Chamorro Land Trust Commission

(Kumision Inangokkon Tano' Chamoru)

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Pauline Gumataotao
Acting Commissioner

(Vacant)
Commissioner

(Vacant)
Commissioner

Joseph M. Borja
Administrative Director

COMMISSION MEETING MINUTES
Guam Ancestral Lands Commission Conference Room, Anigua
December 26, 2007; 1:22pm – 3:40pm

I. CALL TO ORDER

Meeting was called to order at 1:22pm by Chairman Pro-Tem Oscar Calvo. Present were Commissioner David Matanane, Acting Commissioner Pauline Gumataotao and Administrative Director Joseph M. Borja. Not present was Legal Counsel Ike Aguigui.

The Administrative Director commented that the Commission had gone through the regular board meeting agenda at the last meeting and we are now actually down to New Business. The Administrative Director reiterated what had happened in the previous meeting under Unfinished Business for members of the public.

IV. UNFINISHED BUSINESS

1. **Ramon Torres** – The Administrative Director informed the Commission that he is going to go ahead and proceed with the survey that was previously approved by a previous Commission and that survey should begin after the coming of the new year.
2. **Premier Hotels & Resorts (Guam), Inc.** – The Administrative Director commented this is a request to license for commercial use of Alupat Island. At the last meeting Commissioner Matanane made a motion to send a letter to Premier Hotels & Resorts making sure that as they develop their application that they pay attention to the ecological access and the other issues concerning the property. The letter should be sent out probably no later than Monday. Basically, it is making sure that the company concerns itself and addresses environmental concerns and access for the area not only for the general public but also fishermen in the area.
3. **George Toves** – The Administrative Director stated Mr. Toves had requested for a commercial license for property up in Ukudo which was approved by a motion at the last meeting.
4. **RPM** – The Administrative Director commented that in this particular case the Commission voted to send a letter of support and encouragement to RPM and to have the Director work out the location of the site that RPM is interested in. The Administrative Director had sent through email a copy of the map of the property that Mr. Mike Anderson was looking at.
5. **Ironwood Estates (Lot 10090-1, Dededo)** – The Administrative Director commented that Ironwood Estates along with the Mayor of Dededo was requesting to utilize an area around three water wells up in Dededo

to develop into an open park area. The 1,000 feet radius around the water wells cannot be developed by public law and they are basically looking at it as an open area, recreational area and a green area in conjunction with the Mayor. Ironwood Estates would donate the equipment needed for the recreational area and the Mayor's Office has agreed to maintain the area.

6. **Community Affairs, Governor's Office** – The Administrative Director commented that this request is in conjunction with Item No. 4 under New Business. Basically these two items are requests on behalf of residents from the Community Affairs, Governor's Office and the residents themselves on this other area for the installation of main water lines and power distribution lines for Waterworks and GPA so that these two areas could be serviced by water and power. In the Community Affairs area we are looking at 21 families in the Natibu Street up in Dededo and under Item 4 of New Business we were looking at 9 families mostly farmers on Lot 10125. Mr. John Benavente (GWA) had explained the process of possible reimbursement if the Commission puts in money in developing the system in the area that as people hook up to the system the Chamorro Land Trust would be reimbursed for some of the costs that are in there. On the Natibu Street area we have already gotten the price estimate for the equipment and Mr. John Acfalle and Land Trust staff will be working with John Benvente and Waterworks staff to get the estimate on the labor cost for the Natibu Street area. On Lot 10125, Dededo the estimate has already come in from Mr. Benavente at $150,000 for water and power line extensions in that area.
7. **Juan Q. Acfalle** – The Administrative Director stated that Mr. Acfalle had withdrawn his commercial request.
8. **George Torres** - The Administrative Director commented this is a commercial license request for quarrying aggregate purposes of Lot 7163, Yigo and basically the same letter that will be going out to Premier Hotel and Resorts will also be going out to Mr. Torres which is just the Commission's concerns on environmental and access factors.
9. **Ironwood Estates (Lot 10114-NEW-2, Dededo)** – The Administrative Director commented this is a request to utilize property in Dededo for elderly housing and that request has been withdrawn.

The Administrative Director commented we have 2 withdrawn under the Unfinished Business and 2 of them be sent letters on the Commission's concerns. In both particular cases the Commission is going to be requesting some expert help from Land Management to help review those applications which are Premier Hotels and Mr. George Torres's commercial license request.

Going back to **Item 2, Premier Hotels & Resorts**, Ed Calvo, applicant representative commented basically we are discussing the plans for Alupat Island if we're fortunate to get a license from Chamorro Land Trust. As we explained at the last meeting and as set forth in our application everything that we are going to do up there will be subject to the permits and the requirements of law both on the island and the surrounding areas so that there will be no impact to any of the environmental concerns or the use of the surrounding area. In our application the public area will be maintained as a public area. In other words the beach and the access to and from the island will be unaffected by the proposed license. Our main application is really for the unusable portion of the island. As it is described this is something that PHR wants to promote nationally in Japan and internationally in connection with a license that they hold with NHK to promote this famous in Japan cartoon character about a ship wrecked crew and they're on this island. The impact on the island is really

going to be nature trails with certain vistas to look out. There will be a concession that will be set back from the beach that will regulate the coming and goings of the interior part of the island. The impact is going to be minimal and it is something that is going to be used to promote not only the Sheraton and the area but tourism on Guam in general. The concerns that the Commission has with respect to the environment and use are addressed and they are not going to be impacted except on a positive way.

Chairman Pro-Tem commented he just wanted to make the emphasis and clear tone that the intention of that island because like I said when I went out there a couple of weeks ago and I am trying to visualize everything but now you have given me the whole scope and the picture of how that island is. So the intent of that really is just like an island with a lost island out there promoting to Japan but using a small trail out there and like you said a plateau on top just to overlook view to take pictures and the most part of that is your taking pictures of east Agana and the rest of it is all ocean out that way and the back side of that island.

Ed Calvo commented as you expressed the concern was with the beach area and the fishermen and all that is not impacted by this. Our license is only for the interior part of the island and there will be a concession but the concession would be for entering and leaving the interior part of the island. What we'll do is have a ferrying of guests to and from the island or during low tide you can walk there. Anything that we do in the future would obviously have to comply with the regulations and permits from EPA, Army Corps of Engineers, Land Management and that whole process would have to be gone through to do that.

Chairman Pro-Tem commented the island is growing. I really have no problem with that in supporting that issue. That was my primary concern in the beginning was us trying to picture how you were going to put something in there. I was just bothered if there was going to be any dredging involved and walking path which would be nice and beautiful but like you said maybe that's down the line. My biggest concern was the structural part of the island because it is just an island that is growing and maybe 20 years from now that island might probably connect with the Sheraton. Once you destroy the coral part of that island the growth of that island is going to have an impact. I know definitely that when you do go up the trail of course there is going to be little tree cuttings and a walk way which is just a path but the other portion on the back side would not be destructed but only for a path to get up to the top.

Ed Calvo commented there will be nature trails. We're not going to do anything in the bay and if we do it is obviously going to be a high profile thing because there is nothing of more concern than the bay and the coral reefs on Guam and that's going to have to be in compliance with everything else. The impact initially is going to be a minimal impact. I don't know where we stand with our application. If we're going to comply with all the laws it is going to be subjected with all the permitting and I think we've described what we are going to do. Does that mean that our license application is approved and we can move forward? Where do we stand? I'm not quite sure where we stand with respect to our application and with the Commission. One of the things we want to do is start our promotional efforts and we need to have some sort of time table within which to do that.

Chairman Pro-Tem commented anyway for you to walk through all those agencies you would still need the clearance from us and I have no objections in supporting that right now.

Commissioner Matanane commented as long as they follow all the regulations and Mr. Borja and you guys would have to work that out to set up the lease agreement.

Administrative Director commented I think Commissioner Calvo might be asking for something a little bit more solid maybe a motion to approve subject to the appraisal to determine rental fees and of course subject to the application for permits from the various enforcing agencies.

Commissioner Matanane commented he thought we did that at the last meeting.

Administrative Director commented it was a letter on the concerns and certainly if the Commissioners motion was intended to do that we'll review the minutes and there shouldn't be a need for another motion. We'll consider that his motion as approval of the application subject to the rental fees.

Commissioner Matanane made a motion to approve the request by Premier Hotels & Resorts, Inc. subject to the rental fees and permitting requirements.

Acting Commissioner Gumataotao inquired on the status of the book that they are going to start in Japanese with the cartoon character and about translating it to English or Chamorro. You also mentioned about the radius, your only concern is on the island right?

Ed Calvo commented yes.

Acting Commissioner Gumataotao commented that earlier you mentioned about the radius around the island as well. Did you have any intentions for that?

Ed Calvo commented no, the radius around the island is unaffected. Its public it won't be touched and if we are going to do anything it is only going to be to enhance the area and only with the proper approvals. All we are talking about is the interior part of the island.

Commissioner Matanane inquired on what is the substance of the letter from the Commission. Are we giving them approval to go ahead?

Chairman Pro-Tem commented we're giving them approval to go ahead.

Acting Commissioner Gumataotao seconded the motion. There were no objections, MOTION PASSED.

Administrative Director commented he sees that representatives of the companies are here and he knows that the company is also the owner of the Hilton Hotel. We not only are going to be as you hoped your landlord in the Alupat Island but we're also in your neighborhood up there in the Hilton. The Chamorro Land Trust Commission has a client up there, AnnMarie Arceo and her group who have a license to utilize the property as a cultural center and they are actually under pressure from the Commissioners here to make sure that something is developed I believe in the next year because they have already had the

license for a year. I'm just asking if you could look around your neighborhood up there by the Hilton and maybe give them some sort of assistance because if they fail the Commission fails. If they succeed we succeed and the same with you. I know you have been very active in helping furtherance of culture here on Guam as your experience with Gef Pago. But just as a side note we're also in your neighborhood up there around the Hilton. I know you may have talked to these people up there but they are needing some help up there also with culture. It is one of the most visible pieces of property, Ypao Point, on the island as well as I said as being in your neighborhood. We seem to be developing a relationship here with you and we'll certainly appreciate any help you can give not only to the Commission but also to the clients of the Commission especially the ones involved with culture and around your neighborhood.

Chairman Pro-Tem commented these organizations are actually really promoting the real Chamorro ancient ways of how they lived in those days and making weaving, dance and things of that nature. It enhance also at the same token with the hotel where the advertisement to part of your hotel where they say where can I go to the closest cultural center. Right now we go down to Inarajan to Gef Pago but these people are willing to also teach. You'll be amazed because there are some really young kids that speak Chamorro and really do a lot of things. We're really trying to help them too in that sense to promote. It could be worked out with you and them what ever you guys decide to have I don't know, tourist buses or whatever in that area. I know that you are promoting the island there but also when the new visitors come in and they say they want to see how they make the chalakilis or whatever or how they do the cultural dance you can say you don't have to go all the way to Inarajan we're right up here. That is within your discretion. It would be nice if you folks can look into that. They are really a non-profit organization and they have been really scrounging up materials. One person that you can probably see to that is the Commissioner of Sinajana, Roke Blas. You might want to get with him and tell him we've discussed this if you guys are willing to help them out it would be nice. As far as the Commission approving your request we have approved it already.

The Administrative Director commented we'll get you the official letter.

Jack Yoshino – Thank you very much for your approval. Ken Corporation would like to promote culture on Guam and certainly we've made efforts with Gef Pago. Regarding the project you mentioned we need a sustainable business plan with them. Because one support financial aide, one support to aide isn't enough for them to sustain. We need a business plan for them to survive for them to last forever. As long as we feel comfortable with their business plan to last for a long time we'd like to get more involved. At your suggestion we would like to sit down with them to see a new business plan.

Chairman Pro-Tem commented he'll leave that option for you to work out with them.

Ed Calvo commented I have been around for a while and we've represented a lot of incoming investors not only from Japan but other parts of Asia and the US investing in Guam and looking at opportunities on Guam. I my experience there have never been a company as interested in promoting local culture and not only interested but really putting in the effort and their money where their interest is in doing that. There is no other company who have done it more in my experience other than Ken Corp which is the parent company to PHR. Their commitment to Guam is indicated by their investment here. They own a

number of hotels, they're a neighbor and part of our community now. Their ideas to promote Guam and the way to promote Guam is to promote local culture because that is what sets apart from other parts of Asia and other competing tourist destinations. There is only one place that has Chamorro culture and that is on Guam and in the Marianas and that is what Ken Corp have been promoting since they've been on Guam. I think it is good for us, it is good for them and I think working together we are going to get a lot accomplished.

VI. NEW BUSINESS

1. From Rosario P. Camacho – Request for reconsideration of reimbursement

The Administrative Director commented Ms. Camacho had sent a letter in June 2006 requesting reimbursement of $1,800 she had spent to Mr. Castro concerning a survey that was done on a piece of property. The piece of property that Ms. Camacho got in the survey was not what she had expected it to be. She had submitted a new letter in October requesting for that reimbursement and in this particular case since it looks like she had spent $1,800 according to her letter that means that there has been a survey completed and with that survey being completed there should be a map of the property. Even though that property may not be the property that Ms. Camacho wants that map may still be who ever may lease out that property. I would report back to the Commission at the next meeting based on what my investigation is. The Commission back in July 2006 had already made a decision denying the request for reimbursement of approximately $1,800. But since she resubmitted a letter again I would like the staff to have the opportunity to report back. It may be something that if it is already been paid then there might be a map out there that is useful maybe not to Ms. Camacho but maybe to another client. If that is the case if we reimburse Ms. Camacho then that map becomes the property of the Commission then we can go ahead and lease that property out to the next person in line. It may be something that we can utilize if not then it will be the Commission's decision as to what to do with the reimbursement request.

2. From Dept. of Agriculture – Request to utilize Ypao Point as a staging site

The Administrative Director commented this request is to utilize Ypao Point temporarily as a staging site for the rhinoceros beetle. Staff recommendation is we go ahead and approve it with the understanding that at any point in time that the Commission or the TaskForce makes the decision that we need the property that Dept. of Agriculture is well aware that they would have to vacate those premises immediately.

Chairman Pro-Tem questioned what are we looking at in terms of time frame. From what I understand from Mr. Torres when I spoke to him about it was that they are looking at a long term on that and that they needed something like maybe 3 to 4 acres of property there.

Administrative Director commented that the letter is not very clear as to what they were looking at. Maybe you may have a better idea of maybe going back to and asking them specifically for date and time, location and size.

Chairman Pro-Tem requested if the Director could follow it up and get with Mr. Torres or the Director and really get the finalization of what they actually want. Chairman Pro-Tem commented they only want the area for a staging period for a period of time and that's for the entire hotels. That's from Hilton and all along that road so all the hotels are going to be dumping their leaves and so forth. We have to know definitely what is their time frame and the timeframe could be like what you said if they say a year and we decide for that Ypao

Point in other words they have to be prepared to move it out and they have to have a second alternate plan. If they start to do there and then all of a sudden we have clients interested in that area we are not going to hold that staging back for that reason.

Administrative Director commented we'll send them a letter to clarify.

Commissioner Matanane commented if we should give them the opportunity to use that place that it would be left in clean pristine as it was.

3. From Mackelen Mark & Bonnie Solomon – Request to utilize property in Harmon for producing hair and body oil

The Administrative Director commented they were originally requesting for a piece of property up in Harmon along Hamburger Road. We actually had a hard time identifying the piece of property that they were looking at. They finally gave up on the Harmon piece of property and are just looking for property somewhere in the central part of the island. They have a contract with this landowner to clear 13 acres of coconut trees and these two individuals are planning on setting up a coconut oil processing system. They are not looking at anything fancy they are just willing to put up a tent, boil and cook the oil and everything that they use will be on site and will be disposed of properly. They are looking at something in the central part of the island which we have not located yet for them. This commercial application is still being developed. We'll report back to you as it progresses.

4. From Annie Garrido, Vicente Salas, Jose & Anastascia Mesa and Edward San Nicolas – Request for installation of water main & power distribution on Lot 10125, Dededo

Request discussed with Item #6 under Unfinished Business which is the installation of infrastructure on the site.

III. PUBLIC COMMENTS

Ana Borja – There are all Chinese around me at the place I am leasing. I had it surveyed a week after he (Joe Borja) signed the lease. I went to Land Management to record it then after that I looked for a surveyor. Mr. Meliton Santos is the one who surveyed the property. I usually go through Cruz property you know where the easement of the power poles. I usually pass there but they closed it already, you cannot go through they put the plants on the middle of the road.

Administrative Director inquired on what is the road where you're coming through. It's not through the Gabby Guerrero side it's the other side right?

Ms. Borja commented Gabby Guerrero. I usually pass there but you know the late Delores blocked the way to go in through so I usually pass over to Cruz where the posts are. You know the paved road so the Chinese put all the plants in the middle of the road. In fact the road that I go through to Cruz to go out to the main road the Chinese surveyed the property and passed the old place where Meliton Santos surveyed already. More than 20 feet that Chinese surveyed it already the property that I usually pass through. I don't know which place to go.

Chairman Pro-Tem and Commissioner Matanane inquired if that is an access road.

Administrative Director inquired from Ms. Borja if her property has been surveyed already.

Ms. Borja commented yes, she has the map by Meliton Santos and provided a copy of it.

Commissioner Matanane inquired who is the one putting the plants.

Ms. Borja commented that it's Ignacio Cruz who mentioned that the Chinese is his son. He's the one who surveyed the property and all through the middle of the road that I am passing through.

Administrative Director inquired if she has an approved map.

Ms. Borja commented that she just has a copy which is the one that she provided.

Administrative Director commented the reason why he is asking if it was approved because then the easement is binding.

Ms. Borja commented that she doesn't know and that Blas Atalig dropped the original map to Chamorro Land Trust.

Administrative Director commented this copy is not an approved copy. We'll track down her map if there is a map in the area. I believe we know where the area is where Ignacio Cruz is the leaseholder who has some Chinese workers on there. If that map was approved when Ignacio Cruz comes in to survey his property he would have to base himself on that map if it was approved.

Ms. Borja commented I think Dungca was the acting Director at that time.

Administrative Director commented that he is just concerned that the map is not approved, it's not signed.

Ms. Borja commented that the map provided is a copy.

Administrative Director commented yes, it is a copy but what I am saying is that map is not approved therefore at least according to that map the easement is not yet legal unless that map is approved.

Chairman Pro-Tem commented if the map is stamped by Land Management then the map is legal.

Ms. Borja commented I think that is the responsibility of the surveyor.

Administrative Director commented that is right.

Chairman Pro-Tem informed Ms. Borja she would have to ask her surveyor for the copy that is already all signed.

Ms. Borja commented that Atalig told her that he already dropped the copy of the map about 3 months ago.

The Administrative Director commented no because he has 5 maps on his desk and none of them are hers.

Ms. Borja commented that she just called one of the staff and he said that he doesn't know anything about it, not Desmond.

The Administrative Director commented that Desmond is the only one in charge of the map and if she asked any of the other Land Agents about maps they wouldn't be able to tell her that. The reason why it is important that we go with an approved map is you said that Ignacio Cruz and the Chinese are surveying the property. Now if that map is not recorded and it is not on the record then Ignacio Cruz may survey the property that may not include easement to her lot so we are going to have to dig up Ignacio Cruz's file. Because if your map is approved and signed when Ignacio Cruz is going to survey his lot he is going to depend on that map if that map is approved. I meet with the surveyors twice a month every 2nd and 4th Thursday and I just met with Blas Atalig last week and he didn't mention it.

Ms. Borja commented that Blas told her that as soon as they sign the original he is going to give her a copy but up until now she had not received it.

The Administrative Director commented after we get what the legal easements are and the approved maps in the area then we can go out and talk to Mr. Cruz about where he has his plants.

Commissioner Matanane commented I was just wondering the other people who are blocking that as long as it is a thorough way being used regularly until such time that they have indicated that the particular access is no longer accessible but I was just wondering is that a commercial area?

The Administrative Director commented no, it is a farming area. I believe if I'm not mistaken I believe Mr. Cruz is hiring Chinese labor to help on his farm. If you remember some time ago there was a problem with EPA on a particular site where EPA did citations to a Mr. Ignacio Cruz because of some EPA violations concerning pesticides, that is the area.

Commissioner Matanane inquired if this is by the pipe line area.

The Administrative Director commented that Ms. Borja is probably closer to Chalan Chandia on the back side of Macheche. She used to enter on the other side by the flea market but they closed that road according to her and she was coming in from the back. This is not the first time that we've heard Mr. Cruz closed that easement. About a year ago I believe we had that opened and now Ms. Borja is coming back. We'll have to go back and pull all the maps together and see what are the legal maps and the legal easements. If in fact that Mr. Cruz is planting or blocking the easement then we would have to send him a letter to cease and desist and open up that easement.

Chairman Pro-Tem commented this is a problem that she has been encountering.

The Administrative Director inquired on when did they close the road.

Ms. Borja commented about last month they started to plant in the middle of the road.

Chairman Pro-Tem informed the Administrative Director to call in Mr. Cruz and find out why he closed the road.

The Administrative Director commented we'll follow up on it but when we pursue these issues we have to determine first the legal issues.

The Administrative Director commented staff had looked into the files and the map is a 2004 map which already received a FY number from Land Management so it is probably at Land Management being processed and encouraged Ms. Borja to proceed with it. Staff had also checked into Ignacio Cruz's file and it hasn't been surveyed either so it is the right time to go in and start determining placing easements in the area. I noticed on her map that there is a proposed easement on it but because the map is not yet approved it hasn't been recorded and legal. I am familiar with the area and the road here that I see on the map is between Ana and Luis Camacho. I know where Ms. Borja's location is so if you give me a chance to research and go out into the field but I think it would be a good idea to at least talk to Mr. Cruz. We've had several problems such as the EPA issue. There was a previous closure on that road about a year ago and now Ms. Borja is here. Just give us a couple of weeks to take a look at it. In the meantime I suggest that you call up your surveyor.

(The Administrative Director read a memo from staff in Ms. Borja's file) *On July 31, 1998, David Herrera, Liz Untalan and Kin Naputi went to Lot 10171 to ascertain the easement request of Ms. Ana Borja because of the closure of the Gabriel Guerrero road and the Ike Cruz entrance. We met with Jennifer Cruz the daughter of Ike Cruz to see if something can be worked out where Ms. Borja could be given the key. Ms. Cruz is acceptable to the idea closing the back entrance and front entrance, front is where Gabriel Guerrero is and the back is where Ike Cruz is because of rampant thief. The Ike Cruz area has utility poles from Nandez Street and should be construed as a utility easement although such easement is not shown on any approved map.* Her map shows the easement but it has not been approved so if we get that map approved we can come in there and keep that thing open and it is an easement. Anybody closing it would be subject to legal action not only from us but also from the government. The memo further states that *Mr. Herrera will be working with both parties to come up with a solution* but that was 1998. The solution proposed was to map the easement and make it legal which Ms. Borja started in 2004 but has not yet been completed. We'll work with her on the next couple of weeks and report back at the next meeting but we won't hesitate to take any action once we determine that the access easement is legal.

VII. ADVISORY and ADMINISTRATIVE MATTERS

The Administrative Director commented that he would like to go over the 14 initiatives of the Commission. Basically these are plans on what the Commission wants to do and what we want to accomplish in the coming year.

1. To complete the 5 member Board - The Administrative Director commented I know that I have reported informally of two appointments to the Board but those appointments have not been made officially by the Governor. One of them may be backing out because the type of business he does is provide consulting services to clients inquiring about land issues so he is worried that he might have a conflict of interest. On the other appointment I

just haven't heard anything at all on that appointment. The status of the Board is it's a 5 member Board and there are only 3 members now. We are looking at getting a couple of members and of course the Governor is the one that makes the appointment on it. As you can tell by a 3 member Board we are very critical in terms of a quorum because 100% attendance has to be before we conduct any business. That is kind of like priority #1 for the Commission. Of course it is something that the Governor needs to do but certainly the Commissioners can help by maybe making recommendations to the Governor. You can do it through me, I can send an official letter or you can call the Governor yourself, you are appointees of the Governor himself also. That is priority #1 because if we don't have a Commission meeting we can't do anything concerning policies, we can't review any of these commercial applications and of course there are some specific applicant issues for example Ms. Borja and for other ones that are really on appeal to the Board. The staff and the Director has made a decision for example on Ms. Camacho to deny her reimbursement request and the next to the last step for those people is to make an appeal before the Board where maybe the Board will overturn a decision made by staff or by the Director in favor of the applicant. Of course if they don't get the relief that they want from the Board they can always go to court which is their last resort.

2. Staff matters - The Administrative Director commented right now we have a ratio of 4 Land Agents to 10,000 applications so that means that one Land Agent is handling approximately 2,500 applications. In reality it doesn't work out that way because separate Land Agents do not take equal work loads. There is one Land Agent that I can ask more production from and there are a couple of Land Agents that I basically cannot ask any production from because of their level of ability in processing some of these. What we're looking at is creating 4 positions and realigning the staff to make better use of the existing Land Agents as well as to get at least 2 if not 4 more Land Agents that are experienced to help us in the processing of the applications that we have. We have approximately 12 people on the staff. At any given time we probably have like 6 people in the office if that many because we have people that are on leave, people that are open to military deployment, 2 of them, and 1 on long term medical leave and of course you have your normal day to day taking leave and the last minute emergencies and like that. So we only have 4 Land Agents and we can only actually depend on probably 1 of them. It does create quite a load to the other staff. We are trying to see what we can do on that but that is actually Priorty #2 in terms of what we need. We need existing staff to do the work just the same as we need Commissioners to make these policy decisions. We actually need the people to draft the reports and go out to the field to check these complaints, come back and make a report to present to the Commission.

Chairman Pro-Tem commented you spoke that it is not fair for other employees to be doing more than what the other employees are not doing. If that is their job either they sweat it out, they've been there long enough to simply understand in doing these things. I know it is not an easy task as you as the Director and also it is not an easy task for the person who is doing double work just to meet up with the backlog. I think in my own personal opinion we have already authorized you in hiring employees for that matter. I would go back to these people and tell them straight out either you shape up or ship out, one of the two I know it is not that simple.

Administrative Director commented that they do have their performance evaluation coming up in January and that will be the time that I talk to them.

Chairman Pro-Tem commented if they came in only a week or a month ago I can sympathize with that but if you've been in there the last 10-15 years I find that very disheartening to say if you can't do the job. I don't want to discourage anybody but I'm that type that if you can't do it then the only thing is you retire if you feel like retiring. It's not fair for the public portion of that because we're holding back because we haven't accomplished our mission because they come in here and they say well my paper works are still being held by "John Doe" for what reason. I don't see the logic of that. The other person who is actually doing more than what they are expected to do I think that we have to narrow it down and let these guys understand. I don't want to be harsh about it.

Acting Commissioner Gumataotao commented she agrees with the Chairman.

Administrative Director commented unfortunately or fortunately I do have to follow Civil Service personnel rules and procedures concerning an employee. It comes in steps and I will be taking the first steps.

Chairman Pro-Tem commented I understand that you have to follow rules and regulations, I am not disputing that but I think too that we have to really come up with this with these people because if I give you 10 projects to do a week that's 5 days, 40hours and then you come at the end of the week and say that you can only do 2. I don't buy that. The person who is doing more and she triples that amount of work in a week, where is the equity?

Commissioner Matanane commented the Director should require them to give you a report weekly.

Administrative Director commented he does and that is how he can tell on the work production. Before, all the Land Agents would get involved in a subdivision, you would have mix up and like that so now we've changed that a little bit where one Land Agent is responsible for a subdivision. There is a little bit more accountability now. When we set up that system it really showed the inequity on the work being done, the quality as well as quantity.

Commissioner Matanane commented it is just like a progress report. When you need to take action you have that report to support you so there shouldn't be any problem. You have talk to them before you take action.

Administrative Director commented we are documenting things now.

Chairman Pro-Tem stated the Administrative Director has the Commission's support.

3. Re-create the Commercial Division – The Administrative Director commented along with the staff that you approved to hire one staff member would be in charge of the Commercial Division. We have completed the inventory of all the commercial applications that we've put into a database. The next step would be to audit each and every one of those files especially the ones that are active to see if they are caught up in their payments. I expect that probably sometime either in early March or sometime in March we should be ready to send out letters with specific amounts to people who have not paid their rent. We would have a better idea on the commercial applications that we have. We are looking of

the 2-4 new employees at designating one of them to handle the commercial division. If we don't get it in time for March to begin the process, Terese will have to be the one to do it because right now Terese is the one handling the Commercial Division database. We do have a back up plan on that if we don't get that employee in quick enough to handle the commercial division because we cannot let the commercial division issue go past May or June which is half of next year.

Chairman Pro-Tem commented not only that but that is our survival.

Administrative Director commented and that is why because it is our survival issue. Just for information on the commercial division we normally for the last couple of years we've been collecting something like $480,000. Last year we collected about $640,000 so we have an increase and we want to not only maintain that increase but also get more money coming out of that because that is where we do our business. For example, those utility things that are coming in if we were to have money for that it would be coming from the Commercial licenses.

Commissioner Matanane commented he would appreciate it, he hasn't seen the monthly report but even so even if we are depositing all the revenues that we collect to the general fund we still need to keep a tab on those things and keep an account as to how much money we have collected for Chamorro Land Trust.

Administrative Director commented that is where we got the $600,000 amount.

Acting Commissioner Gumataotao inquired on how far behind are we on the commercial collections.

Administrative Director commented that different applicants have different arrears. I do say that there are at least one if not two that have never paid at all and I'm looking at probably since 1998 maybe.

Commissioner Matanane commented in that tone we can also establish the receivables if he is behind how many months and for how much a month.

Chairman Pro-Tem commented lets say we do find one or two people who are that late behind and whatever the status is are those people in business right now, still running?

Administrative Director commented I think one of them is out of business and one of them is. Neither of them have a license. When I was Director I knew that these companies were occupying Chamorro Land Trust properties and we began the steps to develop the license but I haven't seen a license on those two. One of them I believe is out of business I might be wrong on that and the other one is still engaging in business.

Commissioner Matanane commented we should write them a letter stating that they are utilizing the land and we would like for them to come in so we can find out what their intentions are if they are.

Administrative Director commented for the two he would suggest that they get different letters and basically it is letters of eviction and if they want to stay then they have to catch

up with the arrears and according to the instruction of the Commissioners they are looking at minimum of 50% payment and then the other 50% can be worked out.

Chairman Pro-Tem commented that they would probably come up with a rational reason and say that they are not in business, that is not the point they applied for commercial and you said that you are going to use it. You never came to the Commission and said that they are no longer in business and if you have this property for the last 5 or 10 years you can't evade that issue because you went broke. If you went broke then return that property back. If they say that they still plan then okay we'll give them that letter that they have to pay a certain amount of the back pay. If they say that they can't come up with it well, I stand firmly to that decision today and if it comes to that amount they have to come up with it or terminate, simple as that. We are not going to give them that extension because the extension is more than over willing and for them to say that they are trying, either they come up with the amount because we are not going to wait another year or two.

4. To provide adequate and realistic space for operations and office – The Administrative Director commented he has a meeting with the landlord tomorrow and what we are basically going to be doing is switching offices with the Ancestral Lands Commission. What's in it for the Ancestral Lands Commission? They are looking at lowering their cost for office space because of budget concerns and something next door would be ideal. For us this size is ideal but there are some improvements that we would like in here before we move. We do plan on moving in here with the intention of staying at least two years maybe three years while we develop something else. We hope to be in here no later than probably mid March.

Commissioner Matanane inquired if this space is bigger than the current space.

Administrative Director commented yes, this space is about 4,000 square feet and the current office space is about 1,900 square feet. Also with this particular area, the conference room, is actually used only maybe 4 times a month so for the rest of the month this space is like wasted space. We want to work out something for the floor plan where this space is utilized for something during regular business then when we have a Commission meeting it could be easily set up for a Commission meeting.

Commissioner Matanane commented he doesn't want the staff to be cramped up.

Administrative Director commented the moving and switching is a definite go, we just need to get the commitment now from the landlord to make the arrangements on the improvements such as the air conditioning, lighting, etc.

Chairman Pro-Tem commented on the landlord issue since we are making an expansion and giving us more footage and more monthly rental see if you can just toss it in to do the renovations at no cost.

Administrative Director commented that will be his approach especially because of the fact that we will be here two years minimum maybe three years long term.

Commissioner Matanane commented on having a design so that all space are utilized to the maximum. I know that there are some people who have the expertise for that.

5. Respond to and implement the Office of Public Auditor audit recommendations – The Administrative Director commented there were nine audit recommendations. We've complied with two and five are all related to the commercial division. If we get the commercial division going we should take care of that OPA audit. There is one other one in there that is directly with the Board and that is the evaluation of the Director that has to be done I believe every six months. What we'll probably do with that is late January or early February we'll begin the process for the members here so that will be one less out of the Office of the Public Auditor's audit recommendation but we do give it a high priority.

6. The construction of a new office building for land agencies – The Administrative Director commented several months ago about a year ago maybe more, Dept. of Land Management was beginning to begin the process of construction of a land services building on Block 24 which is the vacant lot next to Julaje. Chamorro Land Trust Commission doesn't own the whole lot but we own the middle part of the lot and it is enough for a substantial building on it. I haven't gotten any word from Land Management on the progress that they've done on the construction of the new office building. If we don't get a response by end of January or if they come back and say that it is no longer a priority and actually that was a priority set by the Governor to Land Management which is one of the reasons why the old building was demolished. There doesn't seem to be any action on Land Management's part or at least I haven't heard of any action. I've written a formal letter requesting a progress report on the new building. If Land Management comes back and says we're not going with the new building then the Commission would have to make a decision whether we build the new building on our own. One of the reasons for Land Management building a building there is that it would have been a six-story building that would house Dept. of Land Management, Chamorro Land Trust, Ancestral Lands Commission, Hagatna Restoration and Revitalization Authority and the Guam Election Commission. Guam Election Commission has some federal money to build an election center but they don't have any land so they were asking to buy one of the floors sort of like a condo style. We're waiting for some information, a progress report from Land Management and the Land Trust staff should report back to the Commission no later than January as to how that is going along. Ground breaking was supposed to have been on October 2007 but that came and went without any fanfare. Land Management was to build and also fund the construction of the building with the amount of money that they are getting from the recording fees and the land survey revolving fund. They were looking at servicing the six-story building at approximately $350,000 a year from a USDA loan which when I was at Land Management we began the process of applications sort of like the court house. The court house is funded by USDA. All the traffic tickets that the police give out go to the court house. We're looking at the recording fees being in there to pay for the building and of course the Land Trust being the landlord we get to stay in the building at no charge. We off-set that because we own the land. If Land Management is not going to build the building then the building would be substantially scaled down. Each of the floors in that six-story building would have been 12,000 square feet and would be maybe a little bit on the high side per floor for the Chamorro Land Trust Commission. Where we would we fund that? Hopefully in the next year or so we develop a commercial license that may be available to service that. Of course it costs a million a floor up till about the 3rd floor and after the 3rd floor it's about 1.1 to 1.2 million per floor. As you get higher you need elevators, water pumps and things like that. If the Commission was going to build it themselves we may be only able to build a three-story building, one floor for the Land Trust,

one for Election Commission which they would pay for and one for the other government agencies other than Land Management and then we would charge those other agencies rent with the Land Trust. One of the bad reasons for that is the lot is the last big open government land in Hagatna and you'll want to maximize the size of the property by building up rather than just three floors.

Chairman Pro-Tem inquired if they are going to build an underground parking.

Administrative Director commented the first floor would be the parking. Because of the location and next to the ocean your first floor is required to be open that way if the ocean comes through it just washes thru. You're allowed to build in the flood zone but you have to do certain things to mitigate it.

7. Compliance review of the issued leases and licenses – The Administrative Director commented the law actually requires these people to build homes within 3 years when infrastructure is on the property. What we need are land agents to go out and make sure of this so its not anything new in terms of the law or the rules and regulations. We just didn't have people to go out and check these compliance issues with the licenses and leases that were given. Hopefully if we get two to four new land agents and we are working with the University of Guam Agriculture Extension service on hiring two people from their federal grant which will help us go out and make sure that these people are complying in terms of the agricultural operations that they have. Hopefully by February we'll have something concrete on that. With the residential issues we have been doing that. If we run across a surveyed lot that has infrastructure to it and there's somebody that is ready to build and the person who got that had it already for four or six years and hasn't even cleared the property especially when it was the Land Trust that cleared it and put in the infrastructure and put in the road and they haven't done anything with it we actually take it away from them and give it to the person who is ready to build. We have done a compliance review on that but it is really not a full fledged compliance review. As we find that we take care of it but it is not really a comprehensive review of those leases and licenses. Of course with the commercial licenses the review and compliance on that would be done by the people in the commercial division.

8. Reconciliation with other GovGuam agencies concerning the land inventory and the registration of Chamorro Land Trust lots – The Administrative Director commented I believe in February Legal Counsel will be filing those land registration cases for the list of lots that we gave them and that will also be in good timing to expend funds to hire the surveyors to survey those lots because they come in two factors. One of course being the survey and the other being the filing of the case in court to do the land registration. There are some cases where it seems to overlap with other agencies for example, Dept. of Agriculture. We issue leases and then Agriculture will say that is an outstanding client that we have. We do that actually as the cases come up and appear but we would like to hold some sort of conference and invite all the GovGuam agencies and departments and ask what they think is theirs because for the Land Trust this is what we think is ours and lets try to work out those issues. We have cases like that where even the legislature gets involved for example, the senior citizen center in Santa Rita that was built on Chamorro Land Trust property but the legislature was the one that took it out of the inventory. We have other agencies that are looking to use Chamorro Land Trust property or we have other agencies

that think they own certain lands and we might be disputing that factor with them. We're looking at priority #8 as something to be done in the next year or so.

9. Develop a master land use plan – The Administrative Director commented the properties that we have are basically government properties to begin with and some of them are really not zoned, they are classified. A lot of our clients would come in to request for a commercial license and we give them the commercial license but it is up to the client to actually go through the rezoning process and to get the permitting process on that. At least for internally here I think the Commission should sit down and develop a master plan for all of its properties not only the residential and agricultural but also potential commercial properties that we might have.

Commissioner Matanane inquired if there is another commission for the zoning.

Administrative Director commented it is the Guam Land Use Commission that will zone properties but they only deal with zoning private properties. The zoning and the classification of government properties actually is up to the Director of Land Management. But if the Commission goes ahead and develops a plan and designates certain areas as commercial or agricultural we'd get Land Management to ratify that and that is what it is.

Commissioner Matanane commented that in lieu of being Chamorro Land Trust Commission can we also zone our properties.

Administrative Director commented not the Commission but the Commission could ask the Director of Land Management to classify. Some of the classifications are commercial, urban, agricultural, industrial and as well as schools. The law I would believe needs to be changed and rather than the Director of Land Management I think it should be the Commission that zones its own property.

10. Continue processing of 10,000 lease applications – The Administrative Director commented we have approximately 10,000 applications broken down to approximately 6,000 residential and approximately 3,500 agricultural and we have a couple of hundred of commercial license applications. In the next meeting we will have a presentation as to how many leases we gave out in 2007 and hopefully use that as a comparison for other years.

11. Review and recommend organizational, administrative, staffing, financial and budget matters to the legislature – The Administrative Director commented one of the recommendations that Commissioner Matanane had is to see if we can gain control of our budget, our bank account and certainly there are other changes related to Priority #11 such as Priority #12.

12. Review and recommend rent and fee structure for adjustment – The Administrative Director commented the commercial licenses that we have it varies, in one case the Commission charges 3% in another case they charge 6%. I know that the law for example for the Dededo Buffer Strip gives the authority to the Director of Land Management and the Mayor to set any where from 6% to 20%. The change that I would be recommending is let them bid it out.

Chairman Pro-Tem commented for example the Sheraton situation with the island, who really makes up the lease or the cost of that piece of property?

Administrative Director commented we prepare the license, we have a template but we fill in the blanks with the lot number and the rent. For example, with GRRP the initial amount of rent was supposed to be $25,000 per month but it was agreed by the Commission that when they have an independent appraisal that it would be 10% of that. So the appraisal came back on GRRP at $440,000 and 10% of that was $4,400 so that is what the monthly rent is. For example on the Premier Hotels the way that we are doing it now is they would go out and get an independent appraiser and come back with the amount. By law there is really nothing set as to what you would charge. It has been as low as 3% and as high as 6%.

Chairman Pro-Tem commented if you look at the appraisal of the island out there you have to look at the surroundings. It is surrounded by hotels, beautiful homes and also for being a beach front area so I would assume that the cost of that it may be an island that they are looking at that the appraisal value comes up which they say its just a plain old island but this is what it would cost. I want to know what really would be the appraisal value because the appraisal value is done in an area. Whether it be a residential you build your house in an area where it is really secluded and you have one beautiful home on one side that is worth maybe half a million dollars and you build on the other side, you pay high tax for that house, the people below there would follow into that.

The Administrative Director commented he has never seen an appraisal done on an island and wonder actually if any appraiser here has had an experience on that because it could work to the other side, there's no power, road or water so the appraisal could be low.

Chairman Pro-Tem commented that is what he is anticipating.

Commissioner Matanane commented if he remembers correctly when they sold Cocos Island and that was way back then it's almost 6 million dollars.

Administrative Director commented as Commissioner Gumataotao mentioned in some times during the year access to the island and water activities may be limited when you have a manahak run so the appraiser has to consider all of that. Even if the appraisal comes in high or low the Director previously was the one who made up his mind in saying to charge him 3% rather than 6% that is quite a gap to change. At least with that particular one I would put it before the Commission and let the Commission negotiate on the percentage of it. There was a previous draft of the commercial rules and regulations and the previous one that they did back in 2000 which was never implemented was that you would publish a list of all the commercial properties the Commission has and invite people to bid with the minimum bid being the appraised value.

Chairman Pro-Tem inquired on this case how would you do the bidding procedure.

Administrative Director commented in this case you don't because there is only one interested. You don't have a bidding you would just go by what the appraisal is.

Chairman Pro-Tem commented unless we decide to do an open market ourselves before these people come in.

Commissioner Matanane commented but with Ypao Point we can put an advertisement for interested parties.

Chairman Pro-Tem commented maybe that is one way we can do with Ypao Point, to put out for bid.

Commissioner Matanane commented or just to advertise like any other realtor.

Administrative Director commented that is what we did last time. GEDCA was the one that actually prepared the request for proposals and we had 5 people come in and picked up packages, 3 of them submitted and the Taskforce at that time selected what they thought was the best one but it didn't work out. That is the procedure that GEDCA does. They advertise not only locally but also some of the trade magazines in the Pacific.

Chairman Pro-Tem commented there are interested people out there but the problem there is they want to solely own the property which they can't. Because at any given time if I'm going to build a multi-million dollar project there and it didn't come out I can turn around and just sell it like some of these other hotels who are buying off and on because they have solely own their own. Which I don't really want that place to go anyway at least my feeling as a Board member here is that's one of the most prime property that we have in the Chamorro Land Trust which is one of the most beautiful place that we can see the old hospital. Maybe one day who knows we'll go back and build a hospital for the island. Its going to be stationary where it is never going to go.

Administrative Director commented the other part to Item 12 is not only the commercial rent that we have to look out to get a more solid structure on it but also the fees that we charge for agricultural use. The rent that we charge for residential use of the property is $1 a year for 99 years and the $50 application fee so the amount of money that we get from each application is $149. Just to develop that license or that lease is about $1,500 so it is about a hundred times more expensive than it is to lease out. We might also want and this again is up to the Commission and I'm not really talking about the residential use because I think it should remain at $1 per year because that is what makes it affordable to build a home but we have quite a bit of these agricultural leases that are 5 to 20 acres and these applicants or lessees are also paying $1 a year. In a lot of these cases in probably all of them they're really commercial farming. The Land Trust was set up for subsistence farming but when it comes to the point where you're really conducting commercial agricultural business on the property then I don't think it should be subject to the $1 a year like everybody else.

Commissioner Matanane commented you say that the people who are on agricultural are subsistence right? But why are we giving them 20 acres? Some people are so gullible that they need the 20 acres but they can't farm all of that.

Administrative Director commented that is where the compliance review comes in.

Chairman Pro-Tem commented when he first came on board that is one of the things that I asked because I can't foresee if a person comes in and tells me that he is going to farm 10

or 20 acres or whatever I know deep inside my heart I know he is not going to farm. What I'm saying I think what we can do once we really get our office set up and everything and once we get our people together we'll go back and do research on these people. To me when I got into this Commission what I felt is really land grabbing. I have no problem with that but do it the right way because there is so much limited property for everybody else.

Administrative Director commented that the fee structures are something that the Commission may want to consider. If we leave it as it is then its $1 a year but it's something that if the Commission wants action then we are going to have to do something about it.

13. Implement and collect PILOT (payment in lieu of taxes) – The Administrative Director commented maybe about a couple of months ago you may have seen the delinquency list in the newspaper and some of the properties that were delinquent are under the Chamorro Land Trust Commission. Those are the applicants who have gotten leases and went and recorded these leases at Land Management and then Land Management sends that information to Revenue and Tax and then those people are assessed taxes. Not every one of our clients have been assessed taxes. I did send a letter to Director Art Ilagan at Revenue and Tax and we're looking at least maybe training one or two people from our staff so that we can begin collecting money from that. Now according to the law that money goes into the Home Loan Guarantee Fund where when our clients build houses and we guarantee those loans that is where that money is supposed to go to. I don't know what's the balance of that account because last year was the first time that I have ever seen those tax delinquencies. I do know I've met a couple of Land Trust lessees who've showed me their bill from Revenue and Tax so Revenue and Tax is beginning to do that but I don't think that they are getting everybody that should be assessed taxes on it. The government in general is looking at reassessing all of its properties not only government properties but also private properties and I think it's the right time when the government starts doing the assessment of the private properties I think that's the right time for the Land Trust to also get involved in that to make sure that all of our properties are covered for that. Section 75112 was not in the original Land Trust Act of 1976. Recently I've gotten into an argument with a couple of members of Nasion Chamorro because they are saying that the Commission and the government does not have the authority to do that. Well, what they were looking at was the original Chamorro Land Trust Act that did not have that section. That section was put in when Senator John Salas and Senator Angel Santos were in the legislature so that is an amendment to the original Land Trust Act. Basically that is collecting of "taxes" on Land Trust property as well as on the improvements on the property and that is allowable by law. Although it hasn't been comprehensively done Revenue and Tax is beginning to do it but we're not covering everybody that should be covered for that. Also in Priority #13 and #14 we may want to ask the legislature to amend the law that instead of 100% of that money going into the Home Loan Guarantee Fund maybe some of that money could be allocated for the new building or it could be allocated maybe to operations of the Commission since we do not operate with General Fund maybe 10% or something like that. That certainly is something the Commission can recommend to the legislature to change that law to allow for that.

14. Review and recommend processing priority for adjustment – The Administrative Director commented right now the processing priority is a first come first served basis and we're processing all applications made in 1995 which is December 2nd 1995 to December

31st 1995. Of the 10,000 applications, 6,848 paid applications were made on that first month. What we're looking at is possibly adjusting and allowing for example for people whose financing may already be approved, for people who may be physically challenged so that we don't place them in a lot with no infrastructure and like that. Maybe also for elderly people because it's a normal part of life that people die but the people that are more vulnerable to dying of course is our elderly and we could easily provide a list of people for example that where born maybe before the war for example and process that. We also have a lot of veterans on Guam. We did receive a visit from the Veteran's Administration attorneys and their managers from Hawaii and from Washington D.C. a couple of months ago and their complaint is the money that is put aside for Guam for loans to veterans is not being used. Its being returned back to D.C. because Guam Housing does not have the processing and the Land Trust does not have the base, the pull of qualified applicants and a lot of these are veterans that are being charged maybe 3% for the loans with a maximum of $140,000 I think that could be brought up to $340,000 on special situations. Also veterans normally have two jobs because of the National Guard and Reserves and like that so there are about 7 million dollars every year that is allocated to Guam but a large portion of that money is returned back at the end of the fiscal year because we haven't done that. In our database we can easily find out veterans because in the interview sheet it asks whether they had prior military service and there is quite a lot of money in that. We did process several veterans that were in line that were handicapped and they've got some very nice houses that are designed for physically challenged people. We might look into adjusting the priority processing or at least allowing for these types of people. We've already had about 4 veterans who basically lost out in a loan application because their date and time has not come up yet and we really can't make them jump the line. We have three situations that involve handicapped and physically challenged people that we could place but we would have to wait for their date and time. We have a situation where the original applicant died and passed it on to his handicapped son but we're unable to process his lease therefore the Catholic Social Services, GHURA and some of these federal agencies are not able to provide home building assistance to these people because they don't have a lease on a registered surveyed piece of property. Maybe not do away entirely with the first come first served processing but when people either veterans with approved financing or the handicapped with the ability to build through assistance or on their own that maybe the staff or the Director can be allowed some leeway to bump these people in line because of that situation. That again we would probably have to change the law. We can change the rules and regulations the law allows the Board to change it but we would still have to go through the Administrative Adjudication Act. Basically what that involves is we develop the proposed rules and regulations, we make it available to the public, we have a public hearing on it, take in whatever recommendations they have, the Commission can change it, amend it and then submit the Board approved amended rules and regulations to the legislature. They have three options on what to do with it. They can totally deny it and delete it, they can accept it and make changes to it or they can hold it for I believe 45 calendar days and if they don't do anything before the end of that 45 calendar days it automatically becomes law. Or we can do the proposed rules and regulations changes, submit it to the legislature where they put it into a bill form, they have a public hearing and they either say yea or nay on the law. That would be something that the Commission can think of which if they do want to recommend any priority processing adjustments the Commission may want to decide which of those to process or roads that we would take in order to change the rules and regulations. There are some other changes on the rules and regulations that I will be submitting to the Commissioners for their information as well as consideration. For

example, Chamorro guy marries non-Chamorro woman, no children and then the Chamorro guy dies and the non-qualified surviving spouse is now on Chamorro Land Trust property. Obviously we can't give her a lease on the property or him because they are not qualified but what do we do with that person who is on that property. My recommendation would be to give what we call a life estate. As long as they are living they remain on the property and on the house and when they die the Commission takes the property and takes the house.

Chairman Pro-Tem commented we have to be very careful on this because if that person only the non-qualified spouse we can allow them to live there until his dying day and then it zeros out. If a couple is married and never had kids they can still give it to their niece or nephew to take over but then there is another problem there where they kick out the surviving spouse.

Administrative Director commented we have about two or three others like that. We have a case where the child is adopted and the gentleman was asking if his adopted son qualified to take over if he dies. The one that we have up at Adacao is they just have no children and in that particular case the Chamorro husband did indicate the beneficiary as the qualified niece now that is fine and dandy if the niece allows the spouse just to stay there until something happens to her but in that case with the Riveras they actually want to split the property and leave and there is nothing in our rules and regulations that addresses that.

Chairman Pro-Tem commented on the adoption if the mother adopts a friend that is different ethnic that would be non acceptable wouldn't it be?

Administrative Director commented if they are non qualified yes you can't. We've identified those situations that we can make a recommendation to the Commission or to the legislature as to how do we handle it.

Commissioner Matanane commented to give us all the scenarios that can happen and then we'll sit down and take a look at it and then make recommendations.

Chairman Pro-Tem commented these are the bulk of the questions that we really have to look at and when its time to present it to the legislature we give the legislature the situation that we might run into in the future. I know the law states that it is only for Chamorro but what happens in these cases. So if the legislature decides to pass that law then we're okay it's our jurisdiction. These are some of the popping questions that I feel that we should approach when the time comes when we make the decision to the legislature we would not be held accountable and that we are simply following what the legislature has passed if there was going to be a challenge by an organization whether it be Chamorro Nation or someone and says they are not Chamorro the kid was adopted.

Commissioner Matanane commented the Chamorro Land Trust when they passed it was that we have to have at least 1/4th blood.

Administrative Director commented originally it was then it was changed I believe in 1981 and it changed what they call a blood quantum in order for you to qualify you have to have Chamorro blood but it was changed to make it the definition of a native Chamorro which is someone who became a U.S. Citizen through the Organic Act. We have a couple of cases where it is kind of hard to tell who has Chamorro blood and who doesn't have. We do have

a couple of cases where people from the Philippines came to Guam before the war and their children were born in Guam, became a U.S. Citizen through the Organic Act but they are not really "Chamorro blood" but they qualify under the Land Trust Act. It is situations like that when people challenge the Land Trust saying it is not constitutional, situations like that will prove them wrong. It is very rare but the rules allow for that. If you were on Guam before 1950 and after 1898 and you became a citizen through the Organic Act then you're good to go.

Chairman Pro-Tem commented that is almost the same scenario of what I am trying to say. For a kid that is born today you can't stage that even though the mother and the father they're strictly blood line the parents of this kid could be U.S. Citizens here on Guam but their ethnic blood is totally different and this is where we have to be very careful and look at that issue. Back then in 1941 that was okay but now we're living in the modern stage where these kids, a lot of these people are married to different nationality but their original father and mother are really here and they may have obtained a U.S. Citizenship, grew up, went to school here and so forth. When that kid becomes adopted that parent becomes the legal parent but that is very vague in the law. The law has to be clarified on what is an adoption really. Now we know that this kid is of a different ethnic group so how do we re-identify that? Do we say that the mother is a full blooded Chamorro but the kid that was adopted through no fault of the kid? I think this is some of the points that we need to clarify.

Administrative Director commented he wants to inform the Commissioners of potential or times where the members of the Commission may need to meet with the oversight chair for example at the legislature for budget purposes or for the rules and regulations and of course also with the Governor on certain issues. I will inform the Commission on that as well as doing some sort of regular work session where it will be the staff really that will be having a meeting but if the Commissioners want to come and I encourage them to come if they have any specific questions about any specific application that we can discuss more open and discuss more options freely rather than in the structure of a meeting. The Commission cannot make a decision at those types of meetings but at least when you go to the formal meeting I believe you'll be better informed in making a decision. We will be setting things like that up from time to time. The work session is something we want to do regularly, meeting with the oversight chair which is Speaker Forbes and at this time the Vice-Chairperson of that Committee is Senator Judy Won Pat and of course from time to time in meeting with the Governor on any issues that either the Commission wants or maybe the Governor might request a meeting with the Commission. I do want to stress as I did to Commissioner Gumataotao that we are a three member Commission but we are really I would say one of the top five important Commissions along with the Airport, Port Authority, the CCU because we have the majority of the public government lands in our inventory. Government agencies are always looking for fire stations, police stations, senior citizens centers, housing for whatever purpose and of course you have private businesses that may want to look at some properties that we have here and of course we have our major job which is the leasing of lands for residential and agricultural purposes.

Acting Commissioner Gumataotao commented in regards to the staff it is good that you are documenting what is going on in the office with the land agents and everything but I think we wouldn't have to worry about Civil Service Commission if we follow the DOA rules and regulations. It gives you guidelines on what actions to take on some employees who are not living up to their expectations.

Administrative Director commented this is not just me, when I came in April I found a letter from the previous Acting Director Mike James and Mr. Joe Cruz that basically made a report back to the Chairman of the Commission, it was an unsigned letter but basically he cited the same things that I encountered with some of the staff members on it. At the next meeting I'll provide you copies of that letter but they were here at the Commission for about 3 or 4 months and Joe Cruz is a 28 year experienced as a land agent and as someone working on the land issue and Mike James of course has some management experience and they made a report to the Governor on their time down here. It wasn't very flattering to the employees that were there specifically the land agent employees. When I came in April I experienced it myself.

Chairman Pro-Tem commented he made his point earlier and made that clarification and it is really we are in support of you on what ever issue you are going to go with, just make sure that we are within the law. We don't want to be haunted back for a mistake. It's not really fair for the other employees who have a workload and that frustrates them because why are they supposed to do other employees work and they are getting that check every two weeks especially if that person is makes a whole lot more.

Acting Commissioner Gumataotao commented like the Board it is very critical that we meet to make decisions on policy issues so as their positions, yes to enforce it and process. At my confirmation hearing Senator Palacios and Madam Chair Won Pat mentioned about the process and how slow it is and the credibility of the Commission.

Administrative Director commented it is slower than what we would like it to be and they realized that because if the clients come here and they don't get the service they complain to the Governor's office or to the legislature.

Acting Commissioner Gumataotao commented but that has to stop.

Administrative Director commented it shouldn't have to go there.

Chairman Pro-Tem commented yes, like you said earlier we're still in 1995 and we're going into 2008, 12 years, why 1995? A lot of it too we're not part of it in the previous or in the past, why the slow process and maybe we need to really clean up that mess. Like I always stated we need to clean that up and maybe some of them might not like it but I want to walk out on this Board when my time comes knowing that we accomplished something worthwhile. I don't want to sit here and not do anything for the next year or two and just play the years and years and not pretend that it doesn't exist.

Administrative Director commented the only other issue that I would probably bring up with the Legal Counsel that I'm having trouble with is we have about 3 applicants, they are women, 2 are from the Northern Marianas and one the mother was from the mainland. However they were born out of wedlock and their birth certificate does not show the name of the father and only the name of the non- qualified mother. They want to get an application but I cannot determine their qualification from that. There was a situation way back when an applicant came in and she provided an affidavit from her great grand aunt acknowledging who her father is and the Board accepted it at that time so we might have to take that on a case by case.

Chairman Pro-Tem commented that there may also be situations where the person denies being the father.

VIII. EXECUTIVE SESSION – None.

IX. AJDOURNMENT
Meeting adjourned at 3:40pm.