Chamorro Land Trust Commission

(Kumision Inangokkon Tano' Chamoru)

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Commission Members

Pascual V.A. Sablan
Chairman

Joseph I. Gruz
Vice Chairman

Amanda L.G. Santos
Commissioner

Gyongyi "Pika" P. Fejeran
Commissioner

(Vacant)
Commissioner

Michael J.B. Borja
Administrative Director

COMMISSION MEETING MINUTES
Department of Land Management Conference Room
3rd Flr., ITC Buidling, Tamuning
Thursday, June 16, 2016; 1:07pm – 5:11pm

I. CALL TO ORDER

Meeting was called to order at 1:07pm by Chairman Pascual Sablan.

II. ROLL CALL

Present were Chairman Pascual Sablan, Vice-Chairman Joseph Cruz, Commissioner Amanda Santos, Commissioner Pika Fejeran, Legal Counsel Kristan Finney and Administrative Director Michael Borja.

III. APPROVAL OF MINUTES – May 19, 2016

Commissioner Amanda Santos moved to approve the minutes of May 19, 2016. Commissioner Pika Fejeran seconded the motion. There were no objections, MOTION PASSED.

IV. PUBLIC COMMENTS

1. **Dayna Bamba** – My name is Dayna Bamba.

John Gumataotao (CLTC) – Ms. Bamba just decided to appear before the Board due to a certain situation with regard to the passing of her father who left no beneficiary to his Chamorro Land Trust application. Because there are like two sets of brothers and sisters and one side has minor children involved her siblings decided to pass on any beneficiary rights they may have to their sister Dayna. With regard to the minor children the mother agreed to also pass on the beneficiary rights to Dayna Bamba provided that she lists one of the minor child as a beneficiary on her application. So she's just seeking the Board's approval for that.

Chairman Pascual Sablan – Dayna has siblings right and her mother is still around?

John Gumataotao (CLTC) – You have brothers and sisters?

Dayna Bamba – Yes.

Chairman Pascual Sablan – Maybe I can direct this question to Mr. Borja with things like that don't you think we should have some kind of a little document that (interrupted).

Administrative Director Michael Borja – Well the question I would have is were the affidavits signed and notarized by the siblings passing on the beneficiary authority over to her?

John Gumataotao (CLTC) – Yes there was however because the household originally contained the three minor children with a different mother, same father but different mother is just to you know to I guess avoid any future issues with regard to the passing of any beneficiary because the fact that Mr. Bamba which is the original applicant left no beneficiary.

Administrative Director Michael Borja – In the past when we've had an issue like this and I think we had one just recently when the deceased has no beneficiaries and there's a number of individuals who fall in line like maybe the children then they would have an affidavit from each and every one of those potential beneficiaries to declare in an affidavit that they are rescinding their desire to have control of the land over to a specific individual. So this is what should happen as well just for the record so that it's clear and there will be no future disputes concerning that.

Chairman Pascual Sablan – So Ms. Bamba do you think you can provide that maybe in the near future to the Chamorro Land Trust an affidavit from your siblings?

Dayna Bamba – Yes.

Chairman Pascual Sablan – And I don't think you have any problem with that right?

Dayna Bamba – No.

Chairman Pascual Sablan – Okay.

Dayna Bamba – It's just with the mother with the minors so she's here today with us. This is the mother of the three minors, same dad but just different, this is the mother. She's willing to do her part.

Renita Meno – I'm with the three minors and I was with the father when we had that land where we were staying on Battulo Street.

Administrative Director Michael Borja – Now minors are allowed to be a beneficiary so long as there's a guardian.

Margarita Borja (DLM) – What's happening here I think is there are two sets of siblings from same father different mother. She is the living from the first wife if I'm not mistaken and there's children from the second wife that are minors. So they all have to agree to give it to one individual which she I think is requesting for. Are you willing to give up your interest of your children as a guardian to her?

Renita Meno – Okay my point is at least one of my youngest is supposed to be isn't it to be a beneficiary with her? That's all I'm asking.

Margarita Borja (DLM) – But what you need to do is you need to give up the interest first to her and she can identify your youngest as a benefactor.

Administrative Director Michael Borja – There's a house on this lot right? Is there somebody living on this land?

Margarita Borja (DLM) – Are you guys staying here?

John Gumataotao (CLTC) – It's like abandoned.

Renita Meno – It's abandoned.

Administrative Director Michael Borja – Oh okay so you're not living on the land.

Dayna Bamba – No not yet. There's a foundation that was there already but the typhoon had (didn't finish).

Administrative Director Michael Borja – And there's only going to be one beneficiary whoever becomes the lessee can only identify.

Dayna Bamba – I understand. So I came to an agreement (inaudible) yesterday.

Administrative Director Michael Borja – Okay so provide the affidavits and it needs to be notarized stating all of this and it's all your brothers and sisters any off-spring.

Renita Meno – Even the minors? I have to be the one to (interrupted).

Administrative Director Michael Borja – As the guardian being the mother yes on their behalf naming them.

Renita Meno – So my daughter will be in the new under her name too with her.

Administrative Director Michael Borja – No the lease will have one name.

Margarita Borja (DLM) – It will go to her if you agree and then she would have to identify your youngest whoever you want her to identify as beneficiary so when she passes it goes to them. But for her and another individual to be on the lease (interrupted).

Renita Meno – I know it has to be one.

Administrative Director Michael Borja – Now you as the spouse of the deceased are you eligible?

Renita Meno – Can I or?

Administrative Director Michael Borja – Are you an eligible applicant?

Renita Meno – I never applied and I want to find out.

Administrative Director Michael Borja – You're a native inhabitant of Guam?

Renita Meno – I'm not from Guam but I'll just go ahead and make her be the beneficiary.

Administrative Director Michael Borja – Alright so that's what you need to provide before we can move forward. It has to be clear all the way across every sibling.

Chairman Pascual Sablan – Okay so the minors which is I think you (interrupted).

Renita Meno – I have minors yeah.

Chairman Pascual Sablan – But you have minor kids so I guess you have to sign on behalf of your (interrupted).

Renita Meno – Yeah the three minors.

Chairman Pascual Sablan – An affidavit giving it to her. Any questions from the floor? Vice-Chair?

Vice-Chairman Joseph Cruz – I don't have any I have no knowledge of the issue.

Administrative Director Michael Borja – It's just a public comment.

Commissioner Amanda Santos – So when was this lease first started?

John Gumataotao (CLTC) – Just 2002.

Chairman Pascual Sablan – John make sure that you coordinate those things and once everything is in order bring it in to us and we'll give our blessing.

John Gumataotao (CLTC) – Yes sir.

Dayna Bamba - Thank you.

2. Jaynace Terrazas – I'm Jaynace Terrazas and she's Germaine.
Germaine Quitugua – I'm going to speak on her behalf because she had surgery and I'm known to be loud. I will speak for her. So my mali here was given property up in Yigo and apparently she's not able to build on the property because of the water access I believe is a far distance and at the same time I believe the water company it's not feasible with the budget and all.

Administrative Director Michael Borja – How much did they assess you the cost to run water? How much do they think it's going to cost to run the water?

Jaynace Terrazas – From what heard it's a lot but there's no water in that area.

Germaine Quitugua – There's no water and power. And what about the access? So there is an access into the property there's already and easement there but there's no pipeline for water accessibility in Yigo. And I believe she was told it was something Phase II. All she knows is that she's not able to build on the property.

Chairman Pascual Sablan – But what does she have in mind?

Germaine Quitugua – I'm sorry sir what was that?

Administrative Director Michael Borja – So what's the intent?

Germaine Quitugua – Her request is to cancel her current lease and to be moved to someplace where she's able to continue to build.

Jaynace Terrazas – I already paid for the survey and everything. I am willing to give it up if I have to.

Chairman Pascual Sablan – Have she surveyed the property already?

Germaine Quitugua – Yes she has.

Chairman Pascual Sablan – It's all recorded and everything?

Germaine Quitugua – Yes.

Margarita Borja (DLM) – She does have a lease for 9210 Phase II. Phase 1 is where they have surveyed the property. Phase II was just a master plan. What it is is there is no access to the property.

Vice-Chairman Joseph Cruz – What is the lot?

Margarita Borja (DLM) – Tract 9210 the one right outside Andersen Air Force Base in the back Phase II.

Vice-Chairman Joseph Cruz – The one on the left?

Margarita Borja (DLM) – Right if you're going up to Andersen on Phase II. Phase I is where there's some infrastructure and roads. Phase II is none at all. So she's coming here to request to decline her property for another piece of property. I know Matt has sat down with her and has identified some properties that we may be able to offer.

Vice-Chairman Joseph Cruz – How many clients have we assigned to that area?

Margarita Borja (DLM) – Not much in the Phase II area not much.

Chairman Pascual Sablan – Mr. Chairman, question?

Vice-Chairman Joseph Cruz – Well we'll probably have the agent look into their request and see what's the possible site and then they can come back and (interrupted).

Administrative Director Michael Borja – No we'll be able to assign her. For these issues like we've done in the past you've asked for them to come forward so we bring forward those who are declining so that it could be for the record how many declines they have. So that you know we don't go through this process with each, it's documented when they have a decline they're allowed up to three.

Vice-Chairman Joseph Cruz – Three?

Administrative Director Michael Borja – Declines.

Vice-Chairman Joseph Cruz – And this is your first?

Jaynace Terrazas – Yes.

Administrative Director Michael Borja – So they've already been working out a possible replacement lot. But I want to note for the record that this is not an unusual or a unique case when it comes to Chamorro Land Trust property. And as I noted in the testimony on a recently introduced bill to authorize funding for another individual's infrastructure placement that that's not a singular issue that that bill was assisting but it's a multitude, thousands of them that are in the same predicament and that the funding source was quite limited and directed only to assist one constituent.

Vice-Chairman Joseph Cruz – Do we have a process where we can package those that are not able to develop their assigned lease so the department can just handle the reassignment and bring forth to the Commission that these are the projected relocations instead of the clients coming in individually? Can there be a statement from them and have the department look into the criteria of them being relocated?

Administrative Director Michael Borja – We can but some of these things you know in some cases some of them may be ones that are from a long time ago where they're now coming forward after trying to do something (inaudible). Some may want to keep it as they are and some may not. It's up to them to come to us and tell us what they want. We're just bringing forward the clients that have expressed the desire to terminate an existing lease or decline a proposed assignment so it's a matter of record. So we'll proceed I just wanted, it's just coming forward for your information. This will be her first decline.

Chairman Pascual Sablan – So do I understand this correctly that they already surveyed the property and have that survey recorded the whole nine yards?

Jaynace Terrazas – Yes.

Chairman Pascual Sablan – And if we were for example to accommodate you to another property where the infrastructure is close by are you ready to survey again?

Jaynace Terrazas – Yes sir.

Vice-Chairman Joseph Cruz – I got a very simple question. In the event she terminates from that site and someone else wants to inherit or request for that lease is the Department authorized to charge the survey cost that she had paid? Because if we relocate her if she's willing to give up this survey cost and inherit another survey cost.

Administrative Director Michael Borja – I don't think we are because the contract that she engaged in is (interrupted).

Vice-Chairman Joseph Cruz – I understand that but what about the Department assigning this lot that has already been surveyed?

Margarita Borja (DLM) – What's going to happen though is if we identify another lessee for that property we'll still have them pay for services. They have to hire a surveyor to get the (interrupted).

Vice-Chairman Joseph Cruz – No but she already surveyed are we going to terminate that survey?

Margarita Borja (DLM) – No it's recorded.

Vice-Chairman Joseph Cruz – I know but who is going to inherit that cost if you reassign the parcel with a recorded and approved map?

Margarita Borja (DLM) – What do you mean I don't understand?

Vice-Chairman Joseph Cruz – She paid a surveyor, the map is legal, it's recorded, we assign somebody else in there, are we going to charge that individual the fee?

Margarita Borja (DLM) - Yes. It's not going to be a full fee it's just for a certification for the surveyor to locate the boundary markers now.

Vice-Chairman Joseph Cruz – That's just relocation.

Margarita Borja (DLM) – Yeah that's all.

Vice-Chairman Joseph Cruz – But the creation of that map is different.

Margarita Borja (DLM) – It's her request to (interrupted).

Vice-Chairman Joseph Cruz – I understand that but is the Department just (interrupted).

Margarita Borja (DLM) – That's on her.

Vice-Chairman Joseph Cruz – I understand that I heard what she said.

Administrative Director Michael Borja – There's no legal authorization for us to charge individuals for it. Just like if and when we begin doing surveying of properties we don't assess the charge off to the person we've made other provisions.

Vice-Chairman Joseph Cruz – I understand that but here is a person coming in after spending a survey that is not feasible to build and then when we assign another person there she's going to inherit that approved map that she paid.

Margarita Borja (DLM) – But she'll still pay a smaller fee than what Ms. Terrazas paid.

Vice-Chairman Joseph Cruz – I understand the relocation versus creation of the approved map it's more expensive for the survey. I just wanted to bring that up.

Chairman Pascual Sablan – I guess you have to come back and work with Margaret. Margaret you've been coordinating with her right?

Margarita Borja (DLM) – Yeah.

Chairman Pascual Sablan – Okay so get back to Margaret and (interrupted).

Margarita Borja (DLM) – Is there a need for her to come back again to the Board to, are we approving the (interrupted).

Commissioner Pika Fejeran – She doesn't need to come back. Now that you've declined work with them and you can find another property.

Chairman Pascual Sablan – Okay I guess the Chair needs a motion to approve her request.

Commissioner Pika Fejeran – Motion to approve her first decline and be assigned another property.

Commissioner Amanda Santos – I second it.

Chairman Pascual Sablan – Those in favor say aye.

Vice-Chairman Joseph Cruz – Aye.

Commissioner Amanda Santos – Aye.

Commissioner Pika Fejeran – Aye.

Chairman Pascual Sablan – Ayes have it.

3. Germaine Quitugua – Hafa Adai everybody I'm Germaine Quitugua and I am also in the same situation as Jaynace. I applied back in 1995 I believe and I was issued a lease about four years ago on Route 13. Right that's Route 13?.

Margarita Borja (DLM) – Route 3.

Germaine Quitugua – I'm having the same situation. Actually after I was given the lease I went in because I was told back in that time that I can go and start clearing and I did exactly that. I had my machete and everything but each time I tried to build something they said I couldn't because there's no water access, no power. It was just a fireball. It came to that point where I came to the office and I went through the routes and asked what I'm supposed to do or what can I do to cancel my lease and also be relocated where I can also build on and I was told to come here and explain that you. So again my situation is almost the same I believe.

Administrative Director Michael Borja – So again to decline your existing lease and seek a second lot.

Germaine Quitugua – Yeah.

Chairman Pascual Sablan – Are you aware of it Margaret?

Margarita Borja (DLM) – Yes. She actually just came by the office a couple of days ago and we didn't have enough time to put her on the agenda. So she asked that you know whether or not she could come in and how and I told her she could. But we went ahead and we assessed her situation and again we did show her some properties potential properties so we're working on it in anticipation that there is an approval from the Board to decline.

Vice-Chairman Joseph Cruz – Where is this on Route 3?

Margarita Borja (DLM) – Right across from NCTAMS, Lot 10125 you know where the pipeline and all that.

Vice-Chairman Joseph Cruz – And you surveyed your lot?

Germaine Quitugua – Yes I did.

Chairman Pascual Sablan – The Chair brought up a good question like now both of you surveyed the lot the lot has been recorded and let's say we relocate you are you willing to

give us that signed document that you know let's say there's another recipient another person interested on that lot that you're willing to pass on that we could say survey?

Germaine Quitugua – If it's going to benefit somebody especially if they're less fortunate I have no problem with that. I would like to make sure the land goes to good use and if someone can make use of it then yes.

Chairman Pascual Sablan – Mr. Director with all your experience do you think that's wise?

Administrative Director Michael Borja – Well we don't have any authorization to reimburse for surveys done but (interrupted).

Chairman Pascual Sablan – No not authorization just to pass it on to another person.

Vice-Chairman Joseph Cruz – Waiver of cost of survey.

Administrative Director Michael Borja – Well yes I mean if the land is already surveyed and there's someone who's willing to go in there but you know it'll probably be some piece of property at this rate we wouldn't want to assign any one just because of the nature of the infrastructure problems.

Chairman Pascual Sablan – And if we were to relocate you to a nearby infrastructure are you willing to survey at your own expense?

Germaine Quitugua – Yes.

Chairman Pascual Sablan – Okay so are you done?

Germaine Quigutua – I'm done.

Chairman Pascual Sablan – So I guess we need a motion again to take into consideration the request of Germaine Quitugua to relocate her to another nearby where the infrastructures are. But you're going to build a house right?

Germaine Quitugua – I'll invite you over.

Vice-Chairman Joseph Cruz – I move to approve the request to terminate her lease.

Commissioner Amanda Santos – I second it.

Germaine Quitugua – Yes I'm definitely going to build.

Chairman Pascual Sablan – A motion was made by Mr. Cruz, second by Mrs. Santos. Those in favor say aye.

Vice-Chairman Joseph Cruz – Aye.

Commissioner Amanda Santos – Aye.

Commissioner Pika Fejeran – Aye.

Chairman Pascual Sablan – Ayes have it.

4. JR Gonzalo Fejeran – My name is JR Gonzalo Fejeran. I'm here to find out the possibilities of relocating from Yigo to Dededo. The property is on my mom's property and I'm staying with here right now I've been helping her clear the property with all the trash. It's really hard for me to keep going back and forth. On top of all of that the property that I was shown in Yigo by the Andersen road I found that it looks like somebody has been there. I'm only there to clear it you know. I was told to find the markings so I found all the marks then I found out that the person that's next to me had backhoed all his land on the property I was shown. So you know I want to see if it's possible to go and just relocate to my mom's side. They came down to take a look at her property so I asked them if there's a possibility so that's why I'm here to see. Her property is surveyed already and she's willing to I guess give half of that, give it up because I'm actually clearing that side although there are a lot of things on that property that I've already taken care of most of it. There is one thing I can't take care of but I have reported it to EPA regarding a hole that was dug by squatters that were on her land. They were already removed the squatters but they left a lot of trash. What they did was they dug a hole with a backhoe and they dumped gas cans in. So when I cleared the trash that they left there the first hard rain that came I stepped on that soil and it sunk. The first thing that came out was fumes. So I made a report to EPA and nobody responded yet but I figured maybe I can bring it up here too. But you know me and my mom she's thinking about doing that and then there is an issue on the property of the survey. According to my mom and I've been with the surveyor and he showed me the mark. The survey mark on the corner where she's thinking to see if I can move there it's on the road. So I guess they were supposed to fix, she's asking to fix that but you know I want to see if I can relocate there to the section I'm clearing. On top of all the trash I'm finding the neighbor that's supposedly not supposed to be there he's still dumping trash on that you know. So if somebody can come take a look at it, let me know if it's possible to move there. I wouldn't mind relocating although she did agree to give that section to me. She said you guys were supposed to resurvey her property or take care of that issue first.

Administrative Director Michael Borja – Do we have anybody here that's aware of this situation?

Jhoana Casem (DLM) – His mom is Virginia Tainatongo and from my knowledge (interrupted).

Administrative Director Michael Borja – What's the lot?

Jhoana Casem (DLM) – This is in Macheche. I'm not too sure exactly the lot number.

JR Fejeran – Kalamasa Street.

Jhoana Casem (DLM) – But the property has already been surveyed for an acre. Part of the boundary is within the road and I believe Mr. Santos and Mr. Camacho have gone out there themselves to see the area. So Mr. JR is asking if he can occupy I guess the other half of the acre from his moms. I haven't visited his area actually in 9210 but I visited the mom's lot and it looks like you know there's a part there that's cleared. I'm not too sure if that's exactly where Mr. JR wants to situate himself but he's been coming, emailing and asking if you know he can be on that property despite the fact that his mom surveyed the full.

Administrative Director Michael Borja – So the mom has a one acre lot, she's willing to cut it into half and then his application and transfer of his lease would go to the other half of that lot subject to survey.

Jhoana Casem (CLTC) – Yes. I guess a retracement or (interrupted).

Administrative Director Michael Borja – No a resurvey.

JR Fejeran – Yeah because the one in Yigo it really does look like that person whoever occupied the land next to me instead of taking their back hoe they back hoed it onto that property I was shown and you can see the boundary line for it too but I did find the marks on the property in Yigo.

Vice-Chairman Joseph Cruz – Your lot in Yigo is an acre also?

Jhoana Casem (CLTC) – It's 929.

Vice-Chairman Joseph Cruz – Oh quarter acre. And how much of that is contaminated with that discovery you reported to EPA?

JR Fejeran – I'd say about 50% and there's also someone built a fencing there.

Administrative Director Michael Borja – Of the land that your mother's occupying?

Vice-Chairman Joseph – No, no the land that he's assigned.

JR Fejeran – The one that I was assigned, I'd say like 50% of it was trash and people are also dumping there. If I'm not mistaken that site was in the news for dumping trash. But my mom's property I'm clearing all the trash. The only thing I can't take care is the one that was dug. There are three holes that was dug there.

Vice-Chairman Joseph Cruz – Within your mom's place.

JR Fejeran – On my mom's property and whoever the squatters were they were removed and they left all that junk there. I'm the one cleaning it up so you know me and mom sat down and she asked when they came by is there a possibility for me to come there.

Vice-Chairman Joseph Cruz – But what kind of debris that was there at your mom's lot?

JR Fejeran – Oh man it was beds, refrigerators and the one that's right now that's underground I'm guessing it's all butane gas cans. I actually covered the area you know I squared it off because every time I step on it you can smell the fumes from the gas cans.

Vice-Chairman Joseph Cruz – So if you were to get half of your mom's lot you'll be inheriting part of that contaminated lot?

JR Fejeran – Well I'm going to have to clear it out. Like I said I did email EPA about that nobody responded.

Administrative Director Michael Borja – Margarita can we have a site inspection report done on this specific area to include photographs as soon as possible.

JR Fejeran – I didn't go an inch down I went like a foot down on that hole when I stood in it.

Administrative Director Michael Borja – We're going to have some land agents come on out to do a site inspection with photographs just to let you know. They'll be in contact with your mother to coordinate (interrupted).

JR Fejeran – And then when I spoke with the neighbor he said it's not his trash but they're burning there on the corner. So I'm guessing I'm like I need to let you guys know this. My mom's not allowed to come today because she's really sick right now.

Vice-Chairman Joseph Cruz – How much of the acre do you think is contaminated on your mom's side?

JR Fejeran – On my mom's side I'd say 50%. I took majority of that out already.

Vice-Chairman Joseph Cruz – So if we were to relocate you within a quarter acre you'll still be on a contaminated lot if your mother is already on a half acre.

JR Fejeran – Also you know she's my mom so I wouldn't mind being next to her.

Vice-Chairman Joseph Cruz – I understand that but what I'm saying is we cannot assign you now that you're saying it's a contaminated material there so (interrupted).

Administrative Director Michael Borja – So what we can do is just have that in a survey to subdivide it and ensure that it's identified in the as-built of where this possible area is at as well so it's for the record.

Vice-Chairman Joseph Cruz – Because you can request to terminate your Yigo and relocate to your mother provided that there's acreage to be (didn't finish).

JR Fejeran – Yeah because even when they gave me the property in Yigo at the time I was still clearing my mother's property and like I said it was a lot of trash. I think even the Mayor's came and assisted to.

Vice-Chairman Joseph Cruz – So work with the Department and see what they can work.

Administrative Director Michael Borja – We need a motion here.

Margarita Borja (DLM) - Are we approving Ms. Tainatongo's request to subdivide her property or no?

Vice-Chairman Joseph Cruz – Just see first how much of the lot if they can scheme out what was contaminated within the area then we can parcel because it's one acre right?

Margarita Borja (DLM) – So are we entertaining that now? No?

Vice-Chairman Joseph Cruz – No we need to know what's on the lot first.

Margarita Borja (DLM) – Just on the lease the decline right just the decline.

Vice-Chairman Joseph Cruz – Yeah.

Commissioner Pika Fejeran – We would also need to have her come in.

Margarita Borja (DLM) – Yeah okay.

Chairman Pascual Sablan – You want to make a motion just in case everything is all right they can proceed without them coming back?

Commissioner Pika Fejeran – I think the mother needs to come in.

Vice-Chairman Joseph Cruz – It's the mother's lease.

Commissioner Pika Fejeran – Yeah to say that she does want that to happen.

Administrative Director Michael Borja – Well she would have to provide written, she can even provide it by an affidavit that says that she's willing to yield half her (interrupted).

Vice-Chairman Joseph Cruz – And we can give it to the Department to handle the request from them.

Administrative Director Michael Borja – Because they can be reduced down to two half lots and then that will satisfy his application and his lease transfer.

Commissioner Amanda Santos – So they cannot be relocated to a place that is not contaminated?

Administrative Director Michael Borja – Well we're going to look (interrupted)

Commissioner Amanda Santos - What's the use moving into that contaminated place?

Administrative Director Michael Borja – She's already living there.

Chairman Pascual Sablan – The thing that bothers me is that he reported it to EPA and EPA didn't do anything.

Administrative Director Michael Borja – Well that's why we'll get a site inspection and report from the Trust and we'll submit that as well. But you know it's a matter of them trying to track down who it is that may have possibly done it and there may be nothing that they can do if they don't know who it was except for making sure it gets cleaned up.

Commissioner Amanda Santos – Remember when I called you up Mike, excuse me, the refrigerators are still there, maybe almost 10. I cannot even enter my Land Trust and one day they burn it down. There's a fire that they set up to erase the evidence.

Chairman Pascual Sablan – We're not going to make any motion, we'll wait for those documents.

Administrative Director Michael Borja – Okay.

Chairman Pascual Sablan – Where's Mr. Fejeran?

Jhoana Casem (CLTC) – He left.

Chairman Pascual Sablan – Well anyway whoever's the caseworker, Margaret, follow up with him you know what we need okay especially from the mother.

V. OLD BUSINESS

Commissioner Pika Fejeran – I know it's not on here but from the last meeting I think I saw the GWA transfer of land (inaudible) that was put on a bill or several bills that went through so then from there we have 180 days to work out the (interrupted).

Administrative Director Michael Borja – But it hasn't been enacted into law yet so it's on the session floor this week it'll probably be approved by the Legislature, passed by the Legislature this week and then enacted in the next 10 days after that. So when it is then we'll be sitting down to and maybe we can have a little working group to determine the strategy in which you want to do in which direction you want to go in.

Commissioner Pika Fejeran – Is there a way we can lump that land transfer with the well issue? Remember they came to us the last time for the well in Dededo or Yigo.

Administrative Director Michael Borja – Well I would like in fact there's a 4 o'clock public hearing at EPA hearing this afternoon to talk about wells. My hope was to try and attend it if time permitting otherwise submit written testimony to express the concern that we have that it would then negate our ability to use our surrounding properties if we don't have any kind of sewer infrastructure. And that we should have a position in that case where I have not you know I don't know if we really want to proceed in permitting this unless they put in the infrastructure first so that it doesn't stop us from using the rest of our lands and that's the issue there. I don't want to be just prioritized and that's what this public hearing today with EPA was to establish priorities for wastewater infrastructure. That's what I was going to talk about is that you can't you know the fact is many of the water wells exist on or very near Chamorro Land Trust properties and so they're going to be negating our ability to use our properties if we lack the wastewater infrastructure on the properties. So I just don't want to be just prioritized they need to install it if they want to use the wells.

Commissioner Pika Fejeran – Okay. The last time we didn't approve the well we just gave them rights of entry to go look at it?

Administrative Director Michael Borja – We haven't even given them rights of entry.

Commissioner Pika Fejeran – Oh we haven't okay. So it's just an informational.

Administrative Director Michael Borja – It was a discussion to talk about the ability to use the property.

Commissioner Pika Fejeran – Okay. I think that's also very important if you go to the 4 o'clock.

Administrative Director Michael Borja – Well I'll try and provide written testimony as well.

VI. NEW BUSINESS

1. Guam Hals Angels Football Association – Request for relocation of easement

Margarita Borja (DLM) – Guam Hals Angels Football Association is here today to request the CLTC Board to expunge actually or delete and relocate the proposed the 60 foot wide easement and joint parking area for use by the Guam Hals Angels and the Guam Rugby Club which was approved by motion by the Board on a December 2010 meeting. I know I provided you with the packet but I'm going to go ahead and take from when the Board had approved it just so that you (inaudible). Maybe Ivan can probably give you a little brief history after I'm done with the staff report. So what it is Hals Angels was issued a 21 year commercial license on August 1, 2002 for basic lot 10057NEW containing an area of 51 acres which was inclusive at the time with the Wettengel School for the purpose of needed sporting facilities to include but not limited to a football field, a practice field and related and/or other sporting associated facilities and was further amended due to the commercial license issued to Guam Rugby Club containing an area of 12 acres and the severance of the Wettengel School encompassing an area of 15 acres which resulted in a decrease to the Guam Hals Angels leased premises. In addition to the above a December 2010 CLTC

regular meeting the Board approved to delineate a 60 foot wide road in between the Hals Angels and the Guam Rugby Club to be used as an easement and joint parking use by both Hals Angels and Guam Rugby Club. Also to maintain the 40 foot wide easement existing power and water lines. Once again decreases the leased premises of the Hals Angels Football Association. That is why Mr. Shiroma is here today to request the Board to expunge the motion made by the Board in the December 2010 meeting to delineate the 60 foot road that was to be used as an easement and joint public parking between the Hals Angels and the Guam Rugby Club. This request would not hamper the access for the Guam Rugby Club which they have clear access along Lada Avenue and a portion of the Hals Angels leased premises would also be given up for a joint public parking as shown on the map. There is a map that we have that was created. With the approval of the Hals Angels request it would clearly allow for the full utilization of a lot that they can finally call the Hals Angels Field. I don't know if Ivan you want to include anything?

Ivan Shiroma – I just know that at that same meeting I went in to protest the renewal of license for Guam Rugby because of what Mr. Borja the previous Administrator had given me. He gave me all the property there for our Association because Rugby didn't meet their contractual obligations as per contract. I was up against Mr. Arthur Clark he's a full fledge lawyer and I'm just a regular person and it ended up after the meeting they were talking about the parking lot. I was there to protest the renewal and I didn't know that they approved this. I never agreed to it. I was there but I didn't agree to them using part of our inventory for a parking lot. Now it's already been approved and I don't know how that happened.

Chairman Pascual Sablan – I'd like to ask this question Mr. Shiroma are you here to request to transfer the existing access to the most southwest of the property? Or are you here to support I mean to request that the, are you here to support the transfer or you're here to request to transfer? Because you know whoever prepared this document if it's you Margaret you did a very good job and I went through it and I found on this document that there was a document signed that that access has been transferred based on a document they signed but I didn't see any Commission's approval. So really my question is are you here to request to transfer or are you here to support the transfer? There's a document that came from Rugby and it was signed by God bless his soul Mr. Monte Mafnas of the transfer of the access. I'll go on record I never come across a document that there's a lot of documents missing, it's a messy document really. I'm sorry I'm just quoting from what I read you know it looks like the previous maybe Commissioners and management dropped the ball on this one. I'm very disappointed. So what is your primary, according to the agenda it says here request for relocation of easement. Are you supporting this or you're requesting to relocate?

Ivan Shiroma – Yes I'm supporting to relocate that easement to the backside the southwest side that way they don't have to come into my property and we're sharing the access to the area where there's a lot of trash being dumped in my area also. There's a lot of copper theft going on. Right now I have all these about 2,500 blocks sitting there and most of that is being taken slowly but surely because we share access. I'm not blaming them but if I have full control then I can just blame myself for not protecting all my assets a

lot better. But right now anybody can go in there and there are some people that stay there late at night which I have no control over but they're in the backside of my property. I'd like to point fingers but I cannot because there's so many people that has access to that area right now. If we just leave it up to me then I can just blame myself. I'll put more fence up or gate. But right now I went out of my way to reach out to the Rugby Club and gave them a spare key so we can share access but I cannot control who comes there at night. There's people that goes there at night, they leave the gate open so everything is missing from my place.

Chairman Pascual Sablan – I believe on March 30, 2012 there was a letter from the Guam Rugby Club Incorporated requesting you know that the access be transferred and so as the parking and all those things so that's what's making me ask this question are you here to support the transfer of the access or are you here to request transfer of access? Because a document has been signed by Mr. Monte Mafnas in reference to all those access.

Ivan Shiroma – I need to be shown on the map Mr. Chairman because I'm kind of confused, support and transfer?

Administrative Director Michael Borja – Margarita can you come and talk about the map.

Margarita Borja (DLM) – What Mr. Sablan is talking about was the amendment to the license agreement. What it is is Rugby is just quoting what had transpired in the December 2010 meeting that they would have access to this 60 foot that they had approved for parking and all this. If you look at the map that I just provided you there's a dotted line easement on the bottom where it's dotted that is what was approved. That's the 60 and the 40 that was approved in the December 2010 meeting. What he's requesting is (interrupted).

Chairman Pascual Sablan – Can you be more specific December 2010 what?

Margarita Borja (DLM) – 2010 meeting by the Commission it was approved. What it is is Mr. Shiroma, Hals Angels, had a lease for the entire portion so in that meeting the Board said they will take away that 60 foot and return it back to the Trust so that they can make it a 60 foot for joint use for public parking and easement for both clubs. Remember this is a part of the Hals Angels lease. So what he's coming in now is he wants for you to either expunge it to remove that motion and delete it because there was a motion made right to create that easement and take it out of this and put it back so that he can have the whole area for his use.

Administrative Director Michael Borja – What you have is you have two separate entities, two separate defined lots, one rugby and one football. In this amendment in 2010 what you have is it's signed by Monte and Peter Walls from Rugby who is taking away he's not even the signator of the football side of the lease but he's agreeing that they're going to take away part of the land from the football lease. There should be a signator where the football people should have said that they release that but there's none. There isn't that. The agreement was with the Rugby to do it. So the issue here is the lot which is NEW-R6

which belongs to the football people, NEW-5 belongs to Rugby, that they get their 60 foot easement back under their control for their full use. The argument at the time was that the rugby people had built some concrete section that's right down here on this easement and then they would have easy access to it. But they also always claimed that their access to this should be through this Santa Monica Boulevard through some access cutting, dissecting the football lease property to get to it when they already have Lada Avenue as a fully developed road on the their side of the field. That should have always been their access from the very start without any question but they wanted it to be from Santa Monica Boulevard.

Vice-Chairman Joseph Cruz – Is there a master plan for this particular facility or conceptual plan that you're planning to improve the remaining parcel that you have?

Ivan Shiroma – No there's no master plan we threw that out the window a long time ago.

Vice-Chairman Joseph Cruz – So your intent is to delete the 40 foot that runs right in the middle of that parcel.

Ivan Shiroma – Yes.

Vice-Chairman Joseph Cruz – And I'm seeing this map and what about the 40 foot on the west part?

Margarita Borja (DLM) – All the dotted lines there is to be deleted.

Vice-Chairman Joseph Cruz – Are we going to recognize the agreement between Rugby and Chamorro Land Trust when they created the access to license property that says pending completion from the new access road on exhibit C?

Chairman Pascual Sablan – But that's the Director you know just mentioned when you have a contract it's between two or more people. What happened is the CLTC Mr. Mafnas signed document between him and Rugby and totally left out (interrupted).

Vice-Chairman Joseph Cruz – I understand your comments but what I'm getting at is that based on this map and based on this lease there is a legal 40 foot easement that runs through that parcel.

Margarita Borja (DLM) – It's not legal it was proposed by the Board.

Vice-Chairman Joseph Cruz – No based on this drawing number that you provided me under 403FY01, Document number, you have this 40 foot dotted easement that runs through so that means this is a legal alignment within that lot being encumbered, the approval of this map.

Margarita Borja (DLM) – Where the utilities is?

Vice-Chairman Joseph Cruz – Yes so that's a 40 foot. It says rights of way it says public access and utility easement.

Margarita Borja (DLM) – But it was never severed out.

Vice-Chairman Joseph Cruz – No it doesn't have to be it's a dotted easement it's an encumbered alignment.

Margarita Borja (DLM) – Okay.

Vice-Chairman Joseph Cruz – Until it's severed out then you determine the acreage of that 40 foot but right now it's an alignment that was created under this FY403, 01.

Margarita Borja (DLM) – So what are you saying that we can't delete?

Vice-Chairman Joseph Cruz – We cannot acknowledge the deletion if it's already an approved map is in place. What they need to do is get a surveyor present this to Land Use Commission for deletion.

Chairman Pascual Sablan – But we have to make a decision for them to move (interrupted).

Vice-Chairman Joseph Cruz – No I'm recognizing the approved map everything else is a sketch even this one that we got provided where you have R6 being divided into four lots or three lots, -8,-9 and R9. That's just a sketch. Until such time that this map is addressed deleting that 40 then we can entertain the Football Association saying you have been granted deletion by the Land Use Commission it is now our turn to say a resolution to delete this easement.

Margarita Borja (DLM) – How about the 60 foot that was approved by the, the dotted lines?

Vice-Chairman Joseph Cruz – Well if it's shown, it's not shown on this FY so that 60 foot is a future.

Margarita Borja (DLM) – It was something that was proposed by the Board and was (interrupted).

Vice-Chairman Joseph Cruz – I'm only relating to what was approved in this 403FY01.

Margarita Borja (DLM) – So Mr. Shiroma is here regarding the 60 foot.

Commissioner Pika Fejeran – Where is that 60 foot?

Margarita Borja (DLM) - This one all of this is what was approved by the Board in 2010.

Commissioner Pika Fejeran – That the Rugby Club signed for and it wasn't their property.

Margarita Borja (DLM) – Yes. So he's asking for them to delete that or go back I don't know how you would delete it if it was made a motion. I don't know if you have to you know to (interrupted).

Vice-Chairman Joseph Cruz – But the motion was done by the previous Board.

Margarita Borja (DLM) – Yes.

Administrative Director Michael Borja – Margarita you want to explain what this is showing us?.

Margarita Borja (DLM) – I just want to explain what Rugby Club has today. Rugby right now in a lease has all of this, everything here to include this, this and this, I mean Hals Angels I'm sorry. Hals Angels has this, this and this in a lease today. This is the rugby field in a 2010 meeting the Board approved this 60 foot and the 40 to be used as a joint parking and an access for both clubs. So they took this away and they also took this away.

Administrative Director Michael Borja – Well that was already there.

Margarita Borja (DLM) – According to him it wasn't right.

Administrative Director Michael Borja – Well according to the map we're looking at it's there.

Margarita Borja (DLM) – When the Rugby came in they're the ones that created this. Am I correct?

Ivan Shiroma – Yeah they ran their water line.

Margarita Borja (DLM) – So everything was being catered to the Rugby at the time. So now today he's here to request that this easement that was approved by the Board to be removed and give the easement for Rugby on Lada and the joint parking he's willing again to give this up out of his leased land for joint parking with an easement coming down this way and then also this because there's squatters. He's willing to give this, this, this up if you delete this and he'll settle for all of this down here.

Vice-Chairman Joseph Cruz – You know what I don't understand that 2010 meeting when they created the 40 foot on the right side I mean on the left and the 60 foot for parking. How is the parking (interrupted).

Margarita Borja (DLM) – What it was, it was designed to be I believe an access in the middle and then parking and parking on the outskirts of it.

Vice-Chairman Joseph Cruz – Within who's lot?

Margarita Borja (DLM) – Hals Angels. Everything was in Hals Angels so all he's asking is I don't know expunge I don't know if that's the right word what was done in 2010 meeting by the Board and give the access to the Rugby on Lada and he'll give up for public parking and he'll also give this back to the Trust and then an easement coming in for public parking for both clubs.

Vice-Chairman Joseph Cruz – Where is the parking for the football, the proposed site? Is it going to be within that rectangle or (interrupted).

Administrative Director Michael Borja – NEW9 is the joint parking.

Vice-Chairman Joseph Cruz – Yeah but the access is in Lada.

Margarita Borja (DLM) - This is not existing today the parking right now.

Vice-Chairman Joseph Cruz – No, no, no if we were to concur with that setting you have a full blown rectangle lot for the football that's why I asked if there is any master plan or conceptual setting so that we can predict the development of that.

Ivan Shiroma – We're trying to make a practice on that rectangular portion down there but the parking is minimal. You put that 60 foot easement or whatever and that 40 foot you're squeezing me in again you're limiting my (interrupted).

Vice-Chairman Joseph Cruz – I understand your concern but what I'm asking is if there's a game where would be the parking?

Ivan Shiroma – Everyone parks along the road along Santa Monica or along Lada.

Vice-Chairman Joseph Cruz – That's not a, to give a site for that type of activity and for them to go on an off-street parking? That's why I'm asking if portion of that western lot area can be designated as parking then it's within the site.

Margarita Borja (DLM) – This one, this?

Vice-Chairman Joseph Cruz – No, no, no right there where that 40 foot the deletion of that 40 foot there.

Margarita Borja (DLM) – That's in his lease.

Vice-Chairman Joseph Cruz – I understand that but like I said if we see the masterplan that they have I can okay let's move it back but right now we're just shooting that a practice field, a football field, a game happens, where are we going to park?

Administrative Director Michael Borja – Well he's been given this is his entire (interrupted).

Vice-Chairman Joseph Cruz – I understand, I understand all that.

Administrative Director Michael Borja – So he's designating his part to be parking right there.

Vice-Chairman Joseph Cruz – But look at we're going to go through Lada to park on that parking lot because he's going to delete the 40 foot on the alignment. It doesn't make sense to have an alignment of that 9 in Lada Avenue when your game is in front of Wettengel.

Margarita Borja (DLM) – But it's supposed to serve both Rugby and (interrupted).

Vice-Chairman Joseph Cruz – I understand that but what I'm asking is where would the parking for the football because the football has a lot of clientele it's not as the rugby does.

Administrative Director Michael Borja – Rugby gets crazy too.

Vice-Chairman Joseph Cruz – Well they're both crazy but like I said where are we going to put the parking is what I'm asking?

Ivan Shiroma – Nobody from day 1 planned for parking whether it's Rugby or us. We didn't plan any of that we just planned to build our field. Rugby has that big piece which was originally ours but somehow we were bypassed and this is why I'm so frustrated. They got that big piece compared to what we have right now you see the difference. Nobody planned for the parking to answer your question. So everybody parks along the road and it just happens to work.

Vice-Chairman Joseph Cruz – Okay like I said if we see your outline of what your facilities is going to look like after development we can turn around and recommend Rugby to take half of his lot to create their own parking because the whole lot is not used as rugby okay. And then at the same time the concept that you have is your practice going to be same elevation as your football field?

Ivan Shiroma – No because that football is almost 100 feet high so we're trying to level the bottom there.

Vice-Chairman Joseph Cruz – Exactly and where is the water draining from the field? Do we contain our runoff within the field or I mean that's another issue but what I'm saying is that parking is where my concern is because we can give you the whole lot which is (interrupted).

Legal Counsel Kristan Finney – I'm sorry what I'm understanding you know you're talking about giving him the whole lot or, the lot is already leased to them. And so what their issue is is that a piece of the property that was already leased to them has been essentially taken away and made this access road and this parking without their involvement. So he's coming to the Commission and say how do we fix this and it sounds like his proposal to you

know he says if there is an issue with this then he is willing to give up a piece of the property to address those issues but he's asking to be involved since he actually has the lease of that property. The Commission wouldn't have the ability to lease property to this organization after it's already leased to then unilaterally change what the property that is assigned to him (interrupted).

Vice-Chairman Joseph Cruz – I understand but (interrupted).

Legal Counsel Kristan Finney – So all of that is regardless of how he plans to lay out his fields or to lay out his parking and all that. The property is already leased to him.

Vice-Chairman Joseph Cruz – Okay.

Chairman Pascual Sablan – Can I say something now? I stand to be corrected I understand that Hals Angels was given all this land okay then I don't know from nowhere Rugby comes in to the picture am I correct so far?

Ivan Shiroma – Yes.

Chairman Pascual Sablan – Without your knowledge.

Ivan Shiroma – We were bypassed.

Chairman Pascual Sablan – Okay then now we're talking semantic and technical technicality I believe that Hals Angels should still have all well they were pushed and all these lines were drawn. This belongs to Hals Angels this one too and so as this but Hals Angels is still what do you call that willing to compromise that for the Rugby come through Lada Avenue and they can come in here and use this as a parking space for them. And so for them now if they were to put fence here you know to protect whatever investment they have in here or if there's a game for example for them they can always open this so they can go this way but not for Rugby just to use this over because the minute you remove for example open the gate the accessibility for people coming in is there and vandalism and of course the copper wire is the most attractive. So am I right so far? Okay so as the legal counsel said of course I recognize you Joe and I see your point that I guess we need to make a motion to have this thing resurveyed and remove this because it's already an approved map. And also gentlemen this is where maybe the power, water line of course it's all underground passing through right that may be servicing also this.

Ivan Shiroma – Yes.

Chairman Pascual Sablan – I don't know if we have to get clearance from Public Works, GPA, etc. to remove this access and just leave or I don't know maybe we can say utilities easement but we still can bury it in we still can play football above this. But it's still we have to resurvey and remove this and you know give the football their property and let them also have an access and control here. So as Rugby they can have an access through here but now through here because they have to you know secure their area. Now I came across

document that says there is a small I think concrete house or small hut that was built for like their contribution through the village whatever you call that improvement or contribution to the village. They didn't build it because they're going to use it for dug out or what. They built it way before you know for the contribution to the village. My only question is where is the boundary of the Wettengel because I don't want any encroachment too of the Wettengel School you know. Are we using Wettengel boundary?

Margarita Borja (DLM) – No. It's already severed out.

Chairman Pascual Sablan – Oh okay that answers. Really I read this over and over the rugby and the football and I'll tell you it's the most messed document I ever came across. Somebody dropped the ball here and it looks like you know now, I am not citing anybody but it looks like somebody just robbed them this property and the new tenant is the one calling all the shots. That's why I'm kind of hesitant because I've seen, I came across document that the previous Administrative Director signed document without the consent of the Football Association you know and I believe that they should. So I think the Chair is ready to hear two motions. One is to come up with maybe another map to remove this access here because it's already an approved this one is an approved map and give it back to the football and the other motion is the access for the Rugby go through the Lada Avenue and so as the football also they can go through the Lada Avenue. There are houses here but we still can have this access here.

Ivan Shiroma – I don't mind giving that up Mr. Chairman because there's a lot of Chamorros that are squatting there. I don't know if they have Land Trust lease or what but I have no problem and I will not chase them out.

Chairman Pascual Sablan – Let us kick them out if we have to kick them out.

Ivan Shiroma – I'm willing to give it up just so we can have some kind of compromise without them going through our property because that's the problem that we're having.

Chairman Pascual Sablan – Okay, Mr. Cruz?

Vice-Chairman Joseph Cruz – Okay are you ready for a motion?

Chairman Pascual Sablan – Yes. Oh wait, wait Mr. Cruz. Mrs. Santos you have any further comments or anything? Pika?

Commissioner Pika Fejeran – I think what we do today we have to make sure that we engage with Guam Rugby so they know that we're taking away the parking which shouldn't have happened anyway but we need to engage with them so that they know that's the new parking, this is your new access.

Chairman Pascual Sablan – It would be nice to go through that route but the document that I came across was signed by Monte. There's no such thing, there's no communication

between the rugby and the football. I'm not citing, it's just that I think the decision has to be made by this body.

Commissioner Pika Fejeran – Yes I agree. I just want to make sure that we engage with Rugby so they know what you're doing for them and why we're doing this.

Chairman Pascual Sablan – And for the record we're all new here that in the past there were some decisions made but we overrule that you know. Because I'm really surprised that (interrupted).

Vice-Chairman Joseph Cruz – So Mr. Chairman can we terminate the Rugby's license?

Chairman Pascual Sablan – I wouldn't (interrupted).

Vice-Chairman Joseph Cruz – No, no I mean I'm only asking because we have a license here and if we're not addressing what's in this license that was signed by Mr. Monte then hey. I'm only asking how much leverage do we have on this license.

Administrative Director Michael Borja – No that was just an amendment.

Chairman Pascual Sablan – Nothing on the license the original on that (interrupted).

Vice-Chairman Joseph Cruz – No, no I understand but as the Commission since you're not recognizing this document can we terminate it?

Chairman Pascual Sablan – I would not go to that extend but there's nothing in those documents (interrupted).

Administrative Director Michael Borja – The amendment?

Vice-Chairman Joseph Cruz – I mean no the one that Monte and Mr. (interrupted).

Administrative Director Michael Borja – That's the amendment.

Commissioner Pika Fejeran – That's an amendment to Hals Angels lease.

Chairman Pascual Sablan – There's nothing on the document about this one I checked this to make sure.

Vice-Chairman Joseph Cruz – What document?

Chairman Pascual Sablan – Well of all the document that they signed, the original and the (interrupted).

Vice-Chairman Joseph Cruz – So is it safe to say that the request for this deletion or this removal of alignment is the 40 foot on the left side not the one on the middle? Margaret is that the 40 foot that we're identifying on this request is the one parallel with the gas line?

Margarita Borja (DLM) – Yes.

Vice-Chairman Joseph Cruz – And the 60 foot that goes between the two fields?

Margarita Borja (DLM) – Uhmm and then I guess at a later date if we could they'll go before the Guam Land Use to try and remove that because I think in the end that's what you also want to remove that.

Ivan Shiroma – The center one.

Administrative Director Michael Borja – And that one has to be done through a survey and once that surveyor realizes what's there he'll probably give you advice because if there are utilities in there already getting them moved is going to be more expensive.

Ivan Shiroma – I can tell you what's exactly there and even the Morrison brothers will admit there's a service line (interrupted).

Administrative Director Michael Borja – Water and power.

Ivan Shiroma – Just water and no power line they're using generator. But their service line not the main Waterworks main distribution line because that distribution is parallel with West Santa Monica because our meters share the same location along West Santa Monica. So the only thing going through that road right now is their service line.

Administrative Director Michael Borja – That restroom facility over on the Rugby side is it on a septic tank and leaching field?

Ivan Shiroma – I have no idea on that.

Chairman Pascual Sablan – So this one there's nothing power here other than (interrupted).

Ivan Shiroma – There's no power line.

Chairman Pascual Sablan – Just water line.

Ivan Shiroma – There's none from us and I don't believe there's any from theirs like I said they use generator. This is where both our meters are our water meters are right along the edge here in the sidewalk. So their service line goes like this and straight into their area. Water only water service line not the distribution.

Vice-Chairman Joseph Cruz – The meter is there right?

Ivan Shiroma - Yeah the meters are right here.

Vice-Chairman Joseph Cruz – Is it a three quarter or two inch or one inch?

Ivan Shiroma – I think it's a two inch water line.

Vice-Chairman Joseph Cruz – Two inch water meter.

Ivan Shiroma – Yeah. So both our meters are here like I said. If it's like GPA your service wire cannot encroach over somebody's property to get to your house. That's like an aerial easement infraction so basically he just has his service line running in here.

Chairman Pascual Sablan – So if we were to have this thing resurveyed so we can eliminate this I'm pretty sure Guam Waterworks is going to question (interrupted).

Administrative Director Michael Borja – Well who does that water serve?

Ivan Shiroma – Rugby.

Administrative Director Michael Borja – Just Rugby.

Ivan Shiroma – Yes.

Administrative Director Michael Borja – So they should have been bringing in their water in from their access side which is Lada Avenue.

Ivan Shiroma – But even if you guys were to go ahead and give us back this piece I will not ask Rugby to get your water line out because I know it's going to be expensive. It doesn't bother us, it's underground but it's in our inventory or in my property if it was given back.

Chairman Pascual Sablan – I also came across document that Rugby promised to do a lot of things on his side and your side. Have they fulfilled that?

Ivan Shiroma – We'll be here another hour if I explain what the agreement was.

Chairman Pascual Sablan – No you don't have to I read already but did they fulfill all these promises?

Ivan Shiroma – This is our original practice just a real quick history. This is our original practice field that my dad cleared a long time ago in the 80s. In order for Rugby to come here and take this we had an agreement a town hall meeting with Senator Baza Calvo, Marcel, go ahead we'll give Rugby this just this piece. I don't know how they got this. Take this just build us a practice field over here again or somewhere. Build us a practice field you guys keep this. Next thing I knew they got both this recorded officially under their name before we got our license and we were here almost 20 years before these guys. Now we have no practice field. I'm trying to build one here. When I saw this proposal I'm like wait a

minute now I can't even put bleachers or a press box because now you're squeezing me so I only have this to deal with and this one again.

Chairman Pascual Sablan – If you have this for example access wouldn't that make it substandard (interrupted).

Ivan Shiroma – You can't have an official field if you take that 60 feet here and keep this. Look at the difference we're the original people that had activity here look at how much these guys have now as opposed to us and we're there 20 years before them coaching kids. We've been doing community service before we even committed a crime. Yes I'm willing to give this all of this up. Nobody questioned Rugby where do they park? Now they're going to be parking on our side?

Chairman Pascual Sablan – Mr. Shiroma you close this side for example when it's not in use what's your plan are you going to put fence and everything?

Ivan Shiroma – Yes I'm trying to control the location so nobody comes in and steal my copper again.

Chairman Pascual Sablan – Oh they steal copper?

Ivan Shiroma – Three times.

Administrative Director Michael Borja – That size is 49,000 square meters the Rugby side.

Margarita Borja (DLM) – Ivan I just have one question about that I know there's a gate, there's an entrance to the school is that something that can be closed off if anything? Because I think do they use that as an access to go in the school.

Ivan Shiroma – Yes I don't believe you should be parking in there where the kids are playing because if everybody parks in there, I don't make our Football Association park in there. We practice there but we got permission from the principal. But when Rugby has a game they go park inside there and who knows if there's (interrupted).

Administrative Director Michael Borja – Is that gate back there that 60 foot easement leads up too? Is that gate there for fire and safety purposes do you know?

Ivan Shiroma – I have no idea. I think all I see is the guys that do maintenance on the grass.

Vice-Chairman Joseph Cruz – No because the terrain, the terrain is bad on the back. I don't think a firetruck will enter (inaudible).

Ivan Shiroma – They have access from the school (inaudible) also.

Legal Counsel Kristan Finney – I'm sorry you're trying to find out if the school needs to access that?

Administrative Director Michael Borja – It's the gate, it might be just you know for their own exit.

Chairman Pascual Sablan – Okay thank you Mr. Shiroma. The Chair is ready to hear a motion and I think Mr. Cruz is (didn't finish).

Vice-Chairman Joseph Cruz – I move that the request for the deletion of the 60 and the 40 be granted and the 40 foot on the center must be deleted as per Public Works concurrence being that it's a utility, it's a private line if Public Works does not need it for an access then subject to that.

Commissioner Amanda Santos – I second it.

Chairman Pascual Sablan – Any discussions?

Vice-Chairman Joseph Cruz – On the -9 on the creation of this if we're considering parking for the Rugby and they got majority of the acreage why cut it up why not just leave it to the remainder of the Football's lease?

Administrative Director Michael Borja – Why do they not have their own area for their own parking?

Vice-Chairman Joseph Cruz – Yes.

Administrative Director Michael Borja – Good question.

Vice-Chairman Joseph Cruz – I mean the 40 some thousand square meters that Rugby has they're not utilizing the whole lot so we'll deal with them when the time comes for parking. But right now I don't agree having a pan or an access and wasting this acreage in there for another lot not unless they have another intent of leasing it, a different activity.

Administrative Director Michael Borja – Then would you suggest that you keep that 40 foot access on the west side so they can enter from Santa Monica?

Vice-Chairman Joseph Cruz – No because if it's together with the R9 it's one consistent lot. You don't need an access for that because it's part of the basic lot.

Administrative Director Michael Borja – Oh so you just keep it called R9 not a NEW-9.

Vice-Chairman Joseph Cruz – Yes.

Administrative Director Michael Borja – So you keep it one lot so he can enter and exit any way he wants.

Vice-Chairman Joseph Cruz – Yes.

Administrative Director Michael Borja – Got you. You understand that what he said?

Ivan Shiroma – Yes.

Administrative Director Michael Borja – Don't see a reason why you have to have this easement just so that everyone can park but if this is just one lot then you can have your access in there any way you want.

Vice-Chairman Joseph Cruz – You can use it for your maintenance warehouse or whatever. And then delete that 7R/W and just take that 1,400 square meters and bring it in instead of 116 for that 8 maybe just one hectare which is 10,000 square meters.

Commissioner Pika Fejeran – So then Rugby would access the parking through their own.

Vice-Chairman Joseph Cruz – There's no parking for Rugby we're not considering the parking for Rugby.

Administrative Director Michael Borja – They have to consider their own parking.

Commissioner Pika Fejeran – I see.

Legal Counsel Kristan Finney – Before you vote to remove that access if the Commission has an agreement with the Rugby group to provide that access even if there was an issue with that as you had brought up before don't you think that you would need to bring in the Rugby group and involve them in this? Because I mean what's going to happen if they find out that if they had an agreement and without consulting them and just changed the agreement that's the same thing that happened with these guys. You're going to create a new problem (interrupted).

Administrative Director Michael Borja – Well my question then would be while the Commission in 2010 had apparently moved and passed a motion to take out a section of the Football's land to dedicate it for the benefit of the Rugby and by virtue of doing the amendment and the Rugby people signed it isn't that kind of like an invalid amendment? Could it be found to be invalid or not really binding?

Legal Counsel Kristan Finney – I would think so but where I'm saying is that whether that agreement should have been made or not the Commission and I have to just you know because I haven't reviewed all of the details of the agreement either with the Football or with the Rugby. I'm just saying if there is an agreement with the Rugby people then you're going to need to involve them before you just change your agreement even if the agreement shouldn't have been made to begin with.

Chairman Pascual Sablan – I guess as a legal counsel I agree with you with that but if you look at really the history of Rugby and the Football Association it looks like there's always a unilateral without the consent of the other party.

Legal Counsel Kristan Finney – Well it's just that I mean you know if you're making an agreement with the Rugby Association to change the agreement you have with the Football that's not right but it's also not right to make an agreement or you know to pass something based on what these guys are saying to change your agreement with the Rugby people. That wouldn't be right either.

Vice-Chairman Joseph Cruz – Okay the way I see the deletion it's an encumbered alignment within the basic lot of the Football. We are not reducing the acreage of the Rugby. Everything is on the Football alignment and it's only an encumbered.

Legal Counsel Kristan Finney – True but there seems to be some agreement between the Commission and the Rugby Association. It sounds like you might be trying to change that agreement without involving them. So I just want to caution you to make sure that that's not what you're doing here.

Chairman Pascual Sablan – Nothing yes thank you but you know what I was looking at the latest agreement that was signed between Rugby and the late Mafnas there is nothing that it says that that especially the (inaudible) alignment the 40 foot is part of the agreement that CLTC has and the Rugby. I cannot find any.

Administrative Director Michael Borja – In fact in this addendum to the Football's, Hals Angels Association we more precisely now defined what the Football people have based on the same survey map that the Rugby people used and nowhere on this map is this 60 foot alignment. So when this document this addendum with the Rugby people had taken away the 60 foot easement out of the Football it didn't depict any map change which it would have to have. It would have to have a survey map that would show it was approved. So you know it doesn't even have that kind of delineaty where there's nothing there nor is it a recorded addendum, amendment to the agreement. And then it's involving another person's land without their signature on the amendment or their concurrence to the amendment and they in turn in fact in that lease they used the same survey map 403FY01 to make their point with a sketch, a drawing of an exhibit showing where they wanted this easement but that's (interrupted).

Legal Counsel Kristan Finney – Was the Rugby Club invited to be (interrupted).

Administrative Director Michael Borja – In this meeting? I don't believe so. But your point is you know well taken they're a party that's involved in this but you know we're all talking about the same map. Each one of us are all talking about the exact same map in which that 60 foot easement is not showing at all. So no one has gone forth to create one that has a 60 foot easement. All they had was a, it doesn't even look like well it's some kind of sketch.

Legal Counsel Kristan Finney – All I'm trying to say is if there is an agreement between the Commission and the Rugby people I would not recommend that that agreement be changed or that you attempt to change it without involving the Rugby Club.

Chairman Pascual Sablan – They mention here the access this was I think 2011, access to licensed property pending completion of new access road depicting on Exhibit C, licensee it's agents…and then mention the 40 foot okay pending because they want to go through this process. This is only for me it was signed by Mr. Mafnas and signed by that. Why weren't the Hals Angels consulted if there is an agreement? I appreciate and I understand as counsel that we should but it looks like as I said one way street here whoever comes here and all those things. And believe me there's a lot of documents missing here and no action by the Commission. I feel like throwing up after I read all these things. How it happened I don't know.

Ivan Shiroma – Ms. Finney excuse me so if we do have another meeting Rugby is going to come in here and say look I don't agree with what you guys just did today. They're going to ask can we restore the 40 foot utility easement and the 60 feet. You guys are going to ask me, and I say no I don't want to restore it. So we're back to square one right?

Legal Counsel Kristan Finney – All I'm (interrupted).

Ivan Shiroma – Because there's no agreement, there's no agreement here made from the last meeting. They never contacted me. They tried to shove that right through like they did that they're getting their license from day one. I was never called or my dad was never called about them getting their license their original license. That's what really upset us because they only wanted half of that piece of property that they had up there but now they double the size without us being called in.

Blu Shiroma – Can they do that? Is that legal if we have the lease can they (interrupted).

Ivan Shiroma – We didn't have the lease.

Blu Shiroma – Huh?

Ivan Shiroma – We didn't have the lease back then. Land Trust wasn't even created before that when we were having activity there.

Administrative Director Michael Borja – No, no but in this whole chronological order it looks like Hals Angels had the lease prior to Rugby for the piece of land.

Ivan Shiroma – No. I have my license here, 2008 from Mr. Borja it's the only time I got it.

Administrative Director Michael Borja – Right, right that's what I'm talking about in 2008, they're in 2010 or the changes were made in 2010.

Ivan Shiroma – Yes but they got theirs in 1993 or 1998 one of the two if you check the record. They had it before us they had that piece surveyed and recorded before we even got our license. That's why I complained to Mr. Borja, Joe Borja I said how did these guys get their license done without consulting my family?

Administrative Director Michael Borja – Okay theirs is 2002.

Ivan Shiroma – I just want to stop deleting that's it.

Chairman Pascual Sablan – Do you have the insurance, liability insurance?

Ivan Shiroma – No sir.

Chairman Pascual Sablan – No?

Ivan Shiroma – I'm not sure where my boundary was until just recently because I just don't know.

Chairman Pascual Sablan – That's another thing that on the contract it says that they have to have a liability insurance and what I would like to see is that the CLTC and whoever purchasing that insurance will be the two party on that insurance. Because they always say we'll buy the insurance and of course they bought the insurance but later on a month later they terminate. **Anyway a motion has been made, second, discussion is over. Those in favor say aye.**

Vice-Chairman Joseph Cruz - Aye.

Commissioner Amanda Santos – Aye.

Commissioner Pika Fejeran – Aye.

Chairman Pascual Sablan – Aye, unanimously have the ayes.

Commissioner Pika Fejeran – I would like to make a motion to call Rugby in so that they're aware of our decision and (inaudible).

Ivan Shiroma – Thank you, thank you very much for considering us.

Chairman Pascual Sablan - Okay thank you too for coming. And be more aggressive and be more (inaudible).

Vice-Chairman Joseph Cruz – You don't want them to be aggressive.

Chairman Pascual Sablan – What I meant to say is we publish out the agenda if you see anything or come to us.

Ivan Shiroma – Another thing I have nothing personal against Rugby they're doing good just like we're doing good with the youth kids for football. We're doing the same thing as Rugby but the one thing I have over all of them is I am a Chamorro born and raised here.

Commissioner Amanda Santos - Thank you.

Ivan Shiroma – Thank you.

(Break 2:50pm – 2:59pm)

2. Guam Raceway coral extraction and other payments

Administrative Director Michael Borja – What we have is Guam Raceway, it was authorized by both Public Law 24-141 and one of the sections in the statute for their lease. They have approximately 252 acres or over a million square meters of land. The license agreement was effective in 1998 for a period of 20 years. CLTC according to this is supposed to be indemnified and there's supposed to be a $300,000/$1,000,000 insurance and the use of the property the licensor shall receive 50% of the value of extracted minerals and materials removed from the property. According to the Public Auditor findings in 2012, 2013, 2014 and 2015 in each one of those annual audits they had a finding that noted the exact same thing that the coral extraction royalties revenues were not evidenced by an underlying agreement or documentation of royalty rates and the revenues were not evidenced by verification of actual coral minerals extracted. The recommended course of action for this was to establish policy and procedures for documentation and monitoring of coral extraction and that was from the Public Auditor. Other findings include Public Law 30-204 established an event admissions assessment requiring an admissions assessment of 10% of the admission price to be paid to the Government of Guam with quarterly reporting to the CLTC and the Guam Legislature. And also we do not possess any verification of insurance coverages specified in the license agreement. The recommendation that we have is that there be a moratorium on all coral extractions until documentation and monitoring procedures of coral extractions is established. The Guam Racing Federation provide a validated and certified method of determining topographical terrain variances on a monthly basis so we can verify the extraction of minerals. Guam Racing Federation provide a validated and certified method of determining admissions assessment and pay the last five years of admissions and commence quarterly reporting. Guam Racing Federation provide insurance certification within 10 days. And provide notice of findings and recommendation to the Guam Racing Federation via a resolution. Attached to this document is the license agreement that was generated as well as the public law that created the Guam Racing Federation and then lastly you have copies of each of the annual findings from the most recent to the oldest in which this was a continued finding from the Public Auditor. We had worked in the past to try and come up with a determination of the coral extraction through some audited reports from Hawaiian Rock however that wasn't sufficient in the case of what the Public Auditor had required. They wanted to see for the total not just for one specific company unless they were the only company doing it. I know I had some discussions at one point with Hawaiian Rock where I pointed out the fact that they were able to do some volume reporting on their side of the house with the use of a drone unit that can verify volume differences through topographical surveys. Regardless on how we're (inaudible) either new technology or surveying I mean the fact is that the Office

of Public Accountability is requiring that we get these corrective actions in place. And since this is the fourth consecutive audit report to show the exact same findings it stands that this is really a very significant thing that we have to accomplish as well as the other findings that I noted in the admission price and the insurance verification. So I present that and I believe that the Guam Racing Federation had some items that they wanted to discuss as well concerning the future use of the facility.

Henry Simpson (GRF) – We didn't realize that the auditor for the last four years didn't, that the Public Auditor didn't like the response from Ernst & Young as to the amount of coral that was extracted. Since the beginning of grading that area we knew that there had to be something in place we've been doing it now not for eighteen years but for about fifteen years because in 1998 when we first got it it took us three years before we got all the plans and permits and everything in place. We really started in about 2001 with Perez Bros and at that time we counted trucks and they measured the loads and basically we went through the process with the CLTC at that time and they were happy but then nobody, we never heard from the Public Auditor about it at that time. And so as time progressed Perez Bros stopped taking rock in 2007. Hawaiian Rock started taking the grading, started taking over the grading there. And so we went through a different process with them for ascertaining how much material was coming out of there. And actually they made it pretty easy because they are on leased land where Hawaiian Rock is they lease land from the Bamba family. And so their lease is audited quarterly by the Ernst & Young company for the Bamba family because the Bamba family wants to know and gets paid on how much materials are taken out of their property and how much materials are processed through their plant. So the only way they can do that is they hired Ernst & Young to verify how much materials are being used. One of those things that they check is outside materials because the Hawaiian Rock plant is on the Bamba property the Bamba family gets a small percentage from outside materials coming in. And that's where we are the racetrack is the only one that they get outside materials from and so that number came and so as they explained that to me I thought that was a really good way of checking how many trucks came in however the auditing firm decided to check the material. And so they gave me a copy of the audit report I've been giving it in with my when asked how do we do it I've given them the Ernst & Young report. It's basically only a letter that says Hawaiian Rock has been accounting for the material coming in in a proper manner and they spot check it and stuff. But I'd like to introduce the fellows here from Hawaiian Rock and have them explain a little more about how they do it. This is Frank Atoigue and Peter Errett. Frank is the compliance officer and has been kind of in charge of figuring out how to make sure that these things are accounted for properly. So since 2007 except for a very, very short time Hawaiian Rock has been the only ones that have been taking material out of there. So we've been using their accountability for it and I'd like to have him explain it to you as to how you guys do it. Thanks Frank.

Frank Atoigue (HRP) – Well it's pretty straight forward while the Ernst & Young they have an audit they do their audit on us they come in quarterly to validate and verify that our checks and balances are still playing or are still you know what it is. In a sense we got a guy who counts the trucks literally that's his soul mission in life is to count dump trucks coming from the racetrack into our yard. Also the dump trucks and primarily our, we use

rental trucks to bring the material in and they have their own job ticket that shows how many loads that they are bringing in. They have to or those numbers has to validate or jive daily. In terms of cubic yardage each truck is carrying Ernst & Young comes and randomly again quarterly comes and validates that what we're reporting in terms of cubic yardages is accurate. There is a margin it's never ever going to be 16 cubic yards every single time there's a variance plus or minus a yard or two maybe. That's a pretty straight forward system. Do we think that our rentals could be taking a load elsewhere for the sake of the audit and not bring it to Hawaiian Rock? They could but it's not practical. Keep in mind that the material that they're taking from the racetrack is literally blasted material. You'll have rocks that are probably minimum 6 to 12 inches in diameter you really can't build anything with it. So the likely hood of someone diverting it's there but it's highly unlikely.

Administrative Director Michael Borja – If I may point out the Public Auditor's dispute is not in the accuracy or the (interrupted).

Frank Atoigue (HRP) – Internal mechanism of Hawaiian Rock.

Administrative Director Michael Borja – That Hawaiian Rock has with their information but as Mr. Atoigue had mentioned is that basically they are counting the trucks that are coming in from the racetrack and what the auditors wants to know are what are the trucks going out of the racetrack. That's what they want and that's what the verification process has to be. Now if there was just one sole company responsible on that end of the house you know if it was just Hawaiian Rock that was the only one and they were able to verify the count going out and it match the count that went in I mean that probably may be a practical solution and an answer. But again their issue was that there was no verification of actual coral minerals extracted and that's what they were looking for. On the other side of the house where an underlying agreement or documentation of royalty rates I mean that's something internal we have to discuss one on one to clear that specific issue under this finding. But the big one is just the verification of what is actually extracted out and some methodology that has to be in place that is you know certifiable. That's what they want to know. So it's not to doubt that Hawaiian Rock's counts of what they received is questioned it's just the counts of what are actually being trucked out of the racing track property.

Henry Simpson (GRF) – Well as I was saying since 2007 they have been the only one so we've been basically using their count. I checked a couple of times and say they counted trucks and then checked on the day because they give us a report how many yards coming in each day and it checked out and so I basically left it alone especially after we got the Ernst & Young report. We could probably ask Ernst & Young to do a spot check on trucks leaving the track as part of this because right now as of this point in time again they are the only ones that are out there doing any grading for us. They do have a drone system that measures the ground but the part of what could be difficult for that is that there's, one of the minerals that they really like to grade from there is the Marianas limestone is really hard and so what we've been doing is over excavating and they're taking out that amount and we're putting back a finer material that is suitable for the racetrack area. And so as the Racing Federation we've kind of been stuck since 2007, 2008 once we were chose to be the firing range everything pretty much stuck for us. So for the last six, seven years we really haven't

been able to do anything out there because it wasn't until last year on the record of decision came out that they're going to go to Andersen. The whole rest of the time they were out there surveying, counting plants, doing all kinds of stuff and you know we're going to take that place from us. They always promised that they were going to build us a new track or they're going to you know give us some money. And you know in the beginning for about the first year or so we really thought that they would take it and build a new track someplace. And then finally as more public hearings went on and we got to talking to the right people basically they're idea of taking care of the racetrack was to give us, give the Government some money to make us go away and that was how they were going to solve it. Enough money for them to rent that area from the Government and they didn't really care where the racetrack went. So we've been under that for about the last six to seven years. So just August of last year another company has applied to do grading out there and because we only have two years left on our license we want to get as much done as possible so we're working with Smithbridge. But since we weren't able to do anything for the last seven years, two years ago the fadang tree became a threatened species so we've been tied up with forestry now for the last eight months on how to protect the fading tree out at the track and we haven't been able to move forward even though we're not under the gun with military. So it's been a really challenging situation for us going forward. And so what we would like to ask is that possibly we talk to Ernst & Young or maybe the CLTC could ask Ernst & Young or could ask the auditor what should we ask Ernst & Young to make this something that you'll be happy with. Because I don't think that's the word that's unhappy with the accounting of it it's mainly the auditor but if you could ask the auditor what else could Ernst & Young do to verify what we're doing is correct. I'm wondering if that could be a solution.

Administrative Director Michael Borja – Well yes I mean we're going to try and go at any angle we can to satisfy whatever their needs are but it's just to date we still haven't been able to give them something that they want. I have to defer back to my Program Coordinator who works directly with them to handle that and figure it out. But we want to definitely come up with some solution and it's absolutely important. I think the quicker we can come up with the solution the better it is for all of us right. So it's something that we need to move forward on. But in the interim you know one of the items I put up here is just as a point is we could just stop everything until we can get this down but that puts the fire under your seat to make it work and it puts the fire under our seat too because we don't want to see a stop in our revenues either. But we need to get this thing cleared up once and for all. I've come from a side of the house where you know just getting a singular repeat write up the next consecutive year was really very, very bad but for four audits in a row that's just not acceptable. The Commission does have to have a course of action. As Administrative Director I have to have a course of action for these findings so we need to really move hard and fast on this thing as quickly as we can. I'd be happy to work with you one on one with this but I needed to apprise the Commissioners as well on where we're going to be going on all of this.

Henry Simpson (GRF) – We would ask that you not again not stop basically what we're doing there and stop the grading process and (interrupted).

Administrative Director Michael Borja – Can you give some kind of affidavit to note that the sole extracting company at this time is Company A?

Henry Simpson (GRF) – We can do that.

Administrative Director Michael Borja – And then Company A can provide these kinds of validated certified and audited documentation to show that. That's a good start to get them to move forward on at least (inaudible) and you guys don't have any issues with something like that. So that they can you know we at least have some presentation of proof that there is no other and you're doing it through an affidavit you know that there are no others that are entering in and coming out with vehicles with loads of material.

Henry Simpson (GRF) – You may see ABAD's trucking or some of the other trucks going out of there with loads of coral but they're hired by Hawaiian Rock to (interrupted).

Administrative Director Michael Borja – So note it in an affidavit that they will only be solely contracted and again maybe it might even behoove us to have something in some way you know a listing of the vehicles that are going out that matches with the list of vehicles that are going in so that there's some kind of cross check. Or to do it on a random spot check basis during the highest times of the extraction. We need something that's going to be good and whatever we come with we'll definitely coordinate with the auditor to determine that that's going to (interrupted).

Henry Simpson (GRF) – What makes them happy.

Administrative Director Michael Borja – Yeah.

Henry Simpson (GRF) – I passed out the maps here of the track. This first one is what we're planning to build what we're trying to build out there. It's a formula three road race course it's the main course with the stock car track, the uproad track and drag racing track. The second picture is the overlay over what's been done already so far. Then the third is actually these spots on here are a plan for maybe windmills out at the track. We would like to propose a dual use of the area with windmills because they won't bother the racetrack. That noise doesn't bother us, our noise doesn't bother the windmills and it'll be a way that we can generate income in the future and we propose whatever income is generated is split 50/50 with Chamorro Land Trust. And that we maybe even work with solar with solar panels covering the bleachers and covering the parking lot and things like that where there's again another source of income that actually helps the racing group bring more people out. You got a nice place to sit out of the hot sun to watch the races and you're generating power at the same time it could be a real good thing for everybody. The reason I'm bringing that up now is we've gone through the new law for commercial leases we only have two years left on our license and as I was saying earlier we spent our first three years getting the paperwork ready and we spent our last seven years fighting off the marines. And so we've had very little time to actually build and work forward with this so we would like to start the process of renewing our lease or getting a new lease. But we're not like the, we don't fit the commercial lease rules very well. We're more like a sports foundation like

the Hals Angels, like the Rugby Club, like the soccer fields, like the others whose real drop as a nonprofit group is to build that track and maintain a safe place for people to race.

Administrative Director Michael Borja – As you pointed out and Commissioners you know this racetrack is a creation of a public law and not a direct creation of the Chamorro Land Trust Commission and as such something like that would require legislative authorization to proceed forward. But I think that you know if that's the case you know we need to begin the discussions. At this point you know we probably need to have some kind of discussions there's only six months left less than six months left in this legislative session and I would not suggest that we try to get anything done this year except for the details between ourselves. And that effective January under the new legislative session then we can be prepared to introduce legislation that authorize your extension but we would have the details worked out. The reason I say that is that anything introduced that's not even if it gets all the way after a public hearing if it's not voted on it's going to die so it's dead in the water and you got to start all over again. So I don't want to waste that kind of energy going through that process and just do it once. What we need to do is the other items that I did talk about that we do need to definitely make sure that it's cleared up before we can even proceed down that line and that's the other matters that are listed within the license agreement that talks about insurance and about well the other public law that talks about the admissions assessment. We're going to need to come up with some solution to both of those but most importantly I think on top of all that is the insurance certification because it's required and because you did have a recent fatality on one of the past events. We have to have that in place and we have to have the certification that it is because it's a requirement and if it's not its reason for default.

Henry Simpson (GRF) – No I understand. We have the insurance. Basically every year I give a copy of the insurance to GEDA. By law all my reporting goes to GEDA.

Administrative Director Michael Borja – Okay we'll confirm it with them because the license agreement is with us.

Henry Simpson (GRF) – Yes. In the license agreement is the monthly payments and all those kinds of things all the other ones fall under GEDA so I have been reporting to GEDA. We have the insurance. I'd like to tell everybody that we have resolved the accident that we had up there. The police report came back it was an accident. It was on the last lap the driver had gotten a checkered flag and a yellow flag. They're crossed which means end of the race slow down. He continued and hit one of our safety vehicles. Now the safety vehicles has to go out and park in front of an incident so that the safety Marshalls can check the incident. He parked in front of it as they should they got out and they were behind it but this race driver said he didn't see and couldn't slow down he hit the safety vehicle. The safety vehicle in turn hit our two safety workers. One had internal injuries and passed and one is recovered now and almost ready to go back to work. But both families and both people have worked together with us. They are long time volunteers at the race track. Lester Van Meter had been a racer himself out there and has volunteered for over thirteen years to help out with the racetrack. He helps mainly with the motorcycles with the kids but he helped out our main Marshall for the car race this year. And he was training Jesse Salas

the boy that died and it was an unfortunate accident but the families have all come together. They all want to see the racetrack continue. And so as of this point our insurance policy has not been called on it's just been recently renewed. So everything is in place. We're working on signing the releases now so that everybody can move forward. We're going to name our next race, smoking wheels next year in honor of Jesse Salas and Lester is going to be the Grand Marshall and both their families are going to be involved in it. So it was very, very unfortunate but they're very strong supporters of the races so they want it to continue on. So I wanted to just give you that that it's going to go forward.

Administrative Director Michael Borja – My recommendation here is that we just follow through on this as a resolution to demonstrate our need for the action to take place based on the repeated write ups we've received from the public auditor and the other item such as the admissions assessment be determined and be made a part of every activity that goes on over there. It's required by public law. And it's not in our license it's a public law that we obtain a copy whether through them or through GEDA on the insurance verification. So if I put that in a resolution I just need you to make a motion to do those things and then I'll have a resolution.

Chairman Pascual Sablan – Mr. Borja, Mr. Simpson is suggesting that we call the auditor and ask the auditor what he needs. I don't know how you do it I know you have one million and one thing so many as Mr. Simpson but how about Mr. Simpson get in touch with the auditor and tell the auditor that we summon him in in this concern and maybe ask the auditor as to what you know he has to do to satisfy the auditor's concern about the accountability of that.

Administrative Director Michael Borja – Can I ask Joey Cruz, Joey do you want to say something on that? Do you have any specific details? Joey Cruz is our Program Coordinator who deals with our annual audits and has a working relationship with Deloitte and Touche.

Chairman Pascual Sablan – And also how about, are we talking about only the rocks how about the total sales of tickets and (interrupted).

Administrative Director Michael Borja – Well that's what I'm talking about that's the admissions assessment.

Henry Simpson (GRF) – The admission assessment like in the first law I'm sorry I didn't get to bring it back with me the other day but it said $2.00 for every (interrupted).

Administrative Director Michael Borja – $2.00 but then there was a successor that said 10%.

Henry Simpson (GRF) – And then there was another one later on that said 10%. And actually it's what we do since we only have one big event per year, Smokin Wheels we report that to the Legislature and that's in my compliance report with GEDA so I turn that in with GEDA. With GEDA, GEDA is the one that's been doing all the compliance report so

they'll give me a list of things that I need to do then we comply with it. Turn in our audit, every year we're audited, turn in all these things and then we pay them $1,500 for the honor and then they go and we do it again next year.

Administrative Director Michael Borja – Okay because the law is only general it said pay Government of Guam. I don't know who's supposed to receive it but we're supposed to receive a report on it.

Henry Simpson (GRF) – All that reporting has gone to GEDA. I'm working on this year's report right now so we should be able to put that together.

Chairman Pascual Sablan – Mr. Borja are we getting a copy from GEDA on those reports?

Administrative Director Michael Borja – No we're not.

Chairman Pascual Sablan – You're not?

Administrative Director Michael Borja – No.

Chairman Pascual Sablan – Mr. Simpson.

Henry Simpson (GRF) – We can do that. I would have done it it wasn't required nobody told me to so I didn't.

Chairman Pascual Sablan – You know I was looking at it this is my first opportunity to see this contract that you have with the Government but if you go back on the record I was the Chairman of the Guam Land Use Commission that approved whatever we approved for the racetrack and then that night you people had a big party at the Government House. It's not that I was not invited it's just that I cannot understand why that the contract was so confidential at that time because I want to really have the opportunity to review you know what's really the whole contract between you and the Government but anyway Mr. Cruz.

Joey Cruz (CLTC) – The auditor's concerns were raised in I think Mr. Borja said in our initial audit in 2012. At that time there were three companies, Hawaiian Rock, Smithbridge and Perez Bros I believe if I remember correctly. Then the preceding year it was also the same three companies. The concern is that we don't have information to substantiate the amount of money they're paying for the extracted royalties. The only way to do that is we need a starting point. We need to know what was there initially. How are we going to do that? We have some maps here at Planning that we can (inaudible) then we can work forward from there. So even if Mr. Simpson suggest that we work with Ernst & Young an audit is random they're not going to sit there all day every day to count they just come at the spur of the moment or they draw from a (inaudible). So if they come today and only 10 trucks they counted tomorrow if there was 11 that won't be counted but really 12 went out. So we cannot substantiate really how much extraction went out unless there was like a topographical survey done or something like that.

Vice-Chairman Joseph Cruz – Mr. Simpson is your grading permitted or your extraction permitted by Public Works?

Henry Simpson (GRF) – Yes.

Vice-Chairman Joseph Cruz - Do you have a site plan or a plan that take the volume up from that permit?

Henry Simpson (GRF) – Yes.

Vice-Chairman Joseph Cruz – Or are you permitted as a whole or by phase?

Henry Simpson (GRF) – Well we started as permitted in sections like you see in our phases 1, 2, 3, 4 and 5 and then the over extraction got attention. The over extraction is on the new drag strip where we will cut in and actually take out more material 30 feet down because in order to be, in order to be economically feasible to remove they'll have to drill 30 feet at a time. So you take that 30 foot section, so they took that 30 foot section paid us for that material and brought in at no cost to us other fine material to fill it back up. And that works good with us we checked it with our engineers and everything for where our road race courses are going to go. So while we couldn't build it was another way of maintaining and building up a reserve for that area. And that was permitted we went out and (interrupted).

Vice-Chairman Joseph Cruz – So by him asking for the volume that was initially there can we safely say that the permit can predict the total volume that is to be removed because you have an engineering plan signed by Public Works to be excavated? When you get a grading or a filling permit you have volumes so by that volume can we safely say Mr. Cruz can use that as an initial volume to start with? I mean I'm just talking about permitting excavation extraction.

Peter Errett (HRP) – The problem is the permit we apply for this area for every year and a lot of time we don't complete it so we apply for let's say 200,000 yards and we only do 150,000 so if (interrupted).

Vice-Chairman Joseph Cruz – So every time you amend your permit you have a different volume.

Peter Errett (HRP) – Yes so if you use the permitted volume it would probably be more than what we actually take out.

Vice-Chairman Joseph Cruz – That's better for us.

Henry Simpson (GRF) – It's better for Public Works and EPA because we pay on the volume of that. Let me see how we can just figure out a way to do that because he does have a drone that can go fly over and measure what is here right now and then what I'm thinking is we can do that and then the Government has a lidar map of the island are you

guys familiar with that lidar map? If that lidar map if we have one of those from before we started versus where we are right now I think we should come out really close.

Commissioner Pika Fejeran – I think looking at the audit it's not only how much was taken out but it looks also the rate at which were paid. Am I reading it correctly?

Henry Simpson (GRF) –Yes.

Commissioner Pika Fejeran – Like how are we calculating the rate based on whatever numbers you're giving us.

Henry Simpson (GRF) – The rate was set by Monte Mafnas 2007. Initially from 2001 when we started it was 50 cents a cubic yard. And so 50 cents a cubic yard was collected for the materials coming in or for going out to the, and at that time it was Perez Bros and a little bit of Smithbridge. And he is right in 2011 for about a year Perez Bros was there before they bought the property next door. They bought a piece of property next door but they weren't taking out some material at that time. Smithbridge only took out boulders so we had to do boulders based on weight and that's how figured the volume on their boulders. But as a steady grading operation it was Hawaiian Rock that had the majority of trucks. Very small amounts were there by Smithbridge and by Perez Bros. But the figuring out the amounts and so it was about 2007 Monte came out took a look at it he went through this whole process to make sure everything was being counted then he said he wanted to do some price considerations. He went and checked with other people and he came back and he told us he said your price should be $1.50 and so he gave me a note I showed it to these guys we raised the price to $1.50 and so (interrupted).

Commissioner Pika Fejeran – When was this?

Henry Simpson (GRF) – This was in 2007 I think, 2006, 2007. What I'd to do is I'll do a breakdown of how much we've extracted on a monthly basis and how much we paid on a monthly basis through the whole thing. I can do that from the beginning because the amount that's been paid for royalty to CLT is about a million and a half dollars over that time. Our rent has been about a half million dollars and I can lay that out I'll lay that out on a kind of a month by month or year by year basis so you can take a look at that. And then we can, we make need to do a lidar as of 2001 when we first started and then 2007 when the price went up as to matching. It should match the volume this one time should match the volume. You guys are willing to do a shot up there for us with the drone?

Peter Errett (HRP) – Sure but the problem is some areas have been excavated and then backfilled. So if we survey it now it's going to show the design elevation and it won't show what was removed.

Administrative Director Michael Borja – But at some point we'd like to start at a (inaudible) you'll have a starting point like with the drone to have an actual starting point at least with that so we know where we are based on that survey and we're all moving forward. Because that would be one of the things that I'd like to have a discussion on is

that you know is there a way to have that drone to be part of the contract to the ability to determine what the volumes are. And you know based on the amount of truck loads that are returned back you can you know do the math and determine that there was a volume added and there was you know a net change of something.

Peter Errett (HRP) – We can do that. We have the drone it flies about 300 feet. GPS control and it surveys to I think about half an inch accuracy. We use it for stock pile volumes so we can (interrupted).

Administrative Director Michael Borja – Right and then it can from my understanding on our discussions once before it can be crossed check with the truck counts.

Peter Errett (HRP) – Yes.

Administrative Director Michael Borja – And that's at least a good start to have one of the major findings to be taken care of.

Chairman Pascual Sablan – Do you think we can have that as you said in the drone we can have some kind of report from them as a start so we can show the auditor that (interrupted).

Administrative Director Michael Borja – Well that's what yeah that's what we're talking about and to try and work it so it'll be a continuous thing on a monthly basis, quarterly basis something like that. I don't know what the cost of that unit is to operate but it will be based on cost of the unit is one thing it's all the other information.

Peter Errett (HRP) – What it does it gives you a photograph and a CAD file. So the CAD file is used to calculate volume but then you have photographic record of that date so we can start doing that.

Chairman Pascual Sablan – So Mr. Simpson you're going to take care of that and report it to us.

Henry Simpson (GRF) – Yes I can do that.

Chairman Pascual Sablan – Thank you because we don't have money to pay anyway. Any questions from Mr. Cruz?

Vice-Chairman Joseph Cruz – No I'm good.

Chairman Pascual Sablan – Mrs. Pika Fejeran?

Commissioner Pika Fejeran – Are we okay with an affidavit on not putting a moratorium?

Administrative Director Michael Borja – Sure if you want it to state that that once we receive that and a certification that Hawaiian Rock is the only one taking it out yeah.

Chairman Pascual Sablan – Mrs. Santos? Okay so what do we need to do a motion?

Administrative Director Michael Borja – I'd like to get a motion and then we can present it formally just so we have for the record as a resolution to Guam Raceway Federation to deal with the items that I recommend.

Chairman Pascual Sablan – Okay the Chair's ready to hear a motion.

Commissioner Pika Fejeran – I make a motion pending an affidavit from Guam Raceway Federation they are to until we get that affidavit there's a moratorium on coral extractions and also for the Director to work with you to obtain a validated and certified, that your insurance certification right we need a copy of the insurance certification, a certified method of determining admissions assessments and to determine moving forward how we are going to be calculating and receiving the royalties and also if you can also copy us on the reports that you provide to GEDA because we have never seen that.

Commissioner Amanda Santos – I second it.

Chairman Pascual Sablan – Does that include also what Mr. Simpson said that he's going to go back and give us a breakdown of, oh okay.

Henry Simpson (GRF) – Yes.

Chairman Pascual Sablan – So a motion has been made, second by Mrs. Santos. Those in favor say aye.

Vice-Chairman Joseph Cruz – Aye.

Commissioner Amanda Santos – Aye.

Commissioner Pika Fejeran – Aye.

Chairman Pascual Sablan – Ayes have it unanimous. Thank you Mr. Simpson.

3. CLTC fund lockbox

Administrative Director Michael Borja – The OPA finding 2015-04 special fund transfer they noted that over 2.3 million dollars was taken from the accumulative cash transfer from Chamorro Land Trust operations fund to the GovGuam general fund in Fiscal Year 2015. Public Law 32-181 required that any cash amounts that stand to be reimbursed that are transferred should be reimbursed back from the general fund within 60 days. A reimbursement did occur within the stipulated time however when it was done at the suggest height at the major suggestion of our auditor they only put 2 million back into it. Other findings in May 2016 just last month we found that there were two separate transfers totaling 2.3 million dollars withdrawn from the Chamorro Land Trust operations fund by the Department of Administration and attached here is the AS400 record of the withdrawals.

My recommendation is that there be a resolution to the Department Administration stating three things. That no funds shall be transferred from the CLTC operations fund without concurred notification to the CLTC Commission. Number two, funds transferred from this operations fund in 2015 were not fully returned and that that must still reimburse the $360,000. And item 3, Department of Administration provide written notification of transfers of 2.3 million dollars from the operations fund noting the date of the transfers and for reimbursement be made within 60 days as required from the public law. The second thing is another resolution to the Guam Legislature requiring legislation to restrict the use and transfer of funds from the Chamorro Land Trust operations fund for the explicit use for Chamorro Land Trust Commission and only by legislative appropriation. And this is just to ensure that our monies are in place when we need them for the Chamorro Land Trust. It is again in an effort to have accountability as the public auditor requires us to have and it came up as one of their findings. So what I would ask is just a motion to approve the creation of those two resolutions as I stated in the recommendations and they be then to be signed and presented, resolution one to the DOA and resolution two to the Legislature.

Commissioner Pika Fejeran – One motion, resolution to the Department of Administration not to touch our money without telling us first, to reimburse us for the $360,000 from last year and to reimburse us for the 2.3 million that was transferred out in May of 2016 within 60 days. That's the first resolution. Second resolution is to the Guam Legislature requiring legislation to restrict the use and transfer of funds out of the Chamorro Land Trust operations fund that it is only used for Chamorro Land Trust Commission and by legislative appropriation.

Commissioner Amanda Santos – I second it.

Vice-Chairman Joseph Cruz – It's been moved and second, the motion has been approved. Everyone says aye.

Commissioner Amanda Santos – Aye.

Commissioner Pika Fejeran – Aye.

Administrative Director Michael Borja – Okay I'll have that resolution worked up for Mr. Chairman's signature later on.

4. Funds for survey

Administrative Director Michael Borja – The next item on the agenda talks about CLTC surveys and again this is as we have heard there's a lot of inventory of properties that still remain un-surveyed and nonregistered. The survey of property lots is a prerequisite for the issuance of residential or agricultural leases and currently the cost and conduct of the survey is the responsibility of the proposed lessee. Property lots could be issued and leases quicker if the lots were already surveyed. Public Law 33-102 provided the CLTC's lessees exemption of property tax the 7 year waiver of property taxes be waived if we survey the properties ourselves. There's another law that created the infrastructure survey fund. In 2015 GTA Teleguam commenced with its lease payments for lands it uses and in

2015 the CLTC created and the Guam Land Use Commission approved 87 agricultural master plan subdivisions. So again what I'm recommending is we send a resolution to the Guam Legislature to support a multi-year funding to survey and register all CLTC properties utilizing the funds from the CLTC infrastructure and survey fund and the CLTC operations fund from the annual lease payments made by GTA Teleguam. And then through the procurement process no less than two surveyor companies would be granted to survey and register the CLTC properties over a duration of at least three years based on the best estimate on time required as determined by the Chief of Cadastre for the Government of Guam and the Survey Division of the Department of Land Management. I have them currently working as we discussed before on what they would believe would be the best estimate of what the cost and timeframe would be that's why I didn't list an amount here just yet. But as we work with the Legislature on any future legislation we can come up with an amount but it could go you know we can still set at using primarily the monies coming from GTA Teleguam lease payments and have it as an ongoing project for something greater than three years that's why I mentioned for no less than three years or at least three years.

Vice-Chairman Joseph Cruz – That the service is less than three years for the surveyor.

Administrative Director Michael Borja – It's for at least three years. I mean probably the first procurement would be a for a three year period and if we need to move on further we'll do another three years, try and get legislation for funding for another three year set of surveys but have it ongoing until we're done. I don't want to bite off too much and commit ourselves too much because other things could change over time. I don't foresee any future income coming into infrastructure survey fund until we begin the actual leasing of any of our properties for commercial use because that's by law that's where the monies are to go to. I think once long term once all the surveying is done then it can be concentrated on trying to do some infrastructure. But that's you know the infrastructure thing is really the reason I see the need to really build up that fund considerably is because not so we can horde the money but you can get more bang out of your buck when you do a much longer count of improvement project for a larger tract of land than you know just piecemeal things little by little. I believe you can eat the elephant whole.

Commissioner Pika Fejeran – I seem to remember in the budget there was a line item for the survey.

Administrative Director Michael Borja – There is.

Commissioner Pika Fejeran - $850,000.

Administrative Director Michael Borja – $850,000 that's for both surveying and for registration. And again that's where I'm you know I want to be prepared to move forward on this should the budget get cut and that's just going to be a matter of weeks now before we know what the outcome of that is going to be. By before the end of August we'll know so we got about another two months in this budget approval process actually before the end of July. So that would be to move forward on and if that money does go through then we can proceed with doing something based on those funding but if not then you know the

legislation just kind of becomes mute and you can always stop the legislation. But at least we can get it moving on this process.

Chairman Pascual Sablan – How much are we getting from GTA?

Administrative Director Michael Borja – It's about $350,000.

Chairman Pascual Sablan - $350,000.

Administrative Director Michael Borja – They pay annually every January first week.

Chairman Pascual Sablan – They pay us in lump sum. You know what I would like to see and of course I'm waiting to come down to the Commissioners' comments Mr. Director like for example a resolution or a motion from this Commission you know to specifically mention that that money that comes in plus maybe other lease revenue should be set aside specifically for survey and infrastructure.

Administrative Director Michael Borja – Well right now by law commercial leasing goes to the survey and infrastructure fund that's already a requirement that's already in the law. But what I see is that the surveying at some point it has an end. The infrastructure I mean this is a billion dollar project that we probably need to go if we want to put in infrastructure throughout CLTC and that's a long term project. But if you have you know several good leases I use the example let's just say you know you're going to rake in 10 million dollars a year on commercial leasing and they have at least a 30 year term okay you're already talking you know 300 million dollars. You can take that to the bank and get a loan on that you know let's say go get a bond or something for 200,000 million because you already have a method to repay. We probably don't have the bond authority but there's ways to work through this process through GEDA or whoever and then you can at least know that when you have these contracts for long term lease commercial uses with a known income source coming in you can then borrow against that to begin the process of creating you know real true infrastructure development throughout our properties to do like was appropriated for the land for the landless lets say. You put all the underground utilities and we put sidewalks and streets and let everyone else just work from there and at least you got something that's much usable. You already had three people come forward today that all expressed the desire to move their land and that's not uncommon okay. We don't need to have that anymore. And most importantly since many of our lands are on the aquifer we got to stop having people have lands with septic tanks or leaching fields or nothing at all. And so you know we would go in there and at least put the infrastructure to these existing facilities and we put in the ground it's their job to hook it up. At least we got that part to them you know whereas they didn't have it before. I tell you I'd rather hook up to the sewer any day than to be on a leaching field. But I don't have that luxury in my own personal experience right now so I'm stuck with a leaching field. But that's what we need to do so that's kind of long term things that you know we have to look at. I mean how does the Commission plan on spending its money well you know you got to really think big and think long term as much as you can rather than just taking you know letting them think the money is burning a hole in your pocket.

Chairman Pascual Sablan – You know also what I would like and of course the concurrence of the Commission is for us to make a motion and come up with a plan as to short and long term what do we really want. What are we looking forward to accomplish and have those things down in black and white.

Administrative Director Michael Borja – You know some manifesto, some goals and objectives, some vision statements I mean those are the things we should really they should always be updated and there should be. Maybe as we move along let's say later on on your we're getting close to it but on the agenda is to talk about commercial leasing. It's going to eventually happen one way or another sooner or later whatever but there's got to be you know a vision on what that money should be used for that's coming in and it shouldn't be for people's pet projects it should be things for really the true use the need to ensure that our lands have the infrastructure and our natural resources are protected.

Chairman Pascual Sablan – Maybe I'll take this opportunity and I hope I'm going to be called out of order because I love to call out of order but I was called in by the Chairman Senator Ada and I was asked he's question is what are our plan short and long term plan. Then we come to the topic of commercial lease why we haven't referred to them and then he mentioned even though we send everything to them we still have the option that when the time comes we the Commission can put a screeching halt on that you know or reevaluate our position but we have to start doing something. You know submit it to them let them bless it or the 60 days and then (interrupted).

Administrative Director Michael Borja – Well you know just because you approve a piece of property for commercial use doesn't automatically mean that it's up for anyone to grab. We have to create a procurement, it has to go through the procurement process. The next big step after that is creating the request for proposal and defining that as specific of what we think it should be for the use of that land or maybe in general or maybe in some cases to not even before we even go to the procurement side of the house we go through a request for information how is the best way to use this land. Let's get input from the public, get some ideas and then we can produce an RFP after that. So it's not you know you approve something today the Legislature concurs and the week after that you're signing a contract. No, I foresee you know that it would be at least a year before you can even get to that point if things move along well. Because there's a lot of development that has to be done and then the procurement development that's a lot of work to sit down and create so we can do it the right way.

Chairman Pascual Sablan – And even that negotiation you know we could put a RFP there's a respondent but when we start talking and we cannot come to term that could drag on for years you know.

Administrative Director Michael Borja – We're entailed in one of those kinds of situation right now so we just have to also know that and just know anything that deals with big money I mean you even have one right now with the school. In that process for example there was an attorney sitting there the entire time I'm sure there was an attorney to the part I was involved in there was an attorney sitting there the whole time to make sure everything

was to the letter. And I'm sure during the contractual negotiations the same might have been occurring too just to kind of avoid these what could sometime be frivolous objections. But in this case you know here we're talking about just trying to fund the CLTC surveys. So the resolution doesn't mean the bill is going to be introduced next week. There still has to be a creation on that and the full justification and the writing and going through the process so that lets say by the time the budget we know what the budget is maybe that proposed bill doesn't need to be awarded or needs to be introduced we're fine with that.

Chairman Pascual Sablan – What budget are you talking about?

Administrative Director Michael Borja – The 17 (2017) budget.

Chairman Pascual Sablan – Since you mentioned it Mr. Borja I would like the Commission to I don't think this is appropriate word privilege I think we have the right to see the budget before submission.

Administrative Director Michael Borja – Sure I mean but it's already beyond (interrupted).

Chairman Pascual Sablan – It's okay but on the next.

Administrative Director Michael Borja – So on February I'll provide you with the 18 budget and you know you've been in this Government long enough the budget is kind of drawn up for you in a lot of ways.

Chairman Pascual Sablan – I don't want to be like the gentleman that had a public hearing the other day that when they asked him question poor guy I don't have to mention his name but he's the first Chamorro (inaudible) put under crystal whatever you call that. That's so embarrassing.

Commissioner Pika Fejeran – I have two questions, if we pass this resolution and start working the Legislature to get this going would that tell them we don't need to keep that $850,000 in the budget anymore?

Administrative Director Michael Borja – No, no, I wouldn't even introduce it until, I won't even send it down their way until we know what happens to the budget. But at least I can begin creating it the resolution would be an attachment to show your approval to move forward on this so that we don't have to waste any time. For example it would be something I would definitely then have introduced so we can get it before the end of the year and then by the beginning of the next calendar year we can at least begin you know the RFP process. Because the RFP process too is freaking long.

Chairman Pascual Sablan – But what is the reason why that you're going to hold it back?

Administrative Director Michael Borja – I don't want to have duplication of funding. Right now I have already put in a request. This is the second consecutive year I've made the

request. Last year it was just arbitrarily deleted and they just said no put everybody back to their previous year's budget and so it was deleted. But this year I want to make sure that we have a backup plan that in event that there is a dismissal of that money from our budget then I can at least come in because you know we have the funding source the funding is available. That's always the point you know do you have the funding to do this the funding is there.

Chairman Pascual Sablan – Are we on the same page I'm sorry about proposed commercial lease?

Vice-Chairman Joseph Cruz – Item 4.

Chairman Pascual Sablan – Oh I'm sorry.

Administrative Director Michael Borja – We're talking about funding for surveys.

Chairman Pascual Sablan – Whatever we will recover from that commercial lease it's going to go to this right?

Administrative Director Michael Borja – It's going to go to the infrastructure and survey fund. Right now there's not enough money to do squat in there it's being raided. But in the future it will begin once commercial leasing begins it will begin to grow in its size and that's when we then need to sit down and say you know instead of saying oh we got 3 million dollars in there let's spend 3 million dollars today. I suggest and this is what we should give as a long term vision is don't look at this 3 million dollars look at it as over a course of thirty years it's going to be 50 million dollars right and then you can go in and get either a loan on it or a bond on it and then you pay the bond money or the loan on the rental you're going to get. But in the meantime you got up front 50 million dollars so you can go and begin doing some capital improvement projects in specific areas that have been prioritized as needing infrastructure.

Chairman Pascual Sablan – I was jumping up and down you know when I saw that 2 million dollars but to find out later on that you need that also to budget for salary and wages.

Administrative Director Michael Borja – Well yeah that's just the normal stuff that we have coming in now but that's the operations fund.

Chairman Pascual Sablan – Yeah.

Administrative Director Michael Borja – Right so they took 2.3 million right out of that whole thing which is going to be, it has to be put back in there because when the new budget goes into effect on October 1st we're going to have to have some money to take from. I feel it's going to get put back in there. But on this issue of surveying this is just to begin the process so that we can actually engage in an RFP to do surveying in the event they strike it from our fiscal year 17 budget.

Commissioner Pika Fejeran – Can we add a resolution to this kind of piggy backing to send to the Legislature about why that line item in your budget is important?

Administrative Director Michael Borja – Well no see the point is I don't even want to use this resolution will be may be unnecessary should the money be allotted. But should the money not be allotted this resolution will be an attachment to the public law it'll be an exhibit attached to the bill to say the Chamorro Land Trust supports this in a resolution.

Commissioner Pika Fejeran – Right but can we send to the Legislature today telling them that see this $850,000 this is important because of this, this and this?

Administrative Director Michael Borja – Yeah we can do that too.

Commissioner Pika Fejeran – And that way they know why that money is there.

Administrative Director Michael Borja – They just leave it they don't touch it.

Commissioner Pika Fejeran – Right and they don't touch it and then we still have the GTA money coming in to be used for other things.

Administrative Director Michael Borja – Yeah we can do that too. If you want to do that propose the resolution and we'll do it. What you do is just make it as a motion and I'll write it up as resolution.

Commissioner Pika Fejeran – I move to have the Director prepare a resolution to the Legislature explaining that line item in our proposed budget is important for the surveys and that we need it in order to fulfill our mission on the Chamorro Land Trust Commission.

Commissioner Amanda Santos – I second it.

Chairman Pascual Sablan – Discussion. Where is that $850,000 coming from?

Commissioner Pika Fejeran – So there's a line item in the proposed budget for next year for $850,000 to be used for surveys.

Administrative Director Michael Borja – And land registration.

Commissioner Pika Fejeran – And land registration and the Director had it in the proposed budget last year as well but they just slashed it out and said no you're not getting that money. So he put it again this year and the resolution I just proposed would tell the Legislature why that money is important. And then should the Legislature decide to nix that $850,000 out of our budget our back up plan are these two resolutions proposed by the Director.

Chairman Pascual Sablan – It's our money. The budget you sent down is going to be funded out of Chamorro Land Trust revenue right?

Administrative Director Michael Borja – For the survey and infrastructure I mean the surveying and registration.

Chairman Pascual Sablan – But for the operation?

Administrative Director Michael Borja – No the money is there to do this. I mean look they just took 2.3 million out of there because there's extra money. You know the money is there. What I believe happens is that by the time they get towards the end of the budget review cycle and they've spent a lot of days and hours on the big budgets the real big budgets you know the hospital, the police, the fire, the schools all those guys when it gets to some of these smaller ones and we are literally one of the smaller ones it's just easier to say just appropriate what you got last year. Because you know I think they already determined that there'll probably be some cuts. They made those kinds of comments publically that they foresee that there's going to be some cuts in the proposed budget that is submitted. Where they come from I don't know but you know that's an easy one to do. You didn't have it last year why do you need it this year. And even though I have in last year I spoke to many of the Senators to explain that that's important it remains you know when it comes down to it it's not always the Senators that are really doing the work it's their staff and it's easier for some of them to (inaudible). I mean there's a lot of strength in the staff.

Chairman Pascual Sablan – So the motion she's making for resolution that is something like a protective shield in the (interrupted).

Administrative Director Michael Borja – Yeah don't touch that line leave that in the budget. Now my instructions are that in the event that you know the Governor's budget doesn't include something I wanted and whatever they submit to the Legislature is what I have to live with and that I should not go running to the Legislature to say you know Joey Calvo took out 2 million dollars from a project I need to have funded please put it back in. So you know I'm not going to do that. We're not doing that either. The Governor's budget people have approved our request and they wouldn't do it unless they knew that the funding was there either and I've had discussions with them on this last year and this year. So it's something that you know we have in our budget it's fundable and all the Commissioner here is recommending is that we do a resolution to the Legislature to let them know that that money is absolutely necessary please leave it in the budget. Then if that fails then this other resolution will then be the backup the supporting document that would say okay now you got rid of that just appropriate, give us appropriation for a period of at least three years to fund surveying and it comes out of an operations fund.

Vice-Chairman Joseph Cruz – Appropriate the money we got.

Chairman Pascual Sablan – I'm worried because I think already the hospital needs another 14 million.

Administrative Director Michael Borja – Well you guys just finished telling me to go ahead and send a resolution to say stop taking our money unless it's for our own use. No that 40 million is going to come from raising the hot bonds I mean raising the hotel occupancy tax things like that. Things a million people can help pay for not just and not just you know 41,000.

Chairman Pascual Sablan – Sometimes is fun to be in a committee like that, the end result let's raise the tax.

Administrative Director Michael Borja – Yeah but it's not your tax unless you're staying in a hotel. I know you have you know a penthouse in the Westin so you never invite us.

Chairman Pascual Sablan – At GPA whenever they need money raise the rate.

Administrative Director Michael Borja – GPA doesn't, Public Utilities Commissions does it's an elected group that does it.

Chairman Pascual Sablan – So a motion has been made, second by Mrs. Santos. Discussion, none. Those in favor say aye.

Vice-Chairman Joseph Cruz – Aye.

Commissioner Pika Fejeran – Aye.

Commissioner Amanda Santos – Aye.

Chairman Pascual Sablan – Unanimous.

Administrative Director Michael Borja – And how about the one we're talking about here just hold on here until later, we'll see when the time comes, okay.

5. Conservation easement, Fadian-AAFB

Administrative Director Michael Borja – We were looking to try and come up with what could be a conservation easement that stretches from Fadian all the way up to Andersen's gate in Yigo. We are showing in this map just what an area would look like. We haven't yet defined where it's going to be but basically it'll be from the beach to about the first plateau area. Areas where the limestone forest is at and it's not to be determined until a group of us gets together with Department of Agriculture, the Preservation people at Parks and Recs and whatnot to kind of get a general idea of what might look at to us as an area that would be available. Now what we're looking at here I think that's the racetrack and it goes all the way up here to this area. There are some areas up around here. Margarita, you're already saying there's something in here in this lot?

Margarita Borja (DLM) – That whole lot was already deemed a conservation by the US I believe that's what was (interrupted).

Administrative Director Michael Borja – The US dedicated that? That's who's land?

Margarita Borja (DLM) – Is that 7146? I can't see.

Administrative Director Michael Borja – Yeah it is.

Margarita Borja (DLM) – That's under Guam Ancestral Lands Commission.

Administrative Director Michael Borja – And they dedicated it and gave it back to Guam Ancestral?

Margarita Borja (DLM) – Based on that document.

Administrative Director Michael Borja – Then why the hell is US Fish and Wildlife asking for more land? They already dedicated this.

Margarita Borja (DLM) – And it's the entire lot.

Administrative Director Michael Borja – And the entire lot. So basically what we're, so that's incredible if that's already been done by the US government because they seem to be asking more. But I'm not doing this because the US government wants to do I'm doing this because we need to do some of it for our own legacy you know for the future. But there is a need as well by the US government but I think that should be a negotiated thing and that for every amount of space we are in agreement with for them to have as, to count as part as part of the conservation easement that they provide back this property. They keep talking, you know I just came from a big federal conference this week with FEMA and a whole bunch of people and they like to say one Guam and in the writing for this military buildup two terms are used, "one Guam", it's all one Guam this whole thing and "negative".

Chairman Pascual Sablan – That negative is right.

Administrative Director Michael Borja – And so you know I think our chat should be you want something? Negative. Seriously every square meter that we say we're not going to use for anything else except for a habitat give back 100 square meters.

Vice-Chairman Joseph Cruz – What's the blue outline on that?

Administrative Director Michael Borja – That's the proposed area right?

Margarita Borja (DLM) – Yeah from the coast line up to the first plateau, that's what was requested (interrupted).

Vice-Chairman Joseph Cruz – So 46 is not part of that.

Margarita Borja (DLM) – No because the entire lot would be (inaudible). So in there it shows the approximate area of the proposed conservation easement in each of the parcels.

Vice-Chairman Joseph Cruz – So for example (interrupted).

Margarita Borja (DLM) – 7164-R5?

Vice-Chairman Joseph Cruz – Uh huh. Is that the remainder of the racetrack?

Administrative Director Michael Borja – No the racetrack goes up to that point.

Vice-Chairman Joseph Cruz – Yeah but is it the same basic lot?

Margarita Borja (DLM) – No, no.

Commissioner Pika Fejeran – I think there's a yellow line under the blue line that we're not seeing.

Vice-Chairman Joseph Cruz – So the one further up that 159 acres.

Administrative Director Michael Borja – Now the area Margarita that we were talking about for Lajuna is really right around here right?

Margarita Borja (DLM) – 7163 yeah.

Administrative Director Michael Borja – So this area too we have to readdress so that in the future if we're going to be doing anything up there it will be a portion of. The lot will be reapportioned so that we're talking about a more specific area to do rather than encompassing the entire area.

Vice-Chairman Joseph Cruz – So 7163-R1 is not part of Lajuna?

Margarita Borja (DLM) – 7163 is a part of?

Vice-Chairman Joseph Cruz – The 69 acres, is that the remainder of?

Margarita Borja (DLM) – No that's the 69 that is proposed for a conservation easement. That's only the area that we're looking at I think that's a 400 acre lot if I'm not mistaken.

Administrative Director Michael Borja – We haven't you know this is just kind of a general idea to give you guys a pictorial view of what we're looking at but again we would still want to sit down and talk with the conservation people the Agriculture, Parks and Recs and whatever other GovGuam agencies might be of interest. It's just so we can make sure we're covering an area that may be a little bit bigger. I think we were just going along the ridgeline here?

Margarita Borja (DLM) – You said the first plateau.

Vice-Chairman Joseph Cruz – The cliff.

Administrative Director Michael Borja – Yeah the first cliff.

Vice-Chairman Joseph Cruz – The blue one.

Administrative Director Michael Borja – Yeah so you know it might go a little bit deeper in on some places just so we can, because like in that one area near 7163 there's actually a couple of plateaus, there's a couple of mesas there and so (interrupted).

Chairman Pascual Sablan – I know what's conservation but for who's that conservation the Government or Government of Guam or?

Administrative Director Michael Borja – Yeah.

Vice-Chairman Joseph Cruz – It's a local.

Administrative Director Michael Borja – It just means that it's not to be used for development. You can turn it into walking paths, you can have amot farms in there things like that so long as you're clearing with a machine that kind of thing.

Chairman Pascual Sablan – So in other words if it's Chamorro land we cannot give out?

Administrative Director Michael Borja – That's the intent.

Vice-Chairman Joseph Cruz – Conservation easement it's like an encumbered to that lot. What would it take to remove that easement? Because we're creating a conservation easement that's why I'm asking is 71(interrupted).

Administrative Director Michael Borja – Well I mean see those are the discussions we could have what is it that we can do you know. Does it last for a certain period of time, is it for 99 years, is it for perpetuity? Those are the kinds of debates we could have.

Vice-Chairman Joseph Cruz – That's why I asked if that 7163-R1 is the remainder of that Lajuna basic lot.

Margarita Borja (DLM) – No the 7163-R1 became an R1 because a severance of a road.

Vice-Chairman Joseph Cruz – Oh a road okay. And the road is coming down right?

Margarita Borja (DLM) – No to provide easement to the (interrupted).

Administrative Director Michael Borja – But a lot of this you know is kind of really important in light of the fact that we received a lot of input from a variety of different members of the public who have expressed its importance and protection of our natural resources and while not eliminating it all either. But you know as we heard earlier this year in the public hearings for commercial leasing you know even though I took Lajuna off because of a dispute everybody's testimony it was pretty much on that matter. And so you

know you can't ignore that kind of comment there that's being made and in light of that then perhaps when we take a look at something large we say hey do we really need the entire lot just because it's a lot it takes up xx number of acres. But do we really need that or do we really need 30 or 40 acres and then you subdivide and then you only talk about that specific area. So you know that's just this is just one of the starts but again I really need to emphasize that this is not being done because of a need by the military. The military, I ended up in a meeting after we had already been talking about doing something like this and then the military came out and said they want something like this too but it's for their benefit. I think if we do use any part of this land and then sign off part of it because I think once the military gets involved in it you're going to end up with a conservation easement set off like this where it was federal properties that was returned back to the Ancestral Lands Commission as excess lands but with a perpetual easement placed on it a conservation easement so that they have their habitat but they don't own it. See so that's why I'm kind of surprised they need more. Because the intent is (inaudible) but the intent is to take some of the property. And then there's other areas down further towards the south this is down closer towards Fadian. So you have Fadian down here and then rest of this stuff is all private until we get to this area just north of the golf course. And you know a lot of this area too is really not accessible by vehicles because of the cliffs and the rugged terrain. It's really you know probably more suitable for other kinds of uses than to have it you know (interrupted).

Commissioner Amanda Santos – Is Fadian part of Land Trust?

Administrative Director Michael Borja – Part of it, part of it but there's a lot under the University of Guam. Okay so this is just an information to you guys to let you know that we're going to be moving forward on trying to do something like this but there's a lot more work involved because we have to definitely coordinate with these different guys. We've already talked to Parks and Recs and I've had a brief discussion with the Department of Agriculture too.

6. International Bridge & Construction Marianas, Inc. lot
Administrative Director Michael Borja – The next item is International Bridge & Construction, were they going to come?

Margarita Borja (DLM) – They were advised to come.

Administrative Director Michael Borja – The word I got and it came through a phone call message to the office is that these are the guys that are occupying that piece of land that's just north of the Yigo gym and it's all heavy equipment. We actually, we've been trying to get a hold of them and earlier this week we had a couple of the land agents go up there and personally make a visit. We got their information, Mr. Toelkes actually gave his business card and we told him that we wanted to meet with him with the intent of clearing the land, you know making the land available again. The message I got was that they were going to be clearing out. So we'll continue to follow up on that. Once it's cleared out it can become available down the road as a possible use for commercial leasing of some kind or another.

Vice-Chairman Joseph Cruz – That's on the list here right?

Administrative Director Michael Borja – No it's not on the list here.

Commissioner Pika Fejeran – Remind me why are they on there and then now, they're default?

Administrative Director Michael Borja – No they don't have a lease. They don't have a lease it was one of these hand shake agreements where you need a place to park your stuff, we need you to build a house, we need you to clear some roads.

Commissioner Pika Fejeran – With CLTC?

Administrative Director Michael Borja – Yeah.

Commissioner Amanda Santos – What about the amot people are they coming back?

Administrative Director Michael Borja – Yeah we got some word from finally from Zita Pangelinan of their non-profit organization charter so we can start working a little bit on that now. But you know part of it will come into effect with some of the creating some conservation areas so that they can use. You know those are the kinds of things you can I think do but we have to define in this long term thing define what is a conservation easement.

7. Commercial lease

Administrative Director Michael Borja – The next thing we have to talk about I gave you a copy of is the proposed commercial leases. What I've included here is the cover sheet that talks about, identifies the specific land itself, an overview of it, a survey map and then the proposed resolution that would be created to accompany this as required by the public law. In the first one it's that area in Tamuning that is next to Nissan. This is Nissan up here and this is the water tank this is the land that we've already assigned over and will be probably passed this week for Guam Waterworks and this would be the remaining area that is available and is almost 2 acres of land. That's also the same area that Mr. Adkins had been asking for to use and just to give you guys a heads up there's a bill that's been introduced by Senator Barnes to allow the transfer of the property.

Commissioner Pika Fejeran – Is it the same land exchange?

Administrative Director Michael Borja – Exact same thing. So the testimony that I'll provide is by resolution, oh what I want to do is just get your concurrence to do up a resolution based on the motion that we passed so that could be the exhibit for the testimony which is going to be necessary to show. And if we pass it today this will be further more for the testimony that we agree to allow for commercial leasing. But anyway this is the piece of property in here it's roughly valued at just under a half million dollars but then again that's just based on the tax assessed value. So it has access to everything, it's got a good road right next to it, it's just off of Marine Drive. My recommendation is we approve it to be

authorized for commercial use for the purpose of engaging in a commercial lease. It's currently zoned as R2 and whoever gets it has to go through the zoning process. So what I've explained in the resolutions is that the public law that gave us the authority to do this and that you passed a motion to have public hearings on a group of lands on November of 2015 and January of 2016 we conducted the public hearing. On January 21st I presented the public hearing to the Commission and if today you pass it and today you reviewed it and you reviewed this specific lot and then we resolve that the Chamorro Land Trust Commission approves the list of land and declares the land to be designated property for commercial use having been duly publically heard in accordance with Public Law 33-95 and that we transmit this to the Legislature with its recommendation to approve the property. And all of them are going to say the exact same thing the only thing different will be the identification of the property. The second lot is lot is the property up in Yigo to be Tract 10123 and that's the property that would be for a housing subdivision. There's currently about, it's made up of 30 acres, we've master planned about 90 residential lots but with a housing subdivision development that would include infrastructure the tract can be reconfigured for approximately 150 house lots. The house lots would be leased only to CLTC applicants with homes purchased from a developer. They will be affordable homes. The Marine Corps Drive frontage area may be designed for small scale commercial activity to be described and approved later. The recommendation is to authorize for commercial use for the purpose of engaging in a commercial contract with a housing developer to install infrastructure and build affordable housing to be sold to eligible CLTC applicants or existing CLTC residential or agricultural leaseholders who have not yet developed their leased properties. The map is there showing it again it's across the street directly across the street from the Yigo gym and it fronts one of the Paradise Subdivisions in the back. There's going to be some major changes to that intersection that goes into that road where they're going to be increasing or improving the turn lanes. And that's going to be something that's going to come from Paradise Subdivision development people who are still expanding.

Commissioner Pika Fejeran – Where is Paradise?

Administrative Director Michael Borja – They would be located back in here, they're the ones back in here and then the road comes actually comes in right here this is the road that comes here.

Commissioner Pika Fejeran – So this lines up with what they're doing.

Administrative Director Michael Borja – Yeah.

Commissioner Pika Fejeran – Why would a company want to come in and do this? They're going to be paying rent to us.

Administrative Director Michael Borja – No they're not going to be paying rent. This is really to commercially, we have to enter into a commercial agreement with a developer which is just saying you can, gives them authorization to have the land so they can develop it. They can get all the permitting and everything and then when they go through they're going to have to a new subdivision plan there that I believe goes to the Land Use

Commission anyway and gets approved and then they can begin building homes and put in the infrastructure. When you do something like this with about 150 homes you can make the infrastructure much more affordable. A full suite of infrastructure between 25-30,000 dollars is what our estimates were in the past. To enter into something like this once we get this land approved what the plan is to go in and have an RFI. Call in a bunch people who can sit down and talk what is required to do this, what are the technical aspects that need to be identified in an RFP that they can talk freely about because we requested for the information they can then be able to go and submit proposals if they want. Then we'll engage and create an RFP and it'll go through the whole RFP process and then once we finally identify a developer they'll be assigned the land to do what they need to do and the cost of the infrastructure would be borne by the owner of the home that's going to buy it, the lessee of the land.

Legal Counsel Kristan Finney – But those developers would be able to sell the houses right? I mean I'm just that's what they (interrupted).

Administrative Director Michael Borja – Yes they sell the houses with the cost of the infrastructure added to it and the emphasis would be for affordable homes. Now some of the things that these kinds of developers could take advantage of would be things like SUTA loans the low interest loans that are designed for infrastructure development. They can take part of that (interrupted).

Commissioner Amanda Santos – Similar to the farmers home loan right?

Administrative Director Michael Borja – Well the SUTA loan it's not for the individuals it's for the developer. He can get a source of his money can be from this loan that's you know 1% or something like that and he builds the infrastructure. As the homes are sold you know the cost of the infrastructure is paid he can pay off this loan so that by the time he's done with the entire development then the infrastructure should be paid for and he can hand over the infrastructure to the utility companies and it's now their responsibility. But if you know in the case of the CLTC we went into a SUTA loan it's not a grant a lot of people keep thinking it's a grant it's a loan a very, very low interest loan we'd have to front the money build the infrastructure and pay for it. If no one else pays us to pay it off we have to. What source of money do we have to pay for it? That might be a way to approach it if we're going to do some major infrastructure development where we get a 50 million dollar loan we can get because we have long term leases then we can do that and do that kind of stuff and then we can pay the loan that way. But that's the reason why you have to have you know forethought the ability to have long term repayment so you can enter into these capital improvement projects to create this kind of infrastructure because it's not cheap. It's not cheap at all and then you know you vary it as well. The emphasis would be sewer but do we need to put sidewalks in some of these places probably not. You know pave the road, the power lines may already be there but just put above ground power. Actually what GPA wants to see now is things like Talofofo Village and there's several other places where the utilities are underground you actually have to hook up. And that way you know there's very little disruption in the event of a storm. The fourth one again is actually across the street it is across the street it's the place where IBC is at. So across the street and that's roughly

around 12 acres of land and it's a pretty big lot. So again once we get it back depending on the condition and what we get it cleaned up to be we can either issue it out for some kind of even subdivide it where we can at least take the lot and have it commercially used. Right now you can see they've already got some commercial stuff around there. You got a GPA substation right there, you got a gym and a bus depot back there so you know it could be a mini industrial park of some kind. And Yigo is turning into that kind of place where there could be some kind of activity where you have some kind of little mall over here or whatever. Yigo is growing big. Just across the street where we're going to propose this development there's not only Paradise there's a whole other subdivision. There's a lot of housing that's being built right there in this area. Just to let you know this area right back here that's unregistered property but it's CLTC.

Vice-Chairman Joseph Cruz – Going back to that lot since the company is moving out could we request whoever is monitoring the removal of this equipment to get EPA investigate or (interrupted).

Administrative Director Michael Borja – Well that's what we're going to try and do to (interrupted).

Vice-Chairman Joseph Cruz – So that we don't inherit any contaminated (interrupted).

Administrative Director Michael Borja – Right that's what we're going to try and do is figure what kind of environmental assessment we can do but if he's a bankrupted company I don't know how far along we're going to be able to go with something like this.

Vice-Chairman Joseph Cruz – No but with EPA's input.

Administrative Director Michael Borja – Yeah sure. Because it was really used like a light industrial M1.

Vice-Chairman Joseph Cruz – Staging or heavy equipment?

Administrative Director Michael Borja – It had heavy equipment I don't know if they did any kind of work with oil you know that could be it not you know some surface contamination hopefully not even deeper than that. But you know part of the requirement for anybody to do a commercial leasing is that they have to do an environmental site assessment anyway which means they have to get a cursory look of what the condition is before they use it.

Vice-Chairman Joseph Cruz – Yeah but since we're getting it back we want to (interrupted).

Administrative Director Michael Borja – You want to make sure we know what it is.

Vice-Chairman Joseph Cruz – We don't want to use that as a negative or (interrupted).

Administrative Director Michael Borja – So you have attached to this the survey map of the area and also the proposed resolution. And then finally the last one I put down here and you know you guys can give it for consideration or not is Oka Point and it's only for the one parcel of property that does not include the tiny portion off closes towards the hospital called just -6.

Commissioner Pika Fejeran – Just R6.

Administrative Director Michael Borja – Just R6.

Chairman Pascual Sablan – This old Guam Memorial property is down the cliff too.

Administrative Director Michael Borja – Well you know it was explained to me in one of the hearings that area of land by the Hilton is not really a steep drop it's more gradual. But over here as you get towards the topside it is much a steeper drop. So those are the four properties that I'm asking for your consideration today. There's a few others but you know I want to deal with those on a case by case basis depending on how we need down the road. As was told to us by Senator Ada the land Chairman in your public hearing confirmation hearing you know he asked all we want is this resolution you know it's for information give it us and say that you guys have done your due diligence and declared it now ready for use and we're just here to receive it for information. Hopefully that's the way it goes but I think these are not so bad pieces of property to start off with the one next to Nissan, the property across from Yigo. The one in Yigo is really kind of I think really important it'll be our first stab at trying to do a housing development for Chamorro Land Trust because if it's really successful and really does work out and we want to do it the right way the first time because it doesn't have any kind of stigma later on but we want to make sure it works for the people too. It will be the first chance that they, you've seen we got a bunch of people who want to build houses but they got land that's no good. But here you at least have a place that might be good. And one of the things too about these housing subdivisions we can set an established covenants and I think that's also a very important factor because that would be one of the things let's say we have the developer help us create. But you know there's a lot of sources of where there's ways we can get different kinds of covenants you know we can use GHURA as a model. We can do a number of things and it's perpetual because its government land there's no need for homeowners association that kind of stuff. If our land agents are doing their job they would make the run around and determine who is in violation. And you know the terms of agreement on their land lease would be a little bit different you know with stipulations on what they can and can't do. For example you know I would put a stipulation and I think I'm thinking about it if you guys if you have any issues with is that every leaseholder must demonstrate and provide us with a copy of their contract with the Waste Management company that they're paying their tipping fees. Because I'd rather see these guys you know showing that they're not dumping the trash in the back yard as we have heard today. They're digging holes and burying the trash you know the hazardous stuff. I mean come on how hard is that you know. But I've been to some of these places and I don't know I guess they're hoarders extraordinaire because they really neatly stack up these things and then they have to drive by it every day to look at it. Why are you doing this? So those are the kinds of things we can do with these covenants.

Vice-Chairman Joseph Cruz – So going on this four listing or four parcels that we have all these four were addressed during the public hearing (interrupted).

Administrative Director Michael Borja – All of it nothing is new. All four are part of the package. The only one that's being modified is this very first one in Marine Drive. We talked about the entire lot originally but since then we've chopped it almost in half just because we granted Waterworks.

Chairman Pascual Sablan – Can your secretary let us know when is the public hearing say for example the bill does come up for public hearing?

Administrative Director Michael Borja – For which one?

Chairman Pascual Sablan – On Adkins.

Administrative Director Michael Borja – Oh yeah, yeah.

Chairman Pascual Sablan – Please let us know.

Vice-Chairman Joseph Cruz – On another matter I recall that we did approve a model homes, where are we at with that? Where we hired, a contractor was awarded to build samples.

Administrative Director Michael Borja – Yeah one is completed and what we're trying to do right now and in fact that contractor has already got a number of clients he's building homes for in other locations as well. But we're trying to I think we already identified a purchaser a qualified applicant who is willing to purchase the home and we need to do that I mean the contract said they got a one year model home show. I think there's probably 2 or 3 other houses right now that are under construction. But there were some delays on some them and because it took a long time you know there's some auditees going on between Guam Housing and us and finally we got it off the ground. But yeah that contractor is turning out to be pretty helpful in at least being you know it's serving him well too because other people are seeing it as a sample and they're building their homes elsewhere. In fact some of the people we approved just recently on home loan guaranties their homes are being built based on that model home. So it's almost 5 o'clock I know the bell is going to ring pretty soon. I'd prefer if you do a motion on lot by lot.

Vice-Chairman Joseph Cruz – Motion to approve 5075-REM-A-NEWR1, Tamuning to be on commercial lease.

Commissioner Pika Fejeran – I second.

Chairman Pascual Sablan – Those in favor say aye.

Vice-Chairman Joseph Cruz – Aye.

Commissioner Pika Fejeran – Aye.

Commissioner Amanda Santos – Aye.

Chairman Pascual Sablan – Ayes have it, it's approved.

Commissioner Pika Fejeran – I make a motion to approve the resolution for Tract 10123, Yigo.

Commissioner Amanda Santos – I second it.

Chairman Pascual Sablan – Those in favor say aye.

Vice-Chairman Joseph Cruz – Aye.

Commissioner Pika Fejeran – Aye.

Commissioner Amanda Santos – Aye.

Chairman Pascual Sablan – Ayes have it.

Vice-Chairman Joseph Cruz – Motion to approve 7054-R5, Yigo.

Commissioner Amanda Santos – I second it.

Chairman Pascual Sablan – Second by Mrs. Santos, those in favor say aye.

Vice-Chairman Joseph Cruz – Aye.

Commissioner Pika Fejeran – Aye.

Commissioner Amanda Santos – Aye.

Chairman Pascual Sablan - Okay.

Commissioner Pika Fejeran – I do not make a motion to approve this resolution for this property that Oka Point.

Administrative Director Michael Borja – I move to not approve.

Commissioner Pika Fejeran – I move to not approve.

Commissioner Amanda Santos – I second it.

Administrative Director Michael Borja – So then it's moot.

Chairman Pascual Sablan – Those in favor say aye.

Vice-Chairman Joseph Cruz – Aye.

Commissioner Pika Fejeran – Aye.

Commissioner Amanda Santos – Aye.

Chairman Pascual Sablan - I guess ayes have it.

Administrative Director Michael Borja – Oh to disapprove okay.

Commissioner Pika Fejeran – To disapprove.

Administrative Director Michael Borja – Okay alright thank you very much Commissioners it was good long meeting today.

VII. <u>DIRECTOR'S REPORT</u>

1. Revenue collection report for May 2016

Administrative Director Michael Borja – You all got a copy of the revenue collection. Again this is just a listing of, what you see down towards the bottom the sale of Government lands these are the remnants of people still paying off and still coming in to pay land for the landless lands and then the rest of the other items in here are commercial properties and on the top people are still coming in with the application fees. As far as the other, Joey didn't do the rest of the stuff here but we're still pretty much on track.

Commissioner Pika Fejeran – The accounts receivables.

Administrative Director Michael Borja – On the accounts receivables. You know what I'll get something put together and I'll email you all. I would wish I could have like the Chairman's email address because he's consistently is asking for 50 pages of documents and you know that's a waste of paper.

Chairman Pascual Sablan – Since you brought that up all I'm asking is the proposed rules and regulations on (interrupted).

Administrative Director Michael Borja – Oh yes the one I sent over but it's this thick.

Chairman Pascual Sablan – No the one that you transmitted to the AG.

Administrative Director Michael Borja – It's this thick the package. I can give what the rules were.

Chairman Pascual Sablan – That's all, the rules.

Administrative Director Michael Borja – But the package that was transmitted was (interrupted).

Chairman Pascual Sablan – The hearing and all those things no I don't want that.

Administrative Director Michael Borja – Okay.

Chairman Pascual Sablan – It's already done.

Teresa Topasna (CLTC) – I already sent it to him already.

Administrative Director Michael Borja – You sent him the whole thing?

Teresa Topasna (CLTC) – Yes back to back.

Administrative Director Michael Borja – Okay so she gave you the paper right.

Chairman Pascual Sablan – Yeah.

Administrative Director Michael Borja – I know I had to harvest three tangantangan trees for that.

Chairman Pascual Sablan – Okay so we're done with the revenue okay.

VIII. COMMISSIONERS' COMMENTS

Chairman Pascual Sablan – What I would like is to see a proposed we could say plan of short and long term goals as to what we're going to do for the next we could say one or two years down the road. We need to have some kind of you know plan. So golly if we go before the Legislature and say what have you done or what is your plan I don't want to be like the last individual that went through confirmation hearing.

Administrative Director Michael Borja – Hey but I think you're on track for being passed as being confirmed.

Commissioner Amanda Santos – You're confirmed?

Chairman Pascual Sablan – Not yet.

Administrative Director Michael Borja – They're going to vote tomorrow but you know you're on the list as recommend to confirm.

Chairman Pascual Sablan – Senator Ada I found him to be a very good Senator. He called me in we sat down for two hours and he asked me questions left to right and I said something that he really likes I think you know (interrupted).

Administrative Director Michael Borja – Yeah you're going to keep Mike Borja in check.

Chairman Pascual Sablan – Oh yes I mentioned (interrupted).

Administrative Director Michael Borja – He likes to hear that.

Chairman Pascual Sablan – I mentioned I thank Mr. Borja and the staff for all the well done job. Remember what John, President Kennedy said ask what your country can do for you, ask not what your country but ask what you can do for your country. But I said I'd rather lose my job for doing my job than to lose my job for not doing my job. He asked me to repeat that at the public hearing.

Administrative Director Michael Borja – Yeah that's exactly right.

Commissioner Pika Fejeran – Chairman I full heartedly agree with you. You think maybe we can have that maybe like a visioning session, work session outside of the Commission (interrupted).

Administrative Director Michael Borja – Vision statements and (interrupted).

Chairman Pascual Sablan – Yeah we come up with something.

Commissioner Pika Fejeran – Long term goals short terms goals.

Administrative Director Michael Borja – Good idea because those kinds of things go into a very important document that gets published on the Public Auditor's website and the GovGuam website called citizen centric that's a pretty good thing to do.

Chairman Pascual Sablan – And also you know in that I would like to include also what are our plans to address the concerns of the auditors which is we're doing it already. One thing ladies and gentlemen you know we're receipt of a copy of this Jacqueline Taitano Terlaje response in reference to what we did the last time and the resolution according to him should be nullified because it's erroneous. I don't know maybe the legal counsel can tell us whether what we did is correct. Or this is one of the auditor's semantic? Have you seen this letter from Jacqueline?

Legal Counsel Kristan Finney – The protest is that what you're talking about?

Chairman Pascual Sablan – Yeah.

Legal Counsel Kristan Finney – This is the second one that's the one that's to GEDA.

Administrative Director Michael Borja – Yes.

Legal Counsel Kristan Finney – So they're going to have to respond to that.

Chairman Pascual Sablan – What?

Legal Counsel Kristan Finney - GEDA would have to respond.

Administrative Director Michael Borja – GEDA would have to respond. It's GEDA's action.

Commissioner Pika Fejeran – So GEDA did take our resolution.

Administrative Director Michael Borja – Yes.

Chairman Pascual Sablan – But even though we can terminate the RFP.

Administrative Director Michael Borja – GEDA was the issuer of the RFP.

Chairman Pascual Sablan – I'm sorry?

Administrative Director Michael Borja – GEDA issued the RFP not us.

Chairman Pascual Sablan – Yeah but we have that right to terminate that RFP.

Legal Counsel Kristan Finney – Well GEDA had to terminate it because GEDA's (interrupted).

Chairman Pascual Sablan – No we have the right to tell GEDA to terminate right?

Legal Counsel Kristan Finney – Right yes and that happened and so then GEDA terminated it and then they countered.

Administrative Director Michael Borja – They protest so it's in that process right now. So as long as it's there you now I won't even touch we can't touch the Lajuna thing.

Commissioner Pika Fejeran – When the new budget comes out can we also have a working session to really look at the budget and see how everything has been appropriated?

Administrative Director Michael Borja – Sure. Of course the biggest part of the budget is just the (inaudible) and we're working through this process right now we've actually elevated a few people. Mrs. Topasna got promoted in the process so she'll be handling a few more of the activities of the financial side. Joey Cruz was recently promoted to Program Coordinator II I think or III. Those two positions were the initial requirements by the Public Auditor to have in place in order to ensure financial stability in the whole process so that there's two people that can cross check each other. You know both sides do different entries but both sides can also cross check. So that's an important step for us right now to get those positions filled so now that they've been filled there's ways to fill the vacancies. One of the things I just had done today is to take one of those positions and convert it to a land agent position so we can get another land agent in place for CLTC. Down the road what we have to look at here and I really need to work on the budgeting side

of it is just some of the tools that these guys need. The vehicles are significantly aging and they need vehicles that can enter some pretty rough terrain so that's going to be one of the priorities. There're no vehicles that's really very new. The two newest vehicles are tiny little sedans which are great for just driving down the roads and making deliveries to things. But for getting into the deep jungle in some cases they have to go, shoot we got my truck washed for an inspection and then no sooner we get it washed someone drove it down to I don't know Ija and then the truck came back all muddy again. But you know it's necessary for them to do it. We're already in the process of replacing computers so that's probably lower end on the priority but you know we've always marked up our budgets for those kinds of things and request those but when it comes out from the Governor's budget people they reduce us down. So we're looking that if we have any kind of end of year kind of monies that might be available for non-expenditure we'll try to find ways to pay for at least one vehicle. Because between survey division who do a lot of work for us and then just the land agents all our vehicles are aging and we don't have any federal grants. And we'll never get federal grants for Chamorro Land Trust but we're always trying to find ways to do it for the other parts of the Department.

Vice-Chairman Joseph Cruz – The budget for surveying and registering the Government land is that going to be added into the vehicles because (interrupted).

Administrative Director Michael Borja – Well that's what we're looking that's one of the things we have to do because there's a lot of work required in that kind of stuff. Serving the notices and stuff I mean there's a lot so that's why of the $850,000 it's $500,000. Now that's to pay for a lot of legal stuff as well and all the costs of postage and serving but also we're looking to try and have some of that money to provide for the tools that are needed for the agents. Nobody can do the job if they don't have the tools to do the work.

Chairman Pascual Sablan – One last question Mr. Borja really I'm very disappointed on this Rugby and Football there's a lot of missing documents. Let us not repeat this. Of course it's not during your time, not during our own time. We were not even born at that time but how can we (interrupted).

Administrative Director Michael Borja – If you look at that minutes, Terese correct me if I'm wrong probably the minutes of that meeting was like this thick right. I mean it was hostile, extremely hostile.

Chairman Pascual Sablan – But how can we prevent these things from happening? Even Joe Borja at that time he was the Director or rather there's a lot of notation that there's no document found in file. Golly if you were to really investigate this and establish an audit trail you're lost because of the missing document. Who would be on your staff would be responsible?

Administrative Director Michael Borja – Well we recently recruited a new Records Management Officer and this individual is really under the Chamorro Land Trust and to take care of all our filing systems a person whose job it is to deal with the records. But he's going to have the greater job of not only Chamorro Land Trust records but also the

Department of Land Management's records which is already in pretty good shape as it is but in the monitoring and the care of the records for the Chamorro Land Trust we're trying to get to the next step. I'm giving him some time to get settled again to get moving because he's basically pretty new to the job. We're already making some headway on doing a few things to get him order. He got stolen away for almost over a month for FestPac assistance so he's back on line again and we need to get his feet wet again back and just to do primarily maintenance of our records. Because we did have an individual prior and you know there were some difficulties there and I guess he was like one of the first casualties of me coming in to the job. I asked him to do something else and he said I'm retiring so you know I said okay then good luck. But like you said I'd rather lose my job doing something right than lose my job doing something wrong. So that's what we're trying to do we are working and a lot of these things the computer digitalization of our records is very important and it's one of the things I need to keep up on speed but it's an ongoing work in process. There's been some headway along the way it was a whole lot different two years ago than it is today. So we're making a lot of headway along the way.

Vice-Chairman Joseph Cruz – Going back to the creation of this commercial list being that it requires public hearing is there a way we can work something out where we send a courtesy letter to the mayors of that particular (interrupted).

Administrative Director Michael Borja – Well you know I think you guys have requested I think the Chairman even said it in his hearing that he would like to have the hearings to be held at the municipality. So you know if that's the request of the Commissioners that's what we'll do even though it's not in the law but you know that's what we'll do. So you know I'm not coming up with proposing anything new right now there's nothing really more than that (interrupted).

Vice-Chairman Joseph Cruz – Because that was the issue on the first public hearing that we ever had.

Administrative Director Michael Borja – Well you know I think people are just digging just like the way they were for the Pago Bay bill.

Vice-Chairman Joseph Cruz – That's all I have.

Commissioner Pika Fejeran – I'm off-island next month all next month.

Administrative Director Michael Borja – Who's not here next month?

Chairman Pascual Sablan – Joe again?

Vice-Chairman Joseph Cruz – I got to go get my grandkid.

Chairman Pascual Sablan – Okay.

Administrative Director Michael Borja – So I don't think you guys can have a meeting next month and Liberation Day falls on our next meeting.

Commissioner Pika Fejeran – Okay so I'm not going to miss it.

Administrative Director Michael Borja – No so there will be no meeting. Thanks that's for getting it taken care of a lot of this stuff because this is a lot of work here.

Chairman Pascual Sablan – Thank you too Mr. Borja.

IX. ADJOURNMENT

Commissioner Pika Fejeran moved to adjourn the meeting. Commissioner Amanda Santos seconded the motion. Meeting adjourned at 5:11pm.

Transcribed by: Teresa Topasna, Administrative Assistant: Teresa Topasna

Approved by Board motion in meeting of: 8-18-16

Michael J.B. Borja, Administrative Director: _____ Date: _____

Pascual Sablan, Chairman: _____ Date: 8-18-16