



# *Kumision Inangokkon Tano' Chamoru* *(CHamoru Land Trust Commission)*

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## COMMISSION MEETING MINUTES

CHamoru Land Trust Conference Room

Suite 223, 2<sup>nd</sup> Floor, ITC Building

590 S. Marine Corp Drive, Tamuning, Guam

Thursday, January 21, 2021; 1:05 p.m. – 5:37 p.m.

Public Notice: The *Pacific Daily News* on January 13, 2021 and January 19, 2021

### **Administrative Director Jack Hattig, III:**

Hafa Adai and good afternoon everyone joining us. My name is Jack Hattig, III and I'm the Administrative Director of CHamoru Land Trust Commission, I would like to welcome you to the Commissions' monthly meeting for the Month of January. I would like to begin with some small announcements and some house rules for the conduct during the meeting, especially for those who have been given our media; our media partners and link and those public officials and members of the public that are joining us today. Thank you very much for joining us and you are more than welcome to attend our meeting. We ask that you please keep the mute button on your microphone activated for the purposes of decorum and to follow today's agenda. If you would like to make public comment, we do have an opportunity for you to comment at [cltc.admin@cltc.guam.gov](mailto:cltc.admin@cltc.guam.gov) or if you like us on our Facebook page; the CHamoru Land Trust Commission Facebook page, you can also type in your comments on the CHamoru Land Trust Commission official Facebook page. Thank you very much, I want to remind everybody that the Chairman is in charge of the meeting and will be able to recognize people who would like to speak so please adhere to these rules and regulations and let's have a great meeting. So, without any further do, Mr. Chairman I want to present that we do have quorum today and I defer to you now.

**Chairman John Reyes, Jr.:** Thank you, Director Hattig. Before we call the meeting to order, Commissioner Santos will lead us in the Inefresi.

**Commissioner Angela Santos:** Si Yu'us Ma'åse'.

**All:** Reciting the Inefresi.

**Chairman J. Reyes, Jr.:** Si Yu'us Ma'åse' Commissioner Santos. The time is 1:05 p.m. and I call this meeting to order. I will do roll call now.

### **Roll Call**

**Chairman J. Reyes, Jr.:** Commissioner Duenas. Commissioner Duenas is not present with us today but has given us prior notice. Commissioner Bordallo. Saina, you're on mute.

**Administrative Director J. Hattig, III:** Commissioner Bordallo you're still on mute okay so just unmute and then we'll be able to hear.

**Chairman J. Reyes, Jr.:** Director Hattig, are you able to unmute?

**Administrative Director J. Hattig, III:** Unfortunately, no sir. I can only mute \*inaudible\* I cannot unmute, they are responsible for that side, that feature.

**Mr. Marcus Cepeda – Manja Nirvana:** Hello Jack, can you hear me?

Lourdes A. Leon Guerrero  
Governor

Joshua F. Tenorio  
Lieutenant Governor

#### Commission Members

John F. Reyes, Jr.  
Chairman

Austin J. Duenas  
Commissioner

Arlene P. Bordallo  
Commissioner

Angela T. Santos  
Commissioner

Vacant  
Commissioner

Jack E. Hattig, III  
Administrative Director

Rev. 12/21/2020

**Administrative Director J. Hattig, III:** Yes, I can Marcus?

**Mr. M. Cepeda:** Yes.

**Administrative Director J. Hattig, III:** Yeah, we've already begun the meeting so I'm going to put you on mute okay until later in the agenda, okay?

**Mr. M. Cepeda:** Okay.

**Administrative Director J. Hattig, III:** Well Mr. Chairman I submit to you that Commissioner Bordallo is present by her video there if she's unable to unmute at this time but we can see you trying to speak. Saina Bordallo but maybe find the mute button on your phone or your laptop.

**Chairman J. Reyes, Jr.:** Let's give her second she went to get assistance. There you go. Okay Saina Bordallo we can hear you now.

**Commissioner Arlene Bordallo:** Present Chairman.

**Chairman J. Reyes, Jr.:** Commissioner Santos.

**Commissioner A. Santos:** Esta gue yu.

**Chairman J. Reyes, Jr.:** Director Hattig.

**Administrative Director J. Hattig, III:** Hafa adai, Mr. Chairman, I'm present.

**Chairman J. Reyes, Jr.:** Thank you, sir and also, I would like to share with everyone...

**Administrative Director J. Hattig, III:** I'm sorry Mr. Chairman, can you also call on the Legal Counsel.

**Chairman J. Reyes, Jr.:** Yeah. Legal Counsel, Attorney Toft.

**Legal Counsel Nicolas Toft:** Present.

**Chairman J. Reyes, Jr.:** I would also like to share with everybody that we did receive from Commissioner Cruz, Commissioner Joseph I. Cruz that he has resigned from the Board and we've made the proper notifications to Adelup with the Protocol Office that manages commissioners, and we will be actively looking for a replacement.

## **Approval of Minutes**

**Chairman J. Reyes, Jr.:** As we begin the first item on the agenda is the approval of minutes but the notice of this meeting was published on the Pacific Daily News on January 13<sup>th</sup> and January 19<sup>th</sup> of 2021. It was also published on the CHamoru Land Trust Commission Facebook page on the CHamoru Land Trust website as well as the Attorney General's website. We are also being recorded both audio and visual via KGTF and we are also on Facebook live. I would like to move the Approval of Minutes down in the agenda. We are in hopes that Commissioner Duenas will be joining us later in the meeting. I will move those, and we will address that whether or not he attends. I'm going to move the Approval of Minutes down to right after the Director's Report which will be after number eight on the agenda. We will move into the next item on the agenda which will be Constituent Matters and Director Hattig I will push that over to you

## **Constituent Matters**

### **Dora Antoinette Mafnas Pangelinan**

**Administrative Director J. Hattig, III:** Thank you very much Mr. Chair and for the benefit of everyone and I'm going to go ahead and share some of the information. The Commissioners should have the packet in front of them so you see a staff report, the first item

on the agenda is Ms. Pangelinan Dora Ann Mafnas and let me go ahead and pull it up on the screen so that we can see. This we have Land Agent Ms. Lydia Taleu who is responsible for the presentation of the report.

**Land Agent I Lydia Taleu:** Here I am, can you hear me? Good afternoon Commissioners and as you know my name is Lydia Taleu and I'm presenting the case of Ms. Dora Antoinette Mafnas Pangelinan. We're requesting for the approval of the beneficiary designation. Ms. Dora had a lease for a lot in Mangilao and her niece related to her through her father. Ms. Mary Jo and Ms. Dora \*inaudible\* brother and sisters and Ms. Dora had actually designated Ms. Mary Jo along with her husband to be the beneficiaries or the successors of her lease. Unfortunately, her husband did not qualify for the program so we're requesting for the approval of Ms. Mary Jo as the beneficiary of the lease.

**Chairman J. Reyes, Jr.:** Okay. Thank you give me one second.

**Commissioner A. Santos:** Mary Jo \*inaudible\* I'm sorry.

**Land Agent I L. Taleu:** Mary Jo is the niece of Ms. Dora Pangelinan.

**Commissioner A. Santos:** And Ms.- So Dora's father Pedro Cruz defunto (deceased) am I correct? \*Inaudible\*.

**Land Agent I L. Taleu:** I'm sorry, can you repeat the questions?

**Commissioner A. Santos:** Dora's dad was who the lease was...

**Land Agent I L. Taleu:** Yeah, Ms. Dora's dad, he passed away.

**Administrative Director J. Hattig, III:** Commissioner Santos I just want to answer your question. Mr. Pedro Cruz Pangelinan had a Land Use Permit, and it was under that Land Use Permit that they were considered pre-occupiers on the area so the lease was issued with that LUP in mind so that's who Mr. Pangelinan is.

**Chairman J. Reyes, Jr.:** Ms. \*Inaudible\* as I'm reading through this, before the lease can be transferred, you're recommending that we have four conditions met; is that \*inaudible\*?

**Land Agent I L. Taleu:** Yes.

**Chairman J. Reyes, Jr.:** And what is our mechanisms to ensure that in working with successor or whoever will be taking over the lease which is Ms. Mafnas. What are our checks and balances in your, to make sure that those are complete?

**Land Agent I L. Taleu:** \*Inaudible\* a property tax is cleared they can submit a copy of the receipt from them or if they haven't been cleared, they can letter, a certified letter from Revenue and Taxation claiming or stating that there are no due taxes on the lot. \*Inaudible\* Treasurer of Guam and we would get a copy of that receipt or proof of the clearance of the land lease fees. As far as clearing the property, we would conduct a site inspection to ensure that the property is clear of trash and debris before issuing it and then we would have to submit that report into the file along with documentation such as pictures showing that and as well as a recorded survey map for the actual lot description showing the points, the boundaries of the lot.

**Chairman J. Reyes, Jr.:** So \*inaudible\* is approved. What's the time period before all of these items, these conditions have to be met? Is it 30 days \*inaudible\* days? Do we have that time period in place?

**Land Agent I L. Taleu:** We actually, as far as I know, we've never actually given a time period on this because we had people who have, especially when it comes to the property taxes who paid off quickly other times it takes them a while to do as each time goes by, they will submit the receipt. Probably the one that will take the longest will be the survey map because while the field work is done quickly it is when it has to go through Department of Land Management for clearance then that's actually the process that takes the longest part. So

initiates the Survey Authorization and she could start working on clearing the property taxes and the land lease fees hopefully by the time the survey map is completed everything else has been cleared and then we would do a final inspection to ensure the property is within compliance and then we would submit a memo to file requesting for an addendum transferring the lease over to Ms. Mafnas.

**Chairman J. Reyes, Jr.:** Okay, that's all the questions I had. Thank you, Ms. Taleu. Commissioner Santos, Commissioner Bordallo, I yield to you for any additional questions.

**Commissioner A. Bordallo:** \*Inaudible\* Mary Jo am I correct?

**Chairman J. Reyes, Jr.:** Correct, Mary Jo Mafnas.

**Administrative Director J. Hattig, III:** Mr. Chairman I do have a concern that I'd like to bring up while we're waiting for Commissioners to comment. I would like to find out with regard to qualification, Ms. Mary Jo Mafnas who is present by the way at the meeting and she is present and she is listening and she is available for comment if you have any questions. My question would be in this situation because we're designating the successor at this point; would this person need to qualify according to the new qualifications' rules set forth in Public Law 35-112? And I just want to say that it is my understanding that if Mary Jo Mafnas was dully designated prior to 2021, prior to the enactment of this legislation and she is qualified based on that designation then it does not require her to submit the additional documents for the new qualification but because we are attempting to name the successor today, I think that is the request; does that have followed 35-112, does she have to submit those documentation. I think that's a great question for the Legal Counsel to help us out with.

**Chairman J. Reyes, Jr.:** Okay.

**Legal Counsel N. Toft:** Yeah, there were other members of CLTC that asked me \*inaudible\* question to that. From our understanding basically what the Legislature was trying to do was anything that was done or completed prior to 2021 was supposed to be legitimate and \*inaudible\* to the future proceedings basically. So, it's only if we're doing something new, a new lease a new application thing, like that that second 75A section applies.

**Chairman J. Reyes, Jr.:** Thank you, Attorney Toft.

**Administrative Director J. Hattig, III:** I just want, if I could follow up Mr. Chair?

**Chairman J. Reyes, Jr.:** Okay, so we'd like to have that as a matter of record Mr. Toft so that we can start applying the same requirement across the board because we are experiencing cases where we have different scenarios or different chronologies if you will and we are currently in discussion with you on each of those cases but for the purposes of putting together a specific application of this. So, can you say that we can apply this now to everyone that was designated prior as the successor, prior to 2021? And if so, will be the reassertion that they do not need to come under the new qualification rules set forth in the Public Law?

**Legal Counsel N. Toft:** That would be my assertion. \*inaudible\* of that is that if there is a change in the designation of the beneficiary then that new beneficiary would have to go under the new rules. Basically, the things that are already in place stays in place anything new that comes through the door in any form basically would have to go through the new rules.

**Administrative Director J. Hattig, III:** Of course, thank you. Thank you for that clarification so that the staff knows and it's also a matter of record here today in the meeting that we are going to be applying the same regulations so if a person has been designated as a successor prior to the enactment of the legislation, they will be allowed to continue that successor designation and they will be allowed to assume the lease when that time has come. So, either in a case of a death of a lessee or in the case of a transfer of a lease, the legal transfer of a lease to a designated successor but if there is no designated successor and the

Commission has to select a successor as what might be the possible case in the future. I'm not saying that this is the case of Ms. Mary Jo and Ms. Dora because from what I understand, Ms. Mary Jo was already designated as the successor together with her husband. So, in the future if we don't have, have somebody that is not designated or a lease that somebody is not designated and the Commission has the responsibility of selecting the successor, that successor must pass through all of the new qualifications, correct?

**Legal Counsel N. Toft:** Yes, that is correct.

**Chairman J. Reyes, Jr.:** Anything else, Director Hattig?

**Administrative Director J. Hattig, III:** No, that's all I have for this particular case.

**Chairman J. Reyes, Jr.:** Commissioner Santos or Commissioner Bordallo any other questions?

**Commissioner A. Santos:** Is Mary Jo on the line?

**Ms. Mary Jo Mafnas:** Yes, I'm present.

**Commissioner A. Santos:** \*Inaudible\* Ms. Benavente? Mrs. Benavente?

**Ms. M. Mafnas:** Mafnas. Mary Jo Mafnas?

**Commissioner A. Santos:** So, all we're waiting, let me just clarify. All we're waiting for is for her to receive that survey authorization or just to finalize her survey for the property, correct? Director Hattig, is she just waiting for her survey authorization or what are we...?

**Administrative Director J. Hattig, III:** I think the question is better directed to Ms. Lydia because Ms. Lydia keeps individual information but Ms. Lydia \*inaudible\* have the four conditions been met yet?

**Land Agent I L. Taleu:** Right now, the conditions haven't been met because my conversation that I had with Ms. Mafnas her concern was she didn't want to invest in the property if she wasn't going to be actually issued a lease because the amount of money that would go into just doing a survey alone is quite a lot. So, there's no point in putting money in something that you're not going to receive. So, if we can approve her as \*inaudible\* to succeed the lease, be the successor of the lease then we can issue her a survey authorization and then she can begin on clearing the property taxes as well as the land lease fees and bringing the property into compliance.

**Commissioner A. Santos:** So, nothing has been done at all in the property?

**Land Agent I L. Taleu:** Currently no as far as I know.

**Commissioner A. Santos:** So, let me just be clear, Mary Jo has been, like they were trying to start the process prior to 2021 for her to become the successor?

**Land Agent I L. Taleu:** Yes.

**Commissioner A. Santos:** Okay. No other questions. Is Mary Jo still on the line?

**Ms. M. Mafnas:** Yes.

**Commissioner A. Santos:** If you were to be \*inaudible\* the succession, this is for residential, you're already you would already be starting the process if you were to be \*inaudible\* successorship; you're able to start the process to survey and all the other requirements needed?

**Ms. M. Mafnas:** Yes.

**Commissioner A. Santos:** I have nothing else, Chairman.

**Chairman J. Reyes, Jr.:** Thank you, Commissioner Santos. Commissioner Bordallo, do you have any questions?

**Commissioner A. Bordallo:** None.

**Chairman J. Reyes, Jr.:** Director Hattig?

**Administrative Director J. Hattig, III:** So basically, we would need a motion from the Board to designate Ms. Mary Jo Benavente Mafnas as a successor to the lease of Ms. Dora Annette Mafnas Pangelinan.

**Chairman J. Reyes, Jr.:** \*Inaudible\* to include the conditions prior to that?

**Administrative Director J. Hattig, III:** Correct. There are the conditions that's listed there in the report, the Staff Report under Findings Part 4C.

**Chairman J. Reyes, Jr.:** Okay.

**Commissioner A. Santos:** Saina Arlene would you like to make that motion?

**Commissioner A. Bordallo:** I will. \*inaudible\* this is late Dora Annette Mafnas Pangelinan the lease agreement her successor would be Mary Jo Benavente Mafnas \*inaudible\* to have a CHamoru Land Trust Commission set up the lease agreement on Lot 5402-R5NEW-R6, Mangilao. We'll start with that.

**Chairman J. Reyes, Jr.:** Thank you, Commissioner Bordallo. May I get a second?

**Commissioner A. Santos:** I second that.

**Chairman J. Reyes, Jr.:** Thank you Commissioner Santos. Any objections?

**Commissioner A. Bordallo:** None.

**Commissioner A. Santos:** Do we have to add in with the conditions that need to be met? Do we need to specify that within that motion?

**Administrative Director J. Hattig, III:** Always advisable to include the specifics in the motion, yes.

**Commissioner A. Santos:** Saina Arlene?

**Commissioner A. Bordallo:** Yes. With the condition that \*inaudible\* to Mary Jo Benavente Mafnas the following conditions that need to be met: One, is the approval of the Commission because it was more than 180 days before the Trust was notified of the death of Ms. Pangelinan. Two, land lease fees \*inaudible\* ninety-nine dollars (\$99.00) must be cleared. Number three, all property taxes need to be cleared. Number four, the lot must have a recorded survey map make that motion to be included.

**Commissioner A. Santos:** I second that Mr. Chairman.

**Land Agent I L. Taleu:** Can I just add also that the property needs to come within compliance before we issue a lease because we don't want to issue a lease to somebody that isn't clear of any undo expenses as well as trash.

**Commissioner A. Santos:** Included in the...

**Chairman J. Reyes, Jr.:** That's kind of... let's do this just to be clear because I think there's... it got a little bit disjointed there. I want to definitely renew this because let's make sure that we allocate everything in the motions \*inaudible\* if Ms. Taleu is adding in or recommending then we include the compliance and regulations regarding structures, junk vehicles or trash, let's clear it up because it got a little bit disjointed and I don't want to miss anything on this particular one on granting this successor. So, given that, we understand that we need to designate Mary Jo Mafnas as the successor, we also need to ensure that the conditions are met and in addition to the recommendation by Ms. Taleu is to include there the compliance of regulations and rules of the law be included. So, if we can take that and aggregate that into a motion then that will be a little clearer and then we can vote. Saina Bordallo, would you like to make the motion?

**Commissioner A. Bordallo:** I would like to make a motion to Mary Jo \*inaudible\* needs to be aware that the lot must be in compliance within the rules and regulations of the law; the additional structures, junk vehicles and trash must be cleared.

**Chairman J. Reyes Jr.:** Okay. Let me ask, Ms. Tina Tainatongo, do you have that?

**Land Agent I Tina Tainatongo:** No Sir. Can we repeat that motion?

**Commissioner A. Bordallo:** \*Inaudible\*.

**Chairman J. Reyes, Jr.:** Commissioner, can we do this? Could you restate the motion in its entirety, please, so that we have all the pieces stated for record?

**Commissioner A. Bordallo:** The whole thing?

**Chairman J. Reyes, Jr.:** Yes ma'am. Yes, Please. I want it for clarity and just to make sure that we account the recommendations from Ms. Taleu.

**Commissioner A. Bordallo:** Okay. I would like to make a motion on the Late Dora Annette Mafnas Pangelinan and that the designated beneficiary is Mary Jo Benavente Mafnas and that be approved we would be approved a lease \*inaudible\* and that before this lease can be transferred to Mary Jo Benavente Mafnas the following conditions need to be met: One, the approval of the Commission because it was more than 180 days before the Trust was notified of the death of Ms. Pangelinan. Second, land lease fees ninety-nine dollars (\$99.00) must be cleared. Three, all property taxes need to be cleared and then number four, the lot must have a recorded survey map we would also like Ms. Mary Jo Benavente Mafnas needs to be aware that the lot must be in compliance within the rules and regulations of the law; the additional structure, junk vehicles, and trash must be cleared. That's the end of my motion.

**Chairman J. Reyes, Jr.:** Thank you, Commissioner Bordallo. May I get a second on the motion?

**Commissioner A. Santos:** I second that.

**Chairman J. Reyes, Jr.:** Alright, any objections?

**Commissioner A. Bordallo:** None.

**Chairman J. Reyes, Jr.:** Okay no objections, the motion passes. Thank you very much Saina. Thank you, Ms. Taleu and thank you Ms. Mary Jo Mafnas for your attendance today.

**Ms. M. Mafnas:** Thank you.

**Commissioner A. Santos:** Congratulations Ms. Mafnas.

**Ms. M. Mafnas:** Thank you.

**Chairman J. Reyes, Jr.:** Okay, Director Hattig, the next constituent matter on the list please.

**Administrative Director J. Hattig, III:** Thank you and then Ms. Mary Jo just before we close you can continue to work together with Ms. Lydia on the conditions and then you can go ahead and sign out from the meeting now. Thank you.

**Ms. M. Mafnas:** Thank you. Take Care.

### **Vincent Duenas Gamboa**

**Administrative Director J. Hattig, III:** Thank you so much Mr. Chairman so we're going to move on to it was a second addendum on the staff report that was provided that was added, the staff report is for Mr. Vincent Duenas Gamboa and we also have the representative also of Mr. Gamboa who is joining us Mr. George Salas who is also present today in the meeting. This staff report was also prepared by Land Agent Jessica Dayday, we'll here from Ms. Dayday.

**Land Agent I Jessica Dayday:** Hafa adai Commissioners, I'm Jessica Dayday Land Agent with CHamoru Land Trust Commission. I bring before you Vincent Duenas Gamboa he's a residential lessee and the issue is to request to wave property taxes, transfer a residential lease and relocation. Mr. Gamboa is a December \*inaudible\* 1995 applicant. He was issued a lease, a residential lease for Lot 10154, there was no survey done, a survey was not completed. On January 14, 2020, Mr. Gamboa requested to transfer his lease to his brother-in-

law, George Salas. So, he's here today, he would like to request waive his taxes and the reason for that is when he was issued a lease the property that shown to him which is a portion of 10154 was there was no occupant however when we conducted a site inspection there was an occupant who claims pre-occupier status. So, it was recommended that we do a relocation, find a new lot for Mr. Gamboa and we did find and Mr. Salas agreed with the property. However, prior to transfer of the lease; property taxes must be up to date, lease fee payments in full, property needs to be survey so those are the requirements prior to transfer of the lease under 7.5.

**Chairman J. Reyes, Jr.:** Thank you Ms. Dayday. Any additional information on this?

**Administrative Director J. Hattig, III:** I just want to provide some context if I could, Mr. Chairman and then maybe we can call on Mr. Salas also to make his comments to the Board. So, what we have here is a really complex request, I think. We had met yesterday with Mr. Salas in an attempt to try to find out what are some of the ways that we could solve some of these very important concerns that we have. Obviously, we have a situation where first of all; the taxes, Mr. Gamboa was issued a lease and in signing the lease each lessee understands that they're responsible for property taxes that they may incur. If they surveyed the property then they have a seven year abatement of property taxes but if they did not survey the property then it is all dependent on the Department of Revenue and Taxation when they start to do the assessment of the taxes, they do *\*inaudible\** the lessee based on the information that is provided by the Land Trust for the lease such as a portion of and the lot number so in this situation I expressed my concern that number one either before we transfer the lease Mr. Salas, Mr. Gamboa has to pay the designated property taxes or he could seek to request for a tax waiver because number one there is somebody currently living or residing on the property that claims a pre-occupier status but when we issued the property and he was shown originally there was nobody on it so that has to be brought before the Commission; that determination should be made by the Commission. We have the staff report and we have the facts that were collected and then we have the representative of the lessee who is attempting to get the lease transferred to him. We have him available to also explain and provide information to the Commission. So that's the first one with regard to the taxes, the second one with regards to the transfer of lease to Mr. Salas; I did speak with Mr. Salas and stating that it's possible that he may need to qualify under the new qualification process as outlined in 35-112 simply because he was not designated as a successor to Mr. Gamboa's lease. He's nearly coming in as a new lessee and I understand that he did submit a, Mr. Gamboa and Mr. Salas did submit the relinquishment request prior to 2020 or 2021, I'm sorry but that is also for the Commission to decide whether or not he must also qualify before we transfer Mr. Gamboa's lease to Mr. Salas. I expressed that that it looks like that we may need to transfer I mean before it's transferred, he may need to qualify under the new rules so this is the opportunity for the Commission to decide and to hear from Mr. Salas obviously and to go within the law right because we are all bound by the law at this point and then the third and final piece of the puzzle was the relocation right. So, I did express to Mr. Salas that it maybe it is possible while we are waiting for his qualification if he could request or if we could request for a right of entry to be granted to the relocation property. Mr. Salas obviously thought that it was not an advisable suggested because if he were to invest obviously in the survey of this property and then he would not be granted because he would not be able to qualify under the new rules and it would not be in his best interest. So, I did acknowledge that that we are trying to come up with some solutions to this issue that is very complex and to come before the Commission and to make an appeal so that we can sort out all of these individual requirements before we can

come to some resolution but knowing what we know now, because Mr. Gamboa did not designate a successor to my knowledge and maybe Ms. Jessica Dayday can look in the file to confirm this maybe if the Commission selects Mr. Salas to be the successor maybe that would be a way because we had just \*inaudible\* case, right? Ms. Dora Pangelinan's case so maybe because the lessee did not name a successor and he already is attempting to transfer his lease we have the relinquish letter on file and perhaps the Commission can select Mr. Salas as the successor and then do the same thing that we did with Ms. Mary Jo is pending all of that we named him as a successor so now we know that he is potentially going to get the lease because he has to do the survey and he has to make sure that all of the conditions are met, similar to the way Ms. Mary Jo Mafnas said she would also be willing to set forth those conditions before the lease was transferred to her so that's the context that I present this case and again I encourage the Commission to hear out Mr. Salas also.

**Chairman J. Reyes, Jr.:** Thank you, Director Hattig. I think before we hear from Mr. Salas, I think I want to do some clarification and give the opportunity with our Commissioners to ask a couple of questions to Attorney Toft and Ms. Dayday and then we'll yield some time to Mr. Salas. So, if our Commissioners don't mind, I would like to begin with the questions. **All Commissioners:** Go ahead.

**Chairman J. Reyes, Jr.:** Thank you. I think first and foremost, my question is the property that was supposed to have been leased to Mr. Gamboa is currently being occupied with a container home? And Ms. Dayday and Director Hattig, I think that is the first thing I would like to clear up. Why is someone or can occupy in that piece of land that's been or had been designated to Mr. Gamboa granted that the process was not complete and then secondly, I don't think we're remediating the issue with just transferring or finding another piece of property we need to figure out what's going to happen with this existing property with and existing Land Use Permit. So, can you guys clarify that please?

**Administrative Director J. Hattig, III:** Sir, the short answer we often time we don't know. We don't know exactly how the new occupier got there. We rely on the lessee and the land agents to obviously communicate with one another often times that's not the case and it's my understanding that when Mr. Gamboa was shown the property, the property was vacant, there was nobody there and in my conversations with Mr. Salas we confirmed that that initially the property was vacant and all of a sudden somebody popped up on the property and they submitted a mayor's verification that says that they were there before 1995 so we don't have a mechanism, if they presented an official document from the Mayor's Office we don't have any kind \*inaudible\* to challenge any of that we can simply take in the document and we can insert it as part of the file and then we tried to work with what our mitigations will be but we don't know how it came to be that somebody was on the property.

**Chairman J. Reyes, Jr.:** Mr. Hattig \*inaudible\*.

**Land Agent I J. Dayday:** On the lease that was issued to Mr. Gamboa it says a portion of so when he was shown the property, we as land agents are not licensed surveyors, right, so we can't just say this is exactly where your property is at so it's a portion of a portion of the whole tract it's a portion of whatever the tract is we can \*inaudible\* that's where the survey comes in to know where exactly your property is at so at the time he was shown the property it may have been a jungle but the land agent cannot just say; it's right here, right here this is it so the lease states a portion of 10154 so we weren't there to see what had happened so we don't know if it's in front of us and when I did my site inspection I followed what was on the Arc and that's where I found the container home but still the lease is for a portion of, a portion of that tract or lot.

**Chairman J. Reyes, Jr.:** Do we know how, okay so how big is this tract I guess where I'm a little confused in since there was no survey conducted to identify exact piece of land right and secondly...

**Land Agent I J. Dayday:** No survey was done.

**Chairman J. Reyes, Jr.:** Right and then I don't think a container home can just pop up overnight, so is there a way Director Hattig you said 1995 was the mayor's verification, was that when it was dated or is that, because I'm looking at the documents at least from the chronology and \*inaudible\* exact detail of what date to that mayor's verification is?

**Administrative Director J. Hattig, III:** Right, Mr. Chairman that's because that's somebody else's file that's not going to occur that's not going to be inserted into Mr. Gamboa's file because that comes from another occupier so that would be from another file.

**Chairman J. Reyes, Jr.:** Okay but if it's from another occupier \*inaudible\* that this other occupier is an actual lease holder of the Trust?

**Administrative Director J. Hattig, III:** It's not determined at that time again because we're talking about Mr. Gamboa's lease but Ms. Dayday would be able to know whether that person is a lessee. She conducted the site inspection so we can also have the engineer, the engineer techs if they could assist us in bringing up the tract if you would like to take a look at the actual tract, we could have them bring up 10154 so that you can take a look at exactly what \*inaudible\* was.

**Chairman J. Reyes, Jr.:** Yeah it's kind of similar to when discussed but maybe not exactly the same definitely but just a little similar to someone that is currently occupying a spot and I want to be clear right because how many of those do we have out there on CLTC land that may or may not be a lessee and I understand that we're trying to address Mr. Gamboa but if there's someone occupying and whether the response of you don't know if they're a lessee I mean it's not easy for the Commission to make a decision and just move him to a different piece of property because we're not mediating we're not \*inaudible\* the issue here and you know I don't mean to try and drag this on but I think that there is still pieces of information that is not clear or some facts that is going to help us make a decision and \*inaudible\* and I think the bigger problem is who is in this property and whether or not they're an actual lessee and if they're not then what is the Commission if it's CLTC land. What are we going to do to address that situation because I don't believe that a container home is going to pop up overnight so I don't know Director Hattig? I don't know pulling up the tract is going to do is it just going to show us how big a parcel of land is and maybe you know one of the things that's going to help us solve this is for it to get surveyed right obviously to define those corners so that's my concern and I know that we don't have all the pieces of information to be able to discern right what we should do.

**Administrative Director J. Hattig, III:** Okay Mr. Chairman first of all I just want to say you requested at the beginning to know how big the property was so I was attempting to answer your question by identifying the tract it's on with the ARC/GIS number two then we would need to conduct an investigation into the occupier of the property because we cannot simply if there's a mayor's verification we cannot simply evict anybody so we're going to need some time to go and interview this person and find out exactly what the situation is in regards to the property and even then if we're having an occupier that should not be occupying there are steps that we need to take that would mean that we need to put together the removal process then pretty much it would take the legal review and it would take our staff report and then we would need to bring this up to the board at a different time. So what we're trying to do obviously is we know that we have to deal with this property now because there's a pre-

occupier on it but one of the ways the land agents were trying to attack it is well if we know that this is a problematic property because we have two people that are claiming the same property we know that a lease was issued well we can't necessarily kick that person out right now why don't we look outside the box and see what we can do so when working with Mr. Gamboa and Mr. Salas another property was identified that would have been sufficient so these are some of the options Mr. Chairman these are just options that you don't have to decide to do this right now and if you need more information regards to the subject lot 10154 then we can certainly provide that but the crux of the matter was the request by the transferee or the representative that's what we're trying to get at today to answer some of those questions but yes, I do agree, that a \*inaudible\* can't just pop up and we are doing our best to monitor all of these properties we only have seven land agents and we're just returning from the pandemic just yesterday or Tuesday so we will definitely get on it and provide you with that necessary information for the occupier, the new occupier.

**Commissioner A. Santos:** I just want to add in to what you just finished saying Director Hattig so you just mentioned that the occupier right now were they given a lease for that property?

**Administrative Director J. Hattig, III:** It's not my understanding that they did, no.

**Commissioner A. Santos:** Okay, so there's no knowledge of who is there and how they got there as of right now?

**Land Agent I J. Dayday:** Yes, I did interview the person that was there and he did come into the office and that I requested show of proof of how he got that property and he submitted a mayor's verification.

**Commissioner A. Santos:** Wow.

**Chairman J. Reyes, Jr.:** Thank you, Commissioner Santos any additional follow up questions on that?

**Commissioner A. Santos:** None.

**Chairman J. Reyes, Jr.:** Commissioner Bordallo, any questions?

**Commissioner A. Bordallo:** I totally agree with you Mr. Chairman and Director Hattig we should do an investigation first. \*Inaudible\* who was there and who has \*inaudible\* to the lease on that lot.

**Chairman J. Reyes, Jr.:** Right, thank you, Commissioner Bordallo. Attorney Toft, any additional insight from you in regards to this particular \*inaudible\*?

**Legal Counsel N. Toft:** Are you talking about in regards to the prior occupier or the whole situation?

**Chairman J. Reyes, Jr.:** The whole situation. I want to get some additional thoughts from you on that.

**Legal Counsel N. Toft:** Well, starting with the pre-occupier they have a mayor's verification to \*inaudible\* extremely difficult situation to the eviction process unless we have definitive proof that they weren't there we're looking at going in there and it's basically an accusation without evidence against the occupier so that might be a dead end for us in trying to explore that way on it. With regards to Director Hattig had mentioned the whether we're going with the Section 75 or Section 75a the qualification process again that depends on whether everything was submitted prior to 2020 and there's going to be no changes in the application then you stick with the process the prior process the 2020 process rather than then 2021 I don't think that there needs to be additional qualifications at that point.

**Chairman J. Reyes, Jr.:** Okay thank you appreciate those two points.

**Administrative Director J. Hattig, III:** Mr. Chairman?

**Chairman J. Reyes, Jr.:** Yes.

**Administrative Director J. Hattig, III:** I just want to also say that the reason why the ARC/GIS is also important is if we would like to go back and take a look at the topographic we do have the Google Map of the area and it is compartmented within our system the ARC/GIS system so we can potentially pull up a property in question and see from the timeline right up until about maybe 2016 if there was any development on the property to verify whether that individual was indeed there prior to so there is some sort of mechanism that we can do in our investigation we can look into this to see and we can report back to the Commission on it.

**Chairman J. Reyes, Jr.:** Yeah, I think we should a little bit more investigation here in this particular one. Look, I don't mean to derail it and I do appreciate some of the options that were presented being able to resolve this right for Mr. Salas but I think there's still a lot of ambiguities and when you triangulate the mayor's verification and get more details on who is currently on this property, how they got there my thoughts are on that.

**Administrative Director J. Hattig, III:** And then my final point that was not addressed was the request for tax waiver at this point so based on the results on the investigation and the updated information provided to the Commission. Could the Commission make a determination in fact whether Mr. Gamboa is still responsible for the taxes would it like to issue a waiver based on what we find out?

**Chairman J. Reyes, Jr.:** Yeah, I think we can address that once we have a little more facts and look a little deeper into the situation here.

**Administrative Director J. Hattig, III:** Okay so I'm committed to providing the information forthwith as soon as we can and if we're able to place it on the next meeting agenda that would be up to the Chairman on whether we would place it on the agenda but we will conduct the investigation and provide the info to the Commission.

**Chairman J. Reyes, Jr.:** Okay thank you. And I did want to give Mr. Salas a little bit of time as well to address the Commission given the conversation that we just had. Mr. Salas?

**Mr. George Salas:** Yes, can you hear me? You know prior to all this when we were first given was my brother-in-law for the lot, the property was even *\*inaudible\** and at the time Mr. Quan wanted all this money for surveyor before we can do anything, we were getting all the running arounds stuff just didn't add up it went to the AG. I took my brother-in-law to the AG because I was paying for the stuff for him helping him out at the time and we just kept getting the run arounds up until now and then he kept telling me about the property so when I asked him; I said, okay then let me take it over and then we've been working on this already for almost a year and half. So we're just trying to figure this because he's had the lease for more than seven years so he's able to transfer it to me it's in the law, 7.5 law 23-38 states it's already been it's had his time with the lease in the years that he can transfer it to me *\*inaudible\** all this property tax that has to be taken care of but yet there's occupiers there and then we were given the run arounds in the beginning so we couldn't do nothing with the property and we're still going to be property taxed for something that the employees at that time were giving us headache over money, they wanted money for this they wanted money for that we stopped giving money and we just stopped bothering with them for a while and then finally my brother in law decided that he was going to let me go ahead since I was the one paying the whole thing in the past now we're dealing with this now. I mean, I was taken to show I was shown another property which I was fine I like the place no problem there's family around it but now if we're going to still wait, I mean wouldn't it be wise to just if it's approved, I can transfer it to this new property and then you guys continue your investigation

with whoever is on the other property because that's already not my problem anymore. My brother-in-law already signed a notarized letter I also signed he relinquished all his rights to me already. I mean if I'm going to keep sitting around waiting and waiting and waiting it's pretty smart to just give me the other property, I'm okay with it and then do your investigation and finish up with the other one because if that thing drags on for like one of your other colleagues just said if it just drags on to a dead end and I'll just be sitting around waiting still. Now I've already waited a year and a half, and I even went to the \*inaudible\* and I saw the container home there. So, I'm just looking at how long am I going to drag onto this before I decided never mind and I've already sat giving them money in the past to do survey and then to find out property \*inaudible\* so we can't do it so now I'm going to pay another survey even if I get another property. It just doesn't add up and I'm just wasting money and then to say give me a temporary paper to enter a property and do what I want to do that is one thing that should never be brought up because it just doesn't make sense at all. That's like telling me go shopping at KMart and get what you want, and we'll let you know in a year if you have to pay us or not.

**Commissioner A. Santos:** I have question, Chairman.

**Chairman J. Reyes, Jr.:** Yes.

**Commissioner A. Santos:** Mr. Salas, so you assisted with the survey of the other property, correct?

**Mr. G. Salas:** Yeah, we went in and we dealt with Mr. Quan and some of the other guys and then stuff started to get sketchy we made a complaint my brother in law went to the AG's office and then we started to hear nothing about it so it just got aggravating for him and then he relocated because his wife is military so \*inaudible\* and then within the past two years he's been talking to me about it and then a year and half ago he decided okay let me just \*inaudible\* for you guys for you and my sister and my kids and I said okay so we did all the stuff that was required it was all signed but when we went to look at the property that's when we found there was occupants.

**Commissioner A. Santos:** Okay. So, what I'm asking is initially is that the process for that property which is being occupied by somebody else had already been started with the survey, correct?

**Mr. G. Salas:** That's just it. When he was asking for the money everything was sketchy and found out that it was not registered yet so nothing can be done because the property is not registered.

**Commissioner A. Santos:** Right, so nothing was done?

**Mr. G. Salas:** Nope. Never heard from Mr. Quan after that.

**Commissioner A. Santos:** Director Hattig, because no award, because no lease or did the process already start with their application with Mr. Salas's brother-in-law? What's his name, I'm sorry? With Mr. Gamboa, the process of his application and was he awarded the lease?

**Administrative Director J. Hattig, III:** Mr. Gamboa was awarded the lease subject to survey for a portion of lot 10154 that was the practice back then Commissioner Santos that they would authorize the lease subject to survey so these leases got approved and signed and then no survey was committed due to whatever factors but the lease was awarded it's just that the property was never surveyed.

**Commissioner A. Santos:** Okay \*inaudible\* to know. Mr. Chairman I do not see anything connecting Mr. Salas I mean if we're going to be awarding Mr. Salas or transfer of this lease, I don't see anything connecting them with that property. I really don't. I mean that could be a separate issue that the property with doing the investigation with whoever is occupying it

right now could be, I mean it is separate from his transfer of lease. I see it that way. And he's right, he's going to be sitting around long, long, long until we get that investigations he's going to be out of a house, right, this for residential?

**Land Agent I J. Dayday:** Correct.

**Commissioner A. Santos:** So just starting the process I would go with granting him the transferring of lease to Mr. Salas that's where I stand with this. They're pointing as two separate issues. There's nothing connecting them with the property.

**Mr. G. Salas:** I have \*inaudible\* the occupants are there now so I have no business in that investigation.

**Commissioner A. Santos:** That's how I see it Mr. Chairman that's all I have to say. I leave it up to you.

**Chairman J. Reyes, Jr.:** Commissioner Bordallo, any additional questions for Mr. Salas any comments?

**Commissioner A. Bordallo:** I have no comments.

**Chairman J. Reyes, Jr.:** Okay, Mr. Salas thank you for your time and sharing and giving us additional insight on that. Like I said, I don't want to derail this or make this seem to take a little longer but I feel that there's still additional facts that we could know to figure this out that I will feel comfortable with aside rather than just to go with \*inaudible\* recommendation the one thing that I do want to ask Ms. Dayday and Director Hattig given that \*inaudible\* our Commission meeting is there a commitment that can be made to do an \*inaudible\* investigation and we'll work we'll strive to put this back on the agenda in our February meeting. \*inaudible\* given that we're still in PCOR 2, is a one-month window enough to get additional information, dig a little deeper triangle late, again, I understand it's still two completely different situations but I feel that there's still some underlying things that we need to figure out here. So, is there a commitment from you that we have one month is enough time to be able to come back to the Commission so that we don't continue to prolong Mr. Salas's case?

**Administrative Director J. Hattig, III:** Yes, sir.

**Land Agent I J. Dayday:** Yes.

**Chairman J. Reyes, Jr.:** So, Mr. Salas you have our commitment from the agency that they will do their due diligence additional due diligence to help gather more facts for us. We'll table this item for our next meeting barring anything that will put it on the \*inaudible\* so I'm asking for an additional 30 days we meet monthly to get a little bit more time to get us more information and we'll bring you on to the agenda in our next meeting barring any extraneous circumstances in the investigation.

**Mr. G. Salas:** Okay so what happens in 30 days if they don't solve it?

**Chairman J. Reyes, Jr.:** So, if they don't solve the issue per se and they don't necessarily get, we'll cross that junction when we get there and they will make sure that they come to the table again with likely we see recommendations if there's no resolution based on their investigation and we will then decide at point in our next meeting on what we'll proceed on. I'm asking if you could just give it the 30 days to additional research and investigation and just kind of help triangle late some of these questions that I had early on.

**Mr. G. Salas:** Okay.

**Administrative Director J. Hattig, III:** Mr. Chairman, if I could?

**Chairman J. Reyes, Jr.:** Yes, Director Hattig.

**Administrative Director J. Hattig, III:** So one hurdle that we were able to get possible get over Mr. Salas was the qualification hurdle so you heard from the Legal Counsel that all of

your documents were submitted in 2020 with the relinquishment so that's a good silver lining to know that we won't have to go through the new qualification process for you so that is something that we can check off the list and then as I expressed we'll be able to get those new \*inaudible\* based on the recommendations from the investigation and the research that we're going to do and the facts that we're going to give back so at least we cleared one hurdle sir and thank you again for appearing before the Commission and making your case and thank you for meeting me yesterday and continuing to work together with Jessica and we'll get this to the next juncture or the next meeting.

**Commissioner A. Santos:** Thank you for your patience so far Mr. Salas.

**Chairman J. Reyes, Jr.:** Yes Mr. Salas. Give us the \*inaudible\* next Commission meeting I'll make sure to keep intact with Ms. Dayday and Director Hattig to make sure that we can achieve that timeline for you.

**Mr. G. Salas:** Okay.

**Administrative Director J. Hattig, III:** Thank you Mr. Salas you can go ahead and sign off now and then we have your information and Ms. Jessica will be contacting you okay?

**Mr. G. Salas:** Okay.

**Chairman J. Reyes, Jr.:** Okay Si Yu'os Ma'ase' sir take care.

**Land Agent I J. Dayday:** Thank you Commissioners.

**Chairman J. Reyes, Jr.:** Thank you Ms. Dayday. Director Hattig those are the two items that I have, anything else on Constituent Matters?

**Administrative Director J. Hattig:** Not for Constituent Matters Mr. Chairman we're done with that portion.

## Old Business

### Proposed Commercial Leasing SOP

**Chairman J. Reyes, Jr.:** Si Yu'os Ma'ase'. Moving onto our next item \*inaudible\* agenda, Old Business and we want to go through the Proposed Commercial Leasing SOP.

**Administrative Director J. Hattig, III:** So, in your packet and was submitted I'll go ahead present the Commercial Leasing Portion that was recommended for change by the Chairman at the last meeting in December. This is Part 2; 2.1 Solicit Proposals, when 60 days has elapsed from the day \*inaudible\* Kotturan Guahan receives the CLTC's Board Resolution the CLTC may commence the request for proposal process otherwise by way of memorandum CLTC may authorize the Guam Economic Development Authority to commence the request for proposal process and place the property under management services of GEDA so this gives us the explicit according to Public Law 33-95; the explicit choice of whether we would like to do the RFP process ourselves or whether we would like to involve GEDA.

**Chairman J. Reyes, Jr.:** With that said, I'll yield to, thank you Nic for making those changes Mr. Cruz and Director Hattig. Commissioner Santos or Commissioner Bordallo any additional comments on the SOPs on the amendments that I recommended in the last meeting?

**Commissioner A. Bordallo:** Well Director Hattig what do you think?

**Administrative Director J. Hattig, III:** Well, I think that what we did Commissioner Bordallo and other Commissioners is, we took 33-95 and we just boke it down into segments and that's why what we wanted to do is we wanted to make it a little bit easier for those that are seeking commercial lease with the Trust. So we have some companies that are going to

appear before us today that inquired about the process and wanted to know a little bit more about how to be involved in a commercial lease with the Trust so we kind of broke this down so that it gives our staff and our stakeholders an opportunity to see what it looks like and break it down so that we understand it and then I think the Chairman's amendment was a very good one because we do have the capability of issuing RFP, RFP process at just as an agency but we do also want to give that flexibility for the Commission to decide on whether it would like to involve the Guam Economic Development Authority so it was a very good amendment and I don't think it takes away and I'll defer to Nic on this but I don't think it takes away from the public law it doesn't add or take away from the public law at all so I think we're pretty good with it.

**Legal Counsel N. Toft:** That's correct, yeah.

**Chairman J. Reyes, Jr.:** Any additional questions Commissioner Bordallo?

**Commissioner A. Bordallo:** No, it was always \*inaudible\*.

**Chairman J. Reyes, Jr.:** Yeah, that's why I wanted to make it very clear that the Trust, the agency CLTC could do it themselves and we would decide whether or not to give it to GEDA.

**Commissioner A. Bordallo:** \*Inaudible\* business so, I don't \*inaudible\* is aware of what's going on?

**Chairman J. Reyes, Jr.:** Yes, yes ma'am.

**Commissioner A. Bordallo:** That's how I feel.

**Chairman J. Reyes, Jr.:** Commissioner Santos, any additional comments or feedback on this draft proposal for the SOPs?

**Commissioner A. Santos:** No, I don't.

**Chairman J. Reyes, Jr.:** Alright thank you. Director Hattig, anything additional on this?

**Administrative Director J. Hattig, III:** I would just request a motion to adopt the CLTC Commercial Lease SOP Mr. Chairman.

**Chairman J. Reyes, Jr.:** Alright so Commissioners are you okay for the motion?

**Commissioner A. Bordallo:** Okay. I make a motion that the CHamoru Land Trust adopt the Standard Operating Procedures for Commercial Leasing and that GEDA \*inaudible\* agency would do the marketing of the land lots belonging to CHamoru Land Trust.

**Chairman J. Reyes, Jr.:** Okay thank you Commissioner Bordallo. May I get a second on the motion?

**Commissioner A. Santos:** I'll second that motion.

**Chairman J. Reyes, Jr.:** Thank you Commissioner Santos. Director Hattig?

**Administrative Director J. Hattig, III:** Yes, I just want to clarify the Commissioner's motion. Is it continuing the current five that we have or are you attempting to make GEDA the sole organization that will be assisting us because the change that was made or the amendment that was made gave us the flexibility on whether we want GEDA or not, based on whenever the Commission would like to decide that at one time but maybe in the future, they could determine different properties with GEDA or not?

**Commissioner A. Bordallo:** Only on the selected properties.

**Administrative Director J. Hattig, III:** Okay for the selected properties, thank you for that clarification, ma'am.

**Chairman J. Reyes, Jr.:** And just to be clear Director Hattig it's one or the other right? It's either the agency who will do the proposals the RFPs or we would designate a property to GEDA?

**Administrative Director J. Hattig, III:** Right. Yes, Sir.

**Chairman J. Reyes, Jr.:** Okay, I just want to make sure that's clear. So, Commissioner Bordallo, could you please restate your motion?

**Commissioner A. Bordallo:** I make the motion to \*inaudible\* Operating Procedure CHamoru Land Trust Commission Commercial leasing and that is on selected properties \*inaudible\* that have been awarded to GEDA.

**Chairman J. Reyes, Jr.:** Thank you Commissioner Bordallo. May I get a second on the motion?

**Commissioner A. Santos:** I second the motion.

**Chairman J. Reyes, Jr.:** Thank you. Any objections?

**Commissioner A. Bordallo:** None.

**Chairman J. Reyes, Jr.:** Alright, there are none. The motion passes. Thank you very much Commissioners thank you Director Hattig. Alright let's cover the last item on our Old Business Agenda and then we will move to take a quick ten-minute break so Director Hattig on the second item under Old Business please.

**Manja Nirvana/Pacific Human Resources Inc.**

**Administrative Director J. Hattig, III:** Thank you Mr. Chairman. So today we have representatives from Pacific Human Resource Service and Manja Nirvana who will be making an unsolicited commercial proposal to the trust. The packet had included both Pacific Human Resources Proposal and Manja Nirvana, it's my understanding that these companies are either doing business together or associated or the same company so I'll defer to Mr. Marcus Cepeda who is on and he is representing Pacific Human Resources and Manja Nirvana.

**Mr. M. Cepeda:** Good afternoon. Can everyone hear me? My name is Marcus Cepeda and \*inaudible\* business is we're a non-profit \*inaudible\* one of the board members the chair members and I just want to clarify that. Manja Nirvana is an exceptional company that \*inaudible\* if considered commercial lease so what I would like to do is on page one and two. We had submitted a proposal \*inaudible\* phase one, two and three. I'm going to just \*inaudible\* on phase one and two and if I could Jeff my partner who is one of my board members to pop out, he just had an emergency he had to leave, he's the general manager of Pacific Human Resource. So, what we initially proposed back in February of 2019 is \*inaudible\* training for lease applicants who are Land Trust who would like to operate curriculum where we would show the applicants how to set up a farm. So, you apply the regulations that the lease has for each applicant, so that was the initial proposal that we submitted back in February of 2019. We have now expanded since then, \*inaudible\* growth association \*inaudible\* House Association, we are proposing to help the homeless community. We've been working with Serve Guam along with other agencies that are supporting our plan. We submitted a plan, a business plan along with financials we are submitted applications for grants. I want to describe what the plan is. We would set up a ranch style facility with minivans which would be more like a mobile castle; you heard of the castle hotels in Japan or in South Korea. They're a similar concept where it's a unit where you would sleep, you have storage, you have drinking water, you have a refrigerator, you have solar panel for your electricity for you power. \*inaudible\* This unit would, you would be able to do ten units a week, right now units are available since the tourism business is on hold for now, we don't know how long hopefully not that long. But there's a lot of passenger vans available that are for sale between \$5000.00 (five thousand dollars) \$10,000.00 (ten thousand

dollars) the older models the 2010 about \$5000.00 (five thousand dollars) and the newer models about \$10,000.00 (ten thousand dollars) it takes about \$2000.00 (two thousand dollars) to do a renovation. So, this would solve the homeless problem that you have on Guam with the Homeless Community. \*inaudible\* other prospects or other proposals to build a hotel or a dormitory that would take several years and it would cost a lot more than five or ten thousand dollars a unit. So that's why we're seeking a commercial lease beside that we're interested in is the Oka Point site a half acre to an acre, we think that we can self-salvation since the units are going to be solar power, we don't need power since portable units for bathroom and shower are available from a \*inaudible\* we can get that, they are \$865.00 (eight hundred sixty-five dollars a month) we can use that until we can move forward with our grant money and build infrastructure. We can get this up and running very quickly in a month. It would take much \*inaudible\* this type of facility because everything is self-sufficient and is portable. Aside the lodging aspect of it, we also want to use the facility this property to a labor care which the homeless guest would have to work 4 to 5 hours a day to pay for their lodging. This is not a crash pad; this is not a place to go get drunk or high. You actually register through another non-profit following protocol that every other facility follows in order to register and be assigned a unit. It would work in this ranch environment style on the facility doing maintenance, we would be growing crops, we would be growing \*inaudible\* plants we would be propagating soil, we would be building houses, different types of retail agriculture products that we would sell to the community so that's how we would be self-sufficient. So, we would have grant money and we would have revenue coming in to take and be a part of the facility and maintain it. Along with that we will also offer daily labor to the community, contractors or just the community, if somebody needs a pressure washing, bush cutting, moving, cleaning, we will have a daily labor force available for the community. It'll simply be a scheduling, this is not anything new or any different parts of the United States, California, Las Vegas, Miami, Orlando, this is something that's already been in place, somebody needs a farmer, somebody needs an electrician you can call in and whoever is available and this will be for a lower \*inaudible\* they would be available, same concept we would charge like a \$10.00 (ten dollar) fee for the labor two thirds of that will go to the person working a third of that will go to the facility. So that's in a small nutshell the plan we have, Phase 1 and 2. In addition, to our plan our proposal I don't see my partner here, he had a payroll issue he had to address. Jeff \*inaudible\*.

**Mr. Jeff Vitkovitsky:** So Marcus has just discussed majority of the plan but we also want to make \*inaudible\* sustainable because we have applied for certain grants we need to align this plan with the grant requirements of what happens after you get the grant fund; how are you going to sustain it after that and then one of the grants that we are looking for to use is the \*inaudible\* and that's going to require that we align ourselves with other government agencies and funding provided to those agencies. So, an example would be, where we work with Department of Labor under their work experience programs maybe some of the homeless have never had a job or they're working in to an environment that's totally different. Let's say they were working in the food industry now they're doing the agriculture side. We are available to those funding through the Work Experience Program under the \*inaudible\* authorizations so that's probably further down in the plan but once we get participants in, we can utilize a program similar to that. If that person is a person with disabilities \*inaudible\* vocational program that is set up very much the same way and the benefit of this is also is that they are not working for free, they get an income it's a subsidized income until permanent placement of the work is done but they can \*inaudible\* because they don't have to worry

right now their homeless issues. There's a memorandum of understanding between \*inaudible\* and Guam Mass Transit currently working through the Guam Homeless Coalition that's going to allow for some transportation to their emergency needs \*inaudible\* things like that we would like to utilize that as well. So, it's not- although our main initial goal is to get \*inaudible\* but it's also to get them on their feet and build them into the workforce so that they can continue living \*inaudible\*.

**Mr. M. Cepeda:** I do want to add one more point. My back ground, I'm a Food and Beverage \*inaudible\* professional I've been in the business for 35 years I also train management, vocational training, \*inaudible\* I taught temporarily in colleges. Excuse me one second.

**Phone call interruption**

So, setting this type of facility I have the experience and back ground to do this as a Food and Beverage Hospitality Professional in the business for 35 years, working for corporate family style restaurants, \*inaudible\* more hotels in Los Angeles, I was the Food and Beverage Director at the Los Angeles Convention Center, I was director at Public Booths, I fed about a hundred thousand people a day sometimes thirty-five thousand people I had to feed in forty-five minutes. I was the Food and Beverage Director for Pacific Island Club, we feed about five thousand people per day, did a contract with the Outrigger Resort as a Food and Beverage Director and I've been self- employed for the last ten years so setting up this type of project we can do this. We have business plans for different phases, it's going to take different layers of this operation put together. Currently we have a pilot, let's call it a nursery in propagating in plants different types of species, propagating soil, green houses so different types agriculture products that we have so we're not starting off from scratch. I also have a proto-type van a minivan that I can present and I can bring in all the videos, photos or even the vehicle if you'd like to see it; I just want to mention that. I do want to turn this over to my other partner, Kyle Burns. Kyle are you there?

**Mr. Kyle Burns:** Yes, I'm here.

**Mr. M. Cepeda:** Okay and this would be a phase 5 into our operations. Kyle Burns?

**Mr. K. Burns:** Yeah, hi. Good evening everybody. I'm actually based in Tokyo Japan and the portion of the project that we would be involved in is really involving \*inaudible\* of homes. Essentially as you probably understand the concept of pre-fab homes that you go out there and you go to China and you buy these pre-fab homes, well we want to build a factory that actually build those home. So right now in terms of the industry goes, China has a deadlock on that industry, they're, and they're doing it very manually, their reliance has been on the last 20 years on manpower as supposed to sophisticated technology and what's happen over the last twenty years is that lots of technology, artificial intelligence, robotics and numerous other advances have been made that are now being employed in this sector \*inaudible\* significantly reduce the amount of laboring requirement to a more importantly being able to become a vital competitor to the China markets that are supplying pre-fab homes which is a very significant market. We're talking about somewhere in the fifty billion to a hundred-billion-dollar range is what right now what that market looks like in terms of \*inaudible\* so it's a pretty big market in which China enjoys 90% \*inaudible\* companies in Europe, Germany \*inaudible\* sort of coordination and I feel that there's so much that we can look at and \*inaudible\* have Guam be source for providing homes for stateside versus having to bring in from China so that will be where creating American jobs. We're also using the best of tech to deliver much faster much high quality and more than likely lower priced prefab homes, that's the general idea of what we want to move forward with.

**Mr. M. Cepeda:** Thank you, Kyle. Does anybody have any questions for Kyle or Jeff or myself?

**Chairman J. Reyes, Jr.:** First of all, thank you guys very much for the proposal. It's great to see what your phases look like and also \*inaudible\* the initial one that you brought to the table with the training. I think that's going \*inaudible\* right that's early 2020 and that's when the pandemic hit is the date that I see here, it's March so I appreciate that. I think my first question that \*inaudible\* my interest in on the ability to provide and outlet for our homeless to be able to get back on to their feet and not only getting on their feet but getting them started into not being homeless and collate on some of the skills that they have to serve our community. So, my question is we need more of a clarification is you said you wanted a piece of property \*inaudible\*?

**Mr. M. Cepeda:** Correct.

**Chairman J. Reyes, Jr.:** And how many of the \*inaudible\* and then how would you staff that? I'm going down the proposal \*inaudible\*.

**Mr. M. Cepeda:** Correct.

**Chairman J. Reyes, Jr.:** Can you \*inaudible\*, sir.

**Mr. M. Cepeda:** Sure, as I described the mobile capsule, we would buy different types of these minivans, passenger vans at fairly low price. We would have a budget for each unit to do a renovation. A lot of the materials are here in Guam at Home Depot, the Furniture Store the solar panels; I've been working with Guam Solar, they have the equipment that we need so we would have a timeline at about a month we can build 50 units. And with these units we would have a site map, a site map like a floorplan and with this floorplan would consist of not only where the unit would be parked and it would be a self-sufficient unit with solar or power and then we would have the portable bathrooms and sinks. We would land scape the facility like a botanical garden so the community that is going to be living there will take pride on where they live. It wouldn't be just kind of like a trailer or a van parked out in the jungle, it would be a place where we want to develop so eventually, we can invite the community to come and enjoy the facility. I spent 50 hours with UOG workshop with the Agriculture workshop with Professor Bob Barber and he had a great workshop training us how to use organic materials, natural resources, the types of different soils in Guam so I've taken that knowledge and made that into a skill type \*inaudible\* so that's something I'm going to be doing as a vocational trainee, not only with applicants that are looking to learn experience in farming but also in the facility itself along with communication skills and sanitation skills. So we think we can deliver 50 units in one month and we would have a floor plan just like a housing community. You have trails- we're bringing in tractors, we're not even going to disturb nature we want to live with nature we want to take care of nature the environment we want to be self-sufficient we want to be able to grow products that we can sell just kind of like in the past that's how industry \*inaudible\* in the west so similar concept. I think we can do this I think the participants that joined the camp are going to have to follow rules. We have a handbook that specifies rules, how we're going to live, what we're going to do, what time you're going to get up almost military style and I think that's important to have so you have consistency and everybody follows the plan and of course we also hold people accountable for not following the rules, it's important that we're consistent because we're dealing with a community that may have different issues that we cannot except, we have to be consistent with it, so that's how we would start.

**Chairman J. Reyes, Jr.:** Alright thank you. Commissioner Santos Commissioner Bordallo, any questions?

**Commissioner A. Bordallo:** No not for me.

**Commissioner A. Santos:** I'm not a, you said 50 units within a month to do? How many people could you fit in each unit? Would you be able to \*inaudible\*?

**Mr. M. Cepeda:** Every unit for one person.

**Commissioner A. Santos:** Just one person?

**Mr. M. Cepeda:** The bigger units, we think we can do like a mother and daughter or father and son; I think we can do. But the size like a minivan, it would be a 42-inch bed the cargo we can go up to about a full-size bed which is about 48 inches I think that with a small child and an adult that would fit.

**Commissioner A. Santos:** It's a good plan I appreciate with where you want to go with the whole program. You want to say it's a program, right. You said you work with different other non-profits? In your plan it states you're going to work with DYA or Mañelu Sanctuary \*inaudible\* Guam Homeless Coalition.

**Mr. M. Cepeda:** Correct. Yeah, the Guam Homeless Coalition we've been communicating, we're a member of the Guam Homeless Coalition so there would be other agencies also that would be involved for example for food serving we would not be preparing our own food we would have the food delivered, meal plans.

**Commissioner A. Santos:** I want to reference to I guess the Chairman and Director Hattig, are we wanting to make a decision today or \*inaudible\*?

**Administrative Director J. Hattig, III:** Not at this time Commissioner Santos. This is just an unsolicited proposal presented to the Board for you know just for \*inaudible\* purposes today and we would be able to ask questions. What I would like to recommend if I could Mr. Chairman maybe we can create a working group or a committee that would be able to explore this \*inaudible\* I'm very grateful for Mr. Cepeda, Mr. Burns, and Mr. Vitkovitsky's presentations but I think because of its phases the nature of its phases that we could commit sometime of the agency and the Commission to establish a committee that would really lay this out, lay the entire plan from start to finish, provide us with updates and then present it back to the Commission once it's been laid out. So that's something that I'd be willing to participate in especially since it involves a lot of cooperation with other instrumentalities other agencies other profits and really it really is a bold concept that I'm really grateful to have been present here in today's presentation but let's establish a working group an agricultural working group perhaps a working group that would sit and meet and meet with these presenters and really flesh out the terms in which we can consider, such a proposal a granting of a lease plus I have to get the Legal Counsel involve here too because the commercial leasing rules and regulations are very specific it requires us to set aside property for a commercial lease so if that is a request of Pacific Human Resources or Manja Nirvana or this organization then we're going to need to kind of let them know what the process would be in order for us to declare such a piece of land to be commercial. The last think I wanted to touch up on was the request for the property that Mr. Cepeda and they had provided was for Oka Point, as I've stated before when we talked in December about Oka Point; Oka Point is one of our and this is not to say anything bad about the presentation or any presentation. I feel like Oka Point is one of our pearls one of our opportunities for us to really perhaps set some financial self-sufficiency for the Trust in terms of a long period of time. So the property that Mr. Cepeda had requested is obviously a very lucrative property potentially and also the area of the map that was attached to his proposal was currently the area that has been set aside already by legislation for the shrine for the Naftan \*inaudible\* shrine. Although that area would have been good in terms of maybe according to Mr. Cepeda we would not be able to

really commit such a land area without first picking apart what exactly is going to occur there; you mentioned the 50 container or approximately those 50 homes that might set down, perhaps there are other pieces of property that we could suggest that might meet the condition the botanical conditions that were expressed in the proposal so really the working committee would be an opportunity for us to sit down and review that and lay that all out and really make a better determination and once we have all of those pieces in place then we can actually go to back to the Commission with exactly what we're proposing in terms of a commercial lease because as we've seen before Commercial leases are proposed in sort of like a systematic way according to Public Law 33-95 but this really attempts, it is a pioneer effort which might present some issues that we need to go over and flesh out during those working groups so again that's my recommendation Mr. Chairman after hearing such a great proposal from the three gentlemen is perhaps the Commission can set aside the establishment of a working group to examine the proposal and report back to the Commission at the soonest possible time.

**Mr. K. Burns:** Jack, may I ask you a question?

**Administrative Director J. Hattig, III:** Yes sir.

**Mr. K. Burns:** This is Kyle \*inaudible\* Jack, you talk about Oka Point being a very important property what is your ideal scenario that you envision might be something that you would want to see and this is the ideal scenario and putting aside the proposal that we had given you, I just want \*inaudible\* what you were sort of thinking is well to that proposal and you can just basically wave the magic wand; what would you like to, what kind of development would you like to see on that property?

**Administrative Director J. Hattig, III:** Well far be it for me, it's the Commission really, it's their guidance and their vision so I would kind of have to defer to the commissioners on what they would like to see because I work for them but ideally you know in my mind any proposal that would help transform the property because the property was used as a hospital before that's what it was used for before so any sort of transformative venture so that we could use it. I'll give you an example right now, Department of Public Works wanted to temporarily use a portion of this property as a staging area for the resurfacing of Chalan San Antonio and they were willing to talk about the potential for putting infrastructure into the property right along with that grant of entry so that's something that we were, that peaked my interest because putting infrastructure is a very costly endeavor whether for commercial or agricultural or residential so we were looking forward to something like that kind of transformative. So, if your proposal was going to include that kind of transformation then that would be something that personally I would like to listen too but I would defer any kind of actual decision making to the Commission obviously because it's under their guidance and establishment that would determine that.

**Mr. K. Burns:** Sure, that make sense. And just one final question, if terms of transformability is there any skill that you would basically lean towards; is it residential, is it commercial is industrial is there any particular skill that you have preference and I understand that you defer to the Commission but in your assessment at least your view and we'll wait for the Commission to give us their final view but it's just conversation to get a sense of what you're thinking is where would you lean towards?

**Administrative Director J. Hattig, III:** Well kind of difficult but I always kind my eye on the location and the property values in the area, where it's situated in terms of its situation and according to the industries that it affects. The tourism industry obviously we're waiting for that rebound and that will happen soon enough but I'm looking at the property values of this

area and they're kind of a guiding marker not only the guiding marker not the only guiding marker but this property is very valuable because of where it's situated on the \*inaudible\* so that's something that is a factor that we always listen too so that's something that I would always consider when we have these proposals coming forward is we have a property value for it what's the best way we can get a lot more for the Commission.

**Mr. K. Burns:** Right. So, would you say, that something residential would give you a better number because if industrial it's probably going to be at the lower end where with something residential is going to be something is going to be more at the higher end?

**Administrative Director J. Hattig, III:** Well, it's hard for me to say at this point. We have proposals that would be able to come in and you can't judge one versus the other based on its phase. So, it would be very hard for me to say it would almost be what the proposal would entail and what we're able to talk about.

**Mr. K. Burns:** Thank you very much Jack I appreciate that.

**Chairman J. Reyes, Jr.:** Thank you very much Mr. Burns for that question I think it's definitely something very good that you brought up and from the perspective of what's going to be best for that property and what's the most suitable. I think we are going to have to really look at what are the options and what its best suitable for and if the goal right now is diversification of industry outside of tourism, if the goal is to capitalize on anything that's technology right it doesn't really make sense for that piece of property so it's really considering what is more suitable and then also what is really going to benefit the Trust for our beneficiaries so in the end of the day, yes, there's a certain amount of land that's deemed commercial and we can do commercial but there's still also the constituents and the beneficiaries that we want to make sure that we can get them on to tracts of land to be able to flourish to be able to get them self-sustained where they finally have a piece of land and build a home on. So, I think it's the best that I heard most recently was, yes, money is an issue but we now need to figure out how do we diversify these availabilities of land and designate where's commercial and where's residential so it's going to be what's best suited.

**Mr. K. Burns:** Right, that makes perfect sense and I think and I was just sort of playing devil's advocate even against our own \*inaudible\* so I kind of look and say that if we can, there's a lot of high in the sky you can look at, even the industry is something that is questioned for is we don't even know how long it's going to take \*inaudible\* to rebound and even with the sign of the times are sort of like that still raises a lot of questions about vaccines and whether this is going to be effective or not so there's too many questions to really be able to kind of say \*inaudible\* what that industry is going to be but \*inaudible\* two elements there that's driving \*inaudible\* one of them is, if worst case scenario where to basically be what we're looking at and saying and the \*inaudible\* that the tourism is not going to snap back the way we expect it to, what are the alternative points that we have to look at? This doesn't mean that people won't be able to live there so one fall back would be residential with residential if done right could be a way because in that case you're not relying on tourism you're relying on a permanent situation where people have homes and if tourism does come back those home could be turned into rental \*inaudible\* something that would not have a \*inaudible\* and relatively decent reward for the investors involved so we'll sort of rethink and love to get your feedback once we get off this wall and certainly putting a commission together the \*inaudible\* we totally respect and appreciate that so we're happy to work with \*inaudible\* as a way as you see we do have few proposals different parties involved and I think whatever it is that might be most suitable can be adapted to identify the ideal situation. What we all want is the same thing. We want to have the people of Guam have jobs. We want

to be able to create an opportunity to fill the gap that right now is \*inaudible\* thirty percent (30%) of Guam has lost jobs because we've got an industry that was 1.7 billion dollars a year in revenue just pretty much went up in smoke so I think that we need to find a creative way to either replace that or find something that's going to help these people that don't have jobs. So that's really what the \*inaudible\* of this thinking is about.

**Chairman J. Reyes, Jr.:** Yes. Thank you. Director Hattig, I will let you take the lead in establishing a committee and work Mr. Cepeda and Mr. Burns and \*inaudible\* and we'll go from there. Commissioner Santos, Commissioner Bordallo any other questions?

**Commissioner A. Bordallo:** Not right now.

**Chairman J. Reyes, Jr.:** Alright. Thank you so much for your time Mr. Cepeda, Mr. Burns \*inaudible\* and we look forward to working with you further. We are now at the 3:00 p.m. mark we're going to take a quick ten-minute break a ten-minute recess. The current time is 3:03 p.m. we'll reconvene at 3:13 p.m. to move into our New Business. Thank you.

**Break 3:03 p.m. – Reconvene: 3:13 p.m.**

## **New Business**

### **Proposed Designation of Submerged Lands for Use**

**Administrative Director J. Hattig, III:** To the commissioners and it is a recommendation for the designation of all submerged lands within the CHamoru Land Trust inventory for agricultural, aquacultural and or commercial use. This proposal came about due to the request for commercial lease that GTA or Teleguam Holdings doing business as GTA had requested for a lease for submerged cable so in the discussions late 2020 there was a bill that was introduced in the Legislature that would have taken away or emanated the competitive bidding process so is to allow the for the Trust to negotiate for all of its commercial leases however this specific resolution deals with just submerged lands so we would recommend that the Commission direct the Agency if we can conduct public hearings on the proposal so that we can solicit public input before the designation of any lands for use under this resolution I would also like to ask for from the Legal Counsel at this point should the Commission adopt such a proposal and \*inaudible\* to the Legislature what would be the end product after the 60 days that was my main question with regards to this proposal but the resolution the draft resolution that you see here before you it just lays out the process by which the land can be designated so the public hearing process is laid out the submission to the Guam Legislature is laid out and it also provides should the Commission decide to approve it or move on it. It provides for the scheduling for those public hearing the specific dates and those can be agreed upon by the Commission at a later meeting but it just provides the framework for the process and we open up ourselves obviously from the Commissioners on the \*inaudible\* proposal.

**Chairman J. Reyes, Jr.:** Okay did you want Attorney Toft answer your clarification Director Hattig?

**Administrative Director J. Hattig, III:** Yes, sure please thank you.

**Legal Counsel N. Toft:** Under 21 GCA 75122, once we pass the resolution the Legislature has 60 days to review the resolution declaring the list of \*inaudible\* and can conduct public hearings on the lot list. We are not supposed to do any solicitations for any commercial leasing and licensing until those 60 days have lapse it doesn't say that their lease could be a

stamp of approval or any sort of affirmative action by the Legislature beyond that 60-day period.

**Administrative Director J. Hattig, III:** Thank you Mr. Legal Counsel and again, Mr. Chairman this is just a mechanism for the Trust to already designate these lands should any other proposals come forward such as GTA we do have other communication companies that are commercially licensed with us so potentially this could give us the opportunity to already have declared those lands to be commercial so that if any proposal comes before the Board, the Board can entertain it and we already have a land set aside we just need the particulars and then we can move forward with the process as it's written on 33-95. I also included separately though, I did include it and I sent it to the commissioners the inclusion of the legal opinion from the Attorney General Office with regards to submerged lands dated November 21<sup>st</sup> 1996 and I did send it via email so the commissioners would like to access it via email if it's not in their current packet but the available lands under the CHamoru Land Trust Commission and as a result of Public Law I believe it's 22-18 that was the initial law that reserved the properties inventory for the Trust and also I did include in the packet or in a separate inclusion was 48 USC Chapter 15 Subsection 1705 which was a conveyance of that land to the Government of Guam and the exceptions for the types of submerged lands by the US Government so those were \*inaudible\* supporting as documents that you can use to kind of guide in discussions for today.

**Chairman J. Reyes, Jr.:** Thank you Director Hattig. \*inaudible\* each have some time to ask some questions. Would any you like to begin first? Or I can begin.

**Commissioner A. Bordallo:** Go ahead and begin because I do have the documents with me.

**Chairman J. Reyes, Jr.:** So, Director Hattig just to be clear, the intent of this is just to be able to begin the process right in declaring the inventory of submerged lands to be use for agricultural, aquacultural commercial use, correct?

**Administrative Director J. Hattig, III:** Yes. Well 33-95 does not provide for the designation of residential or agricultural or aquacultural it does provide for the commercial use so we are using 33-95 to include that but we don't want to make any or at least I don't want to make any recommendation for any one or the other specifically because we don't know yet on the types of proposals that we're going to receive so if we already designate submerged lands which we can all agree that submerged lands can only be used for specific purposes we cannot do residential on submerged lands. We can do limited agriculture on submerged lands. We can do aquaculture on submerged lands and certainly we've seen commercial through the cabling station agreement that we have on submerged lands so that's why this is just an attempt to set aside that already and do what the public law requires of us to go ahead and preemptively set aside so that in the invent we have proposals in the future we've already designated it and we've already legal and lawful.

**Chairman J. Reyes, Jr.:** Okay so in \*inaudible\* go through the Legislature and they have 60 days to also conduct their own public hearings? \*Inaudible\* and when does the Agency or the Trust do their public hearings?

**Administrative Director J. Hattig, III:** Well, that is entirely up to Commission. The Commission can, before it adopts any kind of resolution it can direct the Agency to conduct public hearings and then I would put together the public hearing schedule and the dates the tentative dates because it's my understanding that probably want to do it virtual but just so that we could get as much public opinion as we can possibly get and I was proposing two separate virtual public hearings not including anything that the Commission might decide to do the format or the framework.

**Chairman J. Reyes, Jr.:** But I apologize for my confusion but is prior to giving the Legislature 60 days to conduct their own or is it \*inaudible\* I want to make sure we're clear with that.

**Administrative Director J. Hattig, III:** It's prior to, yeah. Basically, you would direct me to go ahead and conduct public hearings on this proposal and then I would conduct the public hearings in accordance with the Open Government law and all the other laws and then I would bring back to you all of the testimony. I would present all of the testimony to the Commission for review and then the Commission may adopt a resolution declaring or if it wants to and declare adopt the resolution to declare the lands to be agricultural aquacultural or commercial or it could be no action it depends on what the Commission would like to do at that point when it gets the information from the public hearings that we conduct and then after the resolution is passed after you adopt it then it's signed and sent to the legislature and then the sixty days for their public begins.

**Chairman J. Reyes, Jr.:** Okay I just want to make sure I understood that. Thank you so much. That's the only question I had in that \*inaudible\* Commissioner Bordallo?

**Commissioner A. Bordallo:** Yes, Director Hattig, do you have a list of designated submerged lands?

**Administrative Director J. Hattig, III:** Right now, what I can do because we don't have an inventory of submerged lands unfortunately because we, there are other lands adjacent to submerged lands that also fall under different departments of the Federal Government. What we can do is we can look back to the 22-18 legal opinion to establish exactly what those are but we don't have a list of areas. I couldn't tell you in Tumon we have submerged land here I couldn't tell you in Agat we have submerged lands I couldn't really tell you with any definitive because the definition of submerged lands which is really located in the Seashore Protection Act that part is the part that describes submerged lands so in my estimation in anywhere on Guam that is not already reserved belongs to the Trust in my opinion.

**Chairman J. Reyes, Jr.:** Anything else Commissioner Bordallo?

**Commissioner A. Bordallo:** Yeah, you know GTA had come before us requesting in Tamuning that's Agana Bay right.

**Administrative Director J. Hattig, III:** Not at the top of my head, I don't remember right now but we can certainly look back in the minutes where they appeared before the Board and try to provide that information. But I don't specifically recall.

**Commissioner A. Bordallo:** Did we \*inaudible\* I know it's somewhere between the Alupang and \*inaudible\*.

**Legal Counsel N. Toft:** \*inaudible\* it was right near yeah, the middle of Agana Bay basically coming in just on the side of Alupang island and we didn't take action on the time because we made the determination that they need to go through the commercial process or seek legislative resolution one of the two.

**Commissioner A. Bordallo:** I see. And you haven't heard from them?

**Legal Counsel N. Toft:** We spoke to them a few times and they decided to \*inaudible\* a legislative resolution I don't know how that's going. I haven't been following any sort of progress on that so this is kind of operating sort of independently from that not only potentially for them but also for potential future commercial lessees.

**Administrative Director J. Hattig, III:** I'm sorry Commissioner Bordallo I now know what you're talking about but I thought you said GPA, the power authority GPA.

**Commissioner A. Bordallo:** GTA.

**Administrative Director J. Hattig, III:** Yes of course I do remember, and Mr. Toft is right but I can report that there was a bill that was introduced to this that speaks to this. Mr. Chairman, did you want to address that or, because Commissioner Bordallo had asked about any progress?

**Chairman J. Reyes, Jr.:** Sure, it's out there on the \*inaudible\*.

**Administrative Director J. Hattig, III:** So a Bill was introduced in the Legislature and I believe it was already referred to committee but Bill 36-36 and that really would authorize the commercial lease between the Government of Guam and the Teleguam Holdings to be specific and it's found on the Legislature's website we recently were made aware of it and specifically the bill would authorize the Governor to enter into a commercial agreement with Teleguam Holdings for the cabling for a new cabling station so as I'm reading it right now I'm going to go ahead and share it with the Commission right now since it was brought up.

**Commissioner A. Bordallo:** Is that Teleguam doing business as GTA.

**Chairman J. Reyes, Jr.:** Director Hattig I think what we should do is as a Commission and let me \*inaudible\* direct it to Commissioner Santos and Commissioner Bordallo I think that the thing \*inaudible\* I think that the new law that was recently introduced we should keep that separate. I think what we should do as a Trust, Commission is to kind of put some of these operationalized the designation of these submerged lands so that again sans the GTA \*inaudible\* this new bill that's out there we have a guidance for future leases that we don't necessarily have designated that's kind of my thoughts on this and we can send you a copy of that bill but Attorney Toft is that something that we can keep at the side and I want to focus on...

**Commissioner A. Bordallo:** No, I just want to know what happened on that.

**Chairman J. Reyes, Jr.:** There was no action.

**Commissioner A. Bordallo:** Well, no action from us but they took the legislative route to get to where they are. So that's all I wanted to find out.

**Chairman J. Reyes, Jr.:** And that's kind of my point is I think it would behoove us to put some of these things and operationalize how we're going to work with submerged lands and key in agricultural, aquaculture and commercial etc.... but you put some of these in place so that we sans again the GTA with what's going on with them but more focused the future of these types of leases so that's kind of my thoughts and I just want to make sure that we kind of keep that separate as to what's going on.

**Administrative Director J. Hattig, III:** Yes sir.

**Chairman J. Reyes, Jr.:** Attorney Toft is there anything you want to add?

**Legal Counsel N. Toft:** Nothing further than that, no.

**Chairman J. Reyes, Jr.:** Because again we don't have any of these declared and I think it would really \*inaudible\* for the Commission to work on that and create not necessarily create but operationalize how we want to address this. Director Hattig any other, I'm sorry, Commissioner Santos any additional comments or questions on this?

**Commissioner A. Santos:** No Mr. Chairman not right now.

**Chairman J. Reyes, Jr.:** Director Hattig any additional insight or inputs?

**Administrative Director J. Hattig, III:** No Mr. Chairman.

**Chairman J. Reyes, Jr.:** So, could you lead us back on tract on what we're looking to do here, your recommendation.

**Administrative Director J. Hattig, III:** So, the recommendation of the Agency is to, like I explained would be to set aside these particular lands, the submerged lands to be available for agricultural, aquacultural or commercial lease so that when these proposals come through we

can better organize these proposals and present them without having to go through the public hearing process again later on down the line. So that's really a preemptive move on our part and that's the reason why we introduce this proposal.

**Chairman J. Reyes, Jr.:** And it actually \*inaudible\* by the Commission to initiate the public hearings in regard to these designations of lands?

**Administrative Director J. Hattig, III:** That's currently what I'm requesting is the guidance in terms of should we pursue the public hearings?

**Chairman J. Reyes, Jr.:** Commissioners?

**Commissioner A. Santos:** I think we should.

**Chairman J. Reyes, Jr.:** Alright so let's, I'll turn it to you \*inaudible\* additional questions in regard to the Director's recommendation and if you would like to proceed with making a motion. Commissioner Santos, would you like to make the motion?

**Commissioner A. Santos:** We're making the motion to present this resolution 2020-04?

**Administrative Director J. Hattig, III:** It's just a motion to approve the Agency to conduct public hearings with regards to the declaration and designation of all submerged lands within the CHamoru Land Trust inventory for agricultural, aquacultural or commercial lease.

**Commissioner A. Santos:** Okay so I make a motion to allow the CHamoru Land Trust conduct public hearings to be able to declare and designate...

**Administrative Director J. Hattig, III:** Just to conduct public hearings...

**Commissioner A. Santos:** I make a motion to allow the Commission, the CHamoru Land Trust Commission to conduct public hearings on the declaration and designation of all submerged lands within the CHamoru Land Trust inventory for agriculture, agricultural, aquacultural and or commercial use.

**Administrative Director J. Hattig, III:** Perfect.

**Chairman J. Reyes, Jr.:** Thank you Commissioner Santos. May I get a second on the motion?

**Commissioner A. Bordallo:** Yeah, I second it.

**Chairman J. Reyes, Jr.:** Thank you, Commissioner Bordallo. Are there any objections?

**Commissioner A. Bordallo:** None.

**Chairman J. Reyes, Jr.:** Alright. Hearing no objections and the motion passes. Thank you so much Commissioners. This would definitely \*inaudible\* move this along. Okay, Director Hattig with that said, moving on to our next item on the agenda. We have three more on New Business and I'll turn it over to you to \*inaudible\*

### **Unsolicited Commercial Proposal for Site Preparation – Hawaiian Rock Products**

**Administrative Director J. Hattig, III:** Thank you very much. I would like to welcome our guests from Hawaiian Rock Products. We have Mr. Jerrold Johnson, President of Hawaiian Rock and also Mr. Dan Swavely who are both on the call and I would yield to them for their proposal. Good Afternoon \*inaudible\*.

**Mr. Jerrold Johnson, Hawaiian Rock Products:** Good afternoon. We submitted a written proposal, but I'll read it Chairperson Reyes and Director Hattig \*inaudible\* thank you for the opportunity to discuss our unsolicited proposal for development and commercialization of CLTC Lot 5412 Mangilao. Hawaiian Rock Products submits this proposal under authority of Chapter 75 Title 21 Guam Code Annotated §75122 (c) (3) for the purpose of mass grading a portion of Lot 5412 in order to create a usable land form for CLT wholesale lots and or lease to Government of Guam agencies similar to the adjacent GPA/GWA Headquarters. In the

process of that mass grading aggregate will be generated and earned a royalty to the CHamoru Land Trust. As you know, Chapter 75 Title 21 GCA started as a Public Law 33-95 which was signed into law November 13<sup>th</sup> 2015 and commonly referred to as Rules and Regulations for Commercial Leasing of CLTC Properties; as we understand the process stipulated by \*inaudible\* after CLTC receives an unsolicited proposal the following steps are to occur: CLTC must determine where the Lot 5412 shall be used or \*inaudible\* for government center \*inaudible\* the acreage portion of Lot 5412 to be graded must be specifically designated by the CLTC as part of the not to exceed 9% of CLTC's land inventory but it is not required for leasing to CHamorus who are residential subsistence agriculture who or subsistence agriculture and therefore available for commercial leasing, note, however there's such 9% designation \*inaudible\* technically not necessary \*inaudible\* as much the end result as this lease for mass grading \*inaudible\* land form that will be subsequently returned to CLTC. CLTC must seek specific approval from the Guam Legislature for mineral extraction on the 60-acre portion of Lot 5412 be graded. CLTC will prepare the competitive request for proposals select and award \*inaudible\* to be the most responsible and responsive as defined in Guam's Procurement Law and to the requirements stipulated by the CLTC. Hawaiian Rock Products \*inaudible\* based on the final land form option selected by CLTC you may \*inaudible\* mass grading pads for homestead subdivision of approximately 40 lots and yielding approximately 2.6 million cubic yards of aggregate which in today's market would generate about more than a half a million dollars for the CLTC, or mass grade pads for homestead \*inaudible\* approximately 80 lots and yielding approximately 4.6 million cubic yards which in today's market rates would generate about \$8.0 million for CLTC, or mass graded to accommodate a new Government of Guam office buildings similar to the GPA/GWA headquarters site and possibly put a development as Land Management, Revenue and Taxation, Guam EPA yielding approximately 3.6 million cubic yards which in today's market \*inaudible\* generate about \$6.3 million for CLTC. Dan did we want to make a presentation on this? I believe we have prepared some sketched on the possible uses of the property I think \*inaudible\*.

**Mr. Dan Swavely, Hawaiian Rock Products:** Thank you. Our cost \*inaudible\* our proposal where we generally made this idea known to the Commission in the past you have most of the \*inaudible\* etc.... but at that time we weren't actually in this competitive RFP process. So, we were thinking at this point we have the unsolicited proposal on record for you to proceed with the next steps according to law but it might be a little untimely for us to start saying; here's what we're going to do for you when there are other competitive bidders out there. We know how sensitive competitive bidding is right now we just don't want to step on anybody's feet. So, for sure what those options would reflect in terms of Exhibits and \*inaudible\* pretty much what Jerry Johnson recited in his last paragraph about the 3 options of mass grading \*inaudible\* as well as the potential revenues you can generate for CLTC.

**Chairman J. Reyes, Jr.:** Thank you, Sir.

**Mr. J. Johnson:** If you don't mind, if I may add, we started on this idea over 20 years ago first presented to the CHamoru Land Trust and Dan and I started working on it I think in 2006 and at one time we did have license to go ahead and do survey work and the environmental and archeological work and it's kind of \*inaudible\* completed in our side but of course the public law \*inaudible\* and so that's where we are today and so we're ready to get on an RFP we're putting a proposal \*inaudible\*.

**Chairman J. Reyes, Jr.:** Okay. Director Hattig?

**Administrative Director J. Hattig, III:** Thank you again Jerry and Dan I appreciate that and thank you for your proposal. I just want to update the Commission on what some of the thinking was in terms of when Hawaiian Rock came to us for the initial proposal for a license to go in to do this particular project. We had talked to them, Mr. Joey Cruz and I about perhaps doing what's called what we call and RFP for professional services and attempting to \*inaudible\* because Public Law 33-95 is really difficult for us to establish any kind of Commercial Lease or License for the type of work that Hawaiian Rock is going to do. Eventually they're just going to return the land to us, it's not like your typical commercial lease or license. They're not going to be building anything on it, they're not going to be providing for anything permanent; they're doing a service really is what we're looking at in more so does this fall in the 33-95 and I'm glad to have Nick here saying that if we issued RFP for professional services which would be the grading of the topography of the area right and the preparation of this for the potential to lease a residential homes, residential plots, would that come under the 33-95 necessarily because that's something we can possibly entertain, the Commission could entertain and then of course would be the 33-95 to go through the competitive bidding process of course and all of that lease and license award versus would we able to still do competitive bidding but we would just be doing it for professional services and not necessary for anything else. Any comment on that Nick?

**Legal Counsel N. Toft:** I'd probably have to research that a little more to give you an exact answer on that. I know that the commercial rules did keep mineral and extraction inline so one of the sections says that; commercial use includes mineral extractions when specifically approved by the CLTC and the legislature and also with the appropriate regulatory \*inaudible\* I think it would have to and I will double research this but my gut is that it will still need a licensed to be on the land \*inaudible\* not a lease it would have to go through the Commercial process but again let me do more research on that to see what I can come up with.

**Chairman J. Reyes, Jr.:** Okay.

**Legal Counsel N. Toft:** And if that's the case we would first have to designate that lot as \*inaudible\*.

**Administrative Director J. Hattig, III:** \*Inaudible\*.

**Chairman J. Reyes, Jr.:** Thank you Attorney Toft. Director Hattig, anything else on that?

**Administrative Director J. Hattig:** No Mr. Chairman I look forward to continuing the good working relationship we have with Hawaiian Rock and we want to get to this as soon as possible. Obviously because with the addition with the Philippines and as far as the H2-B labor of course is a concern, we're now experiencing that opportunity to do that so it would be good for us to potentially strike while the iron is hot \*inaudible\* in this particular instance since we also have a shift in PCORS there's an opportunity to really to accomplish this and this goes kind of hand in hand with perhaps affordable housing, the development of affordable housing on areas that are already properly prepared for that, mass graded and prepared for it so it would be good for us to get that research and make sure that we could and we're back at where we were with submerged lands which you would consider directing us to do a public hearings on the declaration of Lot 5412 to be commercial so that's up to the Commission to decide.

**Chairman J. Reyes, Jr.:** Okay. Definitely Mr. Swavely and Mr. Johnson I appreciate your guys' time and interest and you know it is the approximate \*inaudible\* and the potential monies generated for the Commission is very attractive in that sense and that kind of where we find the opportunities so that we can get the revenues to be where it can supports our

residential and agriculture sites of the lease which is the larger parcels of lands and the potential of getting folks to a home and to have more farming opportunities and cultivating that so I really appreciate that and I think one of my questions that I do have is obviously sans the additional research Attorney Toft will be doing in regarding the type of license versus lease versus Director Hattig's \*inaudible\* services. The approximation on how did you guys come to that number \*inaudible\* 40 versus 80 homestead lots and what the \*inaudible\* is that just based on the size of the property and when you get to a certain point it's not going to yield \*inaudible\* how does that work? It's more for educational purposes for me when it comes to aggregate.

**Mr. J. Johnson:** Actually Sir we've worked on the \*inaudible\* and submitted a couple of proposed grading plans and \*inaudible\* calculations as to how much it would generate \*inaudible\* going rate for the material right now is about \$1.50 a cubic yard up to \$1.75 and so \*inaudible\* those numbers a little bit higher based on the \*inaudible\* is going up every day so it'll be a little better number but again that would part of the RFP with the companies that put in the proposal would be willing to pay. There's a lot of work to be done to remove the material, it takes a lot of equipment and processing and handling and hauling to our assisting facility to put it into products but so there's a big investment in equipment that there's only a few companies on island that have the equipment to do it but so you would probably only get a few proposals but who knows maybe there are other companies that want to come in and put proposals on it but if we can get the \*inaudible\* bid which as the Director said, it would be \*inaudible\* it takes too long I mean our company is looking for private land too at the same time and so if we can get private land and then the government would lose the opportunity to benefit from the grading and royalties and everything so the sooner we do this the better because \*inaudible\* over the next five years is going to be like we're \*inaudible\*.

**Chairman J. Reyes, Jr.:** Yes. Understood thank you sir. That's the only question I had. Commissioner Santos, Commissioner Bordallo any additional question for Mr. Swavely or Mr. Johnson.

**Commissioner A. Bordallo:** No. Not right now but I'm familiar with what they do.

**Commissioner A. Santos:** Not right now for me. I just want to go over this and \*inaudible\*.

**Chairman J. Reyes, Jr.:** Director Hattig back to you.

**Administrative Director J. Hattig, III:** Mr. Chairman if we can recognize Mr. Swavely for one final point before, he goes.

**Chairman J. Reyes, Jr.:** Yes.

**Mr. D. Swavely:** Thank you. I would ask that the Commission move ahead with the next two steps which are designating this lot as part of your 9% since it's already available for commercial leasing and you're requesting the legislature for approval to \*inaudible\* the aggregate as much as \*inaudible\* those are just steps are going to be required whether Attorney Toft figures out it to be \*inaudible\* contract or going out for competitive bid and that way we can kind of move ahead concurrently with those two timelines.

**Administrative Director J. Hattig, III:** Thank you sir. In closing, it's a very good opportunity obviously Mr. Chairman that requires a lot of thought and generally I support any project that would benefit the Commission and we are at the opportunity of trying to become financially solvent and this could potentially if managed correctly and packaged correctly as you indicated and going through the process it could \*inaudible\* really for an opportunity for us to make an impact in 2021 on perhaps bringing in infrastructure into the area in preparation for the issuance of commercial leases. It's also possible operationally this could affect us operationally where we could have a government building of our own where we wouldn't be

renting anymore so obviously there are a lot of things tied into this proposal that make it very attractive but the bottom line is what would benefit the trust and its constituency so that it can continue to offer these opportunities for these companies to really experience that in the construction world that's happening. That's what I have in closing and I await the Commission's determination.

**Chairman J. Reyes, Jr.:** Alright. Thank you, Mr. Swavely and Mr. Johnson, for your time today. We will take that into consideration. We monthly and we will start making those decisions in coordination with the agency. Mr. Hattig, next up in the agenda

### **Unsolicited Commercial Proposal for Affordable Housing – Base Corporation**

**Administrative Director J. Hattig, III:** Mr. Chairman we do have another unsolicited proposal but I'm going to have to ask Joey at this time if we have any representatives from Base Corporation?

**Program Coordinator III Joey Cruz:** No sir.

**Administrative Director J. Hattig, III:** Okay so without that we just have the presentation that was presented the proposal for discussion so I will be here to answer any questions if I can with regards to Base Corporation proposals for the building of Affordable Housing on CLTC properties.

**Chairman J. Reyes, Jr.:** Thank you for that Director Hattig and I did review their proposal and I was hoping that they would be here to present on this a little bit more it does look like a very attractive \*inaudible\* but if sans their presence and present to the Commission I'm okay to move forward on the next item on the agenda unless the Commissioners have additional questions.

**Commissioner A. Santos:** Not for me right now Mr. Chairman.

**Commissioner A. Bordallo:** We can postpone it.

**Administrative Director J. Hattig, III:** If I can Mr. Chairman before we move on if I can report one issue or one related topic?

**Chairman J. Reyes, Jr.:** Sure, go ahead.

**Administrative Director J. Hattig, III:** We always have meetings with the Guam Housing Corporation and we had a meeting with them to discuss and their inquiry was more about how are we going to be able to move forward to assist them in increasing their lending portfolio so they are currently right now one of the only lending institutions that lends to Land Trust lessees so they want to increase the numbers of loans that they could possibly give to Land Trust lessees and we provided them with information on people who are already authorized a lease so they are going to be contacting those individuals and getting some of their financial information to see if they can prequalify and they'll be able to give us a list of people that have already been approved for a lease of those who prequalify so that we can engage with them in finding a property for them for a home so this is tied into this because now we have a proposal that really would allow the building of homes and then really for us to be \*inaudible\* the home or to be in the process of trying to find financing for our lessees. One of the obstacles though is the amounts that are approved that are approved by Guam Housing Corporation and the proposed prices by Base Corporation they don't really add up right now so it's to say that a person who would be approved for a loan would probably not be able to be approved for the amount that is being proposed for the amount that is approved by Base Corporation so we wanted to talk to Base Corporation to see if they could augment the design of the home perhaps going into two-bedroom and three-bedroom instead of going into four-

bedroom homes so that it would lower the price of construction therefor lowering the price of the loan so that people could qualify also maybe talk to them about the types of construction materials that they're using to fabricate the home. Maybe we can save cost, find a way to save cost so that the people that do qualify for the Guam Housing Corporation low interest mortgage can really avail themselves of this opportunity so basically we could swap people who could afford it who could pay it back who could be prequalified with these homes wherever we're going to put them potentially so if this would be an opportunity for us to link up these two measures so this postponement would give us to work with Base Corporation and provide the Commission with that updated information together with Guam Housing Corporation so as you know we're trying to expand we're trying to look at expanding additional lending institutions to become to lend to our lease holders or to our applicants that is a little bit further down the road but working with what we have right now with Guam Housing and potentially the Veterans Affairs, the USVA loan, veterans could probably be lined up for an affordable home like this and the VA loan is the threshold for lending is much higher because it's not a low to middle income program you can qualify for of course for \$500,000.00 (five hundred thousand dollars) so maybe making sure that we communicate with Base Corp. and the VA we can line up veterans our lessees that qualify at veteran status into this program and into these lots and then we would have to also find out Mr. Chairman because not all of our properties are ready for affordable homes to be built on them. We would need to develop those properties into similar to what we heard from Hawaiian Rock; how do we grade an area that is topographically challenging. How do we mass grade it and level it out and make sure that we could use it for residential purposes so we would have to go in to that eventually because not all of our lots are designed that way, we have master plans some residential and you'll be receiving if you haven't already received the table top master plan maps for residential and agricultural so this can give the Commission an idea of where it wants to go? When I first suggested the formulation of committees this would be an excellent opportunity to formulate a committee within the Commission to really emphasize this and plan it out so that when we get these proposals back, we don't have to come back to the table, we have all the information that we need and perhaps give the Commission enough time to make a decision.

**Chairman J. Reyes, Jr.:** And so, to add to that. Director Hattig thank you for providing additional insights especially \*inaudible\* properties but are there already designated areas to be able to put these types of tract in inventory today?

**Administrative Director J. Hattig, III:** I wouldn't say that there's a designated area at this point we're conducting the land inventory like I reported to the Commission and we're trying to figure out exactly what the plans were back then about where to put leases, certain people have been issued agricultural leases certain people have been issued residential leases within the same tract so trying to figure that out trying to get a report back to the Commission was nearly impossible during the Pandemic Condition of Readiness 1 but now that we're in PCOR 2 we can continue with our land inventory and provide you with the information tract by tract because that's really what the land inventory is, it's a tract by tract research on what is currently existing out there because things have changed because of the initial inception of the Trust and the issuance of these leases through the years that we've experienced in our early case pre-occupiers that are setting up or illegal occupiers that are setting up shop out there so it's kind of connected it's all connected but currently right now we don't have a designated area parse for just for just a residential. We can provide you with subdivision masterplans that we have an idea of which tract we wanted to put those residential or those agricultural

subdivisions in but we haven't designated and the Commission hasn't designated anything to that effect yet.

**Chairman J. Reyes, Jr.:** Now I understand the difference. Thank you. Commissioner Bordallo or Commissioner Santos any additional questions?

**Commissioner A. Bordallo:** Yeah. Would you have to put out an RFP to do this?

**Administrative Director J. Hattig, III:** In my opinion if we would need to issue a lease for any reason or a license for any reason then we would have to go through the RFP process and that's why I have the question of professional services whether we could enter into different types of contractual agreements other than licenses or leases because this proposal is just for the construction of homes. It's not for the grading and clearing or site preparations. I don't know to the extent and we'll have to speak with Base Corporation that's why I was hoping they'll be here today on whether they would be doing the site prep already initially for this but potentially if it were just for construction. It's not a commercial venture they're building homes for residential use I would argue that but again, I would defer to Legal Counsel on what types of contractual agreements fall within the commercial process.

**Commissioner A. Bordallo:** Well, we only identify the tract according to their letter.

**Administrative Director J. Hattig, III:** Right. Tract 10123 I believe, and I know we have Pierce and Mel- which tract is this? And there's Joey.

**Program Coordinator III J. Cruz:** That's right. Right in front of Paradise Meadows right across GAIN.

**Administrative Director J. Hattig, III:** And I believe if I'm not mistaken, we've set aside that property is that being managed Joey under GEDA?

**Program Coordinator III J. Cruz:** I'll need to double check sir.

**Administrative Director J. Hattig, III:** We've \*inaudible\* as a commercial property and maybe under the management of GEDA because I know initially that's what they were thinking was, assign it as commercial property so we can get someone to build for us but then turn around and they would be building homes so that we can turn around lease the property out as residential rather than commercial. We would have to check Commissioner Bordallo on whether the tract that they're proposing was already designated.

**Commissioner A. Bordallo:** And then the contractor's license, is there a specific thing on the license this removal of hazardous waste?

**Administrative Director J. Hattig, III:** And that's why we wanted Base Corporation to be here so we can answer those questions.

**Chairman J. Reyes, Jr.:** Anything else Commissioner Bordallo?

**Commissioner A. Bordallo:** That's all.

**Chairman J. Reyes, Jr.:** Alright so we'll go ahead and postpone further conversation on this \*inaudible\*.

**Administrative Director J. Hattig, III:** Yes Sir.

### **Proposed Public Improvement Commercial License – Global Recycling**

**Chairman J. Reyes, Jr.:** On the fourth item on the agenda on New Business, Public Improvement Commercial License with Global Recycling. Director Hattig?

**Administrative Director J. Hattig, III:** Thank you Mr. Chairman. I included in the packet was the initial proposed license agreement between CHamoru Land Trust Commission and Global Recycling. As I indicated to the Commission and prior meetings with conversations with the Chairman, currently right now Global Recycling Incorporated is occupying and

doing business on Chalan Batulo in Dededo and they have no contractual agreement currently right now with the Trust and they have previous authorizations from previous directors to continue to occupy and conduct activity on the property and they use those authorizations to obtain permitting from EPA and from other necessary permitting agencies \*inaudible\* and also to get a business license. So right now, the Trust had entertained a proposal of a public improvement license and this type of license will be allowable under Public Law 33-95 and basically, we had negotiated the terms and the Commission actually approved the terms of the public improvement license with Global but when the pandemic hit, we were attempting to finalize the license with Global. Global had indicated that it wanted to review the agreement that was approved by the Commission and it would also a pause right now currently because of the pandemic and its effect of its business and so we had gone ahead and tried to communicate. I know Joey has dozens of emails with Global on what their response was. We had tried to get them to initiate the survey, I mean I'm sorry the appraisal of the property because within the license agreement we had stipulated that appraisals would be conducted by the potential licensor, I'm sorry the potential licensee to find out what the fair market value was because the rate is going to be based on that the rental rate and all the other rates were going to be based on the fair market value so we have not gotten positive feedback from them so we're requesting that the Commission authorize the agency to bring Global back to the table and to resolve the contractual agreement that it had approved last year in 2020 and one of the ways that it could do that is issue a letter plainly stating the reentrance into negotiations on the license agreement another one which would be I don't necessarily advocate this would be another cease and desist letter so that we can come to a contractual agreement but I'm necessarily in favor of that but I would like Global to reengage with us so that we can finalize this deal. I think that the main obstacle was the rental cost. What the rental cost was actually going to be and the license agreement, the public improvement license agreement \*inaudible\* a portion of the rental would be based upon the acceptance of a certain amount of tonnage of junk cars to be allocated by the mayors, by the Mayors Council. So, we were supposed to agree with a certain amount of tonnage based on their financial documents so we had requested financial documents from them. Joey have we received any financial documents from Global?

**Program Coordinator III J. Cruz:** Sir we received some financial statements from last year.

**Administrative Director J. Hattig, III:** Is that from 2020 or 2019?

**Program Coordinator III J. Cruz:** I believe its 2019 the 2020 financial statements are not \*inaudible\*.

**Administrative Director J. Hattig, III:** So, we basically asked them for their financials so we can assist in determining what that percentage of tonnage is going to be and then we can make it a part of the rental rate. So, I hope I explained it enough that a portion of the rental rate would a portion of what they would be able to take from the mayors \*inaudible\* for free not a cost but for free and the other portion would be the rental the rental that they're going to pay. We had attempted to negotiate, and I think that is what \*inaudible\* where request for a \*inaudible\* and for them to take a look at it buy we would like for them to come back to the table and let us know exactly what they you know they had ample time and I believe my last communication with them was six months ago or maybe even prior to that.

**Chairman J. Reyes, Jr.:** I have questions but Commissioner Santos or Commissioner Bordallo would you like to begin or...

**Commissioner A. Bordallo:** \*inaudible\*.

**Administrative Director J. Hattig, III:** \*inaudible\* a map?

**Commissioner A. Bordallo:** No what I want to know is, were you guys able to \*inaudible\* meaning see him in person instead of calling?

**Administrative Director J. Hattig, III:** From the last time \*inaudible\* we were trying to set up a meeting the last the time I believe \*inaudible\*.

**Commissioner A. Bordallo:** Mr. Chiu?

**Administrative Director J. Hattig, III:** The last time we were able to physically meet with Global was June of 2020. We had a meeting on June 15<sup>th</sup> but Joey can really comment on his communication with Global \*inaudible\*.

**Chairman J. Reyes, Jr.:** That was in person correct?

**Administrative Director J. Hattig, III:** That was the last in person meeting that we had scheduled, there was one in March and there was one in June.

**Chairman J. Reyes, Jr.:** \*Inaudible\*.

**Program Coordinator III J. Cruz:** \*Inaudible\*.

**Chairman J. Reyes, Jr.:** Commissioner Bordallo do you have any other questions?

**Commissioner A. Santos:** I do have a question for the record whenever she gets back on.

(Pause due to internet latency)

**Commissioner A. Santos:** Director I guess if she didn't have any questions where you were saying how you could have better explained it or if you explained it well enough; what were you talking about? Were you talking about how much they're going to pay for their lease, what were you....?

**Administrative Director J. Hattig, III:** Yeah, it would be a combination, the rental what they were going to pay for the license it was a combination of the rental fee and what we're going to take into consideration of tonnage that they will be willing to accept every quarter free so that that can replace the initial the entire cost of the rental.

**Commissioner A. Santos:** But wait, so what are they going to be taking?

**Administrative Director J. Hattig, III:** Junk cars.

**Commissioner A. Santos:** What do they use the junk cars, do you know what they do with the junk cars that they cut?

**Administrative Director J. Hattig, III:** Well, it's a recycling center so they process junk metal and they ship it off island.

**Chairman J. Reyes, Jr.:** Director and Commissioner I just want to say save that thought for Commissioner Bordallo to get back on

(Pause)

**Administrative Director J. Hattig, III:** Mr. Chairman and Commissioner Santos I was trying to attempt to call Commissioner Bordallo, but I did not get a response so...

**Commissioner A. Santos:** Maybe it's the internet, it is a possibility.

**Administrative Director J. Hattig, III:** I guess I would like to ask Nick, going on further here can there be any more discussion just no decision making I guess in the terms of we don't exactly have a quorum right now?

**Legal Counsel N. Toft:** Correct.

**Chairman J. Reyes, Jr.:** Okay. Commissioner Santos you want to continue your discussion?

**Commissioner A. Santos:** We're talking about the Global Recycling Inc., right, that's all we're talking about.

**Chairman J. Reyes, Jr.:** I agree. \*inaudible\* proceed with the Global Recycling until \*inaudible\* Saina Bordallo gets back.

**Administrative Director J. Hattig, III:** So to answer your question directly Commissioner Santos, Global Recycling is pretty much a process a large processing of metal so primarily junk cars, scrap metals and perhaps even white goods, they do not process tires from what I understand that's a different a completely different product but they are the largest from my knowledge they are the largest scrap metal that we have here on island and they are used primarily by the Mayors Council whenever the Mayors Council has their purchase orders for the removal of junk cars from properties. So, they organize that and they take it all to Global Recycling and they turn in their purchase orders and that's how they pay Global Recycling to take care of the metal. Global Recycling crushes it, processes it and then prepares it for shipping off island and so what we wanted to do like I said is we wanted to say okay you're providing that service to the community, that kind of public improvement should be taken into consideration when talking about and...

(Commissioner Bordallo returns)

**Administrative Director J. Hattig, III:** So that should be taken into consideration. We had numerous letters of support from the Mayors and the Mayors Council of Guam for the services that Global provides to our Community so we took that into consideration and we utilized PL 33-95 - Nic, can you cite again the subsection that we used?

**Legal Counsel N. Toft:** I have to \*inaudible\*.

**Commissioner A. Santos:** Public Law 33-95 is what you're talking about?

**Administrative Director J. Hattig, III:** Yes, but its 21GCA Chapter 75 I think it's §75107 (c) (1).

**Legal Counsel N. Toft:** Yeah, that sounds right.

**Administrative Director J. Hattig, III:** Yeah, that's the section that we utilized in the GCA to authorize a public improvement license to Global. The Commission considered all the factors in I believe in 2019. They considered all the factors including Global they had a bailing agreement with Koku Recycling initially and they also made an initial payment of a \$100,000.00 (one hundred thousand dollars) to the Commission so the Commission took that into consideration when proposing this public improvement license and then in the final analysis we wanted to negotiate with Global to say okay, instead of paying a flat rate which would be not less than ten percent (10%) of appraised or the fair market value, why don't we do the appraisal and find out the fair market value and then a portion of the payment would be the rental agreement and then to make up for the not less than ten percent (10%) would be whatever they're going to take for free every quarter. So, I hope that make sense in terms of explanation but basically instead of paying us the whole fee they would pay us a combination of the fee and services in kind basically I guess you could say that.

**Commissioner A. Bordallo:** Well, how much were they paying before?

**Administrative Director J. Hattig, III:** I'll have to defer to Joey on how much they made payment I really wasn't here yet.

**Commissioner A. Bordallo:** How much per month before?

**Program Coordinator III J. Cruz:** Commissioner Bordallo and Mr. Hattig the only payment that I could recall that was made was a \$100,000.00 (one hundred thousand dollars) but they've been utilizing the property for many years through a use agreement which doesn't contractually obligate them to make any type of monthly or annual lease payment because

they don't have a lease. Initially they were brought in by Koku Recycling \*inaudible\*. Koku Recycling was the company who was authorize to utilize that area but in return they were supposed to have cleaned \*inaudible\* but the only payment they made was the hundred-thousand-dollar payment.

**Commissioner A. Bordallo:** How long ago, Joey?

**Program Coordinator III J. Cruz:** Hold on let me just pull that up. I want to say maybe it was the time during Mr. Mafnas's time, Monte Mafnas when he was the Director of CHamoru Land Trust. 2012.

**Administrative Director J. Hattig, III:** I just wanted to add also that it came out during the Commission meetings that Global was informed that there was, the rules and regulations were being undertaken for the commercial leasing and that when the commercial leasing rules and regulations the Land Trust would be contacting Global to come into some kind of contractual agreement but I don't know what happened though whether my predecessors or anybody before me ever contacted Global when 33-95 was finally enacted to get to that so we fast-forward to 2019 when I came on board and when we found out that there was indeed no contractual obligation then this all came about.

**Commissioner A. Santos:** When was the last time that they ever stepped foot into a meeting with the Commission?

**Administrative Director J. Hattig, III:** Commissioner, I would have to look back into the minutes to tell you the truth I don't have that information with me right now.

**Commissioner A. Santos:** I have one question, was this the company that they had issues with where they were, either they were trying to present a check for rent or somebody else was paying for them, is this Global Recycling that company? Do you guys recall that?

**Program Coordinator III J. Cruz:** Yes, I do. And that was the board meeting of I believe September 15 of 2011 was when the check was submitted to the Commission of a hundred thousand dollars or in the amount of a hundred thousand dollars.

**Commissioner A. Santos:** Joe, what was the whole thing on that one?

**Program Coordinator III J. Cruz:** From what I can recall was that prior to Mr. Mafnas \*inaudible\* Global Recycling was issued a use agreement on May 2<sup>nd</sup>, 2006 Administrative Director \*inaudible\* issued a letter \*inaudible\* with conditions on June 19, 2006 Mr. Elliott gave authorization to occupy and proceed with the remaining development and operations and maintenance of the recycling facilities and then from there the use agreement just kept renewing. I stand corrected the use agreement did not have an end date but later I believe the last one that was issued was by Mr. Mike Borja that I can recall.

**Commissioner A. Santos:** Mr. Chairman there's three of us in this Commission, there's so many questions I want to ask regarding where we are, or considering giving them a cut or break in their fee their lease fee because they're providing a service to the government that's one. Secondly is they don't have a contract, am I correct? We don't have a contract with them we just keep extending and extending when is going to, when are we going to bind this and solidify it.

**Administrative Director J. Hattig, III:** \*inaudible\* one thing Commissioner Santos is that I know it seems like Global is providing a service to, they are but remember that's at cost. We're paying Global to take our junk cars it's not something that they're providing for as a result of in-kind service prior but we recognize that they're the only ones that do it at that time they were the only ones that do it they were the largest ones that do it we needed it because we have so much junk cars the junk cars situation was really bad so we tried to come up with a way to think outside the box where they could in exchange for using the property for being

there they would pay the small fee plus they would take some services in-kind every quarter so that that way we could justify that they were doing it as a public improvement.

**Commissioner A. Santos:** Okay.

**Chairman J. Reyes, Jr.:** I did have one question to Commissioner Santos's point we know today that they are operating their gates are open and they're operational?

**Administrative Director J. Hattig, III:** Yes.

**Chairman J. Reyes, Jr.:** I mean I think it's gone on long enough the way I feel and we've only gotten one lump sum payment whenever that may have been but Director Hattig what do we do from here, right? If you've not gone in, I mean is it not part of protocol to just go in and pay them a visit and because, what is your recommendation of what we should do?

**Administrative Director J. Hattig, III:** Well as I've said before my recommendation is the issuance of an official letter I seek guidance from the Commission here because I believe that I have done all that I can do at this point in terms of what my authority is as Director. I do seek for some kind of contractual agreement so we have the framework for one they do know we gave it to them they do have the terms so I just want to bring them back to the table so I would suggest a letter an official letter directing them to reengage with us for the purposes of finalizing some kind of contractual agreement that's kind of like the lesser of what we could do the least restricted of what we could do and then if that entails a visit to them then I would definitely do that I would go to the premises and conduct a site inspection and an interview with them and a personal appeal to return to the negotiating table for this. The more extreme action that could be taken would be to issue a cease-and-desist letter and then that would definitely force them to come back to the table. So, there's really two methods on how we could go about this and I'm in favor of the former not the latter.

**Chairman J. Reyes, Jr.:** Director Hattig has a cease and desist ever been delivered or...

**Administrative Director J. Hattig, III:** Yes, we issued them one. We issued them one already when we first discovered this, I believe it was in 2019.

**Chairman J. Reyes, Jr.:** Okay so obviously that didn't work.

**Administrative Director J. Hattig, III:** Well, we thought it worked because we got them to the table and we were able to discuss...

**Chairman J. Reyes, Jr.:** I didn't work in the sense that even if we got them to the table we are still at this juncture and then I'm just kind of *\*inaudible\** I mean I don't think a cease and desist is going to be too abrupt because they've gotten one already before *\*inaudible\** unless you take a letter and hand deliver it. Is that going to help solve our issue to get them to the table? *\*Inaudible\** It's been a while, so I think there's definitely a benefit for keeping them operation for our island and *\*inaudible\** and mutual benefits that is there but we've got to have something in place we've got to put things in *\*inaudible\** contractual agreement. So, I'm more opt to select the cease and desist if that's what it took to get them to the table then that's what it will take to get them to the table again. That's my thoughts but I'll also defer obviously to the Commission. Any additional thought on that?

**Commissioner A. Bordallo:** I have a question. It was just... it stood in my mind. Don't worry I'll come back to it.

**Chairman J. Reyes, Jr.:** No worries, Saina. Commissioner Santos, any additional thoughts?

**Commissioner A. Santos:** None. I don't have anything sir.

**Administrative Director J. Hattig, III:** Could I ask Mr. Chairman that maybe we could have Mr. Toft maybe he can tell us what we could possibly do because he's well aware of the situation and he could give us some insight too.

**Legal Counsel N. Toft:** I mean maybe just a letter that has an ultimatum in it more than a cease and desist. Just say, hey, you know we have this agreement that's supposed to be finalized but we need action from you so if we don't hear from you by such and such, a. we'll issue a cease and desist something like that.

**Chairman J. Reyes, Jr.:** Okay that's a good happy medium.

**Commissioner A. Bordallo:** That's good.

**Administrative Director J. Hattig, III:** And maybe we could just do this in conjunction with the site visit Mr. Chairman as Commissioner Bordallo had said, get our boots on the ground again over there and let them know that we are very serious about it so not only will we hand deliver it but we will conduct a site inspection of the property since it is clearly CHamoru Land Trust property we can do that and the last site visit that we did was around the time prior to the pandemic so we're here to also discuss with them exactly how has the pandemic as effected and we'll take it from there, yes?

**Commissioner A. Bordallo:** I have another question. You know on your auto registration, is there a fee that we pay for disposal of cars?

**Administrative Director J. Hattig, III:** Yes, it goes into the Recycling Revolving Fund from what I understand from what I understand that fee but there is a fee for junk car removal and that's where it's supposed to generate that \$1.3 million, I think annually from the revenues generated from the people who register their automobiles.

**Commissioner A. Bordallo:** Does Guam Recycling get payment Government of Guam from that?

**Administrative Director J. Hattig, III:** From the mayors principally from the Mayors Counsel of Guam or from the individual mayors yes.

**Chairman J. Reyes, Jr.:** They are the ones who extend those funds?

**Administrative Director J. Hattig, III:** Right.

**Commissioner A. Bordallo:** But it's not to dispose?

**Administrative Director J. Hattig, III:** To my knowledge it's specifically for that. To take the cars Global to remove them and process them.

**Chairman J. Reyes, Jr.:** Commissioner Bordallo anything else on that?

**Commissioner A. Bordallo:** No, I just like to question things. Just move on with what the Attorney asked and Director Hattig...

**Chairman J. Reyes, Jr.:** Yeah, I agree with that.

**Commissioner A. Santos:** I don't think that requires a motion right it's just a decision and it's....

**Chairman J. Reyes, Jr.:** Guidance. Is that right Attorney Toft?

**Legal Counsel N. Toft:** That's correct.

**Chairman J. Reyes, Jr.:** Okay. Thank you, Joey and Director Hattig, for your insight to that and please keep us updated on the progress. Alright, moving right along any additional dialog on this, on our New Business? Anybody? Okay moving on to our Financial Reports

## **Financial Report**

**Chairman J. Reyes, Jr.:** Would that be you Mr. Cruz or Director Hattig?

**Administrative Director J. Hattig, III:** That would be Joey Mr. Chairman.

**Program Coordinator III J. Cruz:** Just to give everybody an update the Commission has submitted our FY2022 Budget Request. I emailed the Commission members copies of two types of documents. One is our Budget Digest and our BBMR 96A Form. The budget request

for CHamoru Land Trust for FY2022 is \$1,402, 784.99 (one million four hundred two thousand seven hundred eighty-four dollars). Please be advised that this amount does not include any type of recruitment. If you pull up the Budget Digest Form and go to page two.

**Chairman J. Reyes, Jr.:** Is that one \*inaudible\* BBMR, Joey?

**Program Coordinator III J. Cruz:** It's Budget Digest FY2022 that's the name of it.

**Administrative Director J. Hattig, III:** I'm sharing the Budget Digest document Mr. Chairman so if you don't have it in front of you.

**Chairman J. Reyes, Jr.:** Thank you.

**Program Coordinator III J. Cruz:** So the second page of the Budget Digest is strictly for our CLTC Operations Fund so FY2022 we're requesting \$1,380,724.00 (one million three hundred eighty thousand seven hundred twenty-four dollars) of that amount \$781,881.00 (seven hundred eighty-one thousand eight hundred eighty-one dollars) will be spent on salaries and benefits \$594,236.00 (five hundred ninety-four thousand two hundred thirty-six dollars) will be spent on operations. Operation expenses consist of contractual office space, supplies things of that nature. For utilities, we'll be spending \$4,637.00 (four thousand six hundred thirty-seven dollars) which brings the total amount to \$1,380,724.00 (one million three hundred eighty thousand seven hundred twenty-four dollars). The third page is...

**Administrative Director J. Hattig, III:** I'm sorry Joey to interrupt but do we have the annual rent included in the operations?

**Program Coordinator III J. Cruz:** Yes, yes.

**Administrative Director J. Hattig, III:** Could you show the Commissioners where it's at? It' on line 233, right?

**Program Coordinator III J. Cruz:** Yes.

**Administrative Director J. Hattig, III:** \*inaudible\* office space rent, right?

**Program Coordinator III J. Cruz:** Yes.

**Administrative Director J. Hattig:** Thank you.

**Program Coordinator III J. Cruz:** You're welcome. So, the third page is \*inaudible\* for our CLTC Survey & Infrastructure Fund. If you look at the \*inaudible\* we were appropriated a total of \$313, 368.00 (three hundred thirteen thousand three hundred sixty-eight dollars) our FY2022 request decreased drastically to just \$22,060.00 (twenty-two thousand sixty dollars) the reason being is because the \$313,368.00 (three hundred thirteen thousand three hundred sixty-eight dollars) \*inaudible\* would deplete that account. Our revenue source for this fund just over the year \*inaudible\* \$15,000.00 (fifteen thousand dollars) so that's the reason for the decrease in the request for budget appropriation for this fund.

**Administrative Director J. Hattig, III:** And Joey I just want to ask this was, the major bulk of that FY2021 authorize level was the sale of fractional lots is that correct?

**Program Coordinator III J. Cruz:** What's that sir?

**Administrative Director J. Hattig, III:** The reason why we had such a high FY2021 authorize level was that because there was lot in the Survey & Infrastructure Fund because of the sale of those fractional lots.

**Program Coordinator III J. Cruz:** Yes. \*inaudible\* the Commission has three active funds currently. The first fund is the CHamoru Land Trust Operations Fund. The funding source for that fund are application fees, interest earned from bank accounts, commercial leases and licenses expiring prior to October 2015. The next fund which is the fund that we requested the budget appropriation for is the CHamoru Land Trust Survey & Infrastructure Fund. The funding source for that fund are the commercial leases and licenses executed after October 2015, interest gained from bank accounts, agriculture and residential lease \*inaudible\* and

any sale of government land which is the fractional lots that Mr. Hattig mentioned. The third active account which is our CHamoru Loan Guaranty Fund and the funding source for that fund is the payment in both taxes and interest earned from the bank account. The payment in lieu of taxes are the real taxes paid that the constituents pay for the lease property. Aside from those other funds there are other funds but they are dormant funds which have no funding source and they are the CHamoru Home loan Fund, the CHamoru Commercial \*inaudible\*, the CHamoru \*inaudible\* fund, the CHamoru Home Development Fund, the CHamoru Educational Assistance Fund those are the other funds that we have but they're dormant we have no \*inaudible\* the money sources for these accounts. We brought that up and like I mentioned in the previous board meeting we have \*inaudible\* outside of the norm and we started to think of other ways of generating new revenue or increase the revenue and \*inaudible\* I'm handling the Guam Ancestral Audit \*inaudible\* I'm able to see their investments and how much they earn in interest and all those other things. One thing we wanted to request from the Board was to allow us to go out to these financial institutions and obtain information regarding the interest rates for TCDs, bank accounts and things of that nature. Currently, I can give you an example we have a \$300,000 (three hundred thousand dollars) TCD which matures annually and earns interest revenue of \$360.00 (three hundred sixty dollars) whereas the agency that I handle their audit they have a TCD for an amount of \$527,000 (five hundred twenty-seven thousand dollars) with that TCD they \*inaudible\* \$11,085.07 (eleven thousand eighty-five dollars and seven cents) in interest. So, we have the opportunity to increase our revenues \*inaudible\* interest \*inaudible\* it's new money some may think that the difference will not be substantial but it is, I mean more money is always good. Also, what we wanted to do was in Chapter 75 Title 21 GCA under §75103 Administration, funds created by §75112 of this chapter shall be maintained separate and apart from any other government fund and shall be in the custody of the Commission certifying officer. With that said, we are also asking that the Commission consider that after obtaining information from financial institutions and preparing our reports to present to you that the \*inaudible\* financial institution that we can create bank accounts with the approval of the Board whether it'll be savings, TCDs or whatever the board should decide so that we are able to earn more revenues and new revenues to support our operations. We've mentioned in the past and you can see in the Budget Digest the appropriation level for FY2019 under the Operations Fund although \*inaudible\* one million the appropriation level for FY2021 was only nine hundred five thousand so without the Commission's ability to just say an increase in revenue whether it's from interest or commercial leases or anything we fear that our FY2022 that \*inaudible\* we hope and we fear that it's not less than nine hundred five thousand because we won't be able to sustain our financial independency we'll become reliant on our General Fund.

**Chairman J. Reyes, Jr.:** Thank you for that. Is there anything else?

**Program Coordinator III J. Cruz:** Yes. I wanted to inform the Board that our FY2020 Independent Financial Audit has commenced the independent auditors have already started the field work also our unaudited financial statements display that the Commission has operated in FY2020 or ended FY2020 with a deficit in other words we spent more than actual income we earned so what happens from there is that our money in the bank is decreasing each year that we operate at a deficit and if I remember correctly this is our fourth or fifth straight year operating in a deficit. That's all.

**Chairman J. Reyes, Jr.:** Okay so I heard a couple of things there but Director Hattig or Joey could you summarize that for us?

**Administrative Director J. Hattig, III:** Basically, as Joey indicated if we don't act soon on some of the initiatives that we're proposing we're going to run out of money by potentially 2024. That means whatever we did accumulate in our bank account is going to be depleted and we won't be able to pay for especially the salaries of our employees and to keep the lights on and to rent this place so we have to act we should act quickly and prudently to establish our financial independents from the General Fund I know this made matters worse a couple of years ago but the Survey and Infrastructure Fund and the other fund money was taken away from those funds and was never \*inaudible\* was never given back and I don't think that we're ever going to see that although we requested twice once in 2019 I think and once in 2020 from the Commission to the Governor to try to find those \*inaudible\* to replenish what was taken. I've been informed that we might possibly have to apply GASB (General Accounting Standards Board) standards to that in the next year or two perhaps where we would not be able to recover it at all. We're going to have to write it off and that would be poor decision obviously something that we would probably have to do but it would not \*inaudible\* for the management of our own funds so what we're seeking to do is establish those accounts to ensure that we have monies going into those areas and are unable to be touched as Joey indicated and he had found in the GCA where we have the legal precedent and I believe he's been in contact with Mr. Toft to justify all these actions because we want to enter into, my hope is that we enter into maybe some commercial leases that are going to be able to provide our operations for the next 50 years. If we do it right if we enter it into good contractual agreements in a fair and transparent way, we can ensure that the trust runs and that would be our legacy to ensure that the trust is able to run for the next 50 years because it's taken care by these leases. So that's how it's all tied together Mr. Chairman and that's what I have.

**Chairman J. Reyes, Jr.:** Thank you. So, Joey the ask of the Board just to make sure I have this correct, two things are to be able to go out and shop around for a financial institution to really invest where we currently have a TCD, is that correct?

**Program Coordinator III J. Cruz:** Yes, sir.

**Chairman J. Reyes, Jr.:** And then what was the second one? Are there two asks?

**Program Coordinator III J. Cruz:** Just one. It's just to authorize us to go out and obtain pamphlets or financial information regarding rates and stuff oh the second one is to consider approving the Commission to after we present our findings to you to consider the Commission opening up whether it's a savings account or TCDs to \*inaudible\* interest revenues.

**Chairman J. Reyes, Jr.:** So, it's post, your research, correct?

**Program Coordinator III J. Cruz:** Yes.

**Chairman J. Reyes, Jr.:** okay so I think we can address that after your research. I'm sure the information we need to \*inaudible\* okay so I don't have any other questions on that so I'll turn it over to Commissioner Santos and Commissioner Bordallo any additional questions for Joey?

**Commissioner A. Bordallo:** When it comes to banking, we have to do an RFP? Attorney Toft?

**Legal Counsel N. Toft:** I'm not certain I don't think we've done that with other agencies that I worked with but let me double check on that I think it's just the Commission can decide which financial institution they want to work with but let me double check on that.

**Program Coordinator III J. Cruz:** From my recollection in the past, we haven't done that although when we do go out to obtain information, we do it as it was going through the RFP

process so we would obtain three different information from three or four different institutions we'll package it we'll present it all at once so at least there's transparency and accountability in the decision that you guys would make.

**Legal Counsel N. Toft:** Yeah, and I agree with that. It's not necessarily \*inaudible\* our funds that it would go through the procurement it's a deposit to our funds.

**Chairman J. Reyes, Jr.:** Okay anything else Commissioner Bordallo?

**Commissioner A. Bordallo:** Okay so how much do we have I mean we have three hundred thousand in TCDs is that correct Joey?

**Program Coordinator III J. Cruz:** There was an agreement executed between the Commission and I believe it's the USDA. So, the Commission had set aside a total of five hundred thousand dollars there's two hundred \*inaudible\* dollars sitting in the checking account I believe it is and three hundred thousand in a TCD.

**Commissioner A. Bordallo:** And we haven't touched that?

**Program Coordinator III J. Cruz:** No because those funds are restricted for the agreement that was executed between the Commission and USDA. Those the funds are restricted to the use to pay any defaulted loans to bring them current...

**Chairman J. Reyes, Jr.:** So, it's almost like a reserve?

**Program Coordinator III J. Cruz:** Yes.

**Chairman J. Reyes, Jr.:** So, being that it's restricted we can \*inaudible\* those investments correct?

**Program Coordinator III J. Cruz:** For as long as we meet the requirements of the agreement and I believe the agreement is to put an x amount in a TCD and x amount in a checking or savings.

**Commissioner A. Bordallo:** Well Joey just to, going back to the TCDs the one you mentioned the five hundred twenty-seven thousand TCD that earns about eleven thousand eighty-five you would have to find out what bank is that?

**All:** Laughing.

**Program Coordinator III J. Cruz:** I have that information, but I'm not allowed to disclose that. I think that...

**Commissioner A. Bordallo:** I'm not asking you who it is I'm just saying go after it.

**All:** Laughing.

**Program Coordinator III J. Cruz:** Again, like I said we'll treat it as if it was going through the RFP process \*inaudible\* but we will treat it as such just so there's accountability and transparency and there's no perception of any favoritism or criticism of such.

**Commissioner A. Bordallo:** \*inaudible\* I think we should do the RFP that Hawaiian Rock is interested in on the next meeting.

**Administrative Director J. Hattig, III:** I understand ma'am. I'm ready to follow the direction of the Commission in regard to that proposal.

**Commissioner A. Bordallo:** Because that would give Joey some money. For TCD investment.

**All:** Laughing.

**Chairman J. Reyes, Jr.:** Thank you Commissioner Bordallo. Anything else for Joey?

**Commissioner A. Bordallo:** No that's it for me.

**Chairman J. Reyes, Jr.:** Commissioners if you want to proceed down to give Joey the authorization to go out and RFPs in regard to the TCDs.

**Commissioner A. Bordallo:** Sure. I'll make a motion.

**Chairman J. Reyes, Jr.:** Yes please.

**Commissioner A. Bordallo:** Motion for Joey to go shop around and get the best offer, three offers.

**Commissioner A. Santos:** \*inaudible\* would you like to... was that a motion being made?

**Commissioner A. Bordallo:** Yes, it is. Seriously.

**Commissioner A. Santos:** Does that suffice?

**Chairman J. Reyes, Jr.:** Yes.

**Commissioner A. Santos:** Alright I second that motion.

**Chairman J. Reyes, Jr.:** Alright any objections?

**Commissioner A. Bordallo:** None.

**Chairman J. Reyes, Jr.:** Hear no objections \*inaudible\* thank you so much Commissioners. Joey, thank you for bringing that insight and good luck on the market out there.

**Commissioner A. Santos:** Thank you Joey.

**Chairman J. Reyes, Jr.:** And thank you for the budget presentation along with our current financial status. I appreciate that. Director Hattig?

**Commissioner A. Bordallo:** We have one goal; we can't go deficit this year.

**Chairman J. Reyes, Jr.:** Yes, that's our job \*inaudible\* okay Director Hattig anything?

**Administrative Director J. Hattig, III:** Okay so Mr. Chairman I'm sharing if you didn't already, but it's included in your packet the Director's Report for today. Final piece before we, I guess Commissioner Duenas was not able to join us so I guess we will go ahead and table the approval of the minutes again.

**Chairman J. Reyes, Jr.:** So, what we'll do is after your report we'll go ahead and address that and then that can wrap us up.

### **Director's Report**

**Administrative Director J. Hattig, III:** Thank you. So, I'm presenting the Director's Report but you should also have it in your packet. The first item is Office Operations because of the change in PCOR, Pandemic Condition of Readiness our hours of operation are 8:30 a.m. to 4:30 p.m. You can make an appointment, or you can walk in so we are fully available all employees are directed have been directed to report to work. I can authorize telework subject to some of the requirements we have for that so we're currently on day three of PCOR 2 and we're firing on all cylinders. We're accepting walk-ins and our staff is doing ten things at a time to try to make sure that we are addressing all of our constituents. We'll continue to implement the COVID-19 protective protocol measures to ensure employee and constituent safety. So, we do have an Administrative Directive that I've issued and it details all of the procedures for what happens when we have a COVID positive case and so forth and so on in accordance with the Public Health Guidance so that is being done. On the second issue of Agricultural and Residential leasing, I did indicate that there's a temporary reduction and the number of cases brought before the Commission do to the new qualification requirements and thank you to Mr. Toft we were able to make headway on streamlining those right so that we could determine what should come before the Board in terms of qualification in the new process versus people that were designated as beneficiaries and qualified in the old process so thank you to Mr. Toft for making that clarification and helping us out. Number two under Agricultural and Residential Leasing, I am seeking, I'm recommending that the Commission delegates its authority to the Agency in regards to five specific details and I did have a meeting separately with Commissioner Santos and Commissioner Duenas. Commissioner Bordallo, we were not able to schedule a meeting just yet, but I would like to explain what

I'm asking for in terms of my request here. I would like for the Commission to designate its authority to the Administrative Director for the following: All Beneficiary or Successor Designations. So basically, in accordance with the law and all of these designations are in accordance with the law only so I would not be allowed to perform anything outside of the law and it's also design so that I report back to the Commission on any actions that I have taken to ensure that checks and balances are in place. So, with regard to beneficiary and successor designations even with the guidance's from the Legal Counsel now I feel confident that the Administrative Director can make this decision for the Board instead of having to present all of these beneficiary designations before the Board all the time then I would basically apply the law and the interpretation of the law to any successors that are going to be designated and you heard from the Legal Counsel today if they had legally designated a beneficiary prior to 2021 prior to the enactment of the new law then they are for all intents and purposes qualified already and do not need to go through any further qualification. However, if a new successor was named after 2021 then that new successor would have to go through the new qualification process prior to receiving a lease. So that's basically what I'm asking for and its successor designation for applications and successor designations for leases. We know that applications can only be designated according to the law which is spouse, children, widows and widowers of the brothers and sisters and nieces and nephews; those are according to the law that you can designate a successor for an application. However, successor for a lease can be anybody that is eligible for the program. So, given those two I would like to ask for the opportunity to do that. Were there any questions at this point? I'm going to pause through each of the request so that it gives the Commissioners opportunity to ask questions.

**Chairman J. Reyes, Jr.:** None for me.

**Commissioner A. Santos:** None for me.

**Commissioner A. Bordallo:** Are you *\*inaudible\** Commissioners approval?

**Chairman J. Reyes, Jr.:** Commissioner Bordallo in *\*inaudible\** of Director Hattig's list of items that he is asking for our approval, it just kind of in my short period of time there's some of these things that I kind of got into the *\*inaudible\** and into the details and I believe in light of that and along with additional guidance that guidance of Attorney Toft for him to be able to execute, I feel comfortable in his list of items that he would be able to execute and *\*inaudible\** of course all within the guidance of law and *\*inaudible\** now I think where the check and balances will occur if our goal is to really assist our constituents on the residential and the agricultural side primarily and within those rails of moving things along within his authority and parameters of the law I feel comfortable that it would be a benefit to our constituents and then *\*inaudible\** rather than always waiting a commission meeting and then again where we get involved is where *\*inaudible\** and I just want to *\*inaudible\** I'm comfortable and support that delegation more on the operational side and then we provide that governance and making sure that there are still checks and balances so that is my point of view Commissioner Bordallo.

**Commissioner A. Bordallo:** Okay.

**Commissioner A. Santos:** There are, I see a couple maybe three items that I'm not too sure of just yet. When I did meet with the Director and we went over this we also went over the standard operating procedures and just the daily routine of getting me up to speed of what the program is about or how the law takes place or the settlement takes place now. So, he was able to share with me and I learned some. Anyways it was the first meet, I have to say this was meet in *\*inaudible\** and I appreciated it and I told him I said I definitely is build back that

trust in this program and that's my main, that's what I want to accomplish in doing that trust within this program for constituents and the community of Guam our people. Jack's on the road there, like I said there are a couple of things I'm not too sure of with designating him or allowing him, giving him the authority to, that first one... being the Administrative Director of program and I agree with you Mr. Chairman with us doing the heavy lifting and I look at it like this, they're the engine of the program we are just the gas and the brakes so with that being said Jack I do look forward to talking with you more but there are a couple of ones that I am not too sure I can be able to fully give that agreement or pass that along and say let's just give the authority to be able to decide all of that. There are just few in here, there are a couple of items I am not able do that with. But that's the step in the direction of where we want to go right and \*inaudible\*.

**Chairman J. Reyes, Jr.:** Yes, and that's \*inaudible\* back Commissioner Santos so yes Commissioners that's kind of where we stand but let's go ahead and give if you guys are okay to just give Director Hattig just additional time to go down the line and then we can always decide to table it pending further insides or deep dives that you feel comfortable with. What I want to do is to be able to give that opportunity as well to \*inaudible\* to learn that \*inaudible\*. Director Hattig do you want to continue?

**Administrative Director J. Hattig, III:** Thank you Mr. Chairman and thank you again commissioners we are continuing to learn from one another, and I believe in that concept. So, the second authorization that I'm asking for is for all transfers of application and lease rights. Currently right now this process obviously has to be brought before the Board but it's relatively very clear if all of the parameters have been met and it's outlined in the SOP the Agricultural and Residential SOP for the transfer of application or the transfer of lease. So that's something I look forward to because once I present all of the facts as indicated by the law then I would be able to simply create the addendums. In my opinion the transfer of the lease is not the issuance of the lease. The issuance of the lease occurs one time and one time only for every instance so the Commission's responsibility is to approve leases but once a lease is approved the transferring of a lease subject to the law should be the administrative process in my opinion. So that's what I'm asking for, I'm asking for the authority administratively to transfer leases and to transfer application rights pursuant to the law. The next one I have under my request is the authorization to issue Utility Authorizations, Building Permit Authorizations and Clearing and Grading Authorizations for residential or agricultural leases or for the purposes of these leases. Currently right now we have a lot of subject to survey leases and that means leases that were issued based on the presence of a survey map but often times we've done it in the past and we've signed the lease already but the lessee never does the survey so what this does is it puts us in a precarious position because we have people who are starting to occupy but they don't know exactly where they're occupying, they don't exactly what the four corners are so in giving me that it would be my responsibility to conduct the research that is necessary to identify the lot and to issue a survey authorization for that lot. Building Permit Authorizations and Clearing and Grading Authorizations need to occur after the lease is issued anyway, under no circumstances it should be building or clearing and grading without the proper authorizations without the Commissions' already granting of a lease. So, I would not be able to issue a building permit authorization to somebody who has not had a lease so I'm submitting that to the Commission that a process is already in place and the SOPs are what we're following right now, the dully adopted SOPs in terms of when these authorizations are going to be issued and hopefully this answers some of the questions that Commissioner Santos has and I look forward to addressing some of those

concerns. The next item is Survey Authorizations. I spoke briefly about survey authorizations, utility authorizations let me back track a minute. So currently right now, utility authorizations should only be issued after a lease has been issued also but we do have a public law 22-157 that allows the director to issue utility authorizations for humanitarian reasons so I have used this sparingly, I have not used this... it is not very relaxed with me. We do a detailed investigation for the request of utility authorizations due to humanitarian reasons. We conduct site inspections and we report back so that we have an idea of whether this is indeed a true case of a humanitarian issue. Also, there are stipulations to my authorization of utility issuance. If they continue to get cutoff for instance, let's say they're unable to pay their bill and they need that authorization to get reconnected we also meet with the lessees to ensure that they're able to do this so that we're not coming back to the drawing board every now and then but fast-forwarding to survey authorizations, survey authorizations are a unique tool that has to happen before a lease, it should only happen before a lease because we've run into the problem like I said of people going out there and occupying so I issued a directive back in 2019 that although the Board may be authorize to issue a lease the consummation of that lease is the signature of the Administrative Director and the lessee so we would not be able to consummate the lease unless the survey authorization was done and that the property was properly surveyed. So that's my caveat. That's my check and balance to say that I can't just issue survey authorizations whenever I want. They need to be done in accordance of the law and you need to do the survey authorization before you get the lease so that would be why I'm requesting for that authority and then finally, all determinations of qualifications under the program, it's my responsibility as Administrative Director to manage the program so if I don't have a determination of qualification then what am I managing if the Commission can qualify anybody then I simply have to pick up the paper afterwards and I think that would be a tad bit on the \*inaudible\* let me be the one because I'm managing the program I know what the qualifications are let me be the one to make that determination subject to the law not the way I want to do it but applying the law to each and every case such as the case for people that are now having to qualify under the new regulations under 35-12 so I submit to you also that I would request any action the Board take you would include a provision in that motion and at any time the Commission can revoke these authorizations from the Director or from the agency because it's truly then that the true checks and balances are held accountable. Not only will my monthly reports show what you want me to show in term of what was approved but it give you the opportunity to go back and say okay we need to review this particular action and determine whether there was any new evidence perhaps and the example I use is what if I don't qualify somebody and then you can go back and say well you issue a letter that states at this time we cannot qualify you but there's new evidence to be presented so you can direct me to go back and issue a qualification if in fact they met that qualifications. So, these are the types of examples that I present to you, I respectfully request for that so that we can streamline the process so that our meetings can be better use as to the types that need to be made by the Board in terms of its policies.

**Chairman J. Reyes, Jr.:** Thank you, sir.

**Commissioner A. Santos:** Thank you, Director Hattig.

**Chairman J. Reyes, Jr.:** Do you want to go ahead and continue sir?

**Administrative Director J. Hattig, III:** Sure, if no actions, if that's the desire of the Commission at this time is to take it under advisement first then sure I can continue with my report.

**Chairman J. Reyes, Jr.:** Oh, I was going to ask you to continue or circle \*inaudible\*.

**Administrative Director J. Hattig, III:** Okay. That's fine too. I can continue and then we'll circle back.

**Commissioner A. Bordallo:** Yeah, \*inaudible\* I wouldn't mind having Attorney Toft review those five authorizations for you.

**Legal Counsel N. Toft:** Yeah, I've gone over them already with the Director and agreed with the structure which he has proposed that they be enacted. \*inaudible\* resolution form.

**Commissioner A. Bordallo:** The other thing is I don't like micromanaging it so let me just say that.

**Chairman J. Reyes, Jr.:** Thank you, Commissioner Bordallo. Director Hattig, let's go ahead and proceed with any additional items and I'll circle back with our commissioners if they want to take action or maybe pending any additional clarification \*inaudible\* and then we can take action if any.

**Administrative Director J. Hattig, III:** Yes, Sir. Thank you. So, the proposed SOP I want to thank the Commissioners for approving the proposed SOP for the Commercial leasing for the Trust we will get right on this and we will in conjunction with Public Law 33-95 we will start the process of engaging right and I'm sure people will start coming forward all these companies and all these people who are interested in commercial leasing will come forward and now that we have an SOP, we can implement it. Number two under Commercial Leasing is the Global Recycling Public Improvement License. Again, I thank the Commission's guidance in finding out what we'll do the issuance of a letter in giving Global pretty much a stop date for engaging in the process of this license and then we will commit to a site visit and an inspection of the property and interview with Global's representatives, so I thank you for that and we'll provide more information at the next meeting. The proposals before the Commission, the designation of submerged lands obviously I am thankful for the Commission's guidance in issuing the authorizations to conduct public hearings so I look forward to hearing what the public has to say and perhaps maybe even Teleguam Holdings may have an interest here seeing as to how they are possibly going to be affected they're definitely going to be affected by our, any decision that the Commission takes in the future. With regards to Hawaiian Rock, anything at all that helps us prepare lots for development for residential or maybe even for government building for us is something that I would definitely support. I appreciate all sides and as indicated before it would really provide an infusion of funds obviously a direct infusion of funds, but we must do it transparently we must do it fairly and in accordance with the rules and regulations. Base Corporation, we still have a long way to go in terms of providing affordable housing opportunities to our constituents but at least we have company that is willing to engage with us to long have we had companies really shy away from doing business with the Trust. So, we should look at this as an opportunity if a company is stepping forward and willing to put a proposal together let's hear the proposal and let's try to find a happy medium so we can get some affordable housing if not 20 affordable houses maybe built in the next year or two that would be a very good success a good legacy to leave with the Commission. With regards to survey, Survey Division still continues to work with CLTC constituents on survey maps and it communicates very, very, intently with the licensed professional surveyors to ensure that the process is being followed correctly. Survey work is done on the Lot 157 for the Guam Rugby Club we have recently received confirmation that they are going to come in and sign the survey map so that's going to become available and then Guam Rugby is going to contact DPW to begin clearing for the easement for the construction of the easement so we should see some really great progress in 2021. So, should we open up sports, should the Governor open up contact sports like rugby

and football we'll be ready those two clubs will be ready to bring their kids back because it's really for the kids that's really what this was. Survey continues to contact the Department of Public Works with regards to the request for the open of easements do to overgrown vegetation so now that we're able to shift PCORs and we're able to possibly get more people out into the areas we're going to be pressing upon DPW to help us out and open up these easements or reopen these easements that have grown or have overgrown because people have been staying home. Survey work continues with Guam Waterworks Authority in reviewing and editing the check prints and maps for pump stations and well sites so we do have a meeting scheduled with GWA so we are going to be continuing our cooperation with GWA in term of what it needs and we're going to be talking to them about some infrastructure needs that we have and what role that they can play. Survey continues to assist land agents in the development of schemes so right now in order for a survey authorization to be issued a scheme must be attached to it so that a survey knows what reference point to start on because it's too long have we had situations where we've gone out and surveyed the wrong lot or there was some kind of discrepancy so what I've instituted is that a scheme will be developed approved by our survey division and given to the client and then the client goes and contracts a licensed professional surveyor gives them the scheme gets them to contact us and then we verify the lot so that we make sure that there are no mistakes, so that's being done current right now. I want to give kudos and congratulations to Joey Cruz and Teresa Topasna, that's my administrative services division, two people who really put the financial report together and really, they are the right arm of the director but we will present more information because as I understand it through Joey we also have second budget call will be out here pretty soon so we'll be giving an update and then I'm entering into the entrance agreement for the audit for the Independent Financial Audit. We have a meeting with the OPA tomorrow so we'll be formally entering into that but they've begun as Joey indicated they've begun the field work that is needed for the audit and we look forward to cooperating with the OPA as we have these past two years under my direction to providing all the information that we can to becoming together with a good audit report. With regards to Public Law 35-112 there's still a lot of unanswered questions and I want to give a special kudos and thanks to our Attorney, Nick Toft who has literally making himself available day and night anywhere to answer questions and answer emails so we're currently trying to do that as what was reported in the PDN in today's edition that we are preparing to contact the 20 residential and the 20 agricultural applicants so that we can start work but we must inform them of the new qualifications and what processes for them moving forward. The Agency conducts staff development training every month so we make sure we include all of the information all of the new information that's been adopted into that staff development the agency has also created new forms already so that we are ready to go whenever the applicant comes in, we have our application packet including the affidavits right that do need to be filled out now for the new process. So, I'm happy to report that we are in a good state this month in regards to the agency itself and we look forward to getting together on the agenda items for this meeting today so that we can provide some good progress forward progress on February's meeting. Thank you.

**Chairman J. Reyes, Jr.:** Thank you Mr. Hattig. Great stuff going on, I appreciate everyone's help and support thus far as well as making sure you get us up to speed us new Commission members. So, I'm going to ask the Commission members are they ready to make a decision on Mr. Hattig's request or should we table that for the next meeting?

**Commissioner A. Santos:** I would like to point out just one thing, if this would be a Board decision a Commission like a bodies decision that we do wait for Commissioner Duenas to make that decision so we can make that as a whole.

**Chairman J. Reyes, Jr.:** Sure, and definitely. We can table that, and we can \*inaudible\* we already have a tentative date \*inaudible\* meeting and hopefully that Commissioner Duenas can join us in the next one and of course we are also looking to fill the vacancy of Commissioner Cruz.

**Administrative Director J. Hattig, III:** Mr. Chairman if I may while we're on the subject of vacancy and Commissioner Duenas ironically, I did meet with him because I did go over these proposals with him at the training that we did. He's informed me that his term is expiring in April of this year he also informed that he is going to be off island from about March 22<sup>nd</sup> to the end of his term so we will have another vacancy at the end of April for Commissioner Duenas's seat so I did want to inform the Board of that and based on Commissioner Duenas's availability to attend we only have potentially February's meeting March's meeting and then April will be his last meeting. He does have a 90-day and correct me if I'm wrong Nick, he does have a 90-day kind of a window as a hold over until the next member has been confirmed by the Legislature.

**Legal Counsel N. Toft:** Yeah, that's right.

**Administrative Director J. Hattig, III:** So potentially he could be with us obviously until the summer, so I thank Commissioner Santos for that recommendation. I fully support that the Board should make any and all decisions as a whole.

**Chairman J. Reyes, Jr.:** Thank you Director Hattig. So, moving on to well before we move onto Commissioners Comments. Commissioner Duenas unfortunately wasn't able to join us to be able to address the approval of the minutes so we will go ahead and table that agenda item for our next Commission meeting.

**Administrative Director J. Hattig, III:** Mr. Chairman I just want to put on record before we end that the sooner the Commission can take action on those minutes will be very beneficial because we have some inquiries as to some of the Board actions already coming through and we the FOIA request we can really send out draft minutes so I would really request and I'll speak to Commissioner Duenas again before the next meeting and we need to have some kind of action. This is month number two with this particular Commission but we really need those minutes to be approved so we can make it a part of the official record and they can be able to be disbursed either on the website or to be made available for the public so I would like to put that on the record.

**Commissioner A. Santos:** I do want to ask, and this might actually take the listening of Attorney Toft; can we act on those, can we approve minutes through email?

**Legal Counsel N. Toft:** It would have to be done I mean the motion has to be at a meeting to approve it, but you can review the minutes via email and discuss that but ultimately you have the \*inaudible\* meeting.

**Commissioner A. Santos:** So, we can't act upon it through an email?

**Legal Counsel N. Toft:** Correct.

**Commissioner A. Santos:** So, we can't take any action.... okay understood.

**Chairman J. Reyes, Jr.:** Duly noted Director Hattig but Commissioner Santos did you want to add sorry I didn't mean to cut you off.

**Commissioner A. Santos:** We don't want to take action on it right now?

**Chairman J. Reyes, Jr.:** Where I, I think the only one that was present between the three of us was Commissioner Bordallo, but she's also expressed in the past that she wants the

presence of Commissioner Duenas as well but knowing so that we should act on it. If in the case that Commissioner Duenas is not able to join us in the next meeting, I think that that's when we'll want to push to take action.

**Commissioner A. Santos:** Okay.

**Commissioner A. Bordallo:** Yeah, with Commissioner Duenas I think he can be on virtual meeting and he can approve the minutes when you resent it. \*inaudible\* and he can approve it he doesn't have to stay on the meeting the whole time. If he's not able to attend.

**Chairman J. Reyes, Jr.:** Attorney Toft is that...?

**Legal Counsel N. Toft:** Yeah.

**Chairman J. Reyes, Jr.:** As long as we have quorum at that point \*inaudible\*. Duly noted Saina we'll \*inaudible\* to coordinate that given the fact that there are inquiries coming in so let's go ahead table that if you guys agree.

**Commissioner A. Bordallo:** Yes. That's fine.

**Chairman J. Reyes, Jr.:** Okay we'll make sure to formalize and take action at the next meeting. Thank you for that. Commissioners, it's our turn; any additional comments?

**Commissioner A. Santos:** None.

**Commissioner A. Bordallo:** May 2020 I was not; I did not attend so it will be only Commissioner Duenas.

**Administrative Director J. Hattig, III:** Right because it was Commissioner Duenas, Commissioner Cruz, and Chairwoman Fejeran that was at the May meeting so....

**Commissioner A. Bordallo:** Yeah, just make that note.

**Chairman J. Reyes, Jr.:** Any additional comments from the Board the Commission?

**Commissioner A. Bordallo:** None.

**Chairman J. Reyes, Jr.:** Okay with that said, our next meeting will be Thursday, February 18<sup>th</sup> at 1pm and may I get a motion to adjourn?

**Commissioner A. Bordallo:** I make a motion to adjourn.

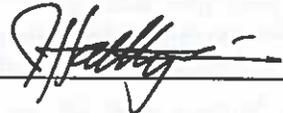
**Commissioner A. Santos:** I second that motion, 5:37 p.m.

**Chairman J. Reyes, Jr.:** 5:37 p.m. meeting is adjourned thank you so much everybody for your time. I appreciate all the work you guys are putting in. Thank you very much.

**Adjourned:** 5:37 p.m.

Transcribed by: Tina Rose Tainatongo, Land Agent I

Approved by motion in meeting of: March 18, 2021

Jack Hattig, III, Administrative Director  Date: 18 Mar 21