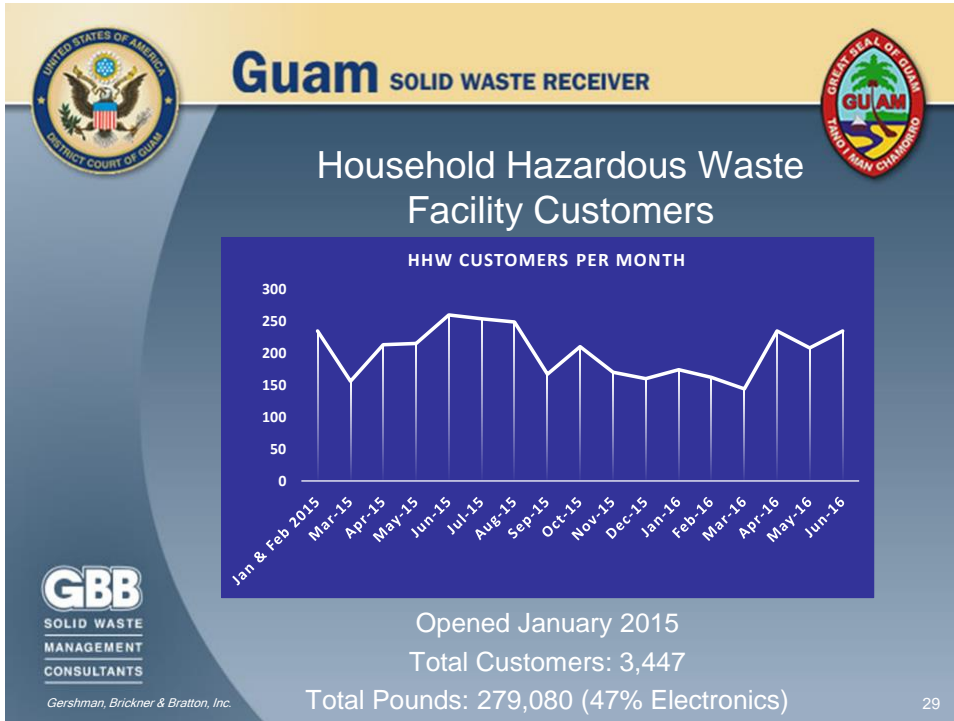
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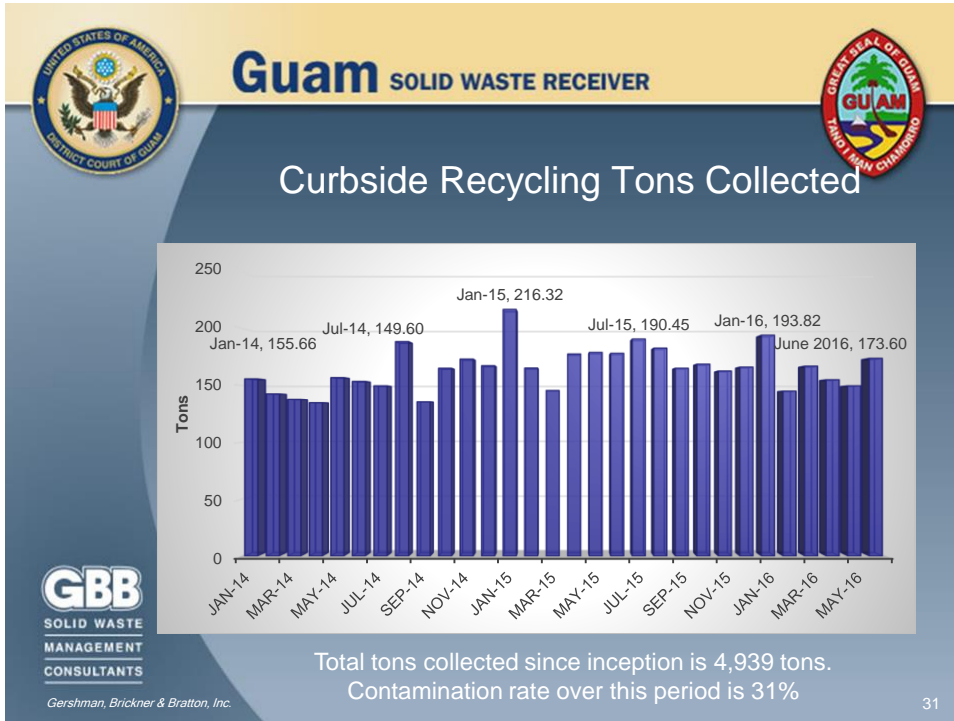
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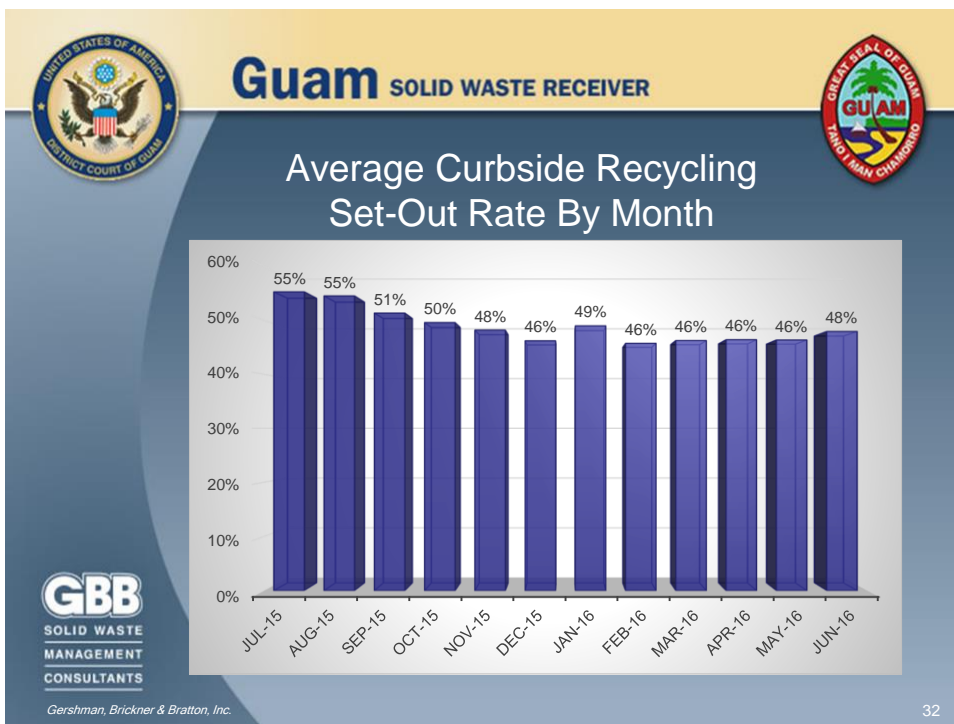




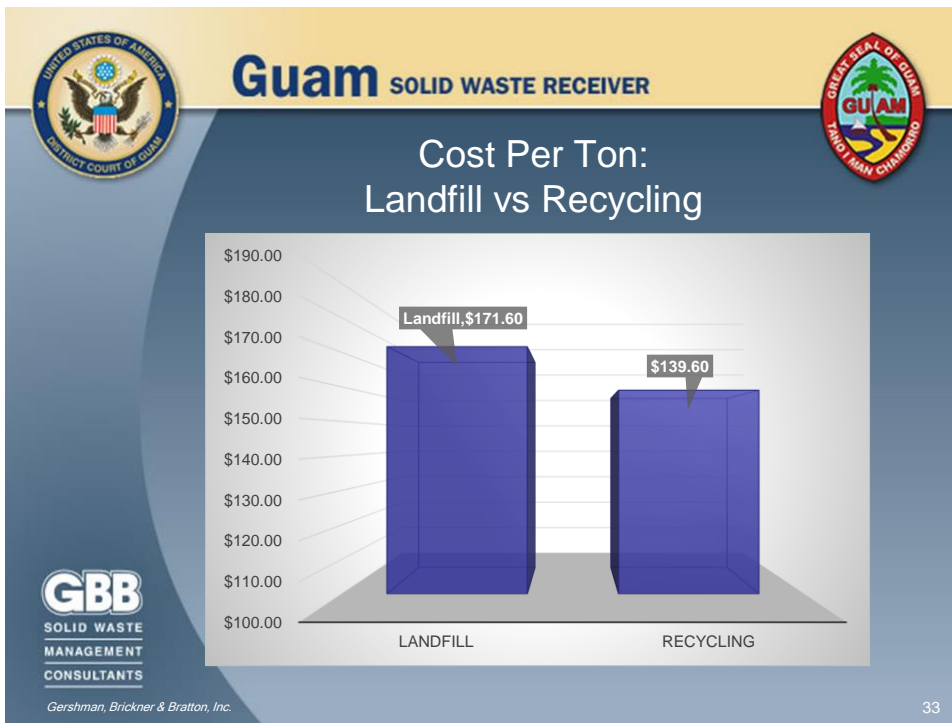




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4. CONTRACT MANAGEMENT AND PROCUREMENT

April 1, 2016 – June 30, 2016

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Procurement Activities

- Vehicle purchase remains unresolved and has become critical
- Liquidated damages issue with Maeda Pacific Corporation is scheduled for trial June 14, 2017
- Residential Transfer Station(s) re-bid using competitive negotiation was successful
 - Core Tech International is low bidder
 - All contract documents now being finalized
 - The work will begin as soon as possible
 - Schedule will require 365 calendar days
- Procurement for Ordot post closure operator and trustee in late 2016 and early 2017



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5. FINANCIAL ISSUES AND CAPITAL FUNDING

April 1, 2016 – June 30, 2016



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Financial Results of GSWA (April - June 2016)

- Strong financial results for the reporting period and entire fiscal year
 - Revenue exceeded spending
 - Cash collections from customers exceeded the total amount billed by nearly 5 percent
 - Operating cash on hand at June 30, 2016 was \$9.9 million
 - Estimated fund balance (difference between expenses and revenue) increased to \$24.1 million
- Reserves for equipment replacement, post-closure, cell closure and new cells fully funded
- Detailed results are reported in Tab 1



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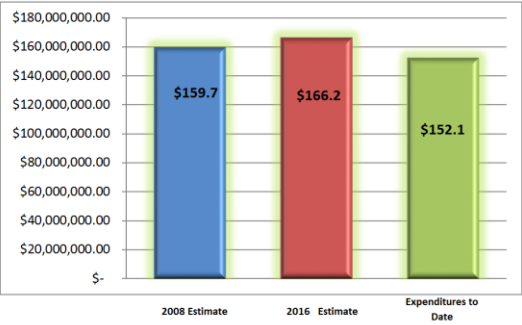
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Capital Funding

Capital Funding Estimates and Expenditures
Consent Decree Projects
Expenditures as of June 30 2016





Category	Amount (Millions)
2008 Estimate	\$159.7
2016 Estimate	\$166.2
Expenditures to Date	\$152.1

See Table 7 or Tab 12 for details. Includes Dero Road and Residential Transfer Station Projects. Post-closure for Ordot Dump is not included.



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Compensation of Former Landowners of Land Required for Closure of the Ordot Dump

- All land needed for the Ordot Dump closure has been acquired by the Receiver on behalf of GSWA
- Two issues remain to be resolved
 - Lot 3434
 - The Receiver has submitted a new survey of Lot 3434
 - The issue remains before the court
 - Decision pending
 - Lot 450
 - Set for trial January 11, 2017, to determine value
 - In 2013 Lot 450 was appraised by independent appraiser selected by the Office of the Attorney General. Value at that time was determined to be \$308,000.
 - Acquisition of the lot was delayed when AG was removed from the case and private counsel had to be engaged
 - Former owners have commissioned their own appraisal and are asserting a value of \$1.9 million
 - Receiver had the 2013 appraisal updated to reflect the value on July 13, 2015, the actual date of the acquisition, and the value increased to \$460,800.



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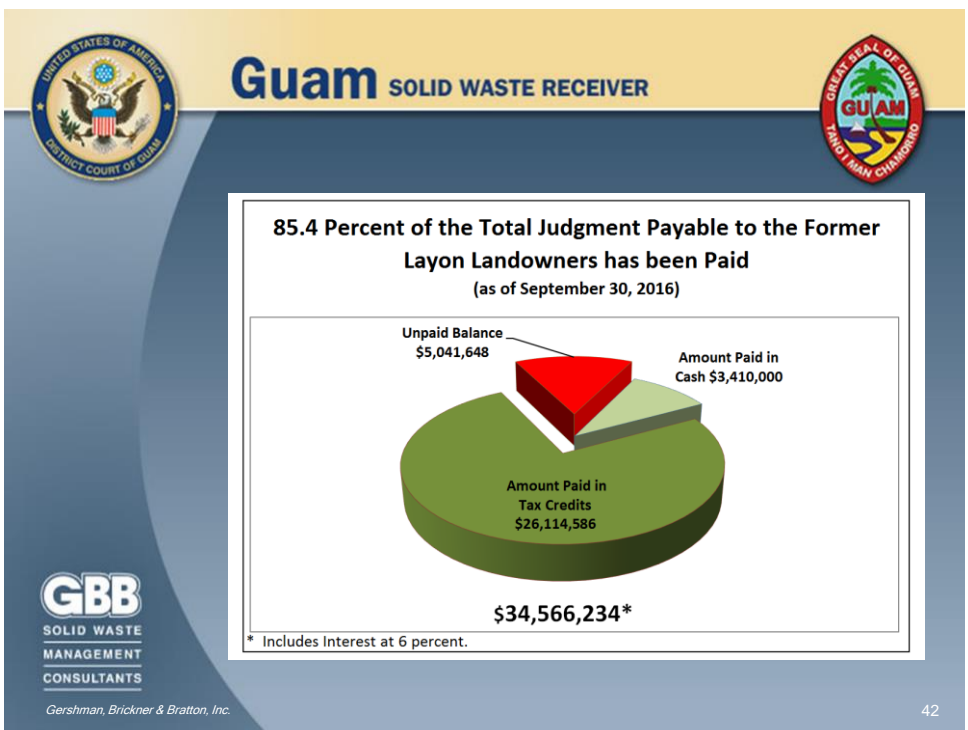
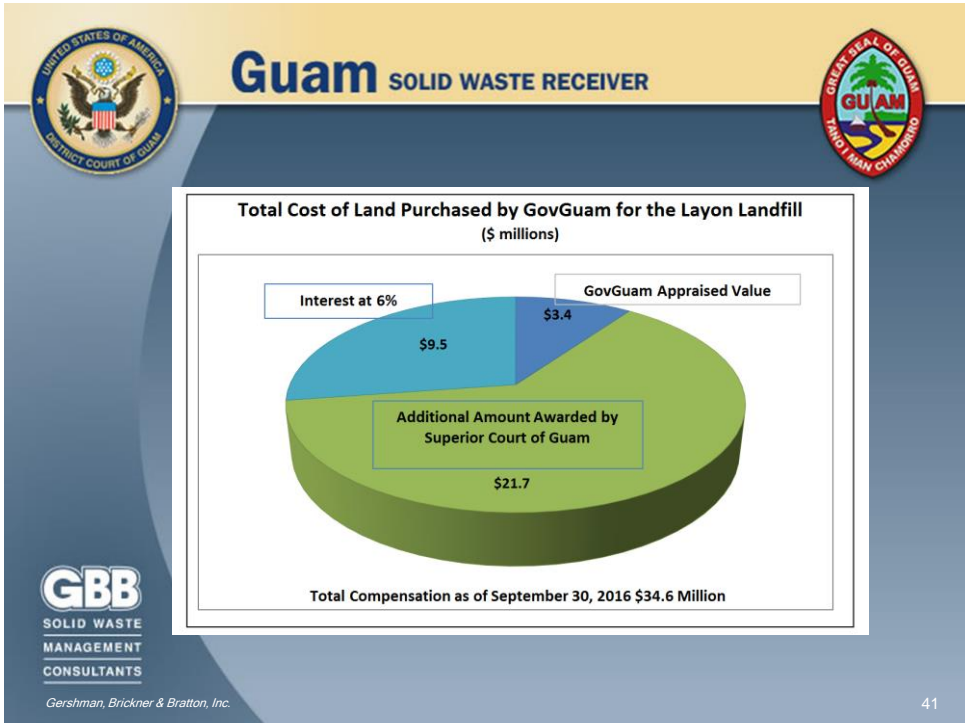
Compensation Paid to former Owners of Land Required for the Layon Landfill



- GovGuam continues to use tax credits as the method of payment
- Legal Counsel to the Governor has provided a update on the status of these payments at September 30, 2016
- Based on the information provided we now know that the following former owners have been *paid in full*:
 - Calvo's Insurance Underwriters, Inc.
 - Lee and Joan Holmes
 - Douglas F. Cushnie
 - Joaquin C. Arriola
 - Young Chull Kim



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Change in Waste (Tons) Disposed by GSWA
By Customer Group
Comparing October to June FY2015 with October to June FY2016



Customer	FY 2015	FY 2016	% Change
Residential	14,912	15,084	1.2%
Commercial	40,111	41,502	3.5%
Military	5,875	5,855	-0.3%
Government	5,717	6,933	21.3%
Mayors	1,307	1,426	9.2%
Transfer Stations	3,795	3,232	-14.8%
Other	94	93	-0.9%
Total	71,810	74,125	3.2%

Note: About 3 percent of the waste handled by GSWA is not landfilled due to removal of excluded waste and water loss.




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**NEXT STEPS ARE INCLUDED IN
TAB 1 (Narrative Report)**

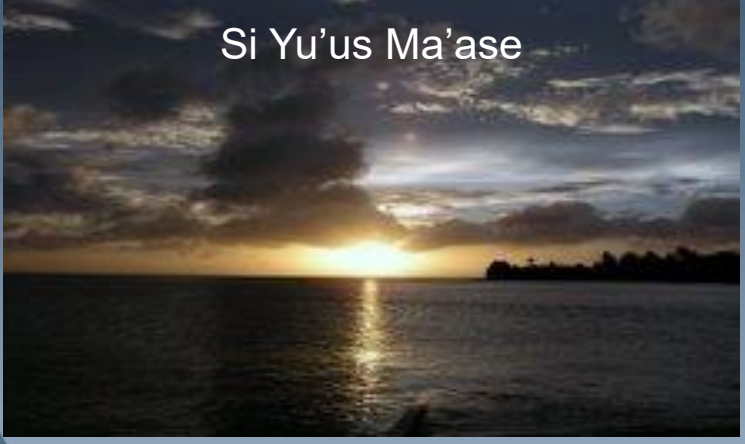


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Si Yu'us Ma'ase



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