Chamorro Land Trust Commission

(Kumision Inangokkon Tano' Chamoru)

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David J. Matanane
Vice-Chairman

Michael J B. Borja
Commissioner

Rita T. Franquez
Commissioner

Amanda L.G. Santos
Acting Commissioner

Monte Mafnas
Administrative Director

COMMISSION MEETING MINUTES
2nd Flr. Division of Highways, DPW Compound, Tumon
Thursday, April 21, 2011; 1:05pm - 4:15pm

I. CALL TO ORDER

Meeting was called to order at 1:05pm by Acting Chairman Oscar Calvo.

II. ROLL CALL

Present were Acting Chairman Oscar Calvo, Vice-Chairman David Matanane, Commissioner Michael Borja, Commissioner Rita Franquez, Acting Commissioner Amanda Santos and Acting Administrative Director Monte Mafnas.

III. ADMINISTRATIVE MATTERS

1. Acceptance of Administrative Director

Acting Chairman Oscar Calvo - Before we start today I need to first ask well you know that Mr. Mafnas has been the Acting Administrator and has been appointed by the Governor to sit in and I asked Mr. Mafnas today we would need the Board support to support him. And Mr. Mafnas are you willing to take this job now?

Acting Administrative Director Monte Mafnas - Yes sir I do. I welcome the challenge to do the right thing.

Acting Chairman Oscar Calvo - So we have a quorum so we need to get the support of Mr. Mafnas as board.

Commissioner Michael Borja - I move to appoint Mr. Monte Mafnas as the Administrative Director of the Chamorro Land Trust Commission.

Vice-Chairman David Matanane - I second it.

Acting Chairman Oscar Calvo - I third. So it's passed officially as of today you're the hang man.

There were no objections, MOTION PASSED.

Administrative Director Monte Mafnas - Okay.

Acting Chairman Oscar Calvo - Congratulations.

Acting Chairman Oscar Calvo - Okay now we can pursue on the agendas. As you know you guys already have your packages and I'm assuming that you guys have looked into it already but normally what we normally do to this Board is get the public comments and I want to let you public know that the comments have to be very short. And for one reason too is we don't have a legal counsel at this point in time. We were hoping that the AG would appear but the legal counsel is not here right now. And we have here the Public Works Director Joanne Brown who has been very instrumental to the Chamorro Land Trust in many ways. So I want to give you any time to look into the or you want to, Dave? Monte? On the yeah you want to make comments or anything? Subject to change or something?

IV. APPROVAL OF MINUTES

1. December 16, 2010

Vice-Chairman David Matanane - I move to accept the minutes of December 16, 2010.

Commissioner Michael Borja - I second it.

Acting Chairman Oscar Calvo - So be it passed.

There were no objections, MOTION PASSED.

V. PUBLIC COMMENTS

Acting Chairman Oscar Calvo - Just state your name and you know and I want to caution you we can't take any action today for that matter okay being the first Board and also we haven't a legal counsel too okay. So whatever we'll take all what information that you give us today and will be followed through by the new Administrator okay. So I just want to let you know that we can't take any action for that matter okay.

1. Marie Cruz - Yes I was invited by Mr. Monte about the concerning of my Mom's property in Pagat, Mangilao where Kinney's, lot number 5401. As a matter of fact I got a letter here that they told me we need to write a letter concerning the property of my mom and my late brother which he just passed away in October. And he gave an auth, well John represented himself without our knowledge to survey the land in Pagat Mangilao and register it under his name, gave authorization to his step daughter to build permanent structure. I believe that she claimed this structure after Pongsona without our knowledge and Louisa is residing there now. At the time during the before the typhoon Louisa was staying with my brother and the mom in the other side of my mom's house which I told Mr. Monte about this. And then well we're just trying to get back if it's possible for us to get back our mom's property where well I don't want to evict anybody from the property of my mom but you know my other heirs are concerned too because we want to keep that property or if they can exchange it to another property besides her you know where she's staying. Because those people that built there from what I know before Louisa start building her house they stopped her from building that property but they went ahead and finished that structure. But I believe what I was told from my other siblings that Mr. Quan stepped in and told them to stop building that property there because of the you know they got other heirs besides my

brother. But they went ahead and finished that house there. So I want to find out what can the Chamorro Land Trust do to help me get back the you know my mom's property.

Administrative Director Monte Mafnas - As I mentioned to and I met with Mrs. Cruz I told her that we have to review this with the Board so that we have a general consensus as to the policy that we're going to make. Her documentation seems to be in order and we're just trying to right the injustice that transpired with the understanding that no one will be left out in the cold or you know as she mentioned evicted out. So it's a very sensitive issue at this point in time so the Board has to review this and have a unanimous decision okay. Its policy beyond me, we need the Board's consent to go further but I wanted her to express her concern and issues.

Acting Chairman Oscar Calvo - The property was under your name right under her mom's name right?

Marie Cruz - Well that was well my uncle which he's with me right now but the property was leased by my grandfather way back in 1944 and they Land Management stepped in and told them that the siblings of my grandfather can stay in that property you know. So then the Chamorro Land Trust I think stepped in and raised the concern of that area.

Acting Chairman Oscar Calvo - The least we can do what the new Director has stated is we'll leave that up to him now and he'll do the research and findings and whatever findings come through and if it's warranted for that reason then I don't see any problem what the Board can go through okay.

Marie Cruz - Okay.

Acting Chairman Oscar Calvo - So that's the least as of today. We can't take any actions as of today okay and I thank you very much for coming okay.

Marie Cruz - You're welcomed, thank you.

Administrative Director Monte Mafnas - Please see me next coming Wednesday when you're available okay.

Marie Cruz - Okay so there's a meeting Wednesday?

Administrative Director Monte Mafnas - Yes.

Marie Cruz - Okay.

Administrative Director Monte Mafnas - We'll just make a confirmation of date and time you can see me okay.

Marie Cruz - Okay, thank you.

2. Vicente Q. Pangelinan - My name is Vicente Q. Pangelinan. I have a lease with Chamorro Land Trust in Pagat, Mangilao and I've been there since 87. And I had a

problem with this neighbor I've been all over the place seeking for help because I cannot afford to get any contractor to take all those materials that he left it on my land. And you know I've been paying taxes for that and I need the land to build, to plant something for my usage. I've been all over the place trying to get help and nobody seems to care. I was wondering if you guys could do something and help me out. Have this guy take out the material that he left in my property. I've been to Mayor's office, I've been to the Chamorro Land Trust, the arrendo what do you call that the arrendo people, Land Management, I've been all over but nobody seems to listen.

Acting Chairman Oscar Calvo - Mr. Pangelinan what kind of material is there? Construction work material?

Vicente Q. Pangelinan - This guy dug a foundation for the pig pen and cesspool and then he pushed all the material over to my place. And I've mentioned that even to one of the Senator's out there but he send some people to investigate but nothing happens.

Administrative Director Monte Mafnas - Mr. Pangelinan you have a map there right?

Vicente Q. Pangelinan - Yes sir.

Administrative Director Monte Mafnas - Can you show us please?

Acting Chairman Oscar Calvo - Where is that at, Dededo?

Vicente Q. Pangelinan - No this is over in Pagat, Mangilao, inner instead of Kinney's cafe this is the property. Okay the materials is like then he pushed it over to my property it's like 30 feet by you know that's something you know I can plant because for one thing I'm handicapped and then you have all the material that he pulled it up from the cesspool to push it over to my place.

Commissioner Michael Borja - So it's dirt?

Vicente Q. Pangelinan - Dirt and this is like car materials you know parts that's been laying there for years. When he cleared that land he pushed all the materials over to my place.

Acting Chairman Oscar Calvo - Who is that?

Vicente Q. Pangelinan - Juan Leon Guerrero Benavente.

Administrative Director Monte Mafnas - What we can do, my suggestion Mr. Chairman is we can ask Mr. Mandell who works with Chamorro Land Trust to assist him by visiting your site, taking pictures and you know getting it evidenced that this encroachment has happened and that it's true and then we can document it and proceed with further correspondence.

Vicente Q. Pangelinan - I even got a letter from the Mayor.

Commissioner Michael Borja - The Mangilao Mayor?

Vicente Q. Pangelinan - Yeah.

Administrative Director Monte Mafnas - Okay you have that very good. So we're going to address the issue sir. We appreciate you being patient and understanding.

Vicente Q. Pangelinan - You know I've been trying to get help since 1994 with this problem but I've been into the environmental and this guy has been giving me a hard time like a harassment in calling the cops on me just trying to get me out of there it's like a nightmare.

Administrative Director Monte Mafnas - This is Desmond Mandell this is Mr. Pangelinan and he has this property in Pagat, Mangilao and we need to address the encroachment issue, what problems the earth fill, hard fill, metallic waste is on the site. We need to take pictures and we need to inform Mr. Benavente...(interrupted).

Vicente Q. Pangelinan - Excuse me this is covered with vegetation and you know I can hardly go in there.

Administrative Director Monte Mafnas - But you know where your monument and your boundaries are right?

Vicente Q. Pangelinan - Oh yes I already had this thing surveyed. Yes I had thing already surveyed and registered.

Acting Chairman Oscar Calvo - What we can do on this Mr. Pangelinan once we get the lease clarified then Monte will probably get back with you in the next week or two whenever he's ready okay.

Vicente Q. Pangelinan - Okay.

Administrative Director Monte Mafnas - I can come to Mr. Benavente, I can write him a letter and give him proper respect, try to handle this civilly, amicably and if nothing happens then..(interrupted).

Vicente Q. Pangelinan - I was going to approach him about this but I don't want to. That guy you cannot reason with that person.

Administrative Director Monte Mafnas - We'll try our best to be civil and reasonable okay.

Vicente Q. Pangelinan - And I don't want any problem.

Administrative Director Monte Mafnas - We don't either but we'll resolve this problem.

Vicente Q. Pangelinan - Okay I appreciate it very much. At least somebody is listening because nobody seems to care.

Administrative Director Monte Mafnas- You have my number here so please call me.

Vicente Q. Pangelinan - Hey you guys anytime you're there come out there just let me know ahead of time. Thank you very much.

Administrative Director Monte Mafnas - We might need the services of the enforcement division of DPW though.

DPW Director Joanne Brown - Send me the cash.

Administrative Director Monte Mafnas - Thank you ma'am I'll take that under advisement.

3. Jane Story - Jane Story, I just wanted to, I'm here to observe and find out you know how these issues, problems are being solved. The road structure, the infrastructure, the water, agriculture you know how it's being addressed and that's all.

Administrative Director Monte Mafnas - Do you have one day so I can explain to you everything?

Jane Story - Sure that's I'm here.

Administrative Director Monte Mafnas - Basically in a nutshell the Government is broke. We cannot really address the infrastructure at this point in time. However we would like to address it immediately, expeditiously but unfortunately that's not the case. And we're trying to collect all the delinquent rents, we're trying to work out subdivisions, what I call a condominium subdivision, we're trying to work with Land Management, we're trying to register properties, we're also, we have rules and regulations for farming. So the plan is intact and we've already initiated forty farmer inspections and unfortunately only twenty percent have been approved but we want to work with the farmers. We're giving them letters analyzing the soil, suggesting which trees to plant and their requirements of the rules and regs which constitute about fifty trees per acre. I'm sorry, what's the rest again you said that's quite a long list?

Jane Story - Here's one issue a surveyor went and surveyed the property and he claims its the land I mean the Land Trust is the problem and we went to check if it was documented at Land Management and it wasn't. So who's the problem? The surveyor or the..(didn't finish).

Administrative Director Monte Mafnas- The essence of that statement the reality is in fact the problem originated at Department of Land Management. Simply because when they conveyed the property to Chamorro Land Trust they conveyed registered land and unregistered land. So the surveyor is correct in saying that property is unregistered because prior to commencing his work he has to do research at Land Management to identify if that subject lot is in fact registered. So unfortunately there's a law stipulated in the books that Chamorro Land Trust is not authorized to convey unregistered land but they did. So what we're trying to do is clean up that mess by registering that land. We have already eighty-two lots in the mill so to speak with land registration maps, abstracts of title. What we need now is a process server to personally serve notice to all the abutting adjacent lot owners and then file in court and then hopefully get it approved. But there's no guarantee that every land registration would go uncontested. So we have to do all our due diligence to

make sure that we can defend our boundaries. So in terms of land registration it's not our fault that we received unregistered land but we're doing something about it. We're moving forward.

Jane Story - So how long should the person wait or what should they do?

Administrative Director Monte Mafnas - Ma'am that's a sixty-four dollar question I wish I had the answer I would gladly tell you but..(interrupted).

Jane Story - Are they being, what about the tax or what should they be concerned with? Just wait?

Administrative Director Monte Mafnas - They should be concerned with what's happening to the interest, what's happening to their lease, what's happening to the request. However it's a fact of life, things take time. I'm not a lawyer, neither am I judge, I only am the Administrative Director at this point in time.

Jane Story - So you're just cleaning up the mess.

Administrative Director Monte Mafnas - I appreciate that, we don't want to point fingers of the past, the sins of the past but we want to move forward collectively, collaboratively with your patience and guidance we appreciate that. But yes you have to wait. I wish we could all give you the leases right now and everything will be free and clear, everything is understood and appreciated but there are problems. Land is a very complex issue especially when you have thousands of people that need assistance. But our inventory is very limited. The island of Guam is only two-hundred and thirty-two square miles so the intent is pure that's pursuant to the law but effectuating the plan takes quite a long time.

Jane Story - Okay thank you for your efforts and your work and good luck.

Administrative Director Monte Mafnas - Thank you so much you are so kind.

(Chamorro translation by CLTC staff Eileen Chargualaf)
4. Rosa Cruz - *Greetings to all of you. I don't have a lot of questions but at least my opinions. My name is Rosa Nauta formerly but now married to Cruz. I have been in Route 15 Pagat Mangilao for a long time and it depends on people who are show offs. My kids told me that they were going to take away Pagat Mangilao and I only have two kids and God bless and it's been 15 years since I've been a widow. I've only been married for two years. When my kids called me I didn't know who to attend to. My kids asked Mom where are you going? I said I'm not going nowhere I'm just going to sleep. Mom I heard that they were going to take Route 15 for the firing range for the military. Mom call me if you need my help, call us 24/7, Grandma I don't know who to listen to. My question for you is when the military comes in 2014 where will I be at because my kids already have other thinking.*

Acting Chairman Oscar Calvo -*Let me make it clear when the time comes if they decide what to do where you're at the Government will have to find a place for you. They will not put you in the road. They'll guarantee you. If the military or the Government decides they need the property it will be their responsibility to relocate you because you've been on that*

property for a long time. There will be amplitude time it's just like the school site in Ukudo the Government gave them time to relocate. The Government will not just kick you out they will find a way to relocate you.

Rosa Cruz - *When I applied for this in the 90s they told me it was 100x100 and also when my daughter applied and paid half acre. We have one lemai, ates, dok dok, mango, pugua, wild pigs, deer and that's what I'm proud of. One of my kids is asking where are we going to go and I said I'm going to write out a will that it's my property and their dad passed away and this guy (current husband) raised us.*

Acting Chairman Oscar Calvo - *Good that you're going to document it and be sure to give a copy to Monte.*

Administrative Director Monte Mafnas - *I would like to visit you and if you have a lease you are protected. Maybe the military might come in to occupy the land I don't know but guaranteed you will be protected if you have a lease or license. The mission of the Chamorro Land Trust is to assist you.*

Rosa Cruz - *Thank you.*

5. Junior Mateo - My name is Junior M. Mateo, I'm here just to kind of like update the Board as far as the progress that we've been doing up at Barrigada Heights since the Chairman and the Director had made contact with us as to what needs to be done up there. We have an inventory over there of approximately maybe a thousand or two thousand something like that I'm not too sure. We are expediting this movement that since the Chairman and the Director had instructed us that this has to be moved out because of the water lens and I agree with them. We're working on getting the appraisal as far as the two companies that was recommended to us and also that will be maybe next week or so that we will get some kind of results back. And then maybe we can come up with some kind of agreement as far as the rental so we can move out or you know move forward with this problem.

Administrative Director Monte Mafnas - Thank you Mr. Mateo. Mr. Mateo was given an authorization in the year 2000 by Director Teehan back then and he has been using this property for quite some time. And we finally met and we're identifying the area, exactly, precisely the same acreage as authorized in the amount of three and a half acres. Identifying any possible well you know it is a zoning infraction. There are environmental, huge environmental concerns but they have been working with EPA in rectifying those concerns providing proper environmental control plans and catchment containment plans and they're working with us. In addition to that we requested two appraisals that they engage their services to identify fair market value so we can address the fair market lease rent and they have been working with us very closely. Every day we talk to each other so it's the same case with Global Recycling.

Commissioner Michael Borja - Can you just clarify what's on the property right now that is the concerned?

Administrative Director Monte Mafnas - Well according to the new northern aquifer it commences from Yigo all the way down to Sinajana, Chalan Pago. That is considered on the island of Guam northern water lens. So the subject lot in question is fronting Route 15, adjacent and contiguous to Department of Revenue and Tax and it escalates up to about ten percent slope all the way up to Barrigada Heights. Also adjacent to them is the Catholic Social Services. So I think this is a very expensive place because this is the only junk yard that has ocean view.

Junior Mateo- Don't forget abandoned vehicle.

Administrative Director Monte Mafnas - Oh abandoned vehicle there you go.

Vice-Chairman David Matanane - What is your timeframe?

Junior Mateo - Well that's what we're trying to work out now with the Chamorro Land Trust. We're looking at maybe if we expedite this process with the help of Mr. Global, right now we're in the discussion as far as to move that thing and what have you. We're looking down timeframe maybe a year, maybe a year and half maybe like maybe sooner depends on how processed. Well see we do have the equipment up there, we have a machine that will process this thing. It's a small scale but we're moving this thing every month out. Since we have the NOV with the Chamorro Land Trust and also you know we're trying to expedite this thing out. This was the biggest obstacle in the timeframe that I have up there not only the economical downfall but also that last puzzle of this whole concept here with what we're doing because from the towing to the storage to the automotive and to which is the exit plan which is scrape. So it's all in line with this. So that is my last exit which we have an outlet for this that's why we're trying to expedite this thing out.

Vice-Chairman David Matanane - So it will take you a year?

Junior Mateo - Well like I said with the machine and I would like to invite you guys up and so we can show you actually what we're doing. It's not like what they put in the picture when they say junk yard it's like you shred cars all over the place and that's where all the contaminants comes in play here. What we do with all these vehicles and most of these vehicles comes in from various villages, emergency situation they'll call us, can you assist us in moving this abandoned vehicle, we do that, we store it up there. We stock pile it, we don't shred it. We shred it in an area where we process it which is all cement.

Acting Chairman Oscar Calvo - I went up to the place with the Director and I did see all what they're doing and EPA was there with them and also the Mayor's Council. So collaboratively they have been you know and the way they shred down everything what they do is they break down the vehicle and remove all the engine, transmission whatever and all this trash and then they pump and they compact it into a small and they put it into a twenty foot container I think. I think the problem that they are going to prolonging and seeing is the container can only be taken about two containers a week or for that matter.

Vice-Chairman David Matanane - That's not what I'm concerned of. After that has been done as they clear would the property itself be still under..(didn't finish).

Administrative Director Monte Mafnas - No they have to clean up everything. What happens here is..(interrupted).

Vice-Chairman David Matanane - I think I heard that you guys are behind on your lease do you have a lease?

Administrative Director Monte Mafnas - No lease or no license. They're playing tag team with Mr. Chu from Global but we tagged their team, me and the Chairman so that's why they're here now. They had a written authorization but never received any lease or license. But they're cooperating at this point in time.

Vice-Chairman David Matanane - At the end of everything that has been done or cleared when that piece of property is cleared it will have to come back to us and then we determine whether we're going to renegotiate with you and you've been accounting for the number of months that are behind. So when everything is done they have to come in here and then we have to negotiate on the back rent and also the..(inaudible).

Acting Chairman Oscar Calvo - Dave just for your clarification I did clear that with them that they still have for that back rental that they need to clear that first before anything goes any further than that. You were there Mr. Mateo and I think Mr. Santos was in that meeting that day but we did clear that issue on the and you know..(interrupted).

Administrative Director Monte Mafnas - Yes sir Mr. Commission, Mr. Matanane they are aware they will pay rent.

Junior Mateo - Yeah we're aware of that.

Administrative Director Monte Mafnas - Yes they will, right Mr. Mateo?

Junior Mateo - Right.

Commissioner Michael Borja - And my concern is the hazardous materials, the oils, batteries from the vehicles are those being properly disposed off or are they being leaked in the ground?

Junior Mateo - Yes we have outlets for all those in fact we just presented a disposal of the oil or where it went. Also if there is any contaminants as far as the soil there's a place to go for that. Our problem right now is the trash of course we've taken it up to the dump. What the other one, the battery goes to another recycling company and the tire also goes to another recycling company. So all these things has an outlet now.

Administrative Director Monte Mafnas - Mr. Mateo I have a question, I've heard and correct me if I'm wrong because hearing things can allegedly be true or not but I heard there was a huge EPA fine on a Mateo man. Is that you?

Junior Mateo - A what?

Administrative Director Monte Mafnas - A Mateo?

Junior Mateo - Fine?

Administrative Director Mafnas - Fine a huge fine, EPA fine.

Junior Mateo - Oh, EPA no, no, no that's I don't know if that was they're talking about my brother which is that professional towing. Yeah he was having the same problem as I was so what he did was he shut down and what he did after that he cleared out everything. All the vehicle went out there that he can't use or I can't receive went to either BKA or Bali Steel. The oil went to a disposal area which is the same company that we've forward that receipt to you guys and the tire also goes to another disposal company. In fact the Mayor from Tamuning called me the other day and was asking me in reference to my brother in reference to stock pile tires that was on the back side. I said I know that I was the last one there to help my brother clean out because we had to utilize some of our equipment to help BKA move those cars out. And by the time he cleaned out all those metallic waste the tire was there but he removed those and also the oil that was back there. So I don't know how that tire gave birth over there over night or whatever. But I'm assuming that you know since that place is secluded from the main road of course that could be..(interrupted).

Acting Chairman Oscar Calvo - Mr. Mateo on the issues of this now that we are working with other companies working I want a copy of that and all the companies that are involved to your company right now. That the waste materials who's handling this and handling that that way I want to make sure that at the end of the day that Mr. Chu or whoever is taking all that and accounted for. Because you know I don't want this static coming back and say well we..(interrupted).

Junior Mateo - We don't know, okay. What we could do is..(interrupted).

Acting Chairman Oscar Calvo - And I need also from them that they received it okay. I want to make sure that they receive that and also have that understanding because at the end of the day I don't want pointing finger, Mr. Chu pointing to you or Mr. Mateo never told me about it or Mr. Mateo for that matter. So this way I want everything documented this time around okay?

Junior Mateo - Okay whatever we're going to do here it is going to be documented. We'll forward these documents to you. Whatever we do through a daily basis or on a monthly basis maybe better on a monthly so you can see that you know what went out. We'll give you the bill whatever manifest it is that is required or whatever we do up there.

Acting Chairman Oscar Calvo - Remember what we discussed up there that you got to clear this by and I know you're going to have to clear by section but you know and Monte you know, as you clear one section you know maybe Monte or somebody one of the guys can come up there and says we have done this site already clear it up and whatever for that matter.

Junior Mateo - Well the door is open.

Acting Chairman Oscar Calvo - Because I don't want this pick and choose, today you clear this side, tomorrow you clear the corner. It's not going to be extending..(interrupted).

Junior Mateo - Yeah I understand.

Acting Chairman Oscar Calvo - It's not going to extending movement.

Administrative Director Monte Mafnas - In addition to that Mr. Mateo I just want the Commissioner to hear it from you and the public that I told you and Mr. Chu that in the end of the operation you will cease and desist and be relocated if in the event we enter into an agreement you will cease and desist of those sites specifically Barrigada Heights, specifically on Batulo Road that you will vacate those premises.

Junior Mateo - Yes.

Administrative Director Monte Mafnas - Thank you.

Junior Mateo - Are we good?

Acting Chairman Oscar Calvo - That's it, thank you.

Administrative Director Monte Mafnas- Mr. Santos did you want to augment your testimony? Okay thank you.

6. Frances Jarrett - Good afternoon everyone, my name is Frances Pangelinan Jarrett. I just want to with the new administration rolled in I just want to reiterate what I came onto the Board on February 18, 2010, the issue that I brought up on that Board meeting so that I want it on record. Anyway when I attended the Board meeting on February 18, 2010 regarding my land in Adacao, Mangilao, Lot 13, Tract 14119 I presented an issue that my lot was taken away without notification. Chamorro Land Trust was made aware of my off-island emergency. I came back in 2010, I'm sorry in 2007, I went on to check the property and that's when I discovered there was a family settled in about six months prior to my return. Chairman Calvo and Director Jesse Garcia and I met to discuss the situation. I was promised that the Land Trust would make good on the mistake that was made which in fact they did. They had given me property on the same Tract, Lot 21. I was so excited I went so quickly and had the property cleared only to discover that someone was claiming the same property. So we're back to base one. It was explained to me that Chamorro Land Trust is going through a lot of, they had encountered a lot of problems which I understand and my situation will be resolved and not to worry. Right now to date I have met with Director Mafnas and he's aware of the situation and that of course he had stated that he will make good of what was done and that to hang in there and I want to thank you for your patience for my constant follow up. And I thank you for your patience I just want to say.

7. Sylvia Rupley represented by son Albert Jay Quitugua - I'm sorry my mother okay my mother has dementia and just today I'm going to speak on behalf of my mother. My mother has dementia and she only put down two beneficiaries to her land. I'm only looking out for my mother's best interest here okay. I do not want to be put on anything of hers. Okay my main concern is my siblings are trying to add their names to my mother's land knowing for

the fact that she has dementia. She only assigned two people and that's the only two people she wanted to stay on that land. Apparently, I got a notice, I just came in today and I found out that one of my siblings came in on April 7th of this year adding her name down okay and the thing about it is that they're taking advantage that they have power of attorney which here's a copy of the power of attorney. That power of attorney is not supposed to be that they can put everything they want everything that belongs to my mother under their name. So what I'm trying to do sirs and ladies and gents I'm trying to prevent nobody from adding anybody's name back on my mother's lease. My mother only assigned two people which is my younger sister Norma Jean Quitugua and my nephew and it's on the beneficiary there. My mother doesn't want anybody, if you ask her right now she'll tell you but she only assigned two people. But lately now people are taking advantage of my mother's dementia bringing her here having her sign these documents and if you were to ask her right now did she sign it she'll tell you no because she won't remember her signing that. And lucky thing I came in today to find out because my siblings are taking advantage of her and I don't want that. Okay like I said I'm here for my mother's best interest and I want that thing squashed because if anything happens to my mother then these guys are trying to push themselves into everything that belongs to my mom because you know of her dementia and I don't want that.

Acting Chairman Oscar Calvo - Just to comment on that sir whatever your mom put there on the first that is what they'll, if there is no letter of authorization from your mom or any whatever power of attorney I don't know what power of attorney that they got from.

Albert Quitugua - Well anyways they got a document that's been signed by my mother saying that she agrees to put them on the lease okay but the thing about it is my mother has dementia she's can't remember that.

Administrative Director Monte Mafnas - Can I ask you one question sir?

Albert Quitugua - Yes sir.

Administrative Director Monte Mafnas - Can you please provide medical records or statements that your mom does have dementia? I think that's only fair.

Albert Quitugua - Okay I understand but for the time being okay because my sister already filed it can you guys squash that because wait until I get the documents because I don't want nobody taking advantage of my mother.

Commissioner Michael Borja - I have a question. Any of your siblings have legal guardianship over your mother?

Albert Quitugua - Nobody has legal guardianship they only have power of attorney. Right now we are in the process of trying to get a legal guardian for my mother okay but we're already going through a process of a lawyer. But right now I'm trying to stop people who have the power of attorney okay to try and take advantage of my mother. Right now my sister emptied out my mother's account. My mother had a savings account now over sixty thousand dollars is missing. Nobody wants to account for it. Okay so what I did okay for my mother's own best interest I'll tell you right now I closed my mother's account and I opened

up my own account and made her my joint partner so that way I even put it down I even got it documented here too that any changes was to go between me and mother so I won't even change nothing. I am not here for my mother's money. Right now they squandered all of my mother's money. Now my mother has nothing. Now they're trying to take her land. Okay I want to stop this. Now I want was you guys I don't care who comes in my mother only authorized two people and only two people alone and now they're trying to put themselves in.

Commissioner Rita Franquez - What's your name?

Albert Quitugua - Oh I apologize, my mother's name is Sylvia Leon Guerrero Rupley, my name is Albert Jay Quitugua, Jay as in J-A-Y okay. Like I said honestly people I'm only here for my mother's best interest.

Commissioner Amanda Santos - Why don't you tell your siblings to apply for their own land?

Albert Quitugua - My sister owns, my sister has a land in Yona under her husband okay but now they're trying to take my mother's land.

Commissioner Amanda Santos - Tell them to stick to it.

Albert Quitugua - That's what I'm saying I know now they're living on my mother's land and they're trying to take advantage of my mother and I'm trying to stop this okay. My mother does not deserve this kind of treatment and just to let you guys know I already filed a complaint with the adult protective services because every time I asked them what happened to the money nobody wants to say anything. All they say is it's her, she spent it. On what?

Acting Chairman Oscar Calvo - What we need is clarification from her doctor.

Albert Quitugua - Yes my sister's getting, I'm in the process of getting that too because the lawyer asked me to get another document stating that my mother does have dementia. I'm in the process of doing that too because like I said all I want to do is stop that from going through. I don't want my sister added to this.

Administrative Director Monte Mafnas - Albert you should be commended for taking care of your mom okay. I do want to ask you who is Norma Quitugua?

Albert Quitugua - That's my baby sister, that's the one my mother authorized only.

Administrative Director Monte Mafnas- Okay only or..(interrupted).

Albert Quitugua - And Jarred and her son Jarred, yes.

Administrative Director Monte Mafnas- So there's two.

Albert Quitugua - There's only two beneficiaries and that's all she wanted on this lease.

Administrative Director Monte Mafnas - Let me ask you another question, who is the attorney in fact? Is it Carmelita Dela Cruz?

Albert Quitugua - That's all three of them.

Administrative Director Monte Mafnas - Toves and Pauline?

Albert Quitugua - Yes.

Administrative Director Monte Mafnas - Well you know these are legal documents.

Albert Quitugua - Understand but does that give them the..(interrupted).

Administrative Director Monte Mafnas - And for her to revoke the power of attorney in my opinion because I'm not a lawyer okay she has to be of sound mind.

Albert Quitugua - Understandable but does that power of attorney give them authorization to add their names knowing for the fact my mom has dementia? Does that give them the authorization to come here using her dementia to add to sneak their names into the lease? Because I believe that legally by law my mother is of unsound mind any document she signs now is invalid.

Administrative Director Monte Mafnas - Correct.

Albert Quitugua - Okay so right now that's invalid to me that should be considered invalid because my mother right now if you were to show that thing to her right now she won't remember if she signed that.

Administrative Director Monte Mafnas- The medical papers will justify when the power of attorney is instituted and legal. At this point in time it was officially executed and notarized as of July 10, 2010. Now your question earlier was do they have the power? It says give, grant, full power, giving and granting. In other words they're instead of her they're acting like her. So even the bank account can be spent, even anything that she owns they can act it's all here in writing.

Albert Quitugua - I understand that.

Administrative Director Monte Mafnas - I'm not trying to argue I'm just stating.

Albert Quitugua - No, no I'm not trying to argue too but the thing about it too is that any time these people have power of attorney they're supposed to account for everything that happens to my mother, yes or no? So why can't anybody account for the money that is missing out of her account? Why is it no one mentioned anything to anybody in the family that they're adding their names into my mother's lease? Okay, they're not consulting anybody they're just doing everything of her and she got dementia. I'll tell you right now show her the documents she won't remember anything.

Administrative Director Monte Mafnas- And this happened expeditiously in ten months.

Albert Quitugua - Very fast that's what I'm saying you see how fast they're trying to take everything. Like I said I'm not here I don't want my name added to any leases, I just want people to stay off of it because my mother has no sound mind to sign these documents that they're pushing in front of her face.

Administrative Director Monte Mafnas - This signature, you know it's your mother's signature. Is it familiar to you?

Albert Quitugua - Mom is that your signature? See.

Administrative Director Monte Mafnas - To you I ask you the question.

Albert Quitugua - I've never seen my mother's signature. Okay except yes I have this does look like my mother's signature but my mother now writes tinier, smaller than that.

Administrative Director Monte Mafnas - Because of the notary law nobody can sign without attesting that it's their signature and providing a driver's license because it needs to be authenticated it has to be validated it has to be real.

Albert Quitugua - I understand that, understandable.

Administrative Director Monte Mafnas - So I'm just saying to you this legal documentation is in effect.

Albert Quitugua - I understand but the fact of the matter is that they're adding their names on the lease now knowing for the fact that my mother's not of stable mind. I think that's inappropriate.

Administrative Director Monte Mafnas - The only thing we can do now is see if she had dementia prior to July 2010.

Albert Quitugua - Yes.

Administrative Director Monte Mafnas- That's the burden of proof is in your court now.

Albert Quitugua - That is why I'm trying to ask you guys squash this because I don't want it. I mean God forbid I don't want my mother passing away now but God forbid my mother passes now my sister took her money now she's taking her land and I'm trying to stop that.

Administrative Director Monte Mafnas - We will take this under advisement but we cannot act on your request simply because you requested. Pursuant to all the legal documentations, the proper chain of events it is of record that we did the right thing.

Albert Quitugua - Okay.

Administrative Director Monte Mafnas - So until you can prove otherwise its stays like this.

Albert Quitugua - So that means her name is going to be added to the lease even for the fact that my mother has dementia as of April 7th.

Acting Chairman Oscar Calvo- You know the thing about that first of all like what Mr. Mafnas said okay we're not lawyers or anything and secondly, you know we're not doctors and we're not saying that you're lying for that matter okay. So the fact remains that it has to be cleared by your okay. For us to just say stop we cannot because the documentation speaks for itself okay. And I think what you should be do is get yourself or whether you have a lawyer now and at the end of the day this is more or less going to be a consultation you're fighting between the lawyers because that is a documentation that has already been signed in and if it does come down to that point that your mom has dementia okay that has to be proven by your okay. And the other two sisters whatever transpired what they did to your mom whether they cleaned your mom that's not our take okay. But you have to clear that portion first like what Mr. Mafnas said okay. For us to just right now just hope the timeframe will come for you and the faster you move the better it will go. So you know but for us to just say..(interrupted).

Albert Quitugua - So what exactly do you guys need? What documents do you people need to squash this?

Commissioner Rita Franquez - Medical records.

Albert Quitugua - Medical records to prove that my mother has dementia because I'm planning on taking my mother first thing next week.

Administrative Director Monte Mafnas - Actually it's more than medical records we will need a legal interpretation juncture, complaint, declaration, some legal language because everything appears to be (inaudible), everything looks legit. For you to just..(interrupted).

Albert Quitugua - Yeah but you guys just finished telling me right now that you guys read the document of the power of attorney claiming that she has dementia okay.

Administrative Director Monte Mafnas- It doesn't say that she has dementia what it says is she gave..(interrupted).

Albert Quitugua - Oh so what you guys want documents to prove that prior to her signing that document that she has dementia.

Administrative Director Monte Mafnas - But please be informed that when she signed it it was in front of a notary public. No notary public will take a risk of going to jail. Their notary log book is reviewed by the attorney general. They swear they took an oath to validate that signature to authenticate that signature. So you really have tough battle.

Albert Quitugua - Well I'm willing to fight this battle.

Administrative Director Monte Mafnas - But it's your call okay. But in as far as this legitimacy it's legitimate.

Albert Quitugua - So what exactly does that mean? Does that mean that my sister is a partner on this land lease or is she a beneficiary?

Administrative Director Monte Mafnas- The beneficiary is Joann Toves at this point in time besides the other two.

Albert Quitugua - So that means that all three of them are going to be on this lease.

Administrative Director Monte Mafnas - That's correct right?

CLTC Staff Eileen Quichocho - Yes if you read the top portion it says she's going to be added.

Albert Quitugua - As a partner see that's what I'm saying.

Acting Commissioner Amanda Santos - Quitugua why don't you go to a senior citizen lawyer and ask for their help.

Albert Quitugua - Like I said I already went to Adult Protective Services to file a complaint.

Administrative Director Monte Mafnas - This one you may have a chance because if you can claim that she's documented medically that she has dementia then this can be squashed. This one but nothing else because the date was the eleventh.

Albert Quitugua - Eleventh. What I want sir, ladies and gents I just want this one squashed because now it makes her a partner to my mother's land okay. I don't mind if it has to be beneficiary but the thing about it is that's my mother's land.

Administrative Director Monte Mafnas - I stand corrected it was on the eleventh.

Albert Quitugua - Yes and she's got dementia she's been documented with dementia before this eleventh.

Administrative Director Monte Mafnas - But still the burden of proof is in your court. You have to prove that she has dementia.

Albert Quitugua - I will do that first thing Monday because tomorrow is Good Friday and I don't know if anything is open okay. I'm just concerned about my mother's well being okay. That is why I know my family is going to be mad for me for making a public notice but the thing about it is, is taking advantage of my mother is you know it's uncalled for.

Acting Commissioner Amanda Santos - Are you the youngest?

Albert Quitugua - No I'm number eight out of eleven and see everyone else just wants to squash it everybody else just wants to push it under the rug. I am not going to let sixty thousand dollars disappear and not be accounted for. My mother looked at her account. I took my mother to the bank yesterday and she's like where's all my money? I said you took

it out. She said no I didn't I deposit money fifty dollars in it. I'll show you my mother's bank account right now only eleven dollars and seven cents out of over sixty thousand dollars.

Acting Commissioner Amanda Santos - Go see a lawyer.

Administrative Director Monte Mafnas - It's beyond us.

Albert Quitugua - Understandable, I'll just let you guys know please consider this first before you make them take my mother's land too. They took her money I don't want them taking her land.

Administrative Director Monte Mafnas - If you can prove that we'll take a look at this.

Albert Quitugua - Thank you very much ladies and gents I really do apologize for bringing my problems to you, bring out the dirty closet but I don't want people taking advantage of my mother.

Acting Chairman Oscar Calvo - And rightfully you did the right thing for your mom you know but it is out of our control.

Albert Quitugua - Understandable until I can prove that she had dementia before this eleventh.

Acting Chairman Oscar Calvo - Exactly.

Albert Quitugua - I can do that like I said first thing Monday I'll go to her doctor and get a document stating that she has dementia.

Acting Commissioner Amanda Santos - Senior Citizen lawyer.

Albert Quitugua - I'll do that too if I have to, I'll call up SPIMA.

Administrative Director Monte Mafnas - Very good, thank you for your time.

VI. OLD BUSINESS

1. Alicia Pinaula - Estoppel certificate/Memorandum of Understanding

Alicia Pinaula - My name is Alicia Pinaula and Mr. Ron Lujan is here from GHURA on behalf of the memorandum of understanding and the estoppel, I'm trying to get the house built.

Ron Lujan (GHURA) - Thank you Mr. Chairman, Board members and congratulations Monte. I'm here actually to talk about our Rehab Home Loan program and I know Alicia has been here over a year pounding on the door and maybe we can find a resolution to help her out through this MOU. Our Rehab Home Loan program let me kind of give you an overview there's two types. There's a deferred loan program and there's a repayment program and I think you have in front of you the MOU that talks about that. The deferred program is what Alicia is in as of today's date because she is below fifty percent of median income when we rehab her home we can give her up to sixty thousand dollars. She doesn't

have to pay it back but she has to occupy that home for the next fifteen years. After fifteen years we will release the loan. For every year that she occupies it also its forgiven one-fifteenth. So let's say that after ten years and just to make it simple that she was given a loan of fifteen thousand, after ten years and she passes away and the next of kin is not of Chamorro descent because that's the MOU the MOU will spell it out you select. Whoever takes it if you decide to give it to somebody that is over the income limits the statutory guidelines of GHURA then that individual has to pay us the difference of five thousand because that's the remaining portion of the loan.

Acting Chairman Oscar Calvo - Just the balance.

Ron Lujan (GHURA) - Just the balance of whatever it is and that's because the individual or whoever just the family moves in it's over income as far as our program is concerned. The income limits are based on anybody that's over eighteen years old in the household. The total family income, it's not just the head of household or you know one spouse it's the total household income.

Acting Chairman Oscar Calvo - Ron I want to ask you a point of question because being sixty thousand dollars and I know the program before you even give out this program and we talked about this Monte is there has to be an existing structure there at that place.

Ron Lujan (GHURA) - That's correct.

Acting Chairman Oscar Calvo - Now hypothetically you know does it fit into what how many in the family that sixty thousand acquires for? Let's say that she's got a three bedroom, four bedroom house that she wants to because basically that loan is basically to renovate the inside the house to better condition. Maybe time to remove the ceiling or the roof or whatever termites and so forth and that alone I know that the Chamorro Land Trust we're not going to be responsible that's going to be all your responsibility that she keeps up all the rules and regs that needs to be done and the contractor will be the one to foresee all that. And actually at the end of the day there will be what a ten percent withheld to a period.

Ron Lujan (GHURA) - It's just a warranty period.

Acting Chairman Oscar Calvo - Yeah warranty.

Ron Lujan (GHURA) - It's actually the mechanics liens there's a sixty day period with that. There's an eighteen month warranty from the contract.

Vice-Chairman David Matanane - Our problem here is that the estoppel agreement is a mortgage.

Ron Lujan (GHURA) - And what's wrong with a mortgage?

Vice-Chairman David Matanane - Because we cannot mortgage Chamorro Land Trust.

Ron Lujan (GHURA) - Oh the structure?

Vice-Chairman David Matanane - Yes, well your stating on the estoppel that you're mortgaging the property itself.

Ron Lujan (GHURA) - I know but the lease is for ninety-nine years.

Vice-Chairman David Matanane - Mortgage is a mortgage Lujan.

Ron Lujan (GHURA) - I know but the structure is what we're looking at.

Vice-Chairman David Matanane - And that's the reason why we have pretty hard time with Ms. Pinaula.

Ron Lujan (GHURA) - That's why we did this MOU.

Vice-Chairman David Matanane - I was looking at this MOU and this is a minor problem on the MOU. I might be agreeable with the MOU I read that, there's only one item there I'm concerned of.

Ron Lujan (GHURA) - What's the concern with that item?

Vice-Chairman David Matanane - On the foreclosure area. Everything else seems good to me but still the fact remains that you guys are going to be mortgaging the whole property.

Administrative Director Monte Mafnas - Mr. Matanane can I intervene, I did a couple of research okay and number one I called up Hawaii, FHA loans that are granted to Bishop Estates. Now Bishop Estates owns probably one-fourth of the state of Hawaii and their term of their lease is up to eighty-eight years and that satisfies HUD and FHA requirements. We're talking about thousands if not fifty or hundred thousands of homes in Hawaii not million homes so having said that we can engage into a ninety-nine year lease. And I respect you Mr. Matanane and I thank you for your fee simple concern but there will be no fee simple, this will be all leasehold. And we can extend the lease to ninety-nine years if need be but that will satisfy the mortgage language. Now in the event we can run this to the lawyers okay because I have already touched base with the Attorney General in as far as the language is concerned for foreclosure what Mr. Lujan is perpetuating is that they will hold ground until we can provide a person to qualify. Now there's over a thousand leases executed by Chamorro Land Trust. There's another thousand residential that want to be qualified and receive their lease. So not even one percent of a thousand is ten people okay. So having ten people at one percent of the total pie should be qualified in the event, in the event not Alicia Pinaula is foreclosed. So I'm just saying that I did some research and I just wanted to interject that point.

Vice-Chairman David Matanane- Look at page 39 of the previous meeting right in the middle of the page there is what our attorney has mentioned. I have no problems with these I want it to happen but I want to know where can we circumvent if that is the correct word for it. I didn't want to mention that word but anyway I like the MOU but only one item which is the foreclosure. If we can if we had our attorney here maybe we can clarify. You know Mr. Lujan on that foreclosure maybe Chamorro Land Trust will be the first to take..(interrupted).

Ron Lujan (GHURA) - For right of refusal?

Vice-Chairman David Matanane - Yes.

Ron Lujan (GHURA) - It says here notification of parties at default upon GHURA's written notification.

Vice-Chairman David Matanane - I agree that that's the normal procedures of those things.

Ron Lujan (GHURA) - You have forty-five days to give us a name.

Vice-Chairman David Matanane - Just to make sure because you and I might not be around.

Ron Lujan (GHURA) - But this document will be because it's going to be recorded.

Vice-Chairman David Matanane - And the first refusal for Chamorro Land Trust remember the land is more valuable than the building. The building will depreciate in the next fifty years.

Ron Lujan (GHURA) - Well I understand all of that but all I'm trying to do is help your client and that's all I'm here for.

Vice-Chairman David Matanane- But you know the wording there Mr. Ron I'm with you I read that and I read it again and I said only one item there the foreclosure thing in there. And I wish we had the attorney and we will you know get the right jargon in there so we can you know take the Chamorro Land Trust too but if you and I are gone Mr. Lujan in the next they are going to enforce it and I don't want to do that. Chamorro Land Trust is not supposed to mortgage which is the law and we're trying to see whether we can help our people that's on Chamorro Land Trust and the fact that GHURA is very you know honorable to come and help the people of Guam but the jargon there for the foreclosure that's the only problem that I have. I mean if our attorney or maybe the Attorney General will put some wording there as the first refusal for Chamorro Land Trust in case GHURA wants to foreclose on the property we have the first crack and we will try and I guess another word there for guarantying that the loan itself.

Administrative Director Monte Mafnas - Yeah we will have first right of refusal.

Vice-Chairman David Matanane - That's the jargon I wanted on that foreclosure statement. I'm agreeable with it the MOU Mr. Lujan. I agree with you Mr. Lujan.

Ron Lujan (GHURA) - It just says upon GHURA's written notification to CLTC of default by mortgagor participating in the home CLTC shall within forty five days, I can't believe you can't give me a name in forty five days of who qualifies.

Vice-Chairman David Matanane - I want it called Chamorro Land Trust will have the first refusal in any case. You and I are not an attorney and they can..(interrupted).

Ron Lujan (GHURA) - I understand but the program requires me that the person that gets that property meet our income limits. Yours doesn't have that. If that was in your program saying that only people that are fifty percent and less or failure meeting I wouldn't have any problem talking about you about just issuing the (inaudible) and there's no lien on the property because I know it meets our income limits.

Vice-Chairman David Matanane - I agree, I agree and I want to help I want to try and get this thing and maybe other from you know the other Chamorro Land Trust recipients..(interrupted).

Acting Chairman Oscar Calvo - Mr. Matanane basically so maybe we can you know really clear this up ..(interrupted).

Vice-Chairman David Matanane - But not the estoppel, not the estoppel though. MOU yes but not the estoppel.

Ron Lujan (GHURA) - No because we still need, I don't need it but you need to mortgage the structure to us.

Vice-Chairman David Matanane - That's the problem Mr. Lujan.

Ron Lujan (GHURA) - There's got to be a lien, we can't, you're asking us to give sixty thousand dollars and we walk away. GHURA can't do that because we have our statutory requirements.

Vice-Chairman David Matanane- And that's our problem because it's stated there in the law that you cannot mortgage Chamorro Land Trust.

Ron Lujan (GHURA) - I know but where else can you get sixty thousand dollars without paying it back and after fifteen years the bank won't give it to you guys I guarantee you that.

Vice-Chairman David Matanane - I understand Ron but like I said the estoppel agreement is stating right there it's a mortgage and you know stating it right under a clerk stating then all of us here is saying that oh we can do it because of the fact that we have provided Ms. Pinaula there that you can do the mortgage and the law says you cannot mortgage.

Ron Lujan (GHURA) - This is no different from any leasehold I mean I'm just asking for the structure to be..(interrupted).

Vice-Chairman David Matanane - No, no, no, but the law stipulate that you cannot mortgage but we tried to circumvent that but you know I'm not trying..(interrupted).

Ron Lujan (GHURA) - I'm not asking anything about circumventing the law.

Vice-Chairman David Matanane - You know we try to get through I think the situation here but still when you mention that mortgage word it's a no, no so whether you want to or not you can't.

Administrative Director Monte Mafnas - Let's say worst case scenario comes Mr. Matanane, you're right it's a valid concern and I salute you but in the event worst case scenario Alicia doesn't pay the bill and GHURA foreclose we're going to step in and buy it out but we can always turn around and sell it for the minimum amount. So that protection is still there. You know we will step in.

Vice-Chairman David Matanane - It needs to be stated there.

Administrative Director Monte Mafnas - That's a very good point but you know considering there will be a land and a house existing and then it will step in and we're basically guaranteeing it because it's not fee simple its leasehold.

Ron Lujan (GHURA) - We're not even asking for a guarantee.

Vice-Chairman David Matanane - But you know in the first place when Ms. Pinaula first came in here she said that she has a grant and how can you have a grant and still trying to ask for a mortgage?

Ron Lujan (GHURA) - Everything that we do is a loan program. A rehab program is a loan program and again it's a substandard structure and we don't actually do construction but because there's an existing substandard structure we do what we call rebuild. We never call it new construction because HUD will never allow us to do that. We're trying to provide a safe and sanitary decent home for your families and that's all we're trying to do and that's why I heard Ms. Cruz's problem..(interrupted).

Administrative Director Monte Mafnas - I just wanted to state that with this exercise with this mortgage it creates value on the land. Correct? So our vested interested is there. We're protected in the event Ms. Pinaula is foreclosed we step in and we can always sell it to the highest bidder and with the minimum cap of the sixty five thousand.

Vice-Chairman David Matanane - But the wording there it has to be stipulated stating that..(interrupted).

Ron Lujan (GHURA) - With approximately a hundred and twenty loans now and I can guarantee you since 2003 we haven't had one foreclosure.

Vice-Chairman David Matanane - It's just like saying you're mortgaging only the building not the land.

Ron Lujan (GHURA) - Yeah because this is a leasehold.

Vice-Chairman David Matanane - I understand but the lease is from us is the land.

Acting Chairman Oscar Calvo - Ron let me ask you a point of question for this issue since it's been stated you know the mortgage loan itself and you have to do you really have to identify that in your (didn't finish).

Ron Lujan (GHURA) - Which one?

Acting Chairman Oscar Calvo - In the loan because you know maybe on the mortgage issue because at the end of the day what Mr. Matanane is saying here is you know as long as that because you're actually mortgaging the structural home okay, is there a way that I don't know.

Ron Lujan (GHURA) - There's just no way because then it allows you to find, she walks away and I don't see why she would walk away from a free, it's just repayment is just occupancy, is that then you decide who goes in and it doesn't matter whether the person makes a hundred thousand dollars a year or twenty thousand dollars a year as against our program.

Administrative Director Monte Mafnas - At that point in time we control who goes in. Correct?

Ron Lujan (GHURA) - Yeah but that's what we're saying you control and then you let us know who is going to go in because they got to qualify with our income and that's why we need that because that's part of the program.

Administrative Director Monte Mafnas - And whoever comes in is liable for principle only.

Ron Lujan (GHURA) - Oh yeah no problem.

Administrative Director Monte Mafnas - Not principle and interest.

Ron Lujan (GHURA) - That's it there's no interest involved.

Vice-Chairman David Matanane - No penalties involved with that.

Ron Lujan (GHURA) - Oh it has no penalties except that you know the person has to meet the income level.

Administrative Director Monte Mafnas - It's all a game there Commissioner Matanane the way I see it. How can we lose?

Vice-Chairman David Matanane - When you start mortgaging and you start one that's starting a precedent and everyone else would want it. If you can mortgage it to GHURA why not to us?

Administrative Director Monte Mafnas - That's a good point sir because we want to start a precedent.

Ron Lujan (GHURA) - Maybe ask them make it a free mortgage and then free loan and I will tell you just..(interrupted).

Administrative Director Monte Mafnas - I just want to interject that yes we're starting a precedent that's why this is the key precedent converting a substandard house to a standard living condition. That is the right thing to do.

Vice-Chairman David Matanane - Don't get me wrong Monte I want that you know but my hang up is that you know if you put it in paper saying that we're mortgaging it who else would want to also be in that program.

Ron Lujan (GHURA) - Again I would like to see which bank comes out and say we'll give you sixty thousand dollars you don't have to pay us back.

Vice-Chairman David Matanane - But still the wording there the mortgage it's contrary to law.

Ron Lujan (GHURA) - Anyway we want to go because I think we spent a lot of time already we're going to go down to the responsibilities of the and I'm sure that you've all read it the Chamorro Land Trust Commission and Guam Housing and Renewal Authority I think is very clear again that all applicants referred for GHURA will first be determined by CLTC pursuant to your public law or Title 21, Chapter 75. GHURA's applicant qualification, all applicants referred to GHURA by CLTC will be properly screened by GHURA to determine income eligibility to participate in the Home Rehab program. And that's all we're asking is that make sure that the person is eligible for our program income wise because again the Chamorro Land Trust program does not have any income guidelines so it doesn't matter how much you make. If you make a hundred thousand and you have a lease as far as we're concerned you don't qualify for our program. I can't put anymore simpler than that.

Acting Chairman Oscar Calvo - Ron on Section E, notification to parties as a result of default, we're looking here at the program shall be within forty five days to provide GHURA with a short list of CLTC qualified lessees for GHURA to determine the income eligibility of assuming to the mortgage of GHURA shall within thirty days, I don't know if this will make you comfortable Dave instead of putting that forty five days maybe we can ninety days.

Vice-Chairman David Matanane- It doesn't matter whether you put it on thirty or ninety days.

Ron Lujan (GHURA) - His problem is the mortgage, it doesn't matter whether it's a hundred but the problem that I have with that..(interrupted).

Acting Chairman Oscar Calvo - But the thing that Dave is alluding here is because within a ten year period and Ms. Pinaula you know ups and whatever okay is we're saying here is we're giving you guys within the next forty five days give us a client okay to assume that position to take over that loan for that matter okay and you know forty five days to identify right away I don't know what's the timeframe that GHURA would be really and Mr. Borja do you have a question to that?

Commissioner Michael Borja - I have a question about that..(interrupted).

Alicia Pinaula - What's the maximum days can be allowed to give more ample time to this issue? Is that a 45 days?

Commissioner Michael Borja - Well what I have a question about is that if GHURA or the HUD mortgage is on the house, this residence but the lease is with the leaseholder and they default on their home or they leave you're now saying CLTC needs to have forty five days to find a replacement person to go into this house but yet the lease still belongs to her. So how do you do that?

Vice-Chairman David Matanane - But the law says you cannot mortgage it. Nor the Chamorro Land Trust Commission nor the individual that has a lease cannot mortgage the leasehold.

Commissioner Michael Borja - But it doesn't sound like their mortgaging the leasehold they're mortgaging the house the structure.

Vice-Chairman David Matanane - Yeah but you cannot mortgage just the house you have to include the land.

Ron Lujan (GHURA) - No you don't I mean just like a condominium, you don't mortgage the property you mortgage just the (inaudible).

Vice-Chairman David Matanane - Well you know you can stipulate that Ron on the MOU and says only the building itself is being mortgaged and not the land and that will circumvent you know.

Ron Lujan (GHURA) - That's all I'm saying we'll put down that the mortgage structure..(interrupted).

Vice-Chairman David Matanane- That will take us away from that.

Ron Lujan (GHURA) - But we still would need the MOU to make sure that the next person that occupies it should they default..(interrupted).

Vice-Chairman David Matanane - I have no problem with that and you know Ms. Pinaula and I hope that all the rest of the Chamorro Land recipients..(interrupted).

Alicia Pinaual - Isn't that already here? You know the qualification of the person the next one.

Ron Lujan (GHURA) - That's okay we'll work it out.

Acting Chairman Oscar Calvo - We'll work it out on that Ms.Pinaula.

Vice-Chairman David Matanane - We want to iron this out and maybe Mr. Lujan can you know with that particular wording saying only the building not the leasehold and that will hey I won't mind.

Ron Lujan (GHURA) - That's what we've been saying the structure is the one that we're going to mortgage.

Alicia Pinaula - And what about the forty five days okay that's done what about the forty five days? Is it eighty days, a hundred twenty days?

Ron Lujan (GHURA) - No forty five days.

Administrative Director Monte Mafnas - Excuse me may I suggest something please that maybe we can send you fifty to a hundred applicants to prequalify them so you'll always have a ready list in the event or ten.

Ron Lujan (GHURA) - I know but that's all I'm saying the problem we have with that is the income verification is only good for ninety days just like any bank.

Administrative Director Monte Mafnas - Oh okay, see we're working with Guam Housing to prequalify our listing.

Ron Lujan (GHURA) - I know but after ninety days then we have to tell and I don't want any individuals say they go through the run around and then they get angry at me. I don't think it's that difficult once you send us a name that the person will give us a verification of employment and you know what not.

Acting Chairman Oscar Calvo - So Dave are you okay with that?

Vice-Chairman David Matanane - I'm okay with the stipulation that GHURA is only mortgaging the building.

Ron Lujan (GHURA) - It's the structure that we're asking the mortgage because we can't own the land it's on a leasehold.

Vice-Chairman David Matanane - Because we're not mortgaging Chamorro Land Trust land.

Administrative Director Monte Mafnas - The leasehold interest or the fee simple interest.

Ron Lujan (GHURA) - It's just like a condominium we can't ..(interrupted).

Acting Chairman Oscar Calvo - Ron but make sure also that your Board also you know in agreement with it of course you're probably going to ask them.

Ron Lujan (GHURA) - Well let me know whether the language is okay and I can go to the Board immediately. In fact there's a Board meeting next Thursday but I didn't put it in as an agenda item. Today actually is the deadline but I'll talk to the Director and say you know we can sneak it in there somehow next week.

Vice-Chairman David Matanane - You know we've been asking Ms. Pinaula to bring somebody from GHURA to you know join us in our meetings.

Alicia Pinaula - Well he came and you weren't around and somebody else was not around and you know.

Acting Chairman Oscar Calvo - Dave has never missed a Board I'll tell you that.

Ron Lujan (GHURA) - I know but there wasn't a quorum that day.

Vice-Chairman David Matanane - At that time there was no quorum.

Ron Lujan (GHURA) - The only thing that I worry about now as far as Alicia is concerned and I'll verify with Jolyn with Alicia is that this has already been over a year and I don't know if the sixty thousand still stands with the contractor. It may have gone up and that's something we would need to deal with once I verify..(interrupted).

Acting Chairman Oscar Calvo - It will be an advantage for her if the money goes up.

Ron Lujan (GHURA) - No, no, no I'm not talking about, that one I need to work with because our max is only sixty thousand.

Acting Chairman Oscar Calvo - Oh, I remember we talked up to.(inaudible).

Ron Lujan (GHURA) - Oh that's another day I need to go back to the Board, I need to discuss it with my Executive Director. I don't see any problems because we started out actually at twenty five thousand.

Acting Chairman Oscar Calvo - Well why don't we do this Ron since we pretty much centrally agree to the language what Mr. Matanane wants and send that MOA to you know to your Board and send it to Mr. Mafnas.

Administrative Director Monte Mafnas - Mr. Matanane I just want you to know that Mr. Lujan has come to CLTC to enlighten us with this program even the Chairman so he's done all he can to teach us about the program.

Ron Lujan (GHURA) - I'm just here to help, I'm a public servant I just want to help.

Alicia Pinaula - If the contractor if he decides to put a hundred twenty five dollars per square foot and I disagree and I want eighty five dollars per square foot.

Ron Lujan (GHURA) - That's up to you to do because you're the one that makes the selection. The only thing that happens is that what we do and you know that is that you don't get the money it goes to an escrow company because you know we do payment in progress. We release it as we send the inspectors out to look at the progress of the construction. It's not given to the applicant that's for sure it goes to an escrow company.

Alicia Pinaula - No, no, no I'm familiar with that because I was a secretary for a contractor.

Commissioner Michael Borja - Do we need to make a motion to approve this MOU in fee simple or do we want to change any..(interrupted).

Vice-Chairman David Matanane - With the change, with the changes maybe the next meeting we can have even Ms. Franquez and Mrs Santos be a part of it you know.

Commissioner Michael Borja - Well I know because I know Mrs. Pinaula you've been patient.

Vice-Chairman David Matanane - With the new version of the MOU with that specific language in that.

Administrative Director Monte Mafnas - Can it be done conditionally so that you know we're lessening the time? Conditional approval subject to the language.

Ron Lujan (GHURA) - Actually I'll need what the language is that you want in there because I got to be clear to the Board when I make my presentation I don't want them to come back and say you didn't tell us this.

Acting Chairman Oscar Calvo - I think ideally right now it'll be better since you're going to have a Board meeting next week with your Board to at least in our side of the bill what we have already want it to state I think we should just get your Board's consensus first.

Ron Lujan (GHURA) - Well the mortgage we'll prepare and the mortgage will say structure only.

Acting Chairman Oscar Calvo - Yeah.

Vice-Chairman David Matanane - That's the key word we want.

Commissioner Michael Borja - I move that we accept the Memorandum of Agreement between the Government of Guam Chamorro Land Trust Commission and the Guam Housing and Urban Renewal Authority with the provision to include stipulation that the mortgage is for the structure only not to include the land and that once this language is inserted and is agreed by the GHURA Board as well that we allow the Administrative Director to proceed with signing the agreement.

Vice-Chairman David Matanane - I second it.

Acting Chairman Oscar Calvo - So be it passed.

There were no objections, MOTION PASSED.

Jane Story - I was wondering is it agriculture or can they build a permanent structure?

Administrative Director Monte Mafnas - You're allowed to build one structure on your lease regardless of the size of your lease whether it be ten acres or one acre. You can only put one structure.

Acting Commissioner Amanda Santos - Even agriculture?

Administrative Director Monte Mafnas - Even agriculture and it's after you perform your due diligence for farming following the rules and regs. That means planting two-thirds of the property.

2. Debbie Santos - Loan guaranty default

Administrative Director Monte Mafnas - We failed to connect with Debbie Santos but this issue I humbly request that we think about it at this point in time. It was a guaranteed loan in the amount of about seventy some thousand dollars and she has been occupying the premises the structure for over eight months. So it's come to the point where she vacates the premises and we have to sell the property to another potential Chamorro. The amount is seventy two thousand seven hundred at this point in time.

Commissioner Michael Borja - She built a house on the property.

Administrative Director Monte Mafnas - Getting a SBA loan and we guaranteed it.

Commissioner Michael Borja - Oh so is this what this letter is from SBA?

Administrative Director Monte Mafnas - No that's another one that just came to today.

Commissioner Michael Borja - So it's similar.

Administrative Director Monte Mafnas - Yes.

Vice-Chairman David Matanane - See that concern even this one here and I wanted to mention it to Ms. Pinaula but anyway..(interrupted).

Administrative Director Monte Mafnas - But that's a different program but you're correct, you're correct but that is clearly defined now. Thank you for your persistence and your tenacity.

Commissioner Michael Borja - So she has defaulted on her loan now we need to..(interrupted).

Administrative Director Monte Mafnas - To do something about it.

Commissioner Michael Borja - She's been given notification to vacate?

Administrative Director Monte Mafnas - Yes. So unfortunately we have to take appropriate measures to resolve this issue. It's not a nice thing it's not a fun thing but it has to be done.

Vice-Chairman David Matanane - So SBA is foreclosing her?

Acting Commissioner Amanda Santos - How much are you going to sell it?

Administrative Director Monte Mafnas - No they already foreclosed, we already paid this. We have to foreclose on her now.

Acting Chairman Oscar Calvo - That was a balance that we paid back.

Administrative Director Monte Mafnas- Yeah we paid off SBA.

Acting Commissioner Amanda Santos - How much are you going to sell it?

Administrative Director Monte Mafnas - To the highest bidder as long as we don't lose the amount of the loan. So if it's seventy two thousand it has to be nothing lower than seventy two thousand, nothing less. That's my suggestion.

Commissioner Michael Borja - Where is this at?

Vice-Chairman David Matanane - And it'll still be the recipient of that is still a Chamorro, has to be a qualified Chamorro.

Administrative Director Monte Mafnas - That is correct. Residential Lot 01, Block 3, Tract 10314 in the municipality of Dededo.

Acting Chairman Oscar Calvo - I've been to that I saw that house in fact that house is close to that Duenas area that raid a couple of years ago. Joe and I went out there back then that's when I first found out that was also part of the findings on the audit report.

Commissioner Michael Borja - So what do we need to do with this as far as an agenda item?

Administrative Director Monte Mafnas - Informational purposes at this point in time and need a direction on what to take so that we can address it in new business next meeting.

VII. NEW BUSINESS - None.

VIII. DIRECTOR'S REPORT

Administrative Director Monte Mafnas - I gave you a copy of what I've been doing not counting the legislative precedence or cabinet meetings this is what I've been doing these past four months. I have number one, dedicate every Wednesday as Chamorro Day or People of Guam day so I've met with approximately 300 people since I came on board. I met with Department of Land Management to move forward in land registrations which includes the land registration maps and abstract of title. The next step is we need a process server who I have identified who can be on the next budget we can hire. He has the capability of also doing research at Land Management and recordation and the court and a process server and will be a notary public and a land agent so it'll be multi-tasked. I've started with the Affordable Housing Committee which encompasses HUD, Guam Housing, Land Management and GEDCA. I started meeting with Mr. Martin Benavente from Guam Housing to identify a site in Finegayan to build veteran's housing utilizing SUTTA programs. But this is a key loan because this SUTTA program might give us an opportunity to request for infrastructuring. I've also met with GHURA about the possibility of

millions of dollars of infrastructure based on a two percent interest rate. I have met with Attorney General Lenny Rapadas and Pat Mason to air our concerns of impending problems that Chamorro Land Trust is faced with on a day to day on a month to month in an annual thing. And our latest concern of course is the land registration, addressing the commercial rules and regs, redrafting lease. I really want to revisit the commercial lease in as far as foreclosure and termination of lease to include penalties and collection fees. I want to address that and put a lot of teeth in it. In addition to that I wanted to incorporate a security deposit provisions because none of these commercial leases have such a request. It should be at least a minimum of two months if and when you go out in the private world and you lease a house and land, a condominium, a structure, a warehouse, a hut, everything necessitates a security deposit before a lease is signed. And depending on the term of lease one or two months will suffice. Anything over five years and longer term I suggest we engage in six months deposit.

Vice-Chairman David Matanane - No refund on the security deposit.

Administrative Director Monte Mafnas - It all depends at the discretion of the Board, discretionary point.

Acting Chairman Oscar Calvo - On the security deposit and this is where your good Senator that when we submitted in the rules and regs that was one of the issues that we brought up in that rules and regs to put that as you know to put some sort of security deposit on this piece of land. Anybody leasing through the commercial lease that they have to put some sort of money up there too and it's non-refundable that you know and it had been very competitive okay. I know that good Senator is trying to put that up for us now and you know and Monte working here but that is one of the things we did stipulate in our rules and regs is to because when we looked at that back then when we sat down and we looked at each it's too easy for anybody to get. So if we put the you know you want the piece of property then it'll be a feasible price you know. And that's in the past and like you said we can't go to the past we got to go also now so that was one of the and the rules and regs is very important on this for the Chamorro Land Trust because that's our driving force right now to get that up and running.

Administrative Director Monte Mafnas - I've struck a deal with the Attorney General and that is if we can provide a salary in the amount of a hundred and eight thousand dollars they would tackle all our work working for Chamorro Land Trust eight hours a day, four out of the five days a week. And in the event we engage in litigation they as the Attorney General's office will support us unconditionally. I think that is an awesome deal simply because I have a sister who works in a law firm, I have a cousin, a godparent so I've checked four prominent law firms and they all agree it's going to cost over a half million to entertain this exercise. So I think that it's worth readdressing and realizing this idea and I humbly request your supporting me.

Acting Chairman Oscar Calvo - Monte we did talk about that and I just want to get this out to that I like that and support too but we got to be very careful on the because it's going to be a day to day operation and when we say day to day operation sits on the Board problems like what we have today things of that nature okay. Now because we got to finish also the land registration within a period of time we can't just drag on for four years. We got

to give it amplitude time maybe for a year to complete that project but in the same token you still have your daily activity and legal counsel would at one time you may be sitting and saying legal counsel I need an opinion on this okay that could eliminate some of his work, scope of work. I just want to make sure that when we because to me it's a cost saving for us a hundred and eight thousand dollars I think that's you know because I know that when we do that land registration that's what we estimated even with Mr. Borja even with Mr. Garcia. It's going to cost us at least close to half a million dollars to do that but if we can get this I mean that's great. And I agree and I support this one I just want to make clarity to the Attorney General or whoever is going to take this job whoever the lawyer is going to take it that you're not only just taking that portion you're mine and this is what you're going to do.

Administrative Director Monte Mafnas- I appreciate that clarification as I want to reiterate that they will be working with us four out of the five days, eight hours a day and that will be inclusive of the Board, inclusive of the rules and regs, inclusive of revisiting all the leases, inclusive of legal opinions as needed on a day to day basis.

Acting Chairman Oscar Calvo - The only reason why I brought that question because somewhere along the line if the legal counsel was to you know say well I have to finish this problem or you know that's not part of my I just want to make sure that..(interrupted).

Administrative Director Monte Mafnas - So noted and I appreciate that.

Commissioner Michael Borja - So how do we proceed on that? Do you have to have an MOU? Do you have to work towards getting that on our next budget on the budget of the next cycle?

Administrative Director Monte Mafnas - That is correct. Maybe we can appeal to our good Senator how we can be expeditious because that exercise of land registering eighty two lots is a gargantuan work. It's huge that's why I cannot pickup a time and frame but we have commenced that exercise and we need all the support we can to move expeditiously via MOA or MOU we must collectively support this issue. Otherwise every day a land registration goes to court we stand to lose area because they will challenge and encroach and take over our boundary. Commissioner Franquez stated that in her testimony that you know we stand to lose. It is time to roll up the sleeves and fight it out.

Commissioner Michael Borja - Well then I think the Board needs to agree on this either by motion or just by general consensus to proceed forth. I mean this is a great price to proceed in getting a legal counsel through the AG's office and to put that in as part of the budget for future budgets so that it's worked in. How you get one now that's a lot of creativity that needs to be done but for now to try to get it in for the next fiscal year.

CLTC Staff Mario Garcia, Planner II - I have the additional duties also as covering for the administrative services officer while we recruit. One of the things that Mr. Mafnas had asked me to do is look at two things as we move forward is the legal services and also the abstractor to help with the legal services. So with BBMR's Circulatory 11-006 they gave us a budget ceiling of seven hundred something thousand in which I was able to squeeze in the legal advisor for the negotiated price he had and then also request for an additional

position for the abstractor with the current staffing pattern and that's all with the FY12 budget.

Acting Chairman Oscar Calvo - When you say squeeze in that means so it should be over eight hundred thousand?

CLTC Staff Mario Garcia - No it's, we're right on the money. If we have to sacrifice some of the things in supplies and fuels for other additional costs then we'll try to penny pinch where we can so to try to subsidize for the legal advisor and for the land abstractor because they'll work hand in hand where one needs to move forward with the land registrations and what have you.

Vice-Chairman David Matanane - Have you been looking in the lapses of the previous years?

Administrative Director Monte Mafnas- I've been looking and looking but I can't find.

Vice-Chairman David Matanane - Just look at the report that they are reporting to us and I've been requiring Mr. Mafnas, I require that every time we meet we would like to see a financial you know.

Administrative Director Monte Mafnas - Very good concern, so noted.

Vice-Chairman David Matanane - I've been requesting for that and it should have been done. I would like to require a report of our financial conditions. Going back to the lapses because I understand it was back in Mr. Borja's time it was sometimes two hundred to four hundred thousand in lapses and you know that's not only for one year it's consecutively.

Administrative Director Monte Mafnas - We have initiated discussions with Department of Administration with Benita Manglona the Director of BBMR and DOA and Mr. George Santos the Deputy Director and also I send Mario every day to knock on their door to identify those funds. We are currently physically challenged simply because our AO left us conveniently January 3rd and I have yet and the Chairman and I have met with the Governor to try and identify that person once and for all. I refuse to bring her back I don't want her back because of what she has done. She abandoned the job.

Vice-Chairman David Matanane - Are we in Executive Session?

Administrative Director Monte Mafnas - No we're still on my report. But since you asked a question I got the answer.

Vice-Chairman David Matanane - If we are in Executive Session I believe we have to clear the room because you're mentioning personnel problems here and that's why I'm asking are we in Executive Session? So are we in Executive Session?

Acting Chairman Oscar Calvo - No.

Administrative Director Monte Mafnas - No. Okay my next report is I've met with the Government regulatory planners and private planners to initiate meetings to master plan our inventory. After we master plan we can implement. We already have a map of the island of Guam that includes all the infrastructures. Now all we need to do is superimpose and overlap the zoning and take it from there and try to identify the highest and best use of all of our properties. Next I met with the surveyors informing them that we represent the people of Guam that they are engaged to perform professional services that they must sign every sketch, every map and they are totally responsible for everything annotated on the map and also to assist providing ideas how we can circumvent the subdivision law. I also informed them that from today forward they must present a contract and receipts that the applicant or the lessee or the licensee has paid. That's a mandatory thing that way we can stay on top of who is doing what and what's happening. And I also pleaded with them to share the controls so that there will be some savings for the people of Guam. I also told them there's a red flag on unregistered property and if we do make a mistake I'm sorry however, they're the professionals, they're the ones licensed and initially they should do the research and as soon as they find that is an unregistered property bring it back. What I did was go to the Guam Land Use Commission with the Territorial Planner and the Chairman and Vice-Chairman and other Commissioners of Guam Land Use Commission and I appealed to them to define Chamorro Land Trust as a developer or a Government entity and their answer was we're treated as a developer. The reason for that is the subdivision law necessitates that if you subdivide more than five lots the law kicks in which requires infrastructure, water, power, sewer, roads, fire hydrants. All this infrastructure costs millions if not tens of millions which we don't have. We don't have the money to install, embed and define those infrastructures. So that's why we're in a collegial, that's why we're stuck, that's why we have hundreds of lots that are not approved if not a thousand. I have not really taken inventory but that's what I tried to do. I even tried to send a surveyor to talk to the Territorial Planner that the lessee will guarantee the payment of the water, the power, the road, the septic tank, the leeching field and the Territorial Planner said no. So I am thinking of several different ideas how to work around it. As long as it's legal pursuant to the law so I have some ideas. Also I've met with the engineers over at GWA collectively with some farmers probably six if not ten already to appeal to them if there's a way then can address the water requirements and to be lackadaisical and assist the farmers by helping them out. Now they don't want to lax their requirement they're very stringent. So in an agricultural subdivision they should provide a road, they should provide the water so that should be it. That should be enough infrastructure to allow a farmer to farm. Now they're stepping up their requirements which is not fair. So I went above them and I met with the General Manager John Benavente on how again appeal to him how can we help the people of Guam. And the first thing he said is no free lunch and I agree with him you know it's time that the people pay their pervasive share to hook up the utilities. The Government is broke we cannot go forward only backwards but we don't want to go backwards we want to go forward. So I told him well there's got to be a way we can collectively pursue this issue whereas somebody will guarantee the infrastructure because they have the capacity to disconnect every one of those clients, their built in clients. So we're talking and eventually we will go to the Consolidated Commission on Utilities but if you Commissioners have any ideas I welcome how to better this plan.

Acting Chairman Oscar Calvo - We did have a conversation with Mr. Benavente with previous Administrator from Joe Borja and at one meeting that and Mr. Matanane has

brought this up to that the Guam Waterworks also to has to play it's role because you know at the end of the day if we have ten customers lets share the cost okay. Because I'm going to give you ten customers to that wanting water in the area but just ultimately for us to fork out about two hundred some thousand dollars and then if we look at it in reality we can always turn around and say look okay there's water lines that run from our easement area you know I mean we can probably identify probably from where it is. So I think there could be room for negotiations on those issues.

Administrative Director Monte Mafnas - That's correct a linear foot is a hundred bucks. So that means a hundred feet of two inch there after anything else necessitates a six in line because of fire hydrant concerns which is a hundred bucks a foot. So if your quarter of a mile away which is a thousand feet that's a hundred thousand dollars right off the get go if not a million right.

Vice-Chairman David Matanane - I was stressing from Mr. Benavente that we have customers for you that will be paying and you know maybe a little help from them and then to top it off he requested that after we pay for the pipe to bring all of it that we turn over easement of that piece of pipe. We pay for the pipes and we still have to give you the land?

Administrative Director Monte Mafnas - I think we should reserve easements. That's a good point Mr. Commissioner because those easements are our property. In fact I think we should turn it around and start charging them for the utilization.

Vice-Chairman David Matanane - That's where I'm coming from and I told him then you're wanting your pipe although we paid for it we're going to charge you for the pipeline. We already paid for the pipeline and you want us to turn over the easement to Guam Waterworks.

Acting Chairman Oscar Calvo - Even at one point they wanted this program that after fifteen years you know if one person moved in there and took fifteen years it's going to take fifteen years before we can start getting back a percentage you know. I mean I told John I said John that's never going to end.

Administrative Director Monte Mafnas - Well I did inform them that we have the capacity to give them two thousand applicants. What a built in clientele I mean two thousand is a considerable number of people but we're still talking.

Vice-Chairman David Matanane - And they're paying customers.

Administrative Director Monte Mafnas - Exactly and they have the right to disconnect if you don't pay. So we're looking at a prorating or somebody guaranteeing, somebody installing and then the user will be responsible for their prorata share. Next one I've complied a database with the assistance of Eileen Q. in the amount of two thousand six hundred applicants this is just the 1995 listing that have been passed, no lease whatsoever. So I just wanted to let you know. Then the next exercise is all delinquent rents. I think we should go into Executive Session for this one. So that's it for my report, I've been lazy.

IX. EXECUTIVE SESSION

The Administrative Director briefly went over the delinquent commercial accounts of Agfayan Incorporated, Communications Specialist Incorporated, Guam International Country Club, Guam Resource Recovery Partners, IBC Marianas and Younex International which he had previously brought forth in the media.

In light of the delinquent commercial accounts and other issues pending before the Commission the Commission members stressed the need of hiring legal counsel. The Commission members also stressed the need of filling the Administrative Officer position to oversee and monitor all financial issues.

Commissioner Franquez suggested that there should be a file checklist for all the applicant files detailing the nature, problem and actions taken. The Administrative Director informed the Commissioners that the Commission does have that in place.

Vice-Chairman David Matanane - Mr. Chair I recommend that we move back to regular session on regular board.

Acting Chairman Oscar Calvo - So be it session is back as of 4:12pm.

Commissioner Michael Borja - I'd like to move that we authorize the Administrative Director to obtain several different positions with the Chamorro Land Trust Commission. The first one to try and get back the funding for the AO position, the funding that was taken away at the beginning of 2011, get that funding back and then get it manned with a person within the Commission. Secondly, to get a memorandum of understanding or an agreement with the Attorney General's Office to have a full time attorney work on behalf of the Chamorro Land Trust Commission and at the rate of around a hundred and eight thousand dollars thereabout. And finally to also obtain a land abstractor for the purpose of assisting in registering the lands of the Chamorro Land Trust Commission.

Vice-Chairman David Matanane - I second the motion.

Acting Chairman Oscar Calvo - So be it passed.

There were no objections, MOTION PASSED.

Commissioner Michael Borja - And then another motion based on delinquent accounts on commercial leases presented to the Board on Agfayan Incorporated, Communications Specialists Incorporated, Guam International Country Club, Guam Resource Recovery Partners, IBC Marianas and Younex International again to allow the Administrative Director to proceed with all necessary proceedings legal and otherwise to obtain the monies owed and to if necessary place mechanics liens on these properties.

Vice-Chairman David Matanane- I second the motion. All in favor?

Commissioner Michael Borja - Aye.

Acting Chairman Oscar Calvo - Aye.

Vice-Chairman David Matanane - Aye.

Acting Chairman Oscar Calvo - So be it passed.

There were no objections, MOTION PASSED.

X. ADJOURNMENT
Meeting adjourned at 4:15pm.

Transcribed by: Teresa Topasna: Teresa Topasna
Date completed: April 29, 2011

Approved by Board motion in meeting of: May 19, 2011

Administrative Director, Monte Mafnas: Monte Mafnas
Date: 5-19-11

Chairman (Acting), Oscar Calvo:
Date: 5-19-11