



Chamorro Land Trust Commission

(Kumision Inangokkon Tano' Chamoru)

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David J. Matanane
Vice-Chairman

Pauline Gumataotao
Commissioner

Carmen G. Tajalle
Commissioner

Andrew S. Leon Guerrero
Commissioner

Jesse G. Garcia
Administrative Director

COMMISSION MEETING MINUTES **Agana Youth Center, Hagatna, Guam** **October 15, 2009; 1:05pm - 2:55pm**

I. CALL TO ORDER

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

II. ROLL CALL

Present were Acting Chairman Oscar Calvo, Vice-Chairman David Matanane, Commissioner Carmen Tajalle, Commissioner Andrew Leon Guerrero, Legal Counsel Delia Lujan and Administrative Director Jesse Garcia. Not present was Commissioner Pauline Gumataotao.

III. APPROVAL OF MINUTES (September 17, 2009)

Vice-Chairman Matanane – On the previous minutes I guess after reading the minutes I guess my thoughts were also inclusive of the add ins that I was requesting for from the previous meeting. I would also like to get the listing of commercial licenses not only the licenses that are behind but a total amount of commercial licenses. Take note on that Mr. Garcia please I would like to get a total because I haven't seen the total inventory of the commercial licenses. **I move to approve the previous meeting minutes.**

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

IV. PUBLIC COMMENTS – None.

V. PENDING BUSINESS

1. Guam Outdoor Shooting Range – License Agreement

Administrative Director Garcia – We called them up and informed them that their case is not going to be heard today. It's an ongoing work with legal counsel on it so they were informed already that they weren't going to be on today's meeting.

VI. CORRESPONDENCE

1. Heirs of Vicente Baza Pangelinan – Request for application rights

Administrative Director Garcia – In the package it is pretty much saying that Mrs. San Agustin wants to take over the father's lease but there's other family members that are involved. They're coming here to request the Commission to give them authorization to take over the father's lease. The father is deceased.

Acting Chairman Calvo – As you know Jess there are other family members that are involved to that issue right besides you and you just want to just claim that. I don't see any problem on that but the only thing that I see there is your

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family members have to sign a waiver stating that none of them have staked claim to the property. So we want to make sure if we do this we don't want down the line and say you know my brother or my sister never told me about it. We need an affidavit just to verify that everybody agreed that you are taking over. So we just want to make sure because it would create a problem because then whether your brother or your sister may come forward and say I didn't give my sister or my brother the authorization to assume my dad's estate. So if we get that all we need is an affidavit for them signing that they have given you guys the full rights to take over your dad's estate.

Luis San Agustin (representing his wife Mae San Agustin) - If I may address the Board, Mr. Chairman, Mr. Vice-Chairman and members of the Board, I'm Luis San Agustin, Mae's husband. My wife asked me if I can speak to you guys on her behalf. What I'm going to say is for a matter of record. *(Chamorro translation by CLTC staff Lorraine Nededog) It's been 10 months since my wife told me that they can't give her the property and this coming December will be 3 years since her father passed away. From our understanding and what was told from Land Trust when her father passed away on March of 2007 they told my wife that someone in the family have to go and clear out the property and maintain the property and plant or else they would lose the property within 180 days. We are living in Washington, I'm new here on the island but at that time she called her sisters and she was told by Land Trust that they need to go in because if they don't go in to the land they are going to lose it. Nobody wants to go in. The son that is staying here she gave special power of attorney on April 2007 to go in the land and fix it or else they'll lose it. They are not asking for all of the land all she's asking for is for her share of the 12 to 13 acres. Not at any time has she asked for the entire land. She just asked for her share. Then since then and up to this time nobody that is interested has come to the property only her and her son. Nobody has come in from her sisters that are interested on the property. The all want the property but they only want the portion that is already opened and cleaned up. Everything that was told to her by Land Trust she's done because we don't know also what was told to her by Agriculture she's done and this is what was done to her she can't be given the property. So why is it that we are back there and we were told to do all this and last month they told us the people from Land Trust hurry over and we'll give you the land? We picked up everything, spent thousands of dollars to relocate because that person told us to do that. We came here and we can't. That I don't understand. We're not asking for preferential treatment, we're not asking to be given the whole land. We're asking for her share of it. On the Will let me read the Will.*

Acting Chairman Calvo – Delia just so legal counsel you know what he's alluding and he's stating on the father's the wife's father is you know the estate there that they wanted and what the Chamorro Land Trust has initially told them back then that when the father passed away they have a 180 days to come back here otherwise the piece of property would have been lost. So they took the initiative of cleaning up and getting and that was the Chamorro Land Trust instruction. I would like to know who the person who told you that at that time. All they want is to stake claim of what her father has willed to her a portion of that property. I don't know whether the property is willed under your name.

Mae San Agustin – There's no beneficiary.

Acting Chairman Calvo – See there's no beneficiary and this is why and quote me if I'm wrong on this legal counsel it's important for the other family members you said it earlier

that nobody really wanted to take over or take stake but then at the other end they want now the piece of property that you guys have cleared.

Mae San Agustin – That we have maintained.

Luis San Agustin – Exactly.

Acting Chairman Calvo – And the rest of your brothers or sisters you know they want something that's already been done okay and you want to stake claim to that. See because of the issue there, there is no beneficiary. There is no beneficiary stating that you should have full rights on that and your brothers and sister can still have.

Mae San Agustin – Exactly.

Acting Chairman Calvo – Can still come in and agree and that's why we need to get the family support signing that I relinquish this part of the property to my sister you know because that's going to be a legal battle. That's going to be pretty much be a legal battle and yes if you did not act within 180 days but you took it upon yourself okay.

Luis San Agustin – She the oldest and that's why she did it.

Acting Chairman Calvo – And if they respect you to that portion since you're the oldest one okay how many of you in the family if I may ask.

Mae San Agustin – There's only four of us.

Acting Chairman Calvo – So the other three how do they feel? Do they say to you sister we'll give you that piece of property we'll go ahead but from what you're stating earlier is yes they want to come in too but they want the one that you. *The decision of the Commission we need to make it clear yes the Commission have told you that you need to come in within that period of time otherwise it won't be at stake. But you took that and like you said you packed your bags to station yourself here and that's fine.* Since you have three others on your dads you know we need to clarify the three they have to sign that waiver that yes they are going to give you that piece of property because they can fight it. Legal Counsel what I was alluding is that they the three brothers and sisters can easily challenge that issue.

Legal Counsel Lujan – Are they all sisters?

Mae San Agustin – We're all sisters, there's no brothers.

Legal Counsel Lujan - I think in the package all of them are claiming an interest to the land.

Mae San Agustin – Yes, they're all claiming an interest in the land but they're not coming in and helping in the land see. I'm the only one and my son.

Acting Chairman Calvo – They want to claim that piece of property the one that they already cleared, their self interest is where they have cleared up. So it's almost like this is like to go to a probate issue.

Legal Counsel Lujan – How big is the property?

Luis San Agustin – 12 to 13 acres is my understanding.

Legal Counsel Lujan – So its actually something that the Commission could divide up if it wanted to.

Acting Chairman Calvo – Yes.

Luis San Agustin – That's essentially what we're asking.

Mae San Agustin – Yes that's all we're asking. I'm not asking for the whole 13 acres, I'm not going to farm the whole 13 acres.

Commissioner Leon Guerrero – Obviously the 3 acres are the ones that you have already been...(interrupted).

Mae San Agustin – Yes that's the ones that we have already cleared.

Luis San Agustin – And its not even 3 acres that we've cleared you know.

Mae San Agustin – It's about 2½ acres only.

Vice-Chairman Matanane – I think if you guys can get together and agree as to how you portion it out and we'll put an addendum to the lease to rectify that. But you guys have to agree.

Luis San Agustin – Given all this time that we have spent and all the money we have spent to do what we've been told to do in the course of the day when this day is over and the months comes along and none of them agree, they don't come to an agreement what happens now?

Vice-Chairman Matanane – But the fact that they did stake a claim to us that they have letters here that they want to claim too so in order for it to be settled I believe in a more amicable way is for you guys to get together which is the family and divide it and if you say 13 maybe the oldest one gets the four and the others three. Wouldn't that be agreeable to you guys? Now it's up to you guys because we can just hear that you guys want more or this one wants more.

Luis San Agustin – This is a big problem.

Vice-Chairman Matanane – Each and everyone have already staked a claim because they have sent in a letter.

Mae San Agustin – They have a letter of interest because I have told them to do it.

Vice-Chairman Matanane – Now it's you guys have to settle between you guys, the family.

Mae San Agustin – Right.

Vice-Chairman Matanane – And if you have 13 acres and if you did say that you were looking after the interest of the old man of course and you're the oldest and if you divide 13 into 4 you get one acre more than the rest. So I don't know if you get together with your sisters and do it that way.

Luis San Agustin – *All of this was a mistake since the beginning because they told my wife the former Director to put in all these papers and put in her application in her father's file and since she's the oldest she'll be the one to be given.*

Vice-Chairman Matanane – Mr. San Agustin like I said and if you're going to go to that route then what are you asking for?

Mae San Agustin – Nothing.

Luis San Agustin – I'm not asking I'm speaking on behalf of my wife.

Mae San Agustin – He's talking on behalf of my self.

Vice-Chairman Matanane – But you're saying that, that's already passed you already stated that you have to take the initiative good for you because as a matter of fact if you guys hadn't taken any action that thing would have been lost. But now what I'm saying is the most amicable way of settling that is between you guys.

Mae San Agustin – Well my sisters are here. My sisters are right behind me they just arrived.

Luis San Agustin – My question lies what if they don't come to an amicable agreement? What happens then to that land?

Legal Counsel Lujan – Well the law allows the Commission to select who to give it to. So it's either you decide or the Commission is forced to decide.

Luis San Agustin – And that's essentially what we're asking coming over today.

Acting Chairman Calvo – And I understand with that okay and that's why the legal counsel I wanted to make sure that and I know that your stake claim is what you want what you have done and cleared. You're not asking the whole acreage.

Mae San Agustin – No they can have it.

Acting Chairman Calvo – Now it's very important that your sisters and brothers you're saying they are here now what is their stake claim right now? Are they willing to give that portion to you let's say right now?

Antonia Acfalle (heir of Vicente B. Pangelinan) – Why is Mr. San Agustin speaking on her behalf when she can speak for herself? Why is he interfering with this?

Mae San Agustin – He's not interfering.

Antonia Acfalle – Nobody not even my husband is interfering with this land.

Mae San Agustin – He's not interfering.

Acting Chairman Calvo – This is why Mrs. San Agustin that you have to go back and recollect yourself with your sisters because the estate is basically your father and I can't speak on your behalf or her behalf or other behalf. It's not the Commission's position to do that. That's why you guys have to make that decision on who will get a portion of that piece of property. For us for the board to give you an answer today it won't happen I'll tell you that. My advice is for your sister and your other sisters you know how you manage it and how you work it out that's within yourself. Remember that the 180 days is going to click now if it doesn't if nothing derives within that period of time then what the legal counsel just said then we will be forced to make the decision and say this is going to be a portion and that's going to be a portion. So that itself has to be worked within you guys that's why I asked you in the very early stage that you need to put that in writing okay. That she agrees that okay sis since you're the oldest because you're asking lets say if you just want one acre if that's what you want you make that statement and say all I want is that one acre you guys can have the 11 or 12 acres whatever the balance of it okay. That has to be clarified among yourselves. If you guys can't come to a firm decision then that's when the Board itself can take affirmative action and say okay two ways the board can say okay since you can't come to terms and nobody seems to because we don't want to get caught in between family dispute and that's why I said you have to be the one to understand one another. I don't want to be the board itself is not going to be involved with the family dispute. So ideally right now Mrs. San Agustin I'll just let you know right now I think you have to go back with your sisters how you resolve this issue that's your responsibility and your sisters.

Mae San Agustin – I have a question, one of my sisters had suggested of drawing straws the ones that I had already had cleared, do you think that's fair? I mean I'm the one doing the whole work.

Acting Chairman Calvo – No that itself if your sisters agree to that okay it is not how you do it like you said if you want to draw straws that's fine that's up to you folks. If you say lets say there's only four of you and you divide and say sis lets for example you subdivide the lot and lot 1, lot 2, lot 3 and lot 4 and lot 1 happens to be the one that you cleared and you pick lot 4 which is all jungle then you're going to have to be on that stage. So yes, I can't tell you what to do with that I can't. That's your discretion you guys have to make the decision it's not the board's decision to say because I can't take a straw right now and say here pull the straw.

Antonia Acfalle – I'm one of the daughters of the deceased, when we went to Land Trust for this to turn in our letters and whatever was needed they told us that we had no business going in there until this thing has been cleared up. In other words Mrs. San Agustin went ahead and went in there because they said that they were given the property okay. So my sister and I my younger sister and I went down to Land Trust and asked what is going on because we weren't even notified about anything that she was given the property. So they went in there and they cleaned. We can't even get water to get to go in there and my two sisters and myself had come to an understanding that if it so happens that we're going to be given the land we pick and I want the Commission or who ever is in charge that they put in four numbers and we pull to be fair to everybody.

Acting Chairman Calvo – Like I said that has to be settled with you folks it's not the Commission's position okay. If I can just talk back in Chamorro, *it would be better for the four of you sisters because it hurts this kind of problem for them because your parents up there is looking down at you guys so it is not worth it to fight over land and all the time you and your sisters will still love each other but that's your discretion. That is why I'm saying get together all four of you guys and try and solve how you guys are going to make your decision.* Whether it takes a week a month for that matter but the faster you think about it you know maybe when you leave here the four of you guys go have a cup of coffee and say you know sis lets just be rational about it and come to terms okay what are your intentions. And yes you want to go on a straw that's fine I have no problems with that you can make the decision but it's going to be your decision. Now if it falls back to the Chamorro Land Trust you might not like it that's what I'm saying. So that's what I'm saying you have to be the one to satisfy among yourselves. *And the decision that I am going to make is not going to be decided by the Commission.*

Administrative Director Garcia – Public Law 23-38 the rules and regulations that was established for the Chamorro Land Trust, 9.2 Reversion to the Commission states where a lessee dies having failed to designate a successor, the Commission may select a successor as provided in the Act otherwise the leases shall be cancelled. So either you guys work it out if not then it's going to be cancelled and then it will revert back to the Commission to be leased out.

Antonia Acfalle – I talked to her on the telephone and I said to be fair with everybody because that portion that she's on I have two other sisters that's interested on that portion.

Acting Chairman Calvo - -If it was the Commission's decision since she's the oldest you don't want the Commission to give it to her because it wouldn't be right. I don't want to go that route. *That's why I am trying to let you know that you four should get together and make that decision.* You know there's got to be a way that you four sisters can work it out okay. That's only the way and if it was the Commission's decision and we decide that you or your next sister will be the administrator we're trying to make that responsibility on you guys. You just have to come to terms to that issue. For the Chamorro Land Trust to make that decision right now you might not like it. Then you guys are going to create more commotion. You might say why did you give her and not me? *It's better if the decision is coming from you guys that way you will be satisfied and your sisters will be satisfied all four of you. If it was the Commission's decision it will not pass. Go back and get together all four of you because it will be useless for us and it's better if the family get together and make that decision because your parents would want it that way and be satisfied and get along with each other. And now a days this is why people are killing and fighting against each other because of siblings interested in whatever and not coming to an agreement. I'm not trying to say you are being greedy or they are being greedy but you need to be sure that I'll give you three and I'll get the one acre.* You know what those things can be worked out because we can go through the whole day for this it's not going to solve any issue. So my suggestion right now is for you guys to go back and reform and then when you actually find out and say okay we're ready to talk we have made the decision then I think you can approach Mr. Garcia that you have made the decision this is how we worked it out with my sisters.

Legal Counsel Lujan – The lease of your father was it an agricultural lease?

Mae San Agustin – Yes.

Legal Counsel Lujan – And will all four sister be willing to engage in farming on this property?

Mae San Agustin – That's what I'm doing right now but there's no water. I just got certification paper from Mr. Garcia the other day to get a temporary water because I was hauling water elsewhere and the vehicle that we were hauling water broke down so I had to do different ways to even get water in there. When it rains we have some buckets in there and 55 gallons but it's not enough. My son and I have grown cucumber, eggplant and there's a lot of hot pepper in there and something else that we had grown in there and it was hard. I started it out and this is well anyways we'll get back on that, I have something here that I need to let you know this is what I was told from Jeff Aguon when I was back there in Washington. Jeff Aguon had told me that requirement of letter execution of rights and two, must start cultivating land or loose it. Then I gave like I said my son a special power of attorney to be in there on behalf of myself until I got back to clear that place and start planting. He started planting hot peppers okay but then he went for vacation and you know the place grew grass again. So when I came back that's when I asked someone my uncle to help me clear the place and start cultivating it like what the Land Trust told me and the agricultural so I did that. I came back to Land Trust asking for water and Mr. Borja was the Director at that time he had denied my water because there's no plantation. How would he know that? That was when he saw the last time.

Acting Chairman Calvo – Mrs. San Agustin just to reiterate again we can go through the afternoon and I sympathize what the problems are but the at the end of the day you have to get with the four of you right now okay. Yes you took the initiate, yes you took and cleared that okay. Now or you can be very sympathetic to your sisters and say you know sis all I'm asking is this and that itself has to come from you guys. I can't make that decision for you or the board. I'm just saying right now I think its more ideal for now because the longer you guys wait *then you might lose the 13 acres of land*. And if you four come to a decision because I don't know what you are thinking and I don't know what she is thinking. And when you already come to an understanding and if Toni says this is what you're going to this is what you need to document down on paper

Administrative Director Garcia – What I did was gave her a temporary water hook up pending the outcome of the Commission's decision whether to award or not to award.

Vice-Chairman Matanane – Mr. Garcia I don't think we can make any decision right now if they can't get it straight with them among themselves. I believe that you just read the law concerning this which is giving them good opportunity for you guys to rectify it but if we follow that what you have stated like I said you might lose it all. So it needs for them to compromise together as a family and get this straighten out because if we got to follow what we have it's a good opportunity for you guys. I'm saying this because right now when you read that law we could have made that decision right now but we don't want to do that. Understand where I'm coming from please and that's the reason why when it first came up I wanted you guys to be amicable the way you guys got to settle it. None of this airing out the dirty laundry in here. Understand where I'm coming from? *In Chamorro come to an understanding and if we are the one to decide and just a few minutes ago Jesse Garcia just read the law and that's what it's stating and if that's the decision so that is what we have to*

do. Understand? That is what the Commission is following I am giving you opportunity to settle it among yourselves so we can make a decision.

Antonia Acfalle – Mr. Garcia can I make an appointment with you because I've been calling Land Trust and eventually nobody has called me back for an appointment.

Vice-Chairman Matanane – Ma'am please whatever we say now is moot really.

Antonia Acfalle – No I understand that.

Vice-Chairman Matanane – Its moot we don't want to go back and say oh we didn't answer but we are here now. This is what I'm saying we are here now I don't want to hear anything about that, you are already are here and we are here to make a decision. You don't want us to make the decision now. Please go and the come back and put it in writing that you guys are in agreement to share your father's.

Antonia Acfalle – When is the next hearing?

Vice-Chairman Matanane – As soon as you guys are finished notify Mr. Garcia and then we'll put it on the agenda so we can hear from you.

Legal Counsel Lujan – On your father's leasehold is there any grazing going on? Any animals on the property?

Mae San Agustin – There's wild pigs.

Antonia Acfalle – Before then but not now.

Mae San Agustin – We're feeding the wild pigs so that way they don't eat our crops.

Legal Counsel Lujan – Are there any residence or homes built there where anyone is living?

Mae San Agustin – No.

Legal Counsel Lujan – No so it's pretty much a farm or a jungle.

Luis San Agustin - We were told by someone in Land Trust to put a permanent structure in there and we put a storage.

Mae San Agustin – For our equipment in there.

Acting Chairman Calvo – Who told you?

Luis San Agustin – Mr. Quan.

Acting Chairman Calvo – But even if Mr. Quan instruct you to that terms you have to go back and make that decision. The decision lies on you guys, you four. So I think ideally right now I think the discussion for this is pretty much your decision and when you guys decide to do that now then you give Mr. Garcia a call and say okay we have made the

agreement with my sisters we have a document that all of us have already signed then like what Mr. Matanane said we will put it on the next agenda and if they say okay I gave up my rights to my sister and whatever okay. So that itself you have to be the one to make otherwise if the Commission chooses to make that decision you might not be too happy, she might not be too happy and the other sisters and what happens to that then you're going to have an in-house fighting again because you're going to say I don't want to go through that route where it's going to look like it's being very sensitive about it and say well she has more claim than I do. I don't want to go that route okay. That's the last thing I want to do and that's the last thing the board here wants to do. So I think for now go back and like I said we have meetings every month and if you guys can settle it out within the next month the next week or two then we'll put it on the board discussion and say okay we're happy, we're smiling, we're hugging, we're kissing, that's it end of story.

Legal Counsel Lujan – It is the Commission's decision to select someone as a successor to your father's leasehold but whatever final decision the Commission makes it must be within the confines of the law. So whatever agreement between you and your sisters the Commission has the ultimate say whether to go along with it or make any adjustments so that it's within the confines of the law.

Mae San Agustin – The temporary water that I was certified to go and apply for water am I honored to do that or do I have to wait because my plants are dying.

Administrative Director Garcia – The authorization that I gave was because of that there's plants on the property and until this thing is settled and whoever is going to be assigned to then they can apply for a permit for utility but for now I gave them temporary.

Mae San Agustin – It's only temporary. Is that alright with you guys?

Acting Chairman Calvo – Well I guess it would ideally be up to the board but the only friction that I see at the end of the day on that is what happens if you don't get it?

Mae San Agustin – Exactly yes that's true.

Acting Chairman Calvo – Now if you want to continue on if you want to continue to put water and that's it Mrs. San Agustin really I mean if you too the initial time and you water the plants and so forth and that's fine okay and I can see where you're coming from. But if you four come down to an agreement and your sister Toni says you know what sis I want that piece of property or your other sisters okay so to be rational about it I don't want, if you feel comfort if you think you want to do it is better if you four make this decision. *If you guys come to a decision the law says that we can actually slip and go another route but we don't want to go that route. I don't want that if you come back over here you say that Toni is your administrator and I can say no you should be the one I don't want to go that route and I don't think so the board members.*

Mae San Agustin – *All those things that were told to me is different from what you're saying.*

Luis San Agustin – *That's what started the whole thing.*

Acting Chairman Calvo – I don't want to go to that part. That is more or less you guys keep it among yourselves I don't want to open up a can of worms here okay *I'd rather that you keep it among yourself and your siblings.* Thank you.

2. Francis P. Taitano – Request to take over Uncle's leased area

Francis P. Taitano – Good afternoon ladies and gentlemen thank you for your time.

Administrative Director Garcia – Mr. Taitano approached me regarding an agricultural long term lease that his uncle received a while ago. His uncle passed on and he's requesting now to take over the agricultural lease but there's no real documents to the lease except for what was provided from Mr. Taitano.

Acting Chairman Calvo – When you say no real document Jess.

Administrative Director Garcia – This was way before Land Management's land use permit time and then Department of Agriculture's long term lease program and his uncle that he's going to take the lease over was a single person.

Acting Chairman Calvo – And your uncle is still alive?

Francis Taitano – No that's how I got into it. There is a file sir I'm sorry if I may just say there were correspondences between Land Management and Agriculture. It just didn't make it to Chamorro Land Trust but request for long term lease it's in part of the attachment there by my Uncle. And it just sort of I guess fell on the waste side because the response from Land Management back in the 80s was yes we agree but because its unregistered un-surveyed land we recommend survey and if Mr. Artemio Taitano could absorb the cost no problem. And about four years later he followed up and Agriculture wrote to Land Management and that was the end of the correspondence. So there is a file that exists at Agriculture and correspondences between the two agencies but it just kind of fell on the waste side. In my letter to the Chamorro Land Trust I mentioned that there was a subsequent survey by Land Management under the license of Meliton Santos, I thought he would be here, on the adjacent lot. So there was a survey but it's just on the north side of the property and I noticed when I looked at the map that they actually traversed the subject area. They went down through Lajuna that's the name of the place that he farmed for over longer than I've been alive and I just continued it to this time. So he farmed that forever and they went through there but there was no survey so maybe that's why a file didn't make it to Chamorro Land Trust. But on his letter for application for an extended long term to Agriculture he said that he had leased it and that he wants to now get formally get a long term but between correspondences nothing happened.

Vice-Chairman Matanane – Did he apply at Chamorro Land Trust though?

Francis Taitano – No he died in 2004, I was there before. It was through those agencies.

Vice-Chairman Matanane – Chamorro Land Trust came into play in 95. I'm looking at your paper works here and he had applied at Land Management?

Francis Taitano – It was processed through Agriculture it seems that that's how Land Management responded to him when they responded to Agriculture but I believe when he

got into this land it was like after the war in the late 40s and there was no Land Management either I would guess, I don't know. I would guess there was no Land Management. Agriculture is probably one of the first agencies of the Government of Guam so it's through that agency and then they said we yield to Land Management if I may use my own terms because they are now administering the lands and so the correspondence between them. Did he go to Chamorro Land Trust? Never to my knowledge.

Vice-Chairman Matanane – Why not?

Francis Taitano – I have no idea sir.

Administrative Director Garcia – Mr. Matanane the application that he's talking about qualify under Public Law 23-38.

Vice-Chairman Matanane – I understand that, the arrendo you are talking about the arrendo there?

Administrative Director Garcia – The arrendo but 6.4 section b, persons presently holding land use permits and who qualify under the section who needs to be a native Chamorro.

Vice-Chairman Matanane – But he never did get any land use permit.

Administrative Director Garcia – Through Department of Agriculture.

Vice-Chairman Matanane – He did? I didn't see any approved land use permit according to your records.

Francis Taitano – He stated that he had a lease.

Vice-Chairman Matanane – There's an application but there's no land use permit.

Francis Taitano – To extend.

Vice-Chairman Matanane – To extend?

Francis Taitano – Yes he wants a long term lease now it says I have leased if you look at the application form and I want to extend, get a long term.

Vice-Chairman Matanane – I'm looking at it right now but did you ever make any payments on the land use permit?

Francis Taitano – I don't know, I got into the picture, see I'm to do this so I can do that.

Vice-Chairman Matanane – I understand Mr. Taitano but since you provided us with all the documents and you still didn't see any approved land use and you have the application but it never came back to your uncle that he is authorized to use the land. Isn't that right according to your records?

Francis Taitano – That is true I have not seen any communications like that.

Vice-Chairman Matanane – Back and forth from Land Management to Dept. of Agriculture and even all the Directors I believe that have gone by has wrote a letter and what was the problem though? They never did approve any land use for your uncle and for what reason?

Francis Taitano – I think it's implied but I don't see an approval. What I'm saying is they didn't say we don't have anything you must leave that place. Land Management is saying we need to survey that and they didn't. I'm assuming and this may be wrong that they would have approved it because Land Management said we agree however we need to survey because it's un-surveyed. So he's waiting for it in the meantime he's been farming forever there.

Vice-Chairman Matanane – Mr. Taitano you understand that when all the property that the government owns is transferred to the Chamorro Land Trust after all those times that your uncle was trying to apply for the land lease and never got approved why didn't he apply for Chamorro Land Trust?

Francis Taitano – I have no idea I can't respond to that.

Administrative Director Garcia – When did he pass away?

Francis Taitano – 2004.

Acting Chairman Calvo – If I may speak to this and the board and Mr. Garcia I think we would have to retable this thing and really thought out and see on how because there's a conflicting here and it would be best for the board to really look at it more and thoroughly and to make final decisions. Because we're running at the time your uncle and what you're doing you just want to stake a claim on this and continue on whatever okay. So I think it would be very premature for us to make that decision today and I think it would be best for the board to table this out and then legal counsel maybe can give us a better way on how and if the legal counsel decides whatever the ultimate is then that's what it's going to be.

Vice-Chairman Matanane – Before we dismiss Mr. Taitano which I have quite a few questions that I'm still kind of leery about. I read your documents alright and you said he never did get a land lease permit.

Francis Taitano – I don't know that sir, I don't see one, he said that he had a lease.

Vice-Chairman Matanane – When did pass away?

Francis Taitano – In 2004 my letter says that.

Vice-Chairman Matanane – After all those attempts that your uncle has gone through Land Management and to Dept. of Agriculture and all that and I went through thoroughly through what ever you gave us and none of the departments Agriculture or Land Management has made any indication that your uncle is supposed to use that piece of property up there.

Acting Chairman Calvo – There was never really any authorization in other words what he's saying that's why it's better if we table this out.

Vice-Chairman Matanane – Please Mr. Chair let me try and finish this because I think Mr. Taitano I saw the reason why. I saw the reason why and why they keep pushing it on the waste side okay. The way I look at it and you might be convinced that probably that's the reason why they put it on the side you're assuming right. What map is this?

Francis Taitano – That's the adjacent land registration I don't know if it happened, surveyed adjacent to the property. That's not the land okay. That's not the lot I'm saying it's adjacent to it. Do you understand that?

Vice-Chairman Matanane – How many square meters?

Francis Taitano – May I just show you something?

Vice-Chairman Matanane – Sure because if I'm looking at this white spot here it's quite a big white spot Mr. Taitano so that's what I'm trying to get at.

Francis Taitano – This is a contour map of the location and the north side is where that map was drawn. This is the boundary to make that map for the registration they went through this pink area which is where the farm is. I just want to make for clarification it's not that lot that lot is here this is the legal boundary of that lot on the south. The subject area is this area here.

Vice-Chairman Matanane – How do you determine that?

Francis Taitano – Very easily, the contour sir the flat area are the benches which my uncle calls the mesas and when I look at Meliton's map this is cliff line they could not get down on that boundary so they went through and their map if you look very closely you'll see their traverse line. Surveyors if they can't go along the line of survey they go at the path of least resistance and they shoot a bunch of points and then they get to the corner because the corner is down at the ocean and it's a straight line from the top of the cliff over 500 feet down to the ocean and they can't go like that. So they went down my uncle's road which you see on that picture and traverse it, got on to the benches the mesas and turned left. I asked Mr. Meliton Santos it seems like you did this and he said we did, our guys carried the equipment and we went down. So I know that's exactly how they went.

Vice-Chairman Matanane – But you know your uncle request Land Management to do the survey and you guys were waiting for Land Management to provide you that survey. Has Land Management ever come up? Are you supposed to survey cost?

Francis Taitano – No I've not seen. Yes Land Management Demetro Pablo said the cost would be allocated to him and my uncle subsequently from that comment followed up when and nothing happened. He was waiting. Right he requested in 81, they said this is what we need to do, he went back to Agriculture, Agriculture wrote to Land Management and they said we're doing a follow up Mr. Taitano is waiting. That's what basically the letter says from Mr. Charfauros, I think Acting Director or Mr. Victor Artero saying he came and saw us again this is now 3, 4 years later and he's waiting what's happening and that was the last of the communications. I want to impress upon the Commission gentlemen and ladies that this man this was his whole life, he was there forever. No one went down there and said you need to leave now because you don't have a form or this. I'm not putting it on the

government's behalf but I see an intent, a desire, I see occupation uninterrupted continuous and I have continued since prior to his passing. Every year since then even before my time the boonie stompers go down there and they get his permission when there's any kind of lost individual out in the ocean somewhere that's where they see they see Momo for a way to get down there.

Acting Chairman Calvo – Mr. Taitano what you're wanting for us to do today is I don't think so it's going to happen and I think we will get back with Jesse and also the Land Management why wasn't it surveyed at the time okay. Because it really falls back now to the Land Management and they'll make sure they do the research why was it. Because from what you're showing here the piece of property and that contour showing there that's fine that's good and dandy right now but right now there's nothing for us to really bear ourselves to say that is the actual property. So to make things a lot easier I think it'll be wiser for right now for us to put this on the drawing board and then the legal counsel would..(interrupted).

Francis Taitano – I appreciated it

Administrative Director Garcia – I used to work with Francis Taitano at Public Works and he understands mapping and surveying.

Acting Chairman Calvo – No I'm not alluding that portion Mr. Garcia I understand about contouring myself I know that because you follow the terrain how the property goes and that's how you see whether the property is deep or leveled and so forth. I understand that portion but I'm just saying I think it has to go back now to Land Management whatever the time the Director and I can't speak for those former Director's okay I can't speak on those people I'm just saying I think we need to do more research on this thing before we say okay in front of you. Otherwise you know at the end of the day you might end up with nothing so it's better to do it the right way.

Vice-Chairman Matanane – I agree with you Mr. Chair but you know what surprises me when I look at this map; 1,636,494.66 square meters.

Francis Taitano – That's huge but that's not the area.

Vice-Chairman Matanane – Well you provided us with this map.

Francis Taitano – No I'm showing the boundary because my letter said adjacent to it.

Vice-Chairman Matanane – I agree lets table it until a later date.

Legal Counsel Lujan – You're interested in taking over 10 acres?

Francis Taitano – That's why I built this I believe I've never I'm not a surveyor but the mesas the level area, I have pictures you see the coconut trees, the betel nut and the lime and the avocados is in the flat land and this is all cliff. And so I believe I wasn't there when he made the request that he asked for a 10 acre because that's the flat land but my concern is this I'm looking beyond this my concern is that it's all that cliff area because what is happening is hunters and people who abuse the land come in there go down the slopes and

chainsaw trees and cut down betel nut and all that. So this is like a floating island or two islands he calls it the first mesa and the second mesa these are the flat lands with soil. All the rest this is a limestone jungle so it's all coral shooting down like this and there are these flat benches that I believe is the 10 acres. But my concern is if the Commission is willing to allow me to continue is to over see the whole slope area because to farm it and then everyone wondering around the sides and this is a natural wall like Marbo Cave in Pagat. Whoever the government gives the lajuna or mesa to they should have purview over that surrounding wall.

Acting Chairman Calvo – Maybe we should preserve it.

Francis Taitano – Yes that's exactly how I'm doing it. I've retired from the government I do a tourist thing so we trek it.

Acting Chairman Calvo – But just to solve your problem for the day we'll get back with you and we will follow up with the Land Management how come they never surveyed that place, that's their responsibility.

Francis Taitano - Thank you.

3. Guam International Country Club – Payment plan

Vice-Chairman Matanane – Mr. Chair before we entertain the Guam International Country Club I would like to put a motion on the floor for penalty and interest imposed on whatever amount that is behind. I propose a 10 percent penalty and 6 percent interest rate on the particular plan that they are formulating. That's my motion Mr. Chair.

Acting Chairman Calvo – Any objection to that?

Commissioner Leon Guerrero – 10% penalty and 6% interest?

Vice-Chairman Matanane – 10% penalty and 6% on the payment of the amount due. That will be policy call now for all properties that are behind for making payments. Those penalties will be imposed on all the properties that are behind in their lease payment. Mr. Chair is anybody making a second and we'll put it on top of that as policy?

Acting Chairman Calvo – Andy do you second it?

Commissioner Leon Guerrero – I would rather we just look at it I mean it's something to think about. I'm not against it I just think we need to sit down and make sure we're making the right decision on this.

Acting Chairman Calvo – Okay.

Vice-Chairman Matanane – But with the consultation with the legal counsel I don't want to infringe on any other law that it's supposed to be but since I'm making this motion this will be a policy call for Chamorro Land Trust receivables and that will be another policy for it.

Legal Counsel Lujan – I'm sorry what is the motion being made and the penalty?

Vice-Chairman Matanane – The motion is there should be a penalty on all lease payments that are behind, 10%, 6% interest rate upon making the payments on that particular account. 10% penalty of the amount due and 6% annual which you would have to prorate that on that particular month but since it's all due it will be the total amount times 10% as they pay it will decline you know the interest and the penalties will decline.

Commissioner Leon Guerrero – Is the penalties a one shot deal?

Vice-Chairman Matanane – As long as its behind I guess you're still going to apply that penalty.

Commissioner Leon Guerrero – Just so I understand we're looking at \$285,422 so if we did 10% of that it would be 28,000 a one shot that's just the penalty alone and then a 6% on top of that per annum?

Vice-Chairman Matanane – Correct you have to prorate that.

Commissioner Leon Guerrero – Okay I would like to think about that.

Vice-Chairman Matanane – And if I may ask the legal counsel to see if this does coincide with the penalty provisions if any by law and if that's too steep then we should adjust it but that's my motion and I believe if the legal counsel says it's beyond that then I would back off on that.

Legal Counsel Lujan – Okay is the Commission going to vote on the motion? There's a motion made.

Vice-Chairman Matanane – It is a motion.

Administrative Director Garcia – But he's asking you to check to make sure it complies with the law.

Legal Counsel Lujan – Okay so I'll look into it before the vote?

Vice-Chairman Matanane – Before the vote okay, so I'll table this until you get back to us.

Legal Counsel Lujan – Sure.

Vice-Chairman Matanane – I withdraw my motion then.

Legal Counsel Lujan – Okay.

Henry Langit - Good afternoon ladies and gentlemen, members of the board, Vice-Chairman, Chairman, my name is Henry Langit the assistant general manager for Guam International Country Club. To my left is Mr. Vic Borja and our accountant manager Mr. Calvin. We are down here to basically give you our proposal and we understand the limitation. We understand the point of the Commission being it has to make a decision on making all these Chamorro Land Trust lease lands out there to be penalized for the delinquent I understand that. But we are here too because understand we are not running

away from our responsibilities and we drew a proposal that will clear our outstanding balance within 12 months. October 7th we have cut a check for \$12,000 and that \$285,000 brought it down to \$263,000. If I may present this proposal to the members.

Acting Chairman Calvo – Henry if I may interject on this we have met with you and Mr. Garcia and like I said you know the problem that really created was you got to understand that it wasn't the Chamorro Land Trust that created that problem it's you folks and the responsibility lies on you guys okay for the period of time. I made that notation to you it is not within my decision it will also be the board members decision on how these things will play out. Because of the back log of your payment is tremendously and like I said to you at the time the responsibility is on you guys and it's not for us to you know baby sit all the time and say hey come and pay, you have that responsibility. But in this case you opted or the golf course opted to kind of really neglect it for a long period of time. It's not like it was only one month, two months or three months but you're talking over a year of time of payment. As the board foresee that we are tracking down on all these people that are and so whatever the board decides on this issue and I know that you guys want to come out in good faith for that matter and we don't really want to put you guys out of business for that matter okay. But you got to understand too okay we have a responsibility as board member and our client is not just you but our client here is just Chamorro Land Trust which is the people of Guam and we have to answer to them you know. You only answer to your big boss I guess in Japan or where he's at but we answer here to a tremendous amount of people here on Guam because whatever we do here and we do it wrong we're going to be the hatchet one you know. So I want to make sure that this thing is really clear to you folks and whatever the board firmly decides on this issue you know then you guys have to like I said okay.

Henry Langit – We explained our situation financially to the board. When I took over this year in February we had a loss of almost one million dollars not including our outstanding balances. I was able to put a proposal to clear all the debts. We don't only owe Chamorro Land Trust we owe a lot of agencies and I have committed myself with the approval with the big bosses in Japan to clear all these debts but I must ask the board to consider to consider my proposal or we will close the business. Please try to understand. We are losing at least \$150,000 every single month. If we lose our golf course we'll lose 68 employees and their families. Now we're coming up with a 12 month proposal that will clear the \$262,000 in 12 months. The first 6 months will be from October until March we propose \$12,000 each month and from April thru July \$32,000 each month and the remaining August and September is \$51,000 and \$34,000. That will clear the whole balance that we have the outstanding balance and that will include maybe the 6% that you are trying to propose maybe even more.

Commissioner Leon Guerrero – Can you repeat that again because it says here in 24 months.

Calvin - Actually if I may say including the \$12,000 all the arrears we actually add the current plus the arrears.

Commissioner Leon Guerrero – Okay so you're adding the 19 plus the 12.

Calvin - Exactly.

Vice-Chairman Matanane – Which comes out to 31,871.17

Commissioner Leon Guerrero – Going back less the initial 12,000 you just made we're looking at 273 not 263. Because 285 minus 12 is 273 so really that would be the remaining balance.

Calvin - This is just the arrears.

Henry Langit – Let me clear the letter I turned in, originally we put down 24 months we will revise that to 12 months to clear all the debts in 12 months. Those proposed payments every single month that's just the arrears okay. The \$19,000 some single month the regular payments is separated. So we will be paying the arrears and \$19,000 separately that's guaranteed.

Commissioner Leon Guerrero – And the new payment schedule is for 12 months?

Henry Langit – That is correct.

Vice-Chairman Matanane – So in essence you're saying you're paying \$43,871.17 each month you reduce it by 12.

Calvin - Yes.

Henry Langit – The first 6 months I would say 12,000 and the 19,000 that's the 31,000.

Vice-Chairman Matanane – Which is the current then.

Henry Langit – Yes.

Acting Chairman Calvo – But the back arrears which is the, you'll pay that off within a years time. I even told you that that would be the ultimate route for me because 24 months that's a long stretch for the board.

Henry Langit – Absolutely and I realized that so I had to come back and draw another proposal that will please the board.

Acting Chairman Calvo – I know that you guys are showing good faith to this but the good faith only works at the end of the last payment. So if you keep up with that arrangement and plan which you guys are giving us we'll stick to that you know and what ever the board decides on that issue aside to you know you're paying the regular \$19,000 a month and what Mr. Matanane has alluded earlier on the interest.

Vice-Chairman Matanane – I suggest that since we are not applying any interest or penalty please hurry up on your payment because once it does pass through us you know that you still have to come back with the penalty and interest.

Henry Langit – We understand the risk here. Our lease expires in 2014 and we are committed to again for another 25 years, we are not going to waste that.

Vice-Chairman Matanane – And the performance should be in consideration of that.

Henry Langit – Yes.

Vice-Chairman Matanane – Move to accept the payment plan and also just to remind that if we impose the penalty and interest you should also be coming up with that. Move to approve the payment plan.

Commissioner Leon Guerrero – Would it be possible just add it up or the amount take the average and divide it by 12 equally or is there a reason why?

Henry Langit – There is a reason why because we have set amount every single month and those amounts are not only dedicated to Chamorro Land Trust so please understand.

Calvin - We have a budget that we're actually receiving from the Japan office to actually allocate that to our other vendors.

Vice-Chairman Matanane – But you can't deviate from the main lease. The lease amount is the amount.

Henry Langit – Absolutely.

Vice-Chairman Matanane – But you can't divide that just to verify that with Mr. Leon Guerrero that you're still going to have to be current that's the main thing and the receivables that you would still owe and pending the approval of penalties and interests you would have to accommodate us with that as it's going to be imposed. I did make a motion already and if anybody wants to second it fine.

Commissioner Leon Guerrero – I'm sorry Mr. Matanane what was the motion?

Acting Chairman Calvo – To go ahead and approve their payment plan.

Vice-Chairman Matanane – My main concern is I've already add it up and your payment should be every month \$43,871.17 right? Until such time that the penalty and interest is inclusive of that and then your payment will increase because you would be paying for the current plus the receivables right?

Henry Langit – That's correct. If you may take a look at our proposal I believe the first 6 months is \$12,000 plus the current \$19,000 and then the amount goes up.

Acting Chairman Calvo – But let me just make sure that I think the board is pretty much happy on this and I'm satisfied to it myself but like I said the last payment really counts. But any time between from now you fail to do this then we will hit you with what Mr. Matanane stated earlier okay. So I think you should get back to your boss I mean if they own five how many golf course, five, six in Japan swing that ball over here. Okay so anybody want to second the motion to that?

Vice-Chairman Matanane – No if we should decide that the interest and penalties are going to be imposed you will be notified saying that you are going to have to come up extra with that penalty and interest. You understand that?

Henry Langit – If we fail to do so.

Vice-Chairman Matanane – Yes.

Henry Langit – Yes understand.

Acting Chairman Calvo - And when you do that make sure that the check comes in a timely manner. Try not to make it at the end of the month if you can make it within...(interrupted).

Henry Langit – The payment will be scheduled.

Calvin - Actually we actually strongly suggest that Japan office will send us the funds that they committed to us in the first of the month. If that actually goes through we will be able to make payments soon.

Acting Chairman Calvo – Can we have something in that in writing from Japan just before we, so we have something concrete stating that your company in Japan or your big boss that this is confirmed and that's guaranteed will be coming in every month for that matter. Can we have that?

Calvin - Okay.

Henry Langit – Absolutely.

Vice-Chairman Matanane – Then I remove my motion until such time that you guys come up with that writing and then we'll decide when that particular document comes in then we'll make the approval.

Henry Langit – Thank you very much.

Legal Counsel Lujan – If I can get clarification, meanwhile you'll be making the payments in accordance with your plan.

Henry Langit – That is correct.

Acting Chairman Calvo – So the faster if you can email that letter to your big boss tonight or whatever or when you get home or even today and you drop it off to Mr. Garcia.

Henry Langit – Chairman I can make that decision myself. I'm in charge of Guam International Country Club and I will take full responsibility of course if you would allow.

Acting Chairman Calvo – I think it's not that I don't I mean you work for the company but I think it's more appropriate that we get something more from the owner. I mean he could say later on I didn't authorize him. You know what I mean?

Henry Langit – That is correct.

Acting Chairman Calvo – So he can say I never told him to go ahead and make that. I just want to make sure that we all understand that part so at least we have that letter when we can honestly say this is the letter you sent us this is the letter what we got and this is what we're going to guide ourselves. I do respect your position but I think you work for the guy and I think it's only more appropriate you get that even though he's giving you full power but I think the real power is over there.

Henry Langit – Okay understand.

Acting Chairman Calvo – But the faster you get the letter Henry you know we should and in the meantime continue on to make a payment and you know we can put it on the next board meeting and that's all it really takes just a letter just a formal letter from your big boss in Japan.

Legal Counsel Lujan – Am I still to look into the 10% penalty and 6% interest?

Vice-Chairman Matanane – Yes so when you get back to us with any evaluation or other.

Legal Counsel Lujan – And that's for general.

Acting Chairman Calvo – In case once they start and for whatever reason they default on their payment then we can slap them with that.

Legal Counsel Lujan – And this if for any kind of lease or license?

Acting Chairman Calvo - Yes.

Commissioner Leon Guerrero – And this will apply to everyone that's behind.

Acting Chairman Calvo – Everyone not just Tom, Dick and Harry.

4. Department of Land Management – Survey mapping of Block 24, Hagatna

Administrative Director Garcia – Block 24 is being designated as Land Management and Chamorro Land Trust office. In order to do that they need to do some land exchanges and stuff like that. So the land exchange subject for today would be for the Salas family. What they're asking is to buy the remaining part of the lot 5 feet away from the Historical Building and all they need is board approval so the legislature can make a law to authorize the sale.

Vice-Chairman Matanane – The map is not done yet?

Joseph Cruz (DLM) – It's done but it hasn't been signed yet.

Acting Chairman Calvo – But the person that hasn't signed it is Mr. Salas. But I thought the property actually belongs to the son Eddie or what's his name?

Administrative Director Garcia – Ricardo Jr. The son's alive he's representing.

Joseph Cruz (DLM) – We wrote a letter to Mr. Garcia on October 5th updating the status of Block 24 and the status of the mapping of Block 24. There was a resolution by this Commission to designate Block 24 as the site for the Government of Guam Land Resource facility and by doing the mapping we were addressing three fractional parcels within Block 24 and that was affecting the proposed development for our proposed building. Mr. Salas has been addressed by the Commission the Chamorro Land Trust Commission to do an exchange of his fractional lot 317 containing an area of 106. Based on the attached map we did accommodate the exchange based on the Commission's approval and also from that arrangement Mr. Salas requested to purchase the remaining portion of the area that we sever out on the northern portion of his lot between his Lot 5 and Lot 3 which is where Lujan house is at. So he requested to purchase the remaining area from the area that we did the exchange of 106 and the area towards the Lujan so the request that we're here is that the Commission based on the minutes that I was provided by Chamorro Land Trust I did a review and the area was different from the exchange. So the area that was authorized for Mr. Salas to purchase was 85 square meters. It went back, he asked to purchase 5 foot from the Lujan property which increases the area. So that's where we're at now with this request. Based on the map that we had we did reflect the area of the additional area that Salas is purchasing and the area that Salas is exchanging in lieu of the 317 within Block 24.

Acting Chairman Calvo – You know for us to sell that it has to go to the legislature and like what Jess said. For 5 feet I don't think so and I don't see why Mr. Salas wanted that 5 feet. I mean more or less just for the setback for his house but he's got his house there already. Because it's not going to do us anything where that is right now it's just like a setback on your house which the law requires you when you build a house what 10 feet or something in that nature, 8 feet so. I guess because there was a little gap on that that 5 feet so he wants to buy that off. I don't have no problem because we can't use that anyway, the Chamorro Land Trust really has nothing to gain. I mean yes we do have to gain because we have the money or hoping the legislature pays up or sell it, it should go to us.

Commissioner Leon Guerrero – I have a question, 107 square meters right?

Joseph Cruz (DLM) – 106.

Commissioner Leon Guerrero – 106 okay we have 85 that we're exchanging for?

Joseph Cruz (DLM) – The original the lot description that was used to determine the 106 came from Lot 4 of Block 24. After the total area of that Lot 4, 106 of that is being exchanged with the 317. The remainder has been authorized by Chamorro Land Trust to Salas to purchase.

Commissioner Leon Guerrero – So it's equal then the trade off.

Joseph Cruz (DLM) - Yes.

Administrative Director Garcia – The additional land area that he wants to buy would have to be fair market value.

Acting Chairman Calvo – Yes. Does he understand that?

Joseph Cruz (DLM) – I think he does.

George Tydingco (DLM) – What's kind of holding the signature of the map is the commitment that the Commission would have to make to Mr. Salas in writing that he would be authorized to purchase the additional lot that is already made out in the attachments which was provided to you. So what's holding I guess the documentation of the recording and the finalization of the map is that commitment in writing. I want to be very specific about that because we have already initially agreed in a discussion back in May of this year when former Director Joe Borja, Acting Director then Jesse Garcia, Mr. Salas, myself and some of the staff with DLM and his attorney by the way was present and it was kind of an agreement of course Land Management is not in the position to make that decision. So we're here to ask if the Commission could do something and maybe afford Mr. Salas something in writing that they would agree to sell what ever it is that was agreed on on the remaining portion of what lot number is that.

Administrative Director Garcia – We need the Commission to authorize to write the letter to Mr. Salas and to the legislature.

Vice-Chairman Matanane – I was reading your summary meeting on May 22, 2009 on the last paragraph is that what you meant? You didn't see any problem on it but I would like to confirm with you what do you mean by the current administrative is presently looking into the matter of whether or not the Commission was empowered by law to perform? I believe we are not empowered to sell any property but the legislature.

Administrative Director Garcia – That's why we need to...(interrupted).

Vice-Chairman Matanane – So I just wanted to clarify that.

Acting Chairman Calvo – What he's asking is for us to give him the authorization.

Administrative Director Garcia – To request the legislature to go ahead and authorize the sale.

Acting Chairman Calvo - So that means you guys are going to be building our building right?

George Tydingco (DLM) – We're going to be building our building Mr. Chairman.

Vice-Chairman Matanane – Remember we own the land.

Acting Chairman Calvo – I don't see any problem in giving that authorization to Mr. Jess Garcia.

Vice-Chairman Matanane – I already told him that he's authorized to do I mean just write a letter to the legislature saying here's what we decided and are they going to take it up and put it on their own agenda and get rid of it.

Acting Chairman Calvo – As far as I'm concerned it's approved by the board but how fast the letter gets to you.

George Tydingco – Well to Mr. Salas, Mr. Chairman, he needs to see that in writing because he signs off on the map.

Acting Chairman Calvo – And that will be done don't get me wrong.

Legal Counsel Lujan – I believe this is a kind of action that would require Board approval.

Vice-Chairman Matanane – Move to have the Director make a memo to the Legislature for them to sell that piece of property or do you want us to make a motion to accept whatever the Director had in that meeting of May 22, 2009 so we can have this building going, Mr. Director?

Legal Counsel Lujan – What is the specific..(interrupted).

Commissioner Tajalle – Request.

Acting Chairman Calvo – Just a request.

Vice-Chairman Matanane – Just a request that...(interrupted).

Administrative Director Garcia – I would make the letter informing Mr. Salas that...(interrupted).

Acting Chairman Calvo – That the Board has approved that.

Vice-Chairman Matanane – That the Board has approved that for whatever he is requesting for.

Administrative Director Garcia – That the Board is authorizing the purchase of the remaining lot.

Legal Counsel Lujan – Do we know how big the property is?

Administrative Director Garcia – Yes.

Joseph Cruz (DLM) – It's in the map.

Vice-Chairman Matanane – And indicating that the legislature has the power to sell that.

Acting Chairman Calvo – It's about as far as this table only seriously.

Vice-Chairman Matanane – That's my motion anybody want to make a second.

Acting Chairman Calvo – So the letter would be written just to give to Mr. Salas that so there will be no friction.

Commissioner Leon Guerrero – I second the motion.

Acting Chairman Calvo – All in favor?

Vice-Chairman Matanane, Commissioner Leon Guerrero, Commissioner Tajalle and Acting Chairman Calvo – Aye.

There were no objections to the motions, MOTION PASSED.

Acting Chairman Calvo requested for the DLM representatives to check up on the Taitano issue which was previously heard.

VII. DIRECTOR'S REPORT

Administrative Director Garcia – In your package we included September's financial report.

Vice-Chairman Matanane – Thanks for that and I mentioned it in the beginning of the meeting that I would also like a list of all the commercials. Not only the 13 but I would like to see you know we have approved so many commercial leases and I'm glad I'm not seeing the ones that we have approved but I wonder if they are up to date because we have approved quite a few.

Acting Chairman Calvo – Jess that's why and I guess get back on James too you know I don't care how it's done dig into the file whatever at least in the commercials and what I noted even if they owe a penny it's okay. I mean we set a precedent today which is a good thing which is the golf course and they really come in good faith so we did not favor them any and like what Mr. Matanane did today that if they decide or not on the penalty fees and all that because we could have easily be very sympathetic with them today and I don't want that anymore. I just want to make sure I think it's time now that we let them know now that we're not anymore baby sitting or playing games and if you can't pay it then you know what get out.

Administrative Director Garcia – I just want to inform the Board that probably sometime in the next few weeks or before the next board meeting we would have to call a special meeting with the Department of Agriculture and UOG for the report regarding the agricultural leases.

Acting Chairman Calvo – Jess and I have been working out a lot of that so what we're trying to do is try to put it in one package and present all our points and arguments and then that's when the Commission will and you were part of that one hearing that we had up at UOG. So what we decided to do there is you know so what Jess is doing is then we would just present it to the legislature and say you know what this is what we find this is what it takes to get it done. It's not going to be the most prettiest thing in the world but its okay. Of course Delia your dad assured me that I would have that rules and regs by next Friday or next week or something.

Legal Counsel Lujan – Next week before Friday.

Acting Chairman Calvo – I think he's going to work it in with what we're doing now.

Vice-Chairman Matanane – Can we have a synopsis of the penalty and interest by the next meeting?

Legal Counsel Lujan – Yes and as a matter of fact I believe that's something that can even be put in the rules and regs.

Vice-Chairman Matanane – And it has to come quickly because then they would have the enthusiasm to come and see us and make those payments because it's going to build up. And as soon as it builds up to a certain extent we can't stand and say oh keep on doing it but we're going in there and clear it off I mean you know like a foreclosure thing.

Administrative Director Garcia – The rules and regulations of the commercial leases I guess add it in so that we don't have to go through the Triple A process it will be included in that.

Legal Counsel Lujan – Would the Commission want it to be the same across the board?

Vice-Chairman Matanane – Of course.

Legal Counsel Lujan – Or is it going to be an at least 10% to give the Commission discretion to go up or down.

Administrative Director Garcia – No it's just going to be across the board.

Acting Chairman Calvo – Just across the board I think it would be better. I mean it may not in some way because it depends on the size of the property what the commercial lease calls for but I think if you're going into business we got to set the rules and this is what it's going to be. Ideally whether you're a mom and pop store or whatever that's what you'll be ending up paying. Because I think if you jug that around it's going to be so confusing for whoever handles the accounting part you know. How do we really determine? Do we say 1%, 2%, 3%? So if we just say one. Just like the bank even if you were to borrow a dollar and they say 19% you can't say but I'm only borrowing a dollar.

Legal Counsel Lujan – I guess my point was the Commission can choose to I guess not let that be a term negotiated on a case by case basis or it can establish a minimum. A minimum and a maximum that's another possibility to give and you know more of a case by case basis.

Vice-Chairman Matanane – And it should be approved by the board if it's any deviation that has to be addressed and the board should decide that. Yes a minimum and a maximum and you know if the certain company has for instance this one here is so voluminous that when Andy computed the 10% you almost fell down right. So you know the board can intervene in that and the only place that can do that is through the board itself.

Commissioner Leon Guerrero – I think we need the flexibility on the penalty alone I think the 6% should just be 6% across the board.

Vice-Chairman Matanane – A regular rate all the way.

Commissioner Tajalle – The penalties is different.

Commissioner Leon Guerrero – So we should have the flexibility.

Acting Chairman Calvo – On the penalty side?

Commissioner Leon Guerrero – On the penalty side but I think with the interest 6%.

Acting Chairman Calvo – We want to put it in a way if the penalty hypothetically put it on a 10% would be a one time fee versus the 6%.

Commissioner Leon Guerrero – 6% per annum on what you owe.

Acting Chairman Calvo – Yes.

Vice-Chairman Matanane – That should always apply. There's such a thing as waiver, we waive the penalties.

Acting Chairman Calvo – Now if they were to pay and make a one time fee on the penalty but then they opted 6 months down the line again and what ever reason they failed to make substantial payment on that portion I think that the penalty would still kick in not just the 6%. And the reason for that because if they pay one time fee they're looking at that time that its only so in 6 months down the line maybe they're trying to really pay so they deviate themselves from their responsibility and then next thing you know they built back their responsibility back so you don't want to have that defaulting part. I think that 10% would always be factored in at any given time if they but as far as the interest rate it stays the same.

Commissioner Leon Guerrero – Okay to understand one thing whatever that number is that 10% is that off their balance that they owe or is that off their monthly payment? Where would we determine?

Acting Chairman Calvo – The balance that they owe.

Commissioner Leon Guerrero – So if they owe 285, 10% is 28 right so whatever the balance.

Acting Chairman Calvo – Right.

Vice-Chairman Matanane – And as it comes in next month it would be less because of the fact that the balance was reduced.

Commissioner Leon Guerrero – No just for the penalty though, it's just because it's a one shot deal.

Acting Chairman Calvo – One shot yes.

Commissioner Leon Guerrero – So that would be of the balance right?

Acting Chairman Calvo – But lets say they completed halfway down the line for some strange reason they neglected to pay the remaining balance and not keep up okay I think the penalty fee whatever the remaining balance of that again will kick in if they're behind two, three, four months for that matter.

Commissioner Leon Guerrero – I'm saying that we should highly consider you know something drastic because they're really just kicking our butts.

Acting Chairman Calvo – Yes, that's what I'm saying. In other words it doesn't deviate you that I'm only going to be thinking 10% one time no it's not. The 6% is just automatic but the 10% that I'm saying factored in is if you put in like 285,000 you calculate it to 28,000 so if they make that penalty fee and they come every month and for some strange reason they were supposed to be paying lets say 12,000 a month but they say you know what I can't pay 12,000 I can only give 8 and what it does it's going to build up again. So every time they fail to pay that extra 12,000 I think the penalty fee should kick in.

Legal Counsel Lujan – Just to clarify it sounds like when you say balance owed do you mean the balance lets say it's a 2 year lease and you default 1 year into it are you looking at the balance that's owed at the conclusion of the lease or are you just talking about arrears?

Acting Chairman Calvo – Before the conclusion of the lease, arrears, only for that payment on the arrears.

Commissioner Leon Guerrero – So 10% of the arrears.

Legal Counsel Lujan – 10% of the arrears at each time the payment is due during that part of the month so let's say a portion of that month has not been paid so there's a 10% penalty assessed and then on the second month there's only been a partial payment of that first month and so the penalty just keeps increasing.

Acting Chairman Calvo – Yes.

Legal Counsel Lujan – So is it 10% also including that 10% that was originally assessed and it just keeps like almost compounding and building what ever the balance is because the arrears continues to grow?

Acting Chairman Calvo – So in other words if they're making that payment they'll be stupid to keep on paying that 10%.

Legal Counsel Lujan – So the penalty will keep on rolling.

Acting Chairman Calvo – Yes, rolling and if they're keeping up with their remember that they're only going to be paying the arrears that's only the arrears accountability and if they're still up front with their regular monthly payment you know and they're still there then they're okay at that okay. It's the penalty that we're looking the arrears that's what I want to do.

Legal Counsel Lujan – And then in addition to the 10% penalty of the arrears owed and by the time the rent is due that particular month there's a 6% on the arrears interest.

Vice-Chairman Matanane – Yes.

Acting Chairman Calvo – Yes.

Legal Counsel Lujan – Okay.

Vice-Chairman Matanane – Annually we apply it annually so you prorate to each month.

Legal Counsel Lujan – And this is only for commercial?

Acting Chairman Calvo – Yes only commercial. We might want to think that on others.

Commissioner Tajalle – When it comes to penalty fees you know you this place what's the cause of it? Sometimes it's the environment it could be like the environment that causes that. You have to take a lot into factor and penalty fees can be negotiated but you know like you said case by case they're trying to set a precedence on it so if we get this going and this puts a precedence any future situations in arrears okay. That's why the applicant should be reading about when it comes to Chamorro Land Trust.

Acting Chairman Calvo – Can we grandfather this thing back?

Legal Counsel Lujan – I'd have to look at that it's possible that it can't be done. I think as per each lease or license what happens when there's a default you first look at the lease or the license terms. I don't know what it's stated in the golf lease or license. But it's possible too that anytime there is some dispute the penalty is entered into some kind of payment plan.

Acting Chairman Calvo – Well the payment plan is always going to be there.

VIII. EXECUTIVE SESSION – None.

IX. ADJOURNMENT - Meeting was adjourned at 2:55pm.

Transcribed by: Teresa T. Topasna: *Teresa Topasna*
Date completed: November 6, 2009

Approved by Board motion in meeting of: *Nov. 19, 2009*

Administrative Director, Jesse G. Garcia: *[Signature]*
Date: *11-19-09*

Chairman (Acting), Oscar Calvo: *[Signature]*
Date: *11-19-09*