



GUAM SOLID WASTE AUTHORITY

LOURDES A. LEON GUERRERO
Governor of Guam

JOSHUA F. TENORIO
Lt. Governor of Guam

IRVIN L. SLIKE
General Manager



March 12, 2024

Dr. Jeffrey C. Johnson
Chairman
Public Utilities Commission
414 West Soledad Avenue
Suite 207
Hagatna, Guam 96910



RE: PETITION TO INCREASE FUNDING FOR TEMPORARY STAFFING SERVICES CONTRACT WITH PACIFIC HUMAN RESOURCE SERVICES INC.

Hafa adai Chairman,

On behalf of the Guam Solid Waste Authority (GSWA), I am writing to petition for the Public Utilities Commission (PUC) to approve an increase to the total authorized amount for the Temporary Services Contract with Pacific Human Resource Services Inc. under the Contract Review Protocol for GSWA, as referenced in GSWA Docket 19-02 & Administrative Docket dated July 25, 2019.

On November 29, 2022, GSWA received approval from the PUC to award and contract with Pacific Human Resources Inc. (PHRS) for Temporary Staffing Services. The approved contract spans from October 1, 2022, to September 30, 2025, with a total contract amount of \$2,002,000.00, broken down over three years: Year 1: \$1,100,000.00; Year 2: \$451,000.00; Year 3: \$451,000.00.

Unfortunately, due to unforeseen operational challenges and increased demands for temporary employees, specifically equipment operators and sanitation workers, GSWA anticipates exceeding the approved amount for Year 2 by \$539,701.00 and Year 3 by \$229,000.00. In line with the GSWA Contract Review Protocol, we are seeking approval for an increase in the contract amount by \$768,701.00.

The approved budget allocation for Year 2 and 3 was intended to cover the employment costs of 2 equipment operators and 6 sanitation workers. However, as of today, GSWA has a total of 18 temporary employees, far exceeding the initial projections. However, GSWA has hired 2 permanent sanitation workers effective April 1, 2024 and foresees filling 4 permanent equipment operators by April 28, 2024 which will bring down the temporary staffing from 18 to 12.

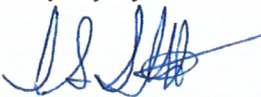
The impact of Typhoon Mawar, which struck Guam in May 2023, resulted in a substantial increase in workload and operational challenges. Following the typhoon, GSWA was mandated to collect substantial amounts of refuse from all residents on Guam, including homes not registered with GSWA. Additionally, GSWA was tasked with managing an increase of refuse at residential transfer stations, which significantly impeded the progress of other GSWA programs and activities such as cart deliveries, repossessions, and bulky waste pickup.

The aftermath of Typhoon Mawar resulted in extensive operational backlogs necessitating the hiring of additional personnel to address these challenges. This increased demand for temporary employees has persisted into Year 2 and is anticipated to extend into Year 3 to ensure the timely completion of essential services and the catch-up of operational activities.

As such, we respectfully request approval from the Public Utilities Commission for an increase in the contract amount to support the additional personnel required for Year 2 and Year 3 of our contract with PHRS. The additional \$768,701.00 is essential to effectively manage the ongoing operational demands and to fulfill our commitment to providing essential services to the residents of Guam.

Thank you for your attention to this matter.

Respectfully,



IRVIN L. SLIKE
GSA General Manager

Encl: Temporary Staffing Breakdown for FY2024-FY2025 (Exhibit 1)
 GSA Board Resolution No. 2024-006 (Exhibit 2)

EXHIBIT 1

PROJECTED COST - TEMPORARY EMPLOYEES - October 1, 2023 to September 30 2024

PUC Docket 23-02 approved for FY2024

451,000

Position Title	Current Hourly Rate	Proposed Hourly Rate	Weekly Wages	Annual Wages	OVERTIME 120 hrs- 52 wks	TOTAL PAY
1 Equipment Operator	18.54	26.08	1,043.20	54,246.40	4,694.40	58,940.80
2 Equipment Operator	18.54	26.08	1,043.20	54,246.40	4,694.40	58,940.80
3 Sanitation Worker	16.95	24.56	982.40	51,084.80	4,420.80	55,505.60
4 Sanitation Worker	16.95	24.56	982.40	51,084.80	4,420.80	55,505.60
5 Sanitation Worker	16.95	24.56	982.40	51,084.80	4,420.80	55,505.60
6 Sanitation Worker	16.95	24.56	982.40	51,084.80	4,420.80	55,505.60
7 Sanitation Worker	16.95	24.56	982.40	51,084.80	4,420.80	55,505.60
8 Sanitation Worker	16.95	24.56	982.40	51,084.80	4,420.80	55,505.60
				<u>415,001.60</u>	<u>35,913.60</u>	<u>450,915.20</u>

PROJECTED COST FOR FY2024

	Cost	No. of weeks	Projected Weekly Cost
Average cost per Week as of January 27, 2024	374,638	17	<u>22,038</u>
Actual cost as of January 27, 2024			374,638
Projected cost remaining 35 weeks	22,038	35	771,314
Total Projected 52 Weeks		<u>52</u>	<u>1,145,953</u>
Less: 2 SW employees effective 04 01 24, please see calculation below.			-55,505
Less: 4 EO employees effective 04 28 24, please see calculation below.			-99,746
Projected total cost remaining 35 weeks			<u>990,701</u>
Projected cost Jan. 28, 2004 to Sept 30, 2024			990,701
Less: FY2024 Budget:			-451,000
Projected Shortfall:			<u>539,701</u>

Reduction of Employees	No. of Employees	Cost per Employee	Cost per week	No. of Weeks	Total Cost
Less: 2 Sanitation Workers	2	1,067	2,135	26	55,505
4 Equipment Operators	4	1,133	4,534	22	99,746
					<u>155,252</u>

GSWA TEMPORARY EMPLOYEE NEEDS - FY2024 and FY2025

Average no. of Employees	18
FY2024 Budgeted FTEs	8
Projected Surplus Employees	10
Less: 2 Sanitation Workers	-2
Less: 4 Equipment Operators	-4
Projected No. of Excess Budgeted Employees:	<u>4</u>
FY2024 Budgeted Employees	8
Total Required No. of Temporary Employees:	<u>12</u>

FY2025 Budgeted and Estimated Shortfall:

Required Personnel:	Employee Count	Cost per Employee	Cost
Sanitation Workers	8	55,506	444,045
Equipment Operators	4	58,941	235,763
Total Projected Budget - 12 employees:			679,808
FY2025 Budget - 8 employees			451,000
Projected Shortfall - 4 employees:			<u>-228,808</u>

EXHIBIT 2



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GSWA Board Resolution No. 2024-006 RELATIVE TO APPROVAL TO INCREASE FUNDING FOR TEMPORARY STAFFING SERVICES CONTRACT

WHEREAS, on November 17, 2022, the GSWA Board of Directors approved Resolution No. 2023-005, authorizing the award for the Temporary Staffing Services Contract to Pacific Human Resources Inc. (PHRS); and

WHEREAS, the total cost of the three (3) year contract is \$2,002,000.00, subject to the availability of funds, with the breakdown as follows: Year 1: \$1,100,000.00; Year 2: \$451,000.00; Year 3: \$451,000.00; and

WHEREAS, GSWA anticipates exceeding the approved amount for Year 2 by \$539,701.00 for temporary employees, primarily due to continued operational issues and increased demand for temporary employees, particularly equipment operators and sanitation workers;

WHEREAS, GSWA faced significant operational challenges stemming from the delayed effects of Typhoon Mawar, resulting in disruptions to various services including cart deliveries, cart repossessions, and bulky waste pickup;

WHEREAS, as a consequence of the typhoon's impact, GSWA halted repossessions of carts from delinquent customers for approximately one month, which subsequently put the GSWA behind schedule on repossessions, coupled with an increase in new accounts;

WHEREAS, GSWA responded to the increased demand by hiring additional delivery personnel, a measure that carried over into Year 2 (FY24), as GSWA continued its efforts to catch up with operational backlogs;

WHEREAS, GSWA currently employs 18 temporary employees, covering 4 classified employees on medical or military leave, 2 vacant classified sanitation worker positions due to recent resignations, and 4 vacant classified equipment operator positions that GSWA is endeavoring to fill;

WHEREAS, GSWA foresees the filling the 2 vacant classified sanitation worker positions and 4 vacant classified equipment operator positions, projecting a total of 12 temporary employees for Year 3 (FY25);

WHEREAS, GSWA recognizes the need to increase the funding for Year 2 and Year 3 of the contract to adequately address the operational demands;

WHEREAS, GSWA received PUC approval on November 29, 2022, to award and contract with PHRS beginning October 1, 2022, and ending September 30, 2025, with authorization to expend up to the amount of \$2,002,000.00 in accordance with the Year 1, 2, and 3 breakdowns; and



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WHEREAS, GSWA is prohibited from incurring expenses in excess of 10% over the amount authorized by the PUC without prior approval and requires a revised estimate and full explanation of all additional costs; and

WHEREAS, GSWA anticipates exceeding the approved amount for Year 2, with the expectation that the PHRS Contract will meet the 10% threshold by March 2, 2024; and

THEREFORE, BE IT HEREBY RESOLVED by the Board of Directors as the Governing Body of the Guam Solid Waste Authority hereby approves an increase in the contract with Pacific Human Resources Inc. for Year 2 by \$539,701.00 and Year 3 by \$229,000.00 to accommodate the increased demand for temporary staffing services;

BE IT FURTHER RESOLVED, that GSWA Management is authorized to petition the PUC for approval in accordance with the GSWA Contract Review Protocol.

Ayes: 4

Nays: 0

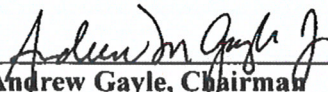
Absent: 1

Abstain: 0

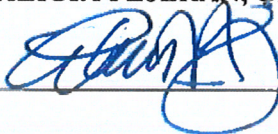
Upon said roll call, the text of the foregoing was duly enacted as a Resolution of the Board of Guam Solid Waste Authority, Guam, on the 7th day of March 2024.

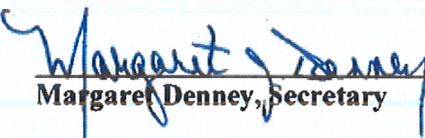
**GUAM SOLID WASTE AUTHORITY
BOARD OF DIRECTORS**

**ATTEST:
ALICIA FEJERAN, CLERK**



Andrew Gayle, Chairman

BY: 



Margaret Denney, Secretary