

Quarterly Report of the Receiver

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:



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Solid Waste Management Division

Pursuant to the Order of the District Court of Guam (Court), dated March 17, 2008, appointing Gershman, Brickner & Bratton, Inc. (GBB) as Receiver for the Solid Waste Management Division (SWMD) of the Department of Public Works of the Government of Guam, we are pleased to submit to the Court this Quarterly Report ("Report"). The purpose of this Report is to describe to the Court the progress made toward compliance with the Consent Decree for the quarter that ended September 30, 2009, and to outline the Receiver's recommendations for achieving compliance with the Consent Decree. As an integral part of this Report, the Receiver is also submitting the attached presentation entitled "Quarterly Report for Receivership for the Government of Guam, Department of Public Works, Solid Waste Management Division" (see Tab 2).

Introduction

In this Report, we discuss the work completed in the quarter ended September 30, 2009. Since our last quarterly report in July, we have continued working to bring Guam into compliance with the Consent Decree. There have been major advances in the design, permitting and construction of the Layon Landfill. We are on track to receive the Final Solid Waste Facility Permit in November and have advanced the air, building and environmental permitting process. Despite difficult weather conditions that have delayed the planned completion of the earthwork and operations road, construction has continued when weather permitted and procurement is underway for the remaining construction activities needed to complete the landfill.

In addition, the SWMD's operations continued to improve, with a dramatic drop in customer complaints and an increase in productivity and efficiency compared with results for the third quarter of 2008. The Receiver also conducted a pilot program in one village to register customers and launch the new cart-based trash collection system. This pilot laid the groundwork for the phased-in rollout of the new system in other villages. In the financial area, operating expenses for the first 11 months of 2009 were substantially under budget. The Receiver also began implementing the new commercial fee structure and took steps to address the long-term issues of financing the Consent Decree projects, including completion of a Letter of Intent with the Military to enter into an agreement for their participation as a customer of Guam's solid waste system. In this Report, we present the following updates for July - September 2009:

1. **Layon landfill design, permitting and construction (July – September 2009)**
2. **Operations of the Solid Waste Management Division**
3. **Trash cart rollout plan**
4. **Financial issues and capital funding**
5. **Next steps**

1. Layon Landfill Design Permitting and Construction (July – September 2009)

Design

Landfill Liner Systems and Entrance Facilities (Phase II)

During the quarter, TG Engineers, PC, (TGE), the Government of Guam's design consultant, incorporated Guam Environmental Protection Agency (GEPA) and U.S. EPA's (EPA) Design Submittal comments into the Final Design Permit package. This Final Design permit package was completed on August 5, 2009, and is the primary supporting document of the Solid Waste Facility Permit package, providing all the systems for Cells 1 and 2 at the facility.

On August 6, 2009, GEPA and EPA deemed this design package to be technically adequate because it addressed the issues and concerns cited in the March 19, 2009 GEPA comment letter and subsequent GEPA comments. This permit and other permitting efforts are discussed further in the permitting section of this Report.

Access Road and Utilities

The design package for the Access Road and Utilities was also completed and advertised for bids. During this quarter, design work consisted primarily of responding to questions from bidders and permitting agencies relative to the bid and permit processes.

Leachate Treatment Feasibility Study for the Inarajan Wastewater Treatment Plant (WWTP)

The Department of Public Works (DPW) initial landfill design failed to plan for the management of leachate disposal. Recognizing this deficiency, the Receiver initiated a leachate treatment feasibility study, which involved numerous agencies and coordination with the Guam Waterworks Authority (GWA), GEPA and EPA. The study was conducted by Brown and Caldwell, one of the leading environmental engineering and consulting firms in the United States.

During this quarter, Brown and Caldwell completed the leachate treatment feasibility study and issued a report on September 14, 2009. There are two major treatment options: Separate treatment of leachate and disposal of treated effluent at GWA's Inarajan Wastewater Treatment Plant (WWTP); and discharge of the leachate to the Inarajan WWTP collection system for full treatment at the WWTP. Regardless of the treatment option, disposal will occur at the Inarajan WWTP.

In performing the study, the consultants evaluated the configuration and condition of the Inarajan WWTP, taking into account anticipated future Layon Landfill leachate generation rates and future growth in the Inarajan area. The final report of the study consists of:

- **Regulatory Review:** The review included federal, Guam and local environmental regulations and their potential impact on treatment and discharge of leachate.
- **Treatability Study:** The report included design and results of a treatability study for separate treatment of leachate and for treatment of leachate at the Inarajan Sewage Treatment Plant (STP). The study used surrogate leachate from three tropical, municipal solid waste landfills and biomass from the Inarajan WWTP.
- **Analysis of Treatment Alternatives:** The analysis included treatment alternatives for biodegradable organic carbon removal, nitrification, denitrification, and non-degradable organic carbon and color removal. Capital, operation and maintenance, and 20-year life cycle costs were presented for the alternatives.

Recommendation of the Study

The leachate treatability study demonstrated the Inarajan WWTP would have the capacity to effectively treat the leachate in the surrogate leachate sample that was used for evaluation. Since actual Layon Landfill leachate data and influent wastewater data will not be available until the new landfill is completed and is operating, the study recommends a conservative approach to ensure the Inarajan WWTP treatment performance is maintained once the leachate is introduced and to evaluate the actual leachate generation once the landfill is operational

During the first four years of the new landfill's operation, the projected leachate volume is estimated to be less than 30 percent of the long-term annual average and peak day leachate volume. Similarly, based on a national leachate characterization study, the pollutants of concern are not expected to reach peak concentrations until two to four years after initial landfill operation. The lower leachate flow and load during initial operation of the landfill will provide an opportunity to evaluate full-scale treatment of the leachate and make any adjustments needed to assure long-term success.

During a July 14, 2009 meeting with GWA, Brown and Caldwell recommended that the leachate be treated at the Inarajan WWTP and closely monitored during the first two years of operation to evaluate the actual impact of the leachate on the WWTP performance. This two-year evaluation period would provide sufficient time to implement leachate pretreatment or additional improvements to the WWTP should they be warranted. GWA agreed to accept the leachate at the WWTP subject to a further analysis of the potential impact of the actual leachate flow and load variations on the WWTP. The report presents recommendations for improvements at the WWTP and for monitoring programs that will address GWA's concerns. Additionally, during a July 16, 2009 meeting with GEPA, Brown and Caldwell recommended monitoring programs for the near-shore coastal Marine Water Quality, in the vicinity of the WWTP, so that baseline conditions can be established to determine if effluent disposal at the WWTP is affecting water quality. GEPA furnished input to these recommendations and will continue to provide review and consultation for these monitoring programs and as implementation progresses.

When these recommendations are implemented, they will provide an approximate 12-month period to assess the current flow and load of the Inarajan WWTP, and a two-year period to evaluate the impact of the actual leachate load. These windows of opportunity will provide time for additional improvements to address any unexpected leachate quality and quantity issues, if needed.

Ordot Dump

During this quarter, no design activities were carried out for the Ordot dump. The interim filling plan developed in the previous quarter continues to be implemented and air space volume usage is closely tracked. During the next quarter, routine survey work will be performed to assure that the remaining space at the Ordot Dump is safely and efficiently utilized. As of the date of this report, there are 645 days remaining until the Ordot Dump must be closed.

Permitting

Draft Solid Waste Facility Permit for Construction

The regulatory agencies concluded their review of the Draft Solid Waste Facility Permit application and/or the supporting technical documents in early August, confirmed the technical adequacy of the submittal on August 6, 2009, and then issued the Draft Solid Waste Facility Permit, which underwent a 45-day public review beginning August 7, 2009. During this public review period, the community had the opportunity to provide comments on the Draft Solid Waste Facility Permit and the GEPA Draft Air Permit for the same facility. GEPA, as the permit authority, also conducted a public hearing at the Inarajan Mayor's Office on September 16 with help from the Inarajan Mayor and EPA. The hearing was attended by the Receiver, team members and consultants, who made themselves available to answer any questions. On Friday, September 25, 2009, the public comment period ended.

Throughout this quarter, the Receiver, GEPA, EPA and associated consultants continued to hold permitting and multiple technical teleconferences as was necessary to answer GEPA and EPA questions during their review of the documents. The primary focus during this period was on the completion of the permit package for public review.

Air Permit for Operation

During this quarter, the draft of the air permit was paired with the Draft Solid Waste Facility Permit and went through the public comment period from August 7, 2009, to September 25, 2009. The air permit is expected to be issued at the same time the Final Solid Waste Facility Permit is issued in late November, in accordance with the Court-approved schedule.

Building Permits

DPW building permits are required for major construction packages. During this quarter, TGE managed the permit applications of both the Landfill Systems and Entrance Facilities and the Access Road and Utilities through the DPW building permit system. As of September 30, 2009 the issuance of the Access Road and Utilities permit is near completion. The Landfill Systems and Entrance Facilities permit is expected to be issued in mid-October, provided all permit conditions are satisfied and the GEPA permit fee is paid. The permit plan sets have incorporated the latest design sets and the environmental permit requirements such as historic preservation, environmental protection plans, erosion and sediment control plans, and stormwater pollution prevention. As part of this work the Receiver team met with the permit agency staff as necessary to assure the permit conditions are understood and properly incorporated into the permit and work execution. As an example, on September 15, 2009, members of the TGE consultant staff and the Receiver team met with representatives of the Department of Parks and Recreation Historic Preservation office to discuss archaeological monitoring requirements for the access road and sewer line work.

Environmental Permits

Concurrent with advancing the building permits, the earthwork contractor and construction manager continued to monitor and manage environmental permits for the existing earthwork construction activities.

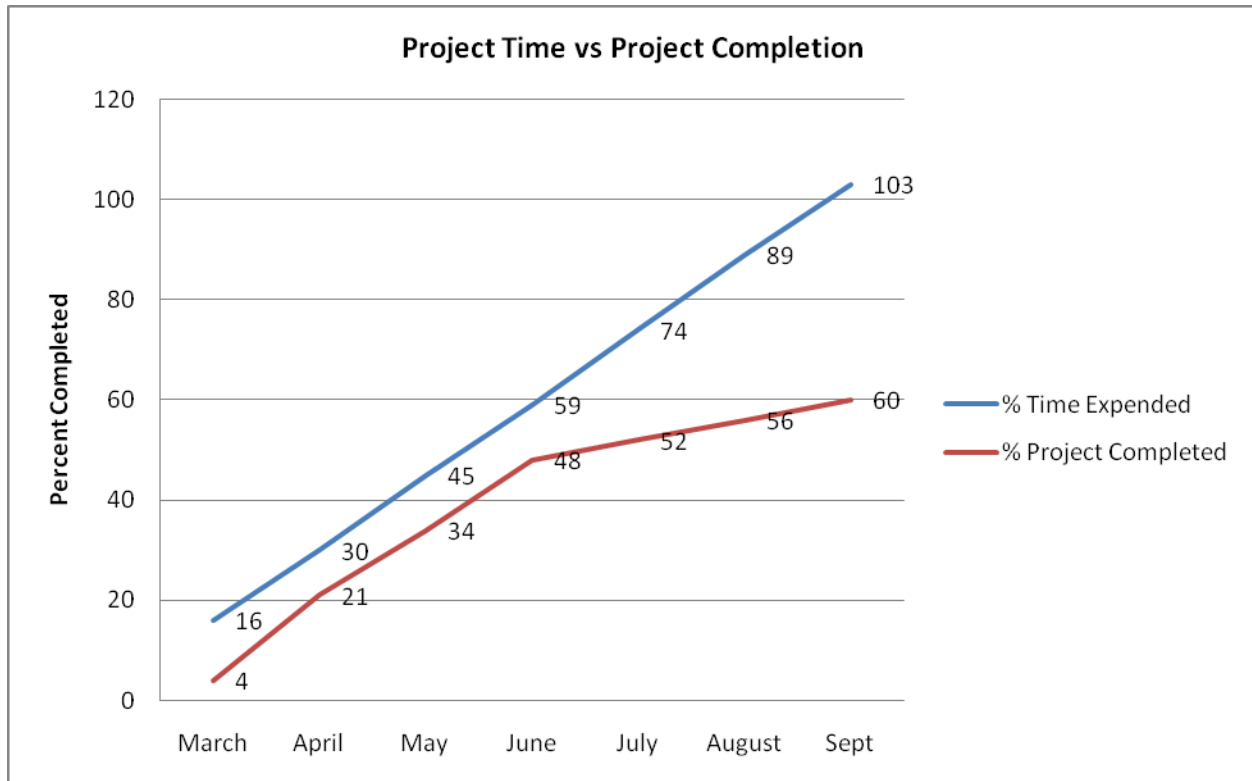
Construction

Earthworks

During this quarter, progress in the construction of the landfill operations road and earthwork was significantly slowed due to wet weather conditions. As of September 30, 2009, the contractor was eight days beyond the 210-day contract period. This is measured by the amount of material that has been excavated and the quantity of material placed in fills. As of September 30, the contractor had excavated approximately 632,200 cubic yards or 73 percent of the total material to be removed. In addition, approximately 104,000 cubic yards or 47 percent of the total fill material had been placed. The total composite construction project, including other project components such as the drainage structures and roadways, is now approximately 60 percent complete. Chart 1 shows construction progress as of September 30, 2009:

Chart 1.

Construction Progress: Layon Landfill Operations Road and Earthworks Activities



We have authorized the use of alternative materials to speed the progress of work activities. We will continue to work with the construction manager and contractor to address production issues and keep the Court fully informed on progress. Based primarily on delays due to adverse weather conditions, a

revised completion date of November 25, 2009 can be justified under the contract. The contractor, however, believes that it may be as late as early February in 2010 when their work is completed.

Access Road and Utilities

The contract for this work is currently in the process of being signed and this construction work will begin in earnest in late October and November with ordering and staging of materials.

Landfill Entrance Facilities and Cells 1 and 2

This work is currently under bid and is expected to be awarded in October with work commencing in December 2009.

Groundwater Well Installation and Monitoring

This work is currently under procurement and is expected to be awarded in November with work commencing in December 2009.

Update on Procurement

Procurement activity was significant during this quarter and focused primarily on the remaining major construction activities needed to complete the Layon Landfill. These procurements included:

- Construction of the access road and the utilities needed to improve services to the community and provide services to the landfill;
- Construction of the entrance facilities and cells 1 and 2 of the landfill;
- Groundwater monitoring for the Layon Landfill; and
- Construction management services for the remaining work on the Layon Landfill and the remaining consent decree projects.

We also issued an RFP for the procurement of temporary staffing services to supplement the staff of the SWMD during the roll out of the new cart system for residential trash collection, discussed in more detail below. Table 1 summarizes the procurement activity and status as of September 30, 2009.

Table 1.

Procurement Activity for the Quarter Ending September 30, 2009						
Description of Procurement	Date Procurement Advertised	Date Bids / Proposals Due	Registered Bidders / Proposers	Actual Bidders/ Proposers	Winning Bidder / Proposer	Amount of Winning Bid / Proposal
Layon Landfill - Construction of Access Road and Utility Improvements for Community	9-Jul-2009	11-Sep-2009	14	4	Core Tech International	\$ 26,800,000
Construction Management Services for Consent Decree Projects	6-Aug-2009	2-Oct-2009	9	4	Pending	
Construction of Entrance Facilities and Cells 1 and 2	17-Aug-2009	21-Oct-2009	8	Pending	Pending	
Temporary Staffing Services for the Solid Waste Management Division	27-Aug-2009	11-Sep-2009	1	1	Pacific Human Resources Services, Inc.	Indefinite
Groundwater Quality Monitoring Services	19-Sep-2009	19-Oct-2009	6	Pending	Pending	

To keep the work moving forward in accordance with the Court-approved schedule, it will be of vital importance to finalize contracts with the winning bidders/proposers in an expeditious manner. Quick execution of the contracts with the winning contractors will enable them to properly and expeditiously mobilize their workers and equipment to take full advantage of the improved weather conditions that will occur during Guam's dry season. To avoid any further delays, it will also be important to carefully manage these contracts to assure that the work is well coordinated with the completion of the earthworks, which has been delayed by poor weather conditions.

2. Operations of the Solid Waste Management Division

Overview

When the court appointed the Receiver on March 17, 2008, working conditions at the Solid Waste Management Division (SWMD) were poor. The 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 to furnish rental equipment and contract operators because its equipment was broken;
- Was organizationally hamstrung by the poor credit management of the Government of Guam; and
- Had exceptionally low employee morale, poor working conditions, and minimal accountability.

The current condition is very much the opposite:

- Ten working trash trucks now leave the yard at 4 am and complete their routes by 2 pm;
- Daily routes have been consolidated from nine to six;
- Account management has improved;
- A scale has been purchased and installed to accurately measure all trash disposed at the Ordot Dump; and
- Equipment repair is contracted out and performed in a timely manner.

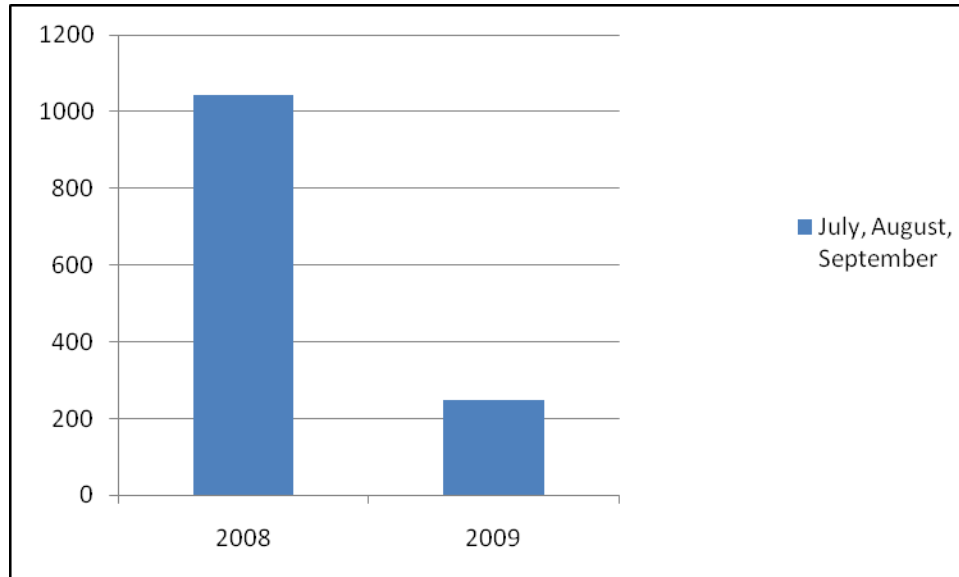
Customer Service

The total number of complaints to the SWMD for the months of July, August and September 2008 was 1,043. For those same months in 2009, the number of complaints dropped to 249. There were over four times as many complaints during the same months in 2008 as compared to 2009, as illustrated in

Chart 2. This reduction in customer complaints has resulted from running the routes on time and managing the transfer stations and dump in a professional manner.

Chart 2.

July, August and September Complaints, 2008-2009



Operations

Over the past quarter, Guam has received significant rainfall, resulting in considerable storm-related surface water at the Ordot Dump. The management and employees at the Dump have worked to continue to keep a small active face where the trash is buried, so as to diminish the amount of water that goes into the Dump. SWMD staff members have had to constantly pack coral onto the Dump's roadways so customers can drive up and down from the active face during these rain events, and ditches are shaped and maintained to allow storm water to flow away from the active face and the Dump with minimal erosion.

As the court has noted previously, the inventory of coral is of high importance in order to keep the Dump well maintained. Unfortunately, the Department of Public Works (DPW), which operates and furnishes the coral from its coral pit in Dededo, has been unable to provide a steady, consistent supply of quality coral to the SWMD. The Receiver made a site visit to the Dededo coral pit and found that some of DPW's equipment was in poor repair and as a result, DPW cannot furnish a consistent supply of quality coral to meet the SWMD needs. For this reason, the SWMD has entered into a purchase agreement with a private vendor of coral to supplement the DPW supply and assure a quality source of coral is always available to meet the Dump's need.

A few key pieces of equipment at the Dump have had mechanical problems. One of these is the compactor, a large tractor with large metal and spiked rollers that compacts the trash, thereby maximizing space in which to dump waste. The Receiver included the cost of a new compactor in its cost estimates for completing the new landfill in Layon. In order to maintain efficient operations at Ordodot, the new compactor will be purchased early to minimize the risk of operating that facility without a working compactor because of mechanical problems. The new compactor will be transferred to the Layon Landfill when its operations begin.

The Mayor of Ordodot and the U.S. EPA held a public meeting on September 15, 2009, at the Ordodot Community Center to provide an opportunity for neighbors of the Ordodot Dump to express any complaints or concerns. No neighbors attended and no complaints or concerns were communicated. Although this is a clear sign that operations have improved, the Receiver is aware of some continuing problems experienced by the neighbors. These problems are addressed as quickly as possible after we become aware of them and underscore that the SWMD must remain vigilant to cover the trash daily, keep surface water from ponding in order to diminish the risk of odor, control dust, and generally keep up the site.

In our continuing effort to improve the capability of the SWMD's management of the Ordodot Dump, the Receiver approved a training course for the Dump's manager, who attended a week-long class on landfill management taught by the Solid Waste Association of North America in September.

During the Typhoon Melor alert at the beginning of October, the SWMD completed all trash routes and both dumped and covered the trash while allowing all employees to leave work early to secure their own homes.

Residents continue to use the recycling facilities at the Agat, Malojloj and Dededo Transfer Stations/Convenience Centers and the Ordodot Dump. The SWMD transports glass bottles and jars to the Ordodot Dump where they are stockpiled until enough volume has been accumulated for the material to be pulverized by heavy equipment and used as alternative daily cover. The division takes cardboard to a local cardboard processor, who charges the SWMD \$3 per cubic yard for recycling disposal. The processor bales the material and ships it overseas to users who turn it into new cardboard boxes.

When the Court appointed the Receiver in March 2008, there were 99 employees in the SWMD; at the end of September last year, the SWMD had 76 employees. Currently there are 63 employees of the SWMD who productively accomplish more for the division's customers and provide service in a timely manner.

3. Trash Cart Rollout Plan

Registration Pilot

The cart rollout program began this quarter with the delivery of 7,000 trash carts, placement of cart lifters on the SWMD trucks, and completion of a signed contract for new customer service software. The customer service software contractor, Alpine Technologies located in Colorado, worked with the

Department of Administration's Information Technology Division and Government of Guam's software contractor, Data Management Resources (DMR), as well as the SWMD to understand the specific needs and protocol for the government's accounting system.

These discussions, as well as the "Solid Waste Management Division: Special Purpose Review" performed by the Receiver and issued June 8, 2009, made it clear that the process by which the SWMD tracks its customer accounts and revenue could be refined and performed in a more timely manner by eliminating the SWMD's current tipping fee software and having the SWMD handle the postings of accounts itself. The "Special Purpose Review" recommended a more streamlined approach whereby a lockbox is created so that monies and payment information are forwarded to the SWMD in a timely manner.

Although the cart rollout program has been presented to the court on numerous occasions, the flow chart in Tab 3 illustrates how registration data and cart delivery are tied with invoicing and payment. This system is being implemented to resolve SWMD's problem of not being able to track all of its customers. SWMD currently has approximately 16,000 customers with 4,000 not paying and another 4,000 who pay but to which the SWMD cannot link their billing with their service location.

Alpine Technologies, the contractor for the customer service software, has continued to work with and test the software program so it will meet the needs of the SWMD as it works through the steps shown in Tab 3. After conferring with members of various Government of Guam divisions, the SWMD initiated a pilot test of the customer service system, registration process, and cart delivery for the Village of Umatac, beginning Monday, September 21, 2009.

The week before the pilot was to begin, SWMD staff met with Mayor Sanchez of Umatac and worked through the logistics of registering customers at the Mayor's office. The SWMD provided a flyer to the Mayor for his office to distribute to residents of the village. The Mayor also placed an informational item in his column of the newspaper. SWMD distributed a flyer to all current SWMD customers in Umatac on Friday September 18.

On the first day of the registration period, three SWMD employees registered customers at the Umatac Mayor's office from 1 pm to 8 pm. Two of these employees were customer service personnel and the third was a member of the collection crew who knew the streets and could help point out on a map the physical location of the customers' residences and pickup locations.

The purpose of the pilot program was to address any problems that might occur before proceeding with the full registration drive. The SWMD employees registering the new customers experienced the software "locking up" and a need for further training on the program. The software glitch has been resolved and SWMD personnel have received additional training. Unfortunately, threats of a storm may have prevented potential customers from coming out to register. During the two-day on-site registration period, the SWMD registered a total of 20 customers. After the registration period concluded, SWMD staff both called and made home visits to the SWMD customers who had not registered to invite them to register for the new service. Another 20 customers signed up for the new cart service during these home visits.

The home visits conducted in Umatac allowed us to gain an understanding of the reasons why a number of customers who were willing to register did not come to the Mayor's Office during the registration period. While these home visits were possible in a pilot, they will not be possible going forward due to limited time and staff. Customers who do not register will be deemed to have opted to become self-hauling customers of the transfer stations. Their residential collection will be terminated as soon as the carts have been delivered to those in their village who have properly registered and any service for which they had pre-paid is completed. Customers who have their service terminated for not registering for the new service may register at any time thereafter by going to the Solid Waste Management Division during normal business hours.

A key element of the new cart system is the ability to track a service location through GPS 'X' and 'Y' coordinates that then can be integrated with the customer's billing information. The tests for this system showed that the instruments recommended by the manufacturers were not able to communicate with one another. After extensive tests, Alpine Technologies recommended a component to resolve this problem. These components have been purchased, and we are awaiting delivery as this report is being written.

Once these final items are resolved, the SWMD will proceed with a full registration drive in the order shown in Table 2. We now anticipate completing the registration process in early 2010. A definitive schedule will be announced in the near future. Umatac has already been completed during the pilot registration.

Table 2.

Order of Villages for Registration Drive

1	Umatac
2	Merizo
3	Inarajan/Malojloj
4	Talafofo
5	Yona
6	Chalan Pago
7	Sinajana
8	Agana Heights
9	Hagatna/Aniqua
10	Asan
11	Piti
12	Santa Rita
13	Agat
14	MongMong/Toto/Maite
15	Barrigada
16	Mangilao
17	Tamuning/Tumon/Harmon
18	Dededo
19	Yigo

4. Financial Issues and Capital Funding

Financial Issues

Overview

Implementation of the new commercial rates and the changes needed to assure compliance with the terms of the Section 30-backed bonds recently issued to finance the Consent Decree projects were among the activities that occurred during the quarter that ended September 30, 2009. In this section, we will update the Court on the following areas:

1. Operating expenses for the SWMD for FY 2009 through August 31, 2009 (the most recent available)
2. Revenue billings and collections for the SWMD for FY 2009 through August 31, 2009 (the most recent available)
3. Estimated final results for FY 2009
4. Status of the Citibank trustee account
5. Status of the USDA loan/grant
6. Implementing the new fee schedule
7. Update on the volume of waste
8. The Military as a potential customer of the new system

1. Operating Expenses for the SWMD for FY 2009 through August 31, 2009

The operating expenses for the SWMD during the first eleven months of FY 2009 were substantially under budget. Payroll and benefits for the first eleven months of FY 2009 are about 30 percent under budget, directly reflecting a significant increase in productivity, and reduced staffing achieved by the SWMD.

Improvements in the quality of the equipment owned and operated by the SWMD allowed an even greater reduction in the non-personnel expenditures. During the first eleven months of FY 2009, non-personnel expenditures were almost 50 percent under budget. Total spending for the first eleven months is more than 38 percent below the approved budget. Table 3 summarizes the expenditures for the first eleven months of the year.

Table 3.

Solid Waste Management Division Budget v Spending FY 2009				
Item	Approved Budget	Budget October thru August	Spending October thru August	% over (under) Budget
Personnel Expenses:				
Regular Salaries	\$2,530,220	\$2,319,368	\$1,683,602	-27.4%
Overtime/Special Pay	\$50,000	\$45,833	\$18,404	-59.8%
Benefits	\$853,016	\$781,931	\$507,304	-35.1%
Sub-total	\$3,433,236	\$3,147,133	\$2,209,310	-29.8%
Non-Personel Expenses:				
Travel	\$0	\$0	\$0	N/A
Contractual Services	\$1,992,186	\$1,826,171	\$1,072,543	-41.3%
Supplies and Materials	\$500,000	\$458,333	\$130,137	-71.6%
Equipment	\$10,000	\$9,167	\$4,589	-49.9%
Other Expenditures	\$84,416	\$77,381	\$27,203	-64.8%
Capital Outlay	\$151,597	\$138,964	\$28,310	-79.6%
Sub-total	\$2,738,199	\$2,510,016	\$1,262,782	-49.7%
Grand-total	\$6,171,435	\$5,657,149	\$3,472,092	-38.6%

2. Revenue Billings and Collections for the SWMD for FY 2009 through September 30, 2009

Implementation of the first phase of the new commercial tipping fees significantly boosted revenue billed during the quarter. The new rate of \$100 per ton was implemented on July 1, 2009.

Even with the new commercial rate, the total amount billed for the eleven-month period is approximately 70 percent of the amount billed during this period in FY 2008. As we stated in our last report, we believe this to be primarily related to the ban on commercial haulers disposing certain recyclable materials at the Ordot Dump and the decision to stop billing residential customers who have not responded for an extended period of time. Table 4 compares the total revenue billed and collected during FY 2009 with the same period in 2008.

Table 4.

SWMD Revenue Billed / Collected						
October 1 through September 30						
FY 2008 and 2009						
Customer Class	FY 2008			FY 2009		
	Billed	Collected	%	Billed	Collected	%
Commercial	\$ 3,494,335	\$ 4,111,225	117.7%	\$ 2,549,214	\$ 2,557,765	100.3%
Residential	\$ 2,035,436	\$ 1,209,671	59.4%	\$ 1,340,610	\$ 1,124,018	83.8%
Government	\$ 53,135	\$ 58,766	110.6%	\$ 17,135	\$ 2,990	17.4%
Other	\$ 50,370	\$ 140,559	279.1%	\$ 35,291	\$ 19,544	55.4%
Total	\$ 5,633,276	\$ 5,520,221	98.0%	\$ 3,942,250	\$ 3,704,317	94.0%

We will continue to carefully monitor both revenue and expenditures.

3. Estimated Final Results for FY 2009

The final results for the full fiscal year will not be available until the audit of the Government of Guam is completed. An estimate of these results can be made by projecting current trends in both expenses and revenue through the end of the current fiscal year. Table 5 provides an estimate of the FY 2009 results using this approach.

Table 5.

Solid Waste Management Division Operating Account	
Estimated Fund Balance	
30-Sep-09	
Unaudited	
Elements of Fund Balance	Amount
Fund Balance @ 9/30/08	\$ 86,374
Estimated Revenue FY 2009	\$ 3,947,775
Estimated Expenses FY 2009	\$ 3,787,737
Excess (Deficit) FY 2009	\$ 160,038
Estimated Fund Balance @ 9/30/09	<u>\$ 246,412</u>

The beginning fund balance is from the FY 2008 audited financial statements of the Government of Guam. We have estimated revenue for FY 2009 based on preliminary results through September 30, 2009. Expenses are based on actual expenditures through August 31, 2009 and assume spending in September based on the average of the preceding months. Using this approach, the fund balance of the SWMD is estimated to be approximately \$246,000 on September 30, 2009.

4. Status of the Citibank Trustee Account

During the quarter ending September 30, 2009, the Citibank Trustee Account became two accounts in order to provide for a procedure that would meet the requirements of the Section 30-backed bond indenture in a manner that is also consistent with the Court's Orders.

Under the approach agreed to in this matter, bond proceeds in the Citibank Trustee Account have been segregated into a sub-account. This began upon the Court's approval (i.e., Order of the District Court dated August 11, 2009) of the transfer to the new sub-account of the \$20,000,000 proceeds from the loan the Bank of Guam made to the Government of Guam in January 2009, less capital expenditures made from these funds through the date of the transfer of funds. When the balance of the sub-account falls below \$10,000,000, the sub-account will be replenished from bond proceeds held by the bond trustee (i.e., the Bank of Guam) in the bond trustee's construction account. The capital sub-account will be used for capital expenses only. Funds remaining in the initial Citibank account established by the Receiver (i.e., the primary account) may be used for any Consent Decree purpose as authorized by Orders of the U.S. District Court of Guam.

Table 6 includes all transactions through September 30, 2009 for the primary account. Table 7 includes all transactions for the new construction sub-account from the date it was established through September 30, 2009.

Table 6.

Citibank Transaction Report				
Primary Account				
1/6/2009 through 9/30/2009				
Date	Transaction	Description	Memo	Amount
1/5/2009		Beginning Balance		\$ -
1/6/2009	Deposit	Deposit By The Government Of Guam	Deposit of GovGuam in compliance with Order of District Court	\$ 20,000,000.00
1/30/2009	Deposit	Interest Earned		\$ 21,380.84
2/13/2009	Payment	Gershman, Brickner & Bratton, Inc	Order of District Court to reimburse GBB for Building Permit Fee	\$ (64,828.25)
2/27/2009	Deposit	Interest Earned		\$ 23,008.45
3/23/2009	Deposit	Deposit By The Government Of Guam	Deposit of GovGuam in compliance with Order of District Court	\$ 3,974,800.00
3/30/2009	Deposit	Deposit By The Government Of Guam	Deposit of GovGuam in compliance with Order of District Court	\$ 993,700.00
3/31/2009	Deposit	Interest Earned		\$ 26,816.92
4/6/2009	Deposit	Deposit By The Government Of Guam	Deposit of GovGuam in compliance with Order of District Court	\$ 993,700.00
4/13/2009	Deposit	Deposit By The Government Of Guam	Deposit of GovGuam in compliance with Order of District Court	\$ 993,700.00
4/22/2009	Payment	TG Engineers, PC	Task Order #1	\$ (36,841.60)
4/30/2009	Deposit	Interest Earned		\$ 32,469.17
5/6/2009	Payment	District Court Account At The Bank Of Hawaii	Funds transferred to the Bank of Hawaii per Court Order	\$ (993,700.00)
5/13/2009	Payment	Maeda Pacific Corporation	Progress payment #1	\$ (179,015.31)
5/29/2009	Deposit	Interest Earned		\$ 33,162.67
6/16/2009	Payment	Maeda Pacific Corporation	Progress payment #2	\$ (1,247,831.10)
6/30/2009	Deposit	Interest Earned		\$ 31,080.39
7/6/2009	Payment	Maeda Pacific Corporation	Progress payment #3	\$ (943,771.37)
7/13/2009	Payment	Far East Equipment Co.	33 cubic yard containers for recycling	\$ (54,550.00)
7/27/2009	Payment	TG Engineers, PC	Task Orders #2 and 3	\$ (169,411.86)
7/31/2009	Deposit	Interest Earned		\$ 30,274.74
8/13/2009	Payment	Maeda Pacific Corporation	Progress payment #4	\$ (1,105,287.61)
8/14/2009	Payment	Far East Equipment Co.	Babypacker Truck	\$ (70,106.28)
8/14/2009	Payment	Far East Equipment Co.	Trash carts and lifters	\$ (639,450.00)
8/20/2009	Payment	Alpine Technology Corporation	Initial payment for customer service system	\$ (30,000.00)
8/21/2009	Transfer	Transfer to construction sub-account	District Court Order of August 11, 2009	\$ (15,523,734.87)
8/28/2009	Payment	Linda J. Ibanez	Compensation and benefits	\$ (7,766.67)
8/31/2009	Deposit	Interest Earned		\$ 21,487.60
9/3/2009	Payment	TG Engineers, PC	Task Order #2	\$ (96,702.87)
9/24/2009	Transfer	Construction Sub-account	To fund 9/3/2009 payment to TG Engineers, PC (letter of 9/23/09)	\$ 96,702.87
9/28/2009	Payment	Linda J. Ibanez	Compensation and benefits	\$ (7,766.67)
9/30/2009	Deposit	Interest Earned		\$ 7,452.01
BALANCE 9/30/2009				\$ 6,108,971.20

Table 7

Citibank Transaction Report				
Construction Subaccount				
8/21/2009 through 9/30/2009				
Date	Transaction	Description	Memo	Amount
8/21/2009	Transfer	Transfer from primary account	District Court Order of August 11, 2009	\$ 15,523,734.87
8/31/2009	Deposit	Interest Earned		\$ 1,169.64
9/1/2009	Deposit	Interest Earned	August interest adjustment	\$ 5,850.82
9/11/2009	Payment	Maeda Pacific Corporation	Progress payment #5	\$ (450,607.05)
9/22/2009	Payment	TG Engineers, PC	Task Orders #2 and 3	\$ (168,229.20)
9/24/2009	Transfer	Transfer to primary account	To fund 9/3/2009 payment to TG Engineers, PC (letter of 9/23/09)	\$ (96,702.87)
9/1/2009	Deposit	Interest Earned	August interest adjustment	\$ 18,698.40
BALANCE 9/30/2009				\$ 14,833,914.61

Table 8 provides the Court with an accounting of the retainage being held for vendors paid from the Citibank Trustee Account.

Table 8.

Retainage on Trustee Account Payments		
As of 9/30/2009		
Date	Description	Amount
Maeda Pacific Corporation		
	Retainage.....	\$ 436,279.18
TG Engineers, PC		
	Retainage.....	\$ 17,112.99
Total Retainage Held.....		\$ 453,392.17

When the retainage is considered, the Construction subaccount has a balance of \$14,380,522.44 available for future Consent Decree obligations.

5. Status of the USDA Loan/Grant

After months of discussion, full funding of the Consent Decree projects is now in place with the completion of the Government’s 2009A Section 30-backed bonds. As noted earlier in this report, we have worked successfully with the Government and its bond counsel to implement the revised disbursement procedures required by the bonds. The only remaining issue is the potential substitution by the Government of the USDA loan/grant as the funding source for the Layon Landfill and its associated projects.

While no request has been made to the District Court, it is anticipated that the Government of Guam will ask the Court for permission to substitute the USDA loan and grant previously announced, for the Section 30-backed bonds already in place, as the funding source for the new Layon Landfill and associated Consent Decree projects. Toward that objective, the Government has shared some information with the Receiver concerning the terms and conditions of the proposed loan/grant. The information provided was in the form of a letter from USDA to Governor Camacho, dated July 20, 2009, which is attached as Tab 4.

While the Receiver assisted the Government with its application for the USDA loan/grant, the full application and representations made by the Government to USDA were not made available to the Receiver. A review of the letter to Governor Camacho and related documents raises several issues that must be clarified or addressed before consideration should be given to substituting the USDA funding for the Section 30-backed bonds already in place. These include:

Issue: The letter of 7-20-2009 states: “You may be required to refinance (graduate) the unpaid balance of the RD [Rural Development] loan, in whole or in part, if at any time RD determines your

entity is able to obtain a loan for such purposes from responsible cooperative, or private sources at reasonable rates and terms for loans for similar purposes and periods of time.”

Comment: Such a loan (Section 30-backed bonds) already exists to fund the project in its entirety. The USDA loan is, in large part, replacing the existing loan. USDA needs to formally acknowledge that they understand this and it is not a problem for the USDA loan.

Issue: The letter of 7-20-2009 states: “Prior to advertisement for construction bids, you must provide evidence of applicant and other contributions, and approval of the other grants that constitute Applicant Contribution. This evidence should include copies of the grant award. An agreement should be reached with all funding sources on how funds are to be disbursed before the start of construction.”

Comment: Construction bids have already been advertised and construction is underway. The Receiver and the Court will need confirmation from USDA that this does not present a problem for the USDA funding. There are several areas of the project budget and project funding sources that need clarification from the Receiver’s perspective (see the attached comparison of the court approved budget/ funding and the USDA project budget and funding outlined in the letter of 7-20-2009). The Receiver also needs acknowledgement from USDA that the Government of Guam has met the requirement outlined above. Confirmation is also needed that the process that is now used for the disbursement of Section 30-backed bonds is acceptable for the USDA loan and grant.

Issue: The letter of 7-20-2009 states: “Interim financing from another lender of the loan amount should be used for construction, if it is available at reasonable rates and terms.”

Comment: The current Section 30-backed bond financing meets this description. This seems to suggest that the USDA loan would not be available until the construction is complete. This needs to be clarified.

Issue: The letter of 7-20-2009 states: “Once the loan amount has been reached, the Rural Development loan will be closed and grant funds will be disbursed on a monthly basis. The RD funds will be advanced monthly as they are needed to cover eligible costs with documentation approved by RD. Funds will be disbursed by electronic transfer of funds.”

Comment: Cash flow will need to be clarified to assure no disruption of cash flow to the consent decree projects. Also, to assure no disruption to the Consent Decree projects, the procedures for disbursing funds by the Receiver must be substantially the same as those already approved for the Section 30-backed bonds.

Issue: The letter of 7-20-2009 requires: “Assignment of Section 30 Revenues in an amount sufficient to service the annual payment of loan over the entire loan term, or until the loan is fully paid. Further security will be provided by revenues generated from user fees of the system.”

Comment: USDA’s letter to the Governor clearly requires the assignment of Section 30 revenues as security. Since these revenues are already pledged to the Section 30 bonds and

previous debt of the Government of Guam, the Court and the Receiver need to be assured by USDA that a secondary pledge will be adequate for the loan and that the Government has the authority and has, in fact, made such a pledge.

Issue: The letter of 7-20-2009 states: “Reserves — Reserves must be properly budgeted to maintain the financial viability of any operation. Reserves are important to fund unanticipated emergency maintenance and repairs, and assist with debt service should the need arise. Reserves can also be established and maintained for the anticipated and expected expenses including, but not limited to operation and maintenance, customer deposits, and asset management for short-lived assets. It has been determined as part of this funding proposal that you have sufficient funds to establish reserves for the following purposes and amounts:

- Operation and Maintenance \$ 2,551,020 from project budget
- Interim Financing Interest Reserve \$ 1,845,000 from project budget
- Asset Management (Short Lived Assets) \$ 2,899,809 from project budget”

Comment: Clarification is needed. Two of the reserves outlined above are included in the project budget outlined in the letter from USDA. The third reserve (Asset Management) is not specifically included. In addition, the wording of the letter (i.e. “you have sufficient funds to establish” these reserves) can be read to suggest that the funds are a part of the applicant contributions or the other funding category and not funded by the loan/grant from USDA. It has never been the Receiver’s understanding that such funding is available. The Receiver’s funding assumption is that these reserves will be established over time from the rate increases currently being implemented.

Issue: The letter of 7-20-2009 states: “Users — This letter of conditions is based upon you providing evidence or a certification that there will be at least 14,000 residential users on the proposed system when construction has been completed. The RD loan and grant commitment is based on also providing service to large volume users to insure repayment. Large volume users are estimated to contribute 7,342 tons per month. Before RD can agree to the project being advertised for construction bids, you must provide evidence or a certification that the total required number of users are currently using the system, or signed up to use the system and that the monthly waste disposal projected for each by the engineer is reasonable.”

Comment: This requirement is problematic. Currently, the system has less than 12,500 registered residential customers. While it is certainly possible that there will be at least 14,000 residential customers by the time construction is completed, there can be no certainty that this number of customers will be in place. In addition, current customers of the system in total do not “contribute 7,342 tons per month.” Since accurate weighing began on June 1, 2009, the weight per month has averaged less than 6,700 tons, with about two-thirds of that amount coming from “large volume users.” Assuming that a long-term contract with the military is completed, the amount of waste from large volume users will surpass the benchmark of 7,342 tons per month.

Issue: The letter of 7-20-2009 states: “Third Party Management — You must enter into a Third Party Management Agreement to operate, maintain, and manage the solid waste utility; collection, disposal, and landfill operations. Rural Development has the right to review the Third Party Management Agreement.”

Comment: The Receiver believes there are several legal barriers that would have to be removed before this requirement could be met. The Attorney General should research this issue and outline any changes needed in Guam law for this condition to be met. In addition, since the Receivership Order of the District Court of Guam places control of the Solid Waste Management Division and the Consent Decree projects with the Receiver, any Third Party Management Agreement would have to be managed by the Receiver until the Receivership is completed.

Issue: The letter of 7-20-2009 states: “Proposed Operating Budget and User Rate Analysis – You will be required to submit a copy of your proposed annual operating budget and rate analysis to RD which supports the proposed loan repayment prior to RD giving you written authorization to proceed with the bidding phase. The operating budget should be based on a typical year cash flow after completion of the construction phase. The rate analysis will be required to show the number of users to include large volume users, their average waste generation based on a 12-month consecutive average, and rate structure to support the necessary revenue to make the operating budget cash flow.”

Comment: This requirement states that the budget and rate analysis must be provided to USDA prior to the Government of Guam being given an authorization to proceed with the bidding phase. It also states that the rate analysis must be based on a 12-month consecutive average. The bidding phase has already started. In fact, much of the bidding phase has been completed. Given that an accurate scale system did not begin operating until June 1, 2009, a 12-month consecutive average will not be available until June 2010. Clarification is needed on any delay in obtaining loan proceeds that may result from the lack of this 12-month average.

Issue: The letter of 7-20-2009 states: “Real Property Insurance — Fire and extended coverage will normally be maintained on all structures except reservoirs, pipelines and other structures if such structures are not normally insured, and subsurface lift stations except for the value of electrical and pumping equipment. Prior to the acceptance of the facility from the contractor(s), you must obtain real property insurance (fire and extended coverage) on all facilities identified above.”

Comment: Clarification is needed on the amount of insurance that is needed and a determination about the extent to which the insurance requirements are met by any existing insurance or self-insurance arrangements of the Government of Guam.

Issue: The letter of 7-20-2009 states: “Audit Agreement: You must enter into a written audit agreement with the auditor and submit a copy to RD prior to the advertisement of bids.” The letter goes on to outline several specific audit requirements.

Comment: Clarification is needed on whether the Office of Public Auditor will be able to satisfy this requirement. If the services of a qualified audit firm external to the Government must be

secured, clarification is needed on which governmental entity (i.e., Office of Public Auditor (OPA), Department of Administration (DOA) or the Receiver) has responsibility to obtain these services.

Recommendations

The Receiver recommends that the Court require all of the issues outlined above to be clarified to the satisfaction of the Court. Further, the Receiver recommends that, as a condition of any approval requested of the Court to substitute the USDA loan/grant for the Section 30-backed bonds currently funding the Consent Decree projects, the Attorney General of Guam, the Bond Counsel for the Government of Guam and the United States Department of Agriculture must certify the following to the Court:

1. The loan/grant funding from USDA is approved and available to disburse to pay for Consent Decree projects;
2. All documents and representations required by the USDA loan/grant have been reviewed by their respective offices and the Government of Guam is in full compliance with the terms of the loan/grant;
3. The procedures for disbursing funds by the Receiver are substantially the same as those already approved for the Section 30-backed bonds; and
4. There are no other issues that would detrimentally affect the availability or use of the USDA loan/grant by the Receiver to complete the Consent Decree projects in accordance with the court approved construction schedule.

6. Implementing the New Fee Structure

Implementation of the new commercial tipping fee began July 1, 2009. Table 9 illustrates the fee change that has occurred and the remaining adjustments still to be implemented.

Table 9.

Interim Commercial Tipping Fees	
Effective Date	Rate/ton
Previous fee	\$ 72.60
July 1, 2009	\$ 100.00
January 1, 2010	\$ 128.00
July 1, 2010	\$ 156.00

The effect of the new fee structure and the new scale system are reflected in the amounts billed to commercial customers for the quarter as shown in Table 10:

Table 10.

SWMD Commercial Revenue Billed			
July - September			
FY 2008 and 2009			
Month	2008	2009	% Chg
July	\$ 289,300	\$ 436,804	51.0%
August	\$ 230,060	\$ 474,750	106.4%
September	\$ 230,255	\$ 440,034	91.1%
Total	\$ 749,615	\$ 1,351,588	80.3%

The effect of the new fee on actual cash collected from commercial customers lags the implementation of the fee due to the 60 day time frame given these customers to pay their bill. Table 11 shows the actual cash collections from commercial customers for the period:

Table 11.

SWMD Commercial Revenue Collected			
July - September			
FY 2008 and 2009			
Month	2008	2009	% Chg
July	\$ 335,910	\$ 221,539	-34.0%
August	\$ 258,805	\$ 163,007	-37.0%
September	\$ 318,888	\$ 299,207	-6.2%
Total	\$ 594,715	\$ 384,546	-35.3%

We will continue to monitor billings and collections carefully to ensure that the new fee is properly implemented and paid.

The Court has also approved implementation of the new fee structure for residential customers as recommended in the last Quarterly Report. The new fees will be effective with the rollout of the new cart and customer service system. Tables 12 and 13 show how the phased-in approach for monthly residential collection fees will be implemented:

Table 12.

Interim Residential Collection Fees	
Effective Date	Rate/month
Current	\$ 10.00
December 1, 2009	\$ 17.00
May 1, 2010	\$ 24.00
November 1, 2010	\$ 30.00

Table 13.

Interim Self-Drop Fees for Transfer Stations			
Effective Date	Self-Drop (Under 3 CY)	Self-Drop (Over 3 CY)	
Current	\$ 2.50	\$ 5.00	
December 1, 2009	\$ 4.00	\$ 8.00	
May 1, 2010	\$ 5.50	\$ 11.00	
November 1, 2010	\$ 7.50	\$ 15.00	

The implementation of the new fee will occur at the beginning of the month following completion of the rollout of the new cart system. We previously estimated that this would be December 1, 2009. However, it now appears implementation will be completed in early 2010. When the final schedule is confirmed, we will adjust the implementation of the new fees accordingly.

7. Update on the Volume of Waste

The most important factor affecting rates in the long run is the volume of waste that will be deposited into the new landfill. The best indicator of that volume is the volume of waste going to the Ordot Dump. The lack of a functioning scale system at the Ordot Dump has been a barrier to accurate measurement of this vital data. As reported at the July status hearing, on June 1, 2009, we officially began weighing all waste coming to the Ordot Dump with the new scale system installed by the Receiver.

In our last report, we detailed the volume of waste deposited in the Ordot Dump for the four full weeks in June. Table 14 updates this vital information through September 26, 2009.

Table 14.

Actual Solid Waste Delivered to the Ordot Dump		
June 1 through September 26, 2009		
Description	Weekly Average	
	As of 6/27/2009	As of 9/26/2009*
Commercial Solid Waste (Compacted)	712,163 lb	726,536 lb
Commercial Solid Waste (Non-Compacted)	1,086,910 lb	1,269,074 lb
Agat Transfer Station (Non-Compacted)	25,220 lb	29,433 lb
Dededo Transfer Station (Non-Compacted)	76,550 lb	84,986 lb
Malojloj Transfer Station (Non-Compacted)	18,650 lb	22,861 lb
Ordot Transfer Station (Non-Compacted)	41,570 lb	57,122 lb
Mayors' Solid Waste (Non-Compacted)	48,500 lb	61,415 lb
GovGuam Solid Waste (Non-Compacted)	141,605 lb	78,192 lb
Residential Packer Trucks SWMD	698,140 lb	748,099 lb
Grand Total:	2,849,308 lb	3,077,719 lb
Weekly Tons of MSW	1,425	1,539
Average Daily Tons of MSW	237	256
Projected Annual Tons of MSW	74,082	80,021
*Cumulative data includes data from 6/1/09.		

The updated data show an increase in the weekly amount of waste received at the Ordot Dump for the period June 1, 2009, through September 26, 2009, when compared to the period June 1, 2009, to June 27, 2009. The increase is significant but still within the range estimated by the Receiver in setting the interim rates currently being implemented. We will continue to monitor this data carefully, keeping the Court and customers of the system informed.

8. The Military as a Potential Customer of the New System

The Court in its Order of July 15, 2009, directed that the Government of Guam “use its best efforts to execute the Letter of Intent with the military by close of business on July 17, 2009.” Governor Camacho and Attorney General Limtiaco met with the Receiver on July 17, 2009, and executed the Letter of Intent. Given the transition in Navy leadership that occurred during that week, it was July 27, 2009, when the Navy completed execution of the document. The executed LOI is included in this report as Tab 5.

In our last Report to the Court, we provided the Court with information about the significance of the Military’s participation to the long-term stability of the System’s rates. We are now working with the parties to develop a final agreement that will assure the benefits we have outlined for both the current

customers of the Solid Waste System and the Military as an important new customer. We will keep the Court informed about the progress toward this important agreement.

5. Next Steps

Next Steps: Landfill Design, Permitting and Construction

- Begin Access Road and Utilities construction
- Begin Landfill Entrance Facilities and Cells 1 & 2 construction
- Initiate construction management oversight for major construction activities
- Initiate groundwater monitoring activities with permitting and construction of wells
- Finalize the leachate treatment agreement with GWA
- Begin design of the leachate treatment improvements at the Inarajan WWTP
- Begin baseline monitoring programs for wastewater and marine waters
- Plan and develop revised design scopes of work for the Ordot Dump redesign effort as well as develop more detailed schedules for the next phases of closure work.
- Obtain building permit for the Access Road and Utilities work
- Obtain building permit for the Landfill Entrance Facilities and Cells 1 and 2
- Obtain environmental permits of groundwater well installation and operations
- GEPA to formally address public comments to the draft solid waste facility permit received during the public comment period.
- GEPA to issue a Notice of Decision on the Application for a Solid Waste Facility Permit for the Layon Landfill.
- GEPA to issue a Solid Waste Facility Permit in accordance with the Consent Decree schedule provided all conditions are met as agreed to and as stipulated.

Next Steps: Trash Cart Rollout

- Mail registration form to current customers and post on website
- Finalize registration schedule
- Hold meetings with each of 19 mayors a week before registration in his/her village
- Hold registrations in each village
- Deliver carts to customers after registration

Financial Issues and Capital Funding

- Continue to monitor expenditures and revenues
- Continue careful management of the Citibank Trustee Account
- Continue to assist the Government of Guam in its effort to address issues associated with financing through the USDA
- Carefully monitor the scale data to ensure that the appropriate fees are charged
- Analyze tonnage data for any effect on long-term rates
- Develop, in conjunction with the Government and the Military a long-term service agreement to provide service to the Military