

**GUAM ANCESTRAL LANDS COMMISSION
REGULAR MEETING MINUTES
VIA ZOOM**

April 13, 2022 • 2:17 p.m. to 3:36 p.m.

I. CALL TO ORDER

Chairman Eclavea called the virtual, regular meeting of the Guam Ancestral Lands Commission to order at 2:17 p.m. In compliance with Public Law 24-109, the Guam Ancestral Lands Commission announced the virtual meeting on Wednesday, April 6, 2022 and Monday, April 11, 2022 in the *Pacific Daily News*.

II. ROLL CALL

Executive Director Burch took roll call and stated they had a quorum with all commissioners present.

Commission Members Present

Ronald F. Eclavea, Chairman
Ronald T. Laguana, Vice Chairman
Maria G. Cruz, Secretary/Treasurer
Angela M. Camacho, Commissioner
Anita F. Orlino, Commissioner
Jeffrey B. Rios, Commissioner
Louisa F. Wessling, Commissioner

Management and Staff Present

John T. Burch, Executive Director
Nicolas E. Toft, Legal Counsel, OAG (logged on at 3:27 p.m.)
Catherine T. C. Blas, Administrative Officer
Joey Leon Guerrero, Land Agent II
Andy Mendiola, DOL Land Agent I Trainee
Mara Perez, DOL Administrative Aide Trainee

Also Present

Mary Camacho, Real Property Supervisor, GEDA
Mike Cruz, Project Manager, GEDA
Christina Vasques, Program Coordinator I, GEDA
Michele Anderson King
Michael W. Anderson
Ryan Terlaje

III. APPROVAL OF MINUTES

A. March 23, 2022

There were email difficulties after the Office of Technology (O-Tech) completed the migration to GovGuam's new Google Workplace domain.

Therefore, the Chairman tabled the approval of the March 23, 2022 minutes until the next meeting.

Executive Director Burch stated their meeting should be informational only due to their inability to live-stream following the migration to the new Google Workplace domain.

IV. EXECUTIVE DIRECTOR'S REPORT

Please see attached for the full report with 3 attachments.

Executive Director Burch provided updates on the following:

- **2022 Public Official Financial Disclosure Statement**
The Executive Director reminded the commissioners of the April 22, 2022 due date for their financial disclosure statements.
- **Medical Campus**
The Executive Director informed the commissioners that a series of meetings had been held with GEDA regarding the feasibility of building the Medical Campus on Eagles Field; he stated the meetings will conclude at the end of April.
- **Farmers' Cooperative Association of Guam (FCAG)**
The Executive Director stated that in response to his letter (Attachment A), the Office of Public Accountability (OPA) had forwarded their request for processing.
- **GALC FY 2021 Independent Financial Audit**
The Executive Director stated Attachments B and C are resolutions that will clean an accounting entry per the auditor's instructions. He recommended against taking action now due to their inability to live-stream.

The Chairman asked the Executive Director to submit at the next meeting a simple graphic of what had occurred during the independent audit.

- **GEDA/GALC Investment Services MOU**
The Executive Director stated the MOU is at the Governor's Office awaiting signatures.
- **RFP 21-011-Polaris Point**
The Executive Director stated they have hammered out the lease for the 13 acres at Polaris Point. He said after it is reviewed by legal counsel, it will be presented to the Commission in about 4 weeks.

Commissioner Camacho asked about another matter. She asked about Bill No. 277-36 (COR).

Executive Director Burch stated the Bill is of concern to GALC. Should the bill become law, the CHamoru Land Trust Commission (CLTC) will receive all lease proceeds from the submerged land off-shore from the AT&T Landing Station. But should the submerged property be transferred to GovGuam, GALC would own it.

He explained that the submerged land is currently listed as a potential transfer in the Department of the Navy's Net Negative Inventory of land parcels on Guam. He stated Attorney Toft agreed with his assessment at the previous meeting. He said, AT&T currently leases property from GALC and any lease proceeds from that submerged easement should go to GALC should the property be returned.

Chairman Eclavea asked Commissioner Camacho whether she had a conflict of interest in this matter.

Commissioner Camacho stated there was no action being taken. She said she was asking for clarification on the matter.

**V. GUAM ECONOMIC DEVELOPMENT AUTHORITY (GEDA)
Progress Report – Presented by Christina Vasques**

Please see attached for the full report.

Ms. Vasques introduced herself as the newest member of the Real Property Division at GEDA. She stated she would be working alongside Tony Arriola on matters concerning GALC. She reported on the properties currently being leased, including Wettengel Junction: Northern Market, LLC (NM).

Secretary/Treasurer Cruz asked if Northern Market had submitted plans showing how they'll pay off their outstanding balance. She stated the Commission needed a clear picture of how they would get paid.

Ms. Vasques stated Northern Market's next quarterly report would give more information.

Commissioner Camacho stated Northern Market's first quarterly report was unsatisfactory. She stated they had asked for a more detailed report. She asked if a more detailed report had ever been sent to the Commission.

Mr. Mike Cruz stated he wasn't sure if GEDA had sent the Commission a copy of the letter they had sent to Northern Market, which addressed the Commission's concerns about their first quarterly report.

Commissioner Camacho stated they did receive a copy of that letter to Northern Market. She asked if Northern Market had submitted a revised first quarterly report.

Mr. Mike Cruz stated they had not requested Northern Market to amend their first report, but to submit a more detailed report in May.

Ms. Vasques concluded her presentation with information on RFP 21-011; the Polaris Point license agreement with Smithbridge Guam; FCAG's 90-day extension request; and the Investment Services MOU between GEDA and GALC.

Commission members also discussed the 3 properties in Tiyan not currently in use. Commissioner Rios asked if GEDA would be able to look into having the properties cleaned up. He stated they were in a bad state.

Executive Director Burch stated this was discussed over a year ago, but had been sidetracked by the pandemic. He said they had completed the map for those properties, which had been turned over to GEDA. He stated the Commission back then had approved having GEDA look into repairs and cleanup of the property and the three buildings. He stated it was a matter of making it a priority again.

The Chairman agreed and asked GEDA for input.

Mr. Mike Cruz stated they had been asked to clarify the boundary of the properties. He said the whole idea had been to issue an RFP with the intent to lease the properties, but that the Commission decided to pull back all RFPs. He said he couldn't recall why that decision was made. He stated that subsequently GEDA was told to issue RFPs only for Nimitz and Polaris. He said he believed GEDA had been asked to issue an RFP for the Tiyan property, but then it was changed to the point that they were not able to issue an RFP for the property. He stated GEDA didn't take the matter any further other than clarifying the boundary with Land Management, which he said Tony Arriola did.

The Chairman stated he didn't recall trying to issue an RFP with the Tiyan property. He said they should look into the possibility of developing the properties.

Executive Director Burch said he remembered the Commission asking GEDA to move forward with the Tiyan property, but that the direction to go was unclear.

The Chairman suggested they put this matter on the agenda for the next meeting.

Attorney Toft logged on at approximately 3:27 p.m. He clarified the rule regarding live-streaming. He stated live-streaming the meeting was a requirement before any action could be taken.

VI. OLD BUSINESS

A. Farmers' Market - Financial & Audit Update

This was covered in the Executive Director's Report and in GEDA's Progress Report.

B. GEDA MOU - Investment Services Update

This was covered in the Executive Director's Report and in GEDA's Progress Report.

C. Smithbridge License Request

This was covered in GEDA's Progress Report.

VII. NEW BUSINESS

There was no new business.

VIII. PUBLIC COMMENTS

Michele Anderson King, Michael W. Anderson, and Ryan Terlaje wanted to comment on the Fena Lake property, but were unable to secure a video and audio link. Therefore, Chairman Eclavea advised them to contact GALC's office. Staff provided them with the office phone number and email address.

IX. ANNOUNCEMENTS

A. The Commission scheduled the next meeting for April 27, 2022.

X. ADJOURNMENT

A. Chairman Eclavea thanked everyone and adjourned the meeting at 3:36 p.m.

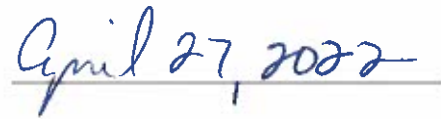
Additional Remarks: Please refer to the Office of Public Accountability's (OPA) website for the GALC Board Meeting Minutes Audio Recording for detailed information.

APPROVED BY:

DATE APPROVED:



Ronald F. Eclavea, Chairman
Guam Ancestral Lands Commission




April 27, 2022

SUBMITTED BY:



Mara Perez, Administrative Aide
Guam Ancestral Lands Commission

REVIEWED AND APPROVED BY:



John T. Burch, Executive Director
Guam Ancestral Lands Commission

MEMORANDUM

Date: April 13, 2022
To: All Members, Guam Ancestral Lands Commission
From: Executive Director
Re: Executive Director's Report

The following are updates for the Guam Ancestral Lands Commission.

2022 Public Official Financial Disclosure Statement:

Your 2022 Financial Disclosure Statement report for Calendar Year 2021 is due to the Guam Election Commission no later than the end of business day, **Friday, April 22, 2022.**

Your original signatures are required on these forms. Digital or electronic signatures are not allowed.

The completed forms are to be submitted to the Guam Election Commission, Suite 202, Oka Building 241 Farenholt Avenue, Tamuning.

Medical Campus:

At the direction of the Governor, GALC and GEDA have held a series of meetings that started last week and is expected to conclude by the end of this month regarding the feasibility of building the Medical Campus on 102 acres located in the Eagles Field area. These meetings are with the landowners and/or their representatives to gain their perspective on building the Medical Campus on their ancestral lands.

Farmers' Cooperative Association of Guam (FCAG):

A letter was sent to the OPA requesting for the Farmers' Cooperative Association of Guam FY 2020 audit Report. The OPA responded that although they are not responsible for Financial Audits of nongovernment organizations (NGO) they are authorized to conduct Performance Audits of any entity receiving government funds. The FCAG is such an NGO. The OPA forwarded our request to his audit team for processing.

Attachment A: Letter to OPA requesting FCAG FY 2020 Audit Report

GALC FY 2021 Independent Financial Audit:

April 6, 2022, the Office of Public Accountability released financial statements prepared by independent auditors Deloitte and Touche, LLP which issued an unmodified, clean opinion on the Guam Ancestral Lands Commission for Fiscal Year 2021.

GALC closed FY 2021 with an increase of \$333K or 82% net change in fund balance (net income). This resulted in a \$738K or 5% gain in the overall fund balance of \$14.6M compared to FY 2020's ending balance of \$13.9M.

Total revenues of \$1.3M increased by \$402K (45%), from \$899K in FY 2020. This was due to the \$333K increase of interest income earned on the GALC's time certificates of deposit and the \$101K increase in lease rentals revenues.

Increases in expenditures were approximately \$70,000 more in FY 2021 than FY 2020. This increase was primarily due to roof repairs of the GEPA Building in Tiyan.

It was noted that there are potential revenues not being collected as GALC recorded \$2.4M in lease rental receivables, which included \$978K in deferred rental payments and \$805K in delinquent lease rental payments. In FY 2021, \$2.1M of total receivables were determined uncollectible.

In the financial statements we noted an accounting entry that needs to be cleaned so the Quick Book entries can be balanced out to prevent this issue from being noted in future audits.

During the audit process of FY 2020, the auditors noted a Finding of Potential Non-Compliance with Public Law 34-108 due to funds from the AT&T settlement and lease proceeds being deposited into the GALC Survey, Infrastructure, and Development Fund. As a result, \$4,511,038.97, from the GALC SIDF (Account 0102) was transferred to the Land Bank Trust Fund (Account 0100).

However, during the FY 2021 audit process, the auditor stated that the cash transfer of \$4,511,039 exceeded the required reimbursement amount of \$4,432,401 by \$78,638 and recommended the Commission rectify this matter through a cash transfer from the Land Bank Trust Fund to the SIDF. Additionally, the auditor identified a potential noncompliance with Public Law 34-108 and recommended the transfer of \$117,955 from the SIDF to the Land Bank Trust Fund.

Lastly, we recently discovered Check No. 46118 in the amount of \$39,318.17 for the months of October and November 2019 from the AT&T lease proceeds was deposited into the SIDF that should have been deposited into the Land Bank Trust Fund.

This is an accounting entry that needs to be cleaned so the Quick Book entries can be balanced out to prevent this issue from being noted in future audits. We have prepared two resolutions for your review and approval. One resolution will transfer funds from the Land Bank Trust fund to the SIDF and the other will transfer funds from the SIDF to the Land Bank Trust Fund.

Attachment B: GALC Resolution No. 2022-005

Attachment C: GALC Resolution No. 2022-006

GEDA/GALC Investment Services MOU:

Is still out circulating for review and signatures.

RFP 21-011- Polaris Point:

Lease negotiations are ongoing.

Thank you for the opportunity to present this update. Please let me know if further information is required.

BOARD OF
COMMISSIONERSRonald F. Eclaya
ChairmanRonald T. Laguna
Vice ChairmanMaria G. Cruz
Secretary/TreasurerAngela M. Camacho
CommissionerAnita F. Orlino
CommissionerJeffrey B. Rios
CommissionerLouisa F. Wessling
CommissionerLOURDES A. LEON GUERRERO
Maga'hagaJOSHUA F. TENORIO
Sigundo Maga'tahiKUMISION I TANO' SAINA-TA
(Guahan Ancestral Lands Commission)JOHN T. BURCH
Executive Director

April 11, 2022

Benjamin J. F. Cruz
Public Auditor
Guam Office of Public Accountability
Suite 401 DNA Building
238 Archbishop Flores Street
Hagåtña, Guam 96910**RE: Request for Farmers' Cooperative Association of Guam FY 2020 Audit Report**

Håfa Adai Public Auditor Cruz,

The Guam Ancestral Lands Commission (GALC) Board of Commissioners at their March 23, 2022 meeting instructed me to submit a request to your office for the Farmers' Cooperative Association of Guam (FCAG) FY 2020 Audit Report. Our search of the OPA's website for the FCAG's financial audits yielded no results.

For over a year, the GALC has asked the FCAG to provide it with a financial report to determine the amount of rent that is owed for the use of Lot No. 10155-1 in the municipality of Dededo. Public Law 32-23 granted the FCAG a lease for the use of Lot No. 10155-1, which states (among other items):

- Initial term of use is for 25 years with an automatic renewal of 25 years
- After the initial seven (7) years of the term, the Association is to remit:
 - \$1/year per annum
 - 2% of gross income from the previous year
 - Fee will increase 1% every 5 years, to a maximum of 5%
- The Association shall be subject to an annual audit by the Office of Public Accountability.

The GALC functions as a fiduciary for the GALC Land Bank Trust and is at risk of criticism that it is not performing its fiduciary responsibility by allowing a tenant to utilize trust property without compensation.

On behalf of the Guam Ancestral Lands Commission Board of Commissioners, thank you for your assistance with providing us with any financial information that you may have on the Farmers' Cooperative Association of Guam for FY 2020.

Lin Dangko'lo na Si Yu'os Ma'åse',

John T. Burch

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590 S. Marine Corps Drive
Suite 312 ITC Building
Tamuning, GU 96913Mailing Address:
P.O. Box 2950
Hagåtña, GU 96932Website:
<http://dim.guam.gov>E-mail Address:
admin@galc.guam.govTelephone:
(671) 649-LAND (5283)
ext. 681Facsimile:
671-649-5383



GUAM ANCESTRAL LANDS COMMISSION

RESOLUTION NO. 2022-005

**FY 2022 TRANSFER OF FUNDS IN THE TRUST FOR GUAM
ANCESTRAL LANDS COMMISSION "LAND BANK TRUST
FUND" AND "SURVEY, INFRASTRUCTURE, AND
DEVELOPMENT FUND" INSTRUCTIONS TO COAST 360
FEDERAL CREDIT UNION**

WHEREAS, the Guam Ancestral Lands Commission, in accordance with Title 21, Guam Code Annotated, Chapter 80 and Public Law 25-45, has the responsibility for the return of excess government lands to its original land owners except in circumstances when land is clearly under existing public use or lands were Spanish Crown Land; and

WHEREAS, the Guam Ancestral Lands Commission shall administer all assets and revenues of the Land Bank Fund where resulting income shall provide just compensation for those dispossessed ancestral landowners; and

WHEREAS, Title 5 Guam Code Annotated, Chapter 21, Investments and Deposits, governs the methods and processes for Guam Ancestral Lands Commission to invest its monetary assets; and

WHEREAS, on April 13, 2022, the Guam Ancestral Lands Commission Board of Commissioners at their regularly scheduled meeting, via Zoom teleconference, met to discuss the draft audit findings by the Office of Public Accountability; and

WHEREAS, on April 13, 2022, the Guam Ancestral Lands Commission Board of Commissioners at their regularly scheduled meeting, via Zoom teleconference, unanimously passed a motion to transfer a total of Seventy-Eight Thousand Six Hundred Thirty-Six Dollars and Thirty-One Cents (\$78,636.31) in the *Trust for Guam Ancestral Lands Commission* from the *Land Bank Trust Fund* (Account 0100) to the *Survey, Infrastructure, and Development Fund* (Account 0102).

NOW THEREFORE BE IT RESOLVED, The Guam Ancestral Lands Commission Board of Commissioners directs Coast 360 Federal Credit Union to transfer for FY 2022 funds in the *Trust for Guam Ancestral Lands Commission* (Member Number 0000236454) from the *Land Bank Trust Fund* (Account 0100) to the *Survey, Infrastructure, and Development Fund* (Account 0102) Seventy-Eight Thousand Six Hundred Thirty-Six Dollars and Thirty-One Cents (\$78,636.31).

SO SAYETH THE GUAM ANCESTRAL LANDS COMMISSION AND ITS CHAIRMAN, SECRETARY / TREASURER AND EXECUTIVE DIRECTOR THIS 13TH DAY OF APRIL IN THE YEAR OF OUR LORD, 2022.

Date: _____

RONALD F. ECLAVEA, Chairperson

MARIA G. CRUZ, Secretary/Treasurer

JOHN T. BURCH, Executive Director



GUAM ANCESTRAL LANDS COMMISSION

RESOLUTION NO. 2022-006

**FY 2022 TRANSFER OF FUNDS IN THE TRUST FOR GUAM
ANCESTRAL LANDS COMMISSION "SURVEY,
INFRASTRUCTURE, AND DEVELOPMENT FUND" AND
"LAND BANK TRUST FUND" INSTRUCTIONS TO COAST
360 FEDERAL CREDIT UNION**

WHEREAS, the Guam Ancestral Lands Commission, in accordance with Title 21, Guam Code Annotated, Chapter 80 and Public Law 25-45, has the responsibility for the return of excess government lands to its original land owners except in circumstances when land is clearly under existing public use or lands were Spanish Crown Land; and

WHEREAS, the Guam Ancestral Lands Commission shall administer all assets and revenues of the Land Bank Fund where resulting income shall provide just compensation for those dispossessed ancestral landowners; and

WHEREAS, Title 5 Guam Code Annotated, Chapter 21, Investments and Deposits, governs the methods and processes for Guam Ancestral Lands Commission to invest its monetary assets; and

WHEREAS, on April 13, 2022, the Guam Ancestral Lands Commission Board of Commissioners at their regularly scheduled meeting, via Zoom teleconference, met to discuss the draft audit findings by the Office of Public Accountability; and

WHEREAS, on April 13, 2022, the Guam Ancestral Lands Commission Board of Commissioners at their regularly scheduled meeting, via Zoom teleconference, unanimously passed a motion to transfer a total of One Hundred Seventeen Thousand Nine Hundred Fifty-Four Dollars and Forty-Eight Cents (\$117,954.48) in the *Trust for Guam Ancestral Lands Commission* from the *Survey, Infrastructure, and Development Fund* (Account 0102) to the *Land Bank Trust Fund* (Account 0100).

NOW THEREFORE BE IT RESOLVED, The Guam Ancestral Lands Commission Board of Commissioners directs Coast 360 Federal Credit Union to transfer for FY 2022 funds in the *Trust for Guam Ancestral Lands Commission* (Member Number 0000236454) from the *Survey, Infrastructure, and Development Fund* (Account 0102) to the *Land Bank Trust Fund* (Account 0100) in the amount One Hundred Seventeen Thousand Nine Hundred Fifty-Four Dollars and Forty-Eight Cents (\$117,954.48).

SO SAYETH THE GUAM ANCESTRAL LANDS COMMISSION AND ITS CHAIRMAN, SECRETARY / TREASURER AND EXECUTIVE DIRECTOR THIS 13TH DAY OF APRIL IN THE YEAR OF OUR LORD, 2022.

Date: _____

RONALD F. ECLAVEA, Chairperson

MARIA G. CRUZ, Secretary/Treasurer

JOHN T. BURCH, Executive Director

MEMORANDUM

Date: April 11, 2022

To: Executive Director, Guam Ancestral Lands Commission

From: Acting Deputy Administrator

Subject: GEDA Monthly Progress Report

Hafa Adai!

The following is a progress report on GEDA's efforts to manage Land Bank Trust properties as required by Section 1(i) of the MOU between GEDA and GALC Land Bank Trust:

• **Wettengel Junction : Northern Market, LLC (NM)**

Monthly Rent	Outstanding Balance
\$ 27,854.51	\$1,220,494.31

- Total Deferred Balance (\$1,041,519.19) and Total Interest Balance (\$178,975.12) = Total outstanding balance (\$1,220,494.31) as of March 31, 2022.
- Last payment made on Feb. 27, 2020. In the amount of \$40,769.63
- Northern Market on Extended 1 year Full Rent Deferral from Nov. 2021 to Oct. 2022.
- Next quarterly report due on May 10, 2022

• **Apra Harbor Parcel No. 1 (Commissary Junction): KwikSpace**

Monthly Rent	Outstanding Balance
\$3,949.63	\$ 0

- Tenant is current with its lease rents.

• **Apra Harbor Reservation F-12: Matson**

Monthly Rent	Outstanding Balance
\$ 27,733.00	\$ 27,733.00

- Last payment received was on April 11, 2022.

- **Lot Apra Harbor Reservation F-12-R2: Trans Steel**

Monthly Rent	Outstanding Balance
\$ 500.00	\$9,900.00

- Tenant on a month to month tenancy and payment plan from May 2021 to present.
- Last payment made on April 04, 2022. In the amount of \$800.00

- **Tanguisson Cable Landing Station, Dededo (Lot 10192): AT&T**

Monthly Rent	Outstanding Balance
\$ 22,939.42	\$ 0

- Tenant makes regular monthly payments via EFT at the beginning of every month.
- Tenant is current with its lease rents.

- **Lot Apra Harbor Reservation F-12 Polaris Point: Smithbridge Guam**

Limited Term Full Payment	Outstanding Balance
\$ 8,000.00	\$0

- Tenant on a limited term license agreement to commence on April 01, 2022 and end at midnight on June 30, 2022.
- License agreement full balance was received on April 04, 2022.
 - Security Deposit and rental payment for full license term

TIYAN PROPERTIES

- **Guam Environmental Protection Agency (GEPA)**

Monthly Rent	Outstanding Balance
\$ 8,000.00	\$ 224,000.00

- Tenant makes regular monthly payments via EFT before the end of the month.
- Last payment made on Mar. 03, 2022

- **DPHSS (WIC)**

Monthly Rent	Outstanding Balance
\$ 8,400.00	\$ 29,099.35

- Last payment was made on April 01, 2022.
- Certification of Funds has been updated and signed by GALC and GEDA. Originals have been delivered to WIC for signatures.

Other Items

- **RFP 21-011 – For Lease and Development of Land Bank Trust Property: Lot Apra Harbor Reservations, F-12-1, portion of F-12-2, and F-12-3, Polaris Point, Piti**
- As of 03/11/22, Ongoing lease negotiations between GEDA, GALC and Vendor.



- **LICENSE AGREEMENT – Polaris Point**
 - Limited term license agreement for rental of two (2) acres for three (3) months between GALC and Smithbridge Guam.
 - License period commenced on April 01, 2022 and ends on June 30, 2022
- **Farmer's Cooperative Association of Guam Inc.**
 - FCAG requested a 90-day extension on the submittal of 2020 Certified Financial Statements. On March 23, GALC Commission approved a 30-day extension, requiring the financial report to be submitted no later than April 22, 2022.
 - GEDA sent a letter to Mr. Kosaka informing him of the decision and due date.
- **MOU btw GEDA and GALC – Investment Services**
 - MOU is currently under review, approval and signature with the AG.

Should you have any questions, please contact us at 671-647-4332. *Si Yu'os Ma'ase'* for your continued support in generating revenues for the beneficiaries of the Trust.

Senseramente,



ED CAMACHO
Acting Deputy Administrator