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Commission Members

John F. Reyes, Jr.
Chairman

David B. Herrera
Commissioner

Earl J. Garrido
Commissioner

Arlene P. Bordallo
Commissioner

(Vacant)
Commissioner

Alice Taijeron
Administrative Director

Rev. 2/16/2023

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

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REGULAR MEETING MINUTES

CLTC Conference Room

Suite 223, ITC Building, Tamuning, Guam

Thursday, April 20, 2023, 1:05 p.m.

Public Notice: The *Guam Daily Post* on April 13, 2023, and April 18, 2023

All: Reciting the Inefresi

Chairman John F. Reyes, Jr.: Okay, the time is 1:05 and I call our meeting to order its regular meeting for the CHamoru Land Trust Commission. The public notices for today's meeting were published on the Guam Daily Post on April 13, 2023, and April 18, 2023. Notices were also posted online on the CHamoru Land Trust Website at dlm.guam.gov, the CHamoru Land Trust Commission's Facebook page and the Government of Guam Public Notice Portal at notices.guam.gov. This meeting is being livestreamed on YouTube at govguamlive. The video and audio recordings are also made possible by our partners at KGTF. Alright. Thank you, all for joining us today.

ROLL CALL

Chairman J. Reyes, Jr.: Commissioner Herrera?

Commissioner David Herrera: Gaige yu'

Chairman J. Reyes, Jr.: Commissioner Garrido:

Commissioner Earl Garrido: Esta gue hu'

Chairman J. Reyes, Jr.: Thank you. Commissioner Bordallo

Commissioner Arlene Bordallo: Present

Chairman J. Reyes, Jr.: Our attorney, Attorney Finney

Attorney Kristan Finney: Here

Chairman J. Reyes, Jr.: And Administrative Director, Ms. Alice Taijeron

Administrative Director Alice Taijeron: Here

Chairman J. Reyes, Jr.: Thank you, so much. Okay, so our first order of business just to let the commissioner know. The minutes were not completed for the last minute. I wasn't present but we will have the minutes for the last meeting and today's meeting in our meeting in May.

OLD BUSINESS

Guam International Country Club

Chairman J. Reyes, Jr.: Okay, we'll go ahead and proceed with the Guam International Country Club I believe that is to be presented by Mr. Cruz or will that be you?

Administrative Director A. Taijeron: Our legal counsel Mr. Chair.

Attorney Kristan Finney: Oh report I wasn't expecting *inaudible*

Administrative Director A. Taijeron: So, Joey, if you can please come in. Guam International Country Club has been behind with regard to its payment. There were some efforts to make a payment which was after January is my understanding and pursuant to guidance from counsel at the time the checks weren't – should not be taken so that there's no misunderstanding with regard to the lease still being valid. So, GICC has been delinquent not just during COVID but even previous. If you want that timeline, Joey Cruz could provide that to the Commissioners. So, at this point, right, we are seeking the commissioners' instructions and or guidance with regard to how to move forward and our recommendation is to provide a 90-day notice and evict, bring current and potentially and evict.

Chairman J. Reyes, Jr.: So, let's go through this. I know we sometime last year or late 2021 Commissioners had agreed on a plan that was presented to GICC. *inaudible* Mr. Cruz, you should join us on this one just to kind of make sure that we're all in sync and that might have been in 2021. So, with that said, when does the lease expire?

Administrative Director A. Taijeron: 2024 is the next expiration, I believe. So, there was a renewal in 2019 and the next would be according to the lease agreement here I think it's 2024.

Chairman J. Reyes, Jr: I thought we had a few more... longer...? 2039 – so, Commissioners, the lease is not expired until 2039. I saw that on the details in Section B on the staff report. Mr. Cruz, thank you, for joining us. So, Commissioners, if I could just take the lead in some of the questions and then I'll yield to you for some time to asks questions. Okay, so, Joey, can you remind me or remind us the plan that we put together that we presented to GICC and where we landed with that and so that we can refreshing the commissioners.

Program Coordinator IV Joey Cruz: So, on February 28, 2022, GICC had submitted a payment proposal. In that payment proposal they were requesting for a 50% rent reduction from March 2020 to December 2022. Also, within that payment plan they had offered to start making payments January 1st 2023. When that was presented to the board at their regular scheduled board meeting, I forget what day it was the board did not accept that plan but instead they added an additional year to the amortization period for them to pay their arrears. We did not specifically present an amount to be paid monthly for the 3 years for their repayment plan, the reason being is because we don't know Guam International Country Club's financial capability. We didn't want them to fail. So after that we had informed Mr. Yohei who's the General Manager through a letter executed by the previous Administrative Director Angela Camacho. The letter was dated April 19 informing them of the Board's decision. On June 21st, 2022, I had sent Mr. Yohei an email inquiring whether they had any response or concerns. On June 21st, 2022, Mr. Yohei had responded through email that reads; since, CLTC couldn't accept the rent break during the terms of the pandemic, we would try to comply with our proposal letter which was dated on February 28th. On the other hand, we would like to keep on seeking for the possibilities that CLTC and related government authorities to give us some kind of rent break. So, our interpretation of that email is dated and accept also what CLTC had countered. I believe it was on February 2nd, I had spoke to Connie and Ms. Gee from GICC. They attempted to make payment but we didn't accept it because we didn't want to artificially create an acceptance because of receiving the payment. Yes, the check was dated January 30th. But we had informed Ms. Gee and Ms. Connie that our accounting system here is not driven by when the check was dated but when it's received so technically it would be after June 31st.

Chairman J. Reyes, Jr.: January 31st

PC IV J. Cruz: January 31st.

Chairman J. Reyes, Jr.: So, remind me – so, our proposal was a year for our receivables?

PC IV J. Cruz: Add an extra year to what was proposed by GICC

Chairman J. Reyes, Jr.: And then beginning 2023 you have the regular monthly payments?

PC IV J. Cruz: Yes, in addition to whatever payment that they can make that would apply to their arrears.

Chairman J. Reyes, Jr.: Okay. Alright, I do want to recognize we do have some members of GICC here I could ask for one of you to join us at the table. Who

would like to join us? Okay, sir, you can join us and then for the record speak into the mic if you don't mind. Just state your name and

General Manager of GICC Yohei Koike: Thank you, my name is Yohei Koike I am the General Manager of Guam International Country Club.

Chairman J. Reyes, Jr.: Thank you, sir. So, thank you for joining us today and hoping that we can come to some resolution and going through the kind of what Mr. Cruz had just gone through for us right, is our initial proposal to add an extra year for the arrears and then beginning 2023 will be the normal rent payment plus any of that arrear, correct? Okay, so, I guess before I turn it over to... do you have any questions for us... maybe our commissioners right since we made that proposal, any questions for me on where we're at today?

Commissioner D. Herrera: Can we have the number for the normal rent per month and the arrears number?

PC IV J. Cruz: At this time, the monthly payment is \$24,044.08

Commissioner D. Herrera: Twenty-four seven eight eight

PC IV J. Cruz: Twenty-four zero four four point zero eight

Chairman J. Reyes, Jr.: That's monthly?

PC IV J. Cruz: Monthly. That's up until I believe it escalates next year, if I'm not mistaken

Chairman J. Reyes, Jr.: In twenty-four?

PC IV J. Cruz: Yeah, February 1st 2024.

Chairman J. Reyes, Jr.: Okay, so apparently - twenty-four zero four four okay and what's the total in arrears? Joey, do you have that?

PC IV J. Cruz: As of yesterday, 4/19/2023 the amount due is nine hundred twenty-three thousand seven hundred nineteen dollars and twelve cents (\$923,719.12)

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

Commissioner D. Herrera: nine twenty three thousand...?

Chairman J. Reyes, Jr.: seven one nine

PC IV J. Cruz: Point twelve

Commissioner D. Herrera: Arrears?

Chairman J. Reyes, Jr.: And how far back is that, Joey? What's the time period?

PC IV J. Cruz: The last payment that was made by GICC was February 2020 I believe. But even after their ten thousand or fourteen thousand dollar payment there was still a balance of about ten thousand dollars.

Chairman J. Reyes, Jr.: Okay, so last payment was at the beginning of our technically with some of arrears beginning of the pandemic-ish... because March was when things really escalated, okay. Commissioners, any questions?

Commissioner D. Herrera: Mr. Chairman, they started paying the twenty-four thousand zero forty-four in 2014 was it 2014 because it's a carry over lease from another lease company.

Chairman J. Reyes, Jr.: No

Commissioner D. Herrera: So, this lease started back in....?

Chairman J. Reyes, Jr.: 2014...?

Administrative Director A. Taijeron: 2019 – right?

Commissioner E. Garrido: Are you the initial...

GICC GM Yohei Koike: Oh, no the lease was originally 50 years lease and then we renewed 25 year – on the 25th year we have to re-renew

Commissioner E. Garrido: But you were the initial applicant for the lease?

GICC GM Yohei Koike: Renewal, yes.

Commissioner E. Garrido: The initial lease?

Commissioner D. Herrera: From the renewal

GICC GM Yohei Koike: Initial lease, no?

Commissioner D. Herrera: Who was the original lessee?

PC IV J. Cruz: I believe it was Gus Aflague who started the Guam International Country Club

Chairman J. Reyes, Jr.: But after that 25-year lease it went in to....

PC IV J. Cruz: Even before the 25-year lease ended, I'm assuming the corporation sold or taken over once or twice and now it's currently Mr. Yohei

Commissioner D. Herrera: And from that time the \$24,044 has been paid monthly?

PC IV J. Cruz: No.

Commissioner D. Herrera: No, okay.

PC IV J. Cruz: The twenty-four thousand had commenced February 1st, 2019.

Chairman J. Reyes, Jr.: Was that part of the escalation?

PC IV J. Cruz: Yes.

Commissioner D. Herrera: From 2019 Mr. Chairman until now – behind in payment

Chairman J. Reyes, Jr.: 2020

Commissioner D. Herrera: 2020

Chairman J. Reyes, Jr.: February 2020

PC IV J. Cruz: February 2020 was their last payment

Commissioner D. Herrera: I see. And that's when COVID started to come in but prior to that 2019, to 2023

Administrative Director A. Tajeron: They've been delinquent.

PC IV J. Cruz: They had made payments but not full payments. So, for example if they made \$10,000 or \$14,000 at the end of the month there was still a balance and so on.

Administrative Director A. Tajeron: Joey, they've been delinquent

Commissioner E. Garrido: Joey, were they making good efforts to try to catch up on their arrears?

PC IV J. Cruz: There were times – well after February 2020 payment, no, there was no payment made. Prior to that there were consecutive months where there was a balance. Like I said, either they made \$14,000. Today and then it carried on to the next month so there was an accounts receivable whether it was 25 days, 30 days there was. So, there was never a month or I need to go back to my records but from what I remember there's never a month within maybe 2019, 2018 and

2017 where actual full payments were made but I can go back and provide you with a statement that can go back as far as 2015 that's when our system was created.

Commissioner E. Garrido: I'm a little bit concern about the history Joey. You said, the initial lessee was Gus

PC IV J. Cruz: Gus Aflague

Commissioner E. Garrido: So, how did they end up with the lease?

PC IV J. Cruz: Chamoru Land Trust inherited the Guam International Country Club through law if I'm not mistaken. It was transferred to us.

Commissioner E. Garrido: But did he have the ability to sublease or sell the lease.

PC IV J. Cruz: We don't know but we can go back and verify with what we have in file. But there was an exchange of ownership of the corporation; now, if the law allowed for the takeover the acquisition of assets or the corporation, we need to verify. But the named maintained as Guam International Country Club that's who the lease is with not the stakeholders or the...

Chairman J. Reyes, Jr.: So, *inaudible* part of the corporation at any point is to GICC

PC IV J. Cruz: Yes, it maintained as GICC

Chairman J. Reyes, Jr.: Any other questions, commissioners?

Commissioner A. Bordallo: I have a question

Chairman J. Reyes, Jr.: Was there any consideration on the 50% rate – monthly rate during the pandemic time?

PC IV J. Cruz: For all our constituents there was no rent reduction for anybody. We didn't apply it to anything. It was presented to the board, everybody except for Mr. Garrido was here who made the decision not to accept the rent reduction but to extend the amortization period – the repayment period an additional year. We did present GICC's proposal but it wasn't accepted by the board.

Chairman J. Reyes, Jr.: Yeah, and Commissioner when we in just kind of recalling our meeting I think what we did was to ensure that across the board we didn't do any of those rent reductions perse for commercial leases and even our residential because that point in time you know whatever was existing we just said our counter to that would be increasing the length of time for their repayment for the arrears. Just to you know add that extra repayment.

Commissioner E. Garrido: When you extending amount of time, what actually does that do

Chairman J. Reyes, Jr.: So, you know, if they were to break up their arrears and we would allow for repayment with the fact that they would still pay –

Commissioner E. Garrido: With the current

Chairman J. Reyes, Jr.: Remain current beginning 2023 and then we would take your repayments instead of 12 months we would make it 24 months on top of being current every month.

Attorney Kristan Finney: So, from what I saw, it looked like that their original proposal would be that they would get current by October 2025 and then what the board countered with was that they would get current by October 2026 but that they would have to pay the full amount with no rent abatement and then that's what they did not accept.

GICC GM Yohei Koike: We didn't accept it?

PC IV J. Cruz: Based on Mr. Yohei's email on June 21st 2022. There wasn't an acceptance but rather they would try to comply with their own proposal dated February 28.

GICC GM Yohei Koike: Okay. If I may.

Chairman J. Reyes, Jr.: Yes

GICC GM Yohei Koike: Sorry, for my English. I think there was a miscommunication in that sense because when I received this official letter from Ms. Camacho April 19, 2022. I never thought from this letter it says, I'm sorry if may read this.

It says: The Chamoru Land Trust Commission Regular Board Meeting on March 17, 2022, the matter regarding the Guam International Country Club GICC was discussed. Unfortunately, the board did not grant a rent reduction as requested in GICC's letter dated on February 28, 2022. The did grant a rent deferral up until December 2022 with payments commencing on January 1st 2023. Payments will include the normal monthly lease payments plus additional payment that will be applied to the arrears which should be paid in full by October 2026. Also, the board will provide a letter of support to increase rates if GICC should decide to do so.

So, when I received this letter, I'm sorry it was my mistake I guess I have to reply – acknowledge this but I thought this was already board meeting's decision. So, I was very thankful even though we didn't get discounted we have deferral so I talk to the ownership and then they agreed and then we try to do our best to accumulate the payment starting January 2023. That was our understanding. Sorry, if I was – I have to respond to this letter and which I didn't. I'm sorry about

that so, according to the letter I wanted to make sure we start payment to January this year. And unfortunately, we officially I guess officially we hand deliver our January check past the partial of past arrear in February 3rd., we brought a check hand delivered here. But if you say, 3 days behind – 3 days late is violating the agreement you are right. But we did our part, we have a record I don't know if this can be approved or not but from land line we call January 30th 11:21 a.m., we call office here to check to verify our total arrears plus how much we have to pay for the arrears for January we wanted to confirm so we called but there was no answering and we in same day seven minutes later we call again we left a message. January 31st, next day 3:59 p.m. we called again left a message again but unfortunately the phone number we called was old phone number of CLTC that we didn't know and we – I'm sorry, we should have checked the phone number and we should have that the director have changed from Mrs. Camacho but I wrote an email about this in February 3rd, that nobody's accepting we hand delivered it but nobody accepted and then we called in January 30th and 31 to make a payment for January as it says in this letter but no one couldn't answer it was answering machine so we didn't know what to do so three days past but I told my accounting people that we have to make a payment so we came here three days later to make a payment but it was rejected. And then same as February we tried to make a payment but it was rejected so we have no choice to send the check because from attorney – our attorney advised me that we have to make a proof that we try to make a payment so we sent a certified mail to CHamoru Land Trust about January and February payment on top of that we put arrears on it. But there's rejected check was brought back to us after – in March 28th so, actually we didn't know what to do with this matter now I am here. Thank you, for the opportunity for me to explain our situation I mean I want to fix this as much as possible so I have brought again today total of \$168,136.56 check this is January, February, March, April monthly rent plus our calculation – according to our calculation a month of arrears earlier Mr. Cruz mentioned is matched with our record so that if you divide \$923,719.12 since Mrs. Camacho gave us a time until 2024 so calculating January 2023 to 2026 October it's 46 month so \$923,719.12 divided by 46 month is \$19,990.06 so additional to the monthly rent of \$96,000 regular rent we added \$17,990.06 multiply by 4 yes that is \$168,136.56 so I am presenting here our check I hope you will not reject and accept this check and hoping we will keep on doing our commitment and pay every month to CLTC.

Chairman J. Reyes, Jr.: Okay. Attorney Finney if we accept or if we leave everything as is and honor the board's decision that we made in June and knowing the situation – right, they don't have the phone number whatever the case might be but here we are today, could we just honor that, accept the check and then going forward right we hope that it'll remain consistent with current payment plus the division of the arrears up through 2026.

Attorney Kristan Finney: Could you I mean

Chairman J. Reyes, Jr.: Hang on – hang on

Attorney Kristan: You could, yes.

Chairman J. Reyes, Jr.: Yeah, okay. Ms. Taijeron?

Administrative Director A. Taijeron: Okay. Thank you, Mr. Chair. Before anything is decided I need to speak on this matter. They were supposed to pay by January 1, 2023. They had been in arrears prior to COVID. Am I mistaken, Joey?

PC IV J. Cruz: No

Administrative Director A. Taijeron: I understand the situation with COVID. Now, I sit here as the Administrative Director and my responsibility is to the beneficiaries of CHamoru Land Trust. My responsibility is to those individuals that we are trying work to correct the problems of the past and get leases out to the people who need them. Now, I spoke with Joey with regard to the calculations. They did not make payment by January 1st. So, I'm not an attorney, does that not violate the original agreement, one? What I am asking is that the Commissioners consider our responsibility to our beneficiaries, I understand the business end of it and I understand it's a very delicate matter. GICC is in arrears, I would like for GICC to bring current to May 1st all the arrears. They were given an opportunity, an extra year which was very generous from our commissioners – no compliance, am I mistaken?

PC IV J. Cruz: No, yeah.

Administrative Director A. Taijeron: No compliance with that. They are to bring this as of April 20th there's a balance of \$ 923,719.12 am I correct? That's just April 20th. That is the arrearage, that is money that the CHamoru Land Trust Commission does not have to be able to use for all the projects that we are required to mandated to complete – we have no money. We have no money to get these things done. So, I strongly – I strongly urge the Commissioners to please consider this is an arrearage I understand but my responsibility is to our beneficiaries. We have projects – we need to put in infrastructure that takes money that we do not have. And for too long, for too long the CHamoru Land Trust Commission has been sacrificed the beneficiaries of this CHamoru Land Trust Commission – they're right to land so that they can build a home and raise their children have been put aside for special interest. I'm not talking about GICC I'm speaking in general.

Chairman J. Reyes, Jr.: In general, yeah.

Administrative Director A. Taijeron: I understand. I get the business part of it but when are we going to stand and put our foot down. It's too much and I will oppose as the administrative director – I will oppose any leniency for anyone or business who have been given opportunities to make wrong right and have not at the expense of our beneficiaries. I'm not upset, I'm very umm- officially I have

been sitting here for two month and I have seen so much. And thank the Assistant Attorney General because I reached out to her and said, we need to move forward with this. There has been so much wrong done from the past. I have to correct. So much injustice and this would be an injustice to our beneficiaries. \$100,000?! I think not, and commissioners I apologize my job here is to protect our beneficiaries to protect you and to protect our team who work day in and day out to try to get these projects moving. So, I ask you to strongly consider. I am asking as the administrative director that we ask that they bring current to May 1st all their arrears and that they continue to pay on time, payment is due by the first of each month if I'm not mistaken the first of each month no later than the 15th I will review the lease again. And that if they are delinquent, we take it to legal counsel. Now, if legal counsel says, that is what we can do then I am asking.

Chairman J. Reyes, Jr.: So, Administrative Director Tajeron, yes, I wholeheartedly agree in the sense that we're here to support and make sure that we can get our constituents with these projects support them to move into leases. However, the commissioners, we did make this offer and commitment as well to have a steady review to hopefully get a steady revenue flow every month and offered the deferral for the arrears given again yes, we all understand the business side of it and COVID we could not predict so, if there's no business how would we get our money. However, understanding that we make this agreement. I'm not saying that – I don't think we should go back on our word I think that we laid out everything on the table to understand where our lessee stands and their commitment to move forward with a check that gets us through April. And of course, we expect May 1, we get a check we get regular rent and the arrears whatever that amount seventeen thousand. I agree, we don't have any money but for us to do this and cancel it out with the rent payment plus the arrears then we're still at zero. So, where do we go from there to recover right this nine hundred twenty-three thousand by May which is in 10 days. I don't want to be unreasonable in that sense and I do understand that we are here for our constituents. But a hundred thousand is greater than zero but if we could get this income every month on the 1st with your 15th of each month and the commitment at this meeting and not go back on our word I think I'm okay with it but again I'm not the sole holder it's our commissioners. So, we have two options on the table or maybe a third one depending on what are commissioners decide but that's my thoughts just wanted to throw that out. Commissioner Garrido?

Commissioner E. Garrido: Excuse me sir, what is your name?

GICC GM Yohei Koike: My name is Yohei

Commissioner E. Garrido: Yohei, having heard that, what do you have to say?

GICC GM Yohei Koike: Yes, as a representative of the ownership of GICC what I can say is that we have over 30 years of our relationship. Of course, I was not GM of the original lease but 30 years we have sunny days and raining days. And which

we have 911, bird flu, peaking affluenza, Japan earthquake and tsunami, and that time North Korean missile thing, the tourist went up and down we lost a lot of money but we – as Mr. Cruz said, there are times that we couldn't make payment on time but over the 30 years of relationship we have been doing our obligations. And you guys are very generous and helped us and we fulfill our obligation. Obviously *inaudible* Corona Virus really changed the world and we all got devastated by this and we are still heavily devastated by COVID – we're trying our best to survive. And keeping our 30 almost 30 employees in our golf course and financially supporting more than 100 people from our employees their family members so, I mean I understand we didn't – we couldn't pay during the COVID but we're not trying to run away from our obligation. Even though we don't making money our ownership is according to the letter from CLTC – this letter they're sending us the money every month they are going to send us money from Japan every month wire them and then fulfill our obligation, so, that's all I can say as my responsibility as a general manager.

Chairman J. Reyes, Jr.: Any other questions Commissioners?

Commissioner D. Herrera: Mr. Chairman, if I may ask, what is the total arrears again?

Chairman J. Reyes, Jr.: Nine twenty three

Administrative Director A. Taijeron: Seven one nine point twelve

Chairman J. Reyes, Jr.: seven one nine point twelve

Administrative Director A. Taijeron: That's as of April 19th.

Commissioner E. Garrido: What is your revenue stream, currently?

GICC GM Yohei Koike: Right now, sir. This is very ashamed to say and keep in the record but we only have like three to at the most ten tourist every day, that's it. And then because of our fee is regulated by Public – PUC we cannot touch to raise local price so since we're municipal course for the local golfers we set same – is almost half price of the other golf course on Guam and we cannot erase their fees and it's \$35. On weekdays and \$45. On weekends others over \$80 per person and we have a lot of cost for golf carts and everything and mostly now is the locals and our revenue is around \$20k a month and then we are holding almost 30 employees and we're losing a lot of money sir.

Commissioner E. Garrido: So, with that in mind, are the principals in Japan willing to increase your revenue stream so you could meet your local obligations.

GICC GM Yohei Koike: Hoping we can negotiate with PUC to change the rate to increase a little bit more for the local rate but what our owners are waiting is the

increase of the tourism. And that was our mainstream of income so, hoping that they will comeback soon.

Commissioner E. Garrido: How far have you gone with the idea with approaching the PUC for an increase rate?

GICC GM Yohei Koike: Your question is, when?

Commissioner E. Garrido: What progress have you made towards approaching PUC for an increase rate?

GICC GM Yohei Koike: Yes, well we have not approached PUC for the rent and yet. Previously, with Ms. Camacho she was willing to help us to approach PUC for income of GICC – to increase income but still it was COVID time and then so we have not make any progress yet.

Commissioner E. Garrido: How long will it take you to mobilize that?

GICC GM Yohei Koike: Mobilize – mobilize means...?

Commissioner E. Garrido: Approach PUC

GICC GM Yohei Koike: To be honest with you sir I don't have anyone who's in PUC but I think we should approach them, yes.

Commissioner E. Garrido: I think you should.

Chairman J. Reyes, Jr.:Anything further Commissioner Garrido: Any other questions, sir?

Commissioner E. Garrido: I need a few minutes.

Chairman J. Reyes, Jr.:Okay

Commissioner E. Garrido: But I have one more question.

Chairman J. Reyes, Jr.:Sure

Commissioner E. Garrido: I yield to anybody else

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

Commissioner A. Bordallo: We have to honor what we had said as far as allowing them up to 2026.

Chairman J. Reyes, Jr.: I mean, we can take a vote right that's kind of why I feel we should – take a vote to put this to a – make some kind of final decision of how to proceed. Because again, we could just honor what we had agreed upon in 2022 and hold them you know make sure the commitment is there and that the payments are received on time etc... for any reason if we you know if GICC does not fulfill that obligation then we can come back to the table. And yes, if they if fulfill their commitment 1/1/2023 – well it was a Saturday so, you know they could have paid it on 31st of December but again, I feel that we should honor our proposal but that's just me I will yield to make sure we get the votes in kind of what our decision would be. Commissioner Garrido?

Commissioner E. Garrido: I'm sorry, what was your first name again sir?

GICC GM Yohei Koike: Yohei

Commissioner E. Garrido: Since you're under the microscope, you hear what our director wants, what you do to alleviate that?

GICC GM Yohei Koike: Alleviate means? I'm sorry.

Commissioner E. Garrido: Well, our director is calling for termination. What would you do to alleviate or to dissuade her from terminating or from having the lease terminated? What can you do to improve your performance?

GICC GM Yohei Koike: Oh thank you, sorry for my English understanding. I can certainly discuss this according to the director's opinion I can discuss this to the ownership and if they can do something different way

Commissioner E. Garrido: Well, one would be; are the willing to accelerate the payback in the arrears.

GICC GM Yohei Koike: Yes, including that

Commissioner E. Garrido: The second thing I would look at is paying on time Because your January 1st payment is... you tried to remit it but on the 30th. Okay, so I don't blame CLTC for rejecting it because they don't want to encourage delinquency. What else would you suggest that you can do to make things better?

GICC GM Yohei Koike: With my responsibility as general manager, I cannot speak on behalf of the ownership right now but certainly I will relay today's discussion and director's opinion and I will talk to the ownership and try to make him pay more past arrears if that is possible.

Commissioner E. Garrido: Anybody else have thing?

Commissioner D. Herrera: Mr. Chairman, may I ask, how much do you charge for tourist because you charge the locals for...?

GICC GM Yohei Koike: Yes, tourist is for the – for the tourist market we don't have any cap by the PUC so, usually golf course in Guam tourist rates differs on the season. Usually on the winter time prices is more – we charge more to the tourist but in other seasons we charge less. And for January – February we charge \$159., this year but going to off-season after February 28th it's \$109., sir.

Commissioner D. Herrera: And that would be any tourist either from Taiwan – Japan

GICC GM Yohei Koike: Yes, same price. But I think if we have a deal with them if they send by groups we give them a discount something like that we have those kinds of set price.

Commissioner D. Herrera: And the local rate at \$35., \$40. Bucks?

GICC GM Yohei Koike: Yes. \$35./ weekdays and \$41. And we have also senior rates cheaper than that.

Commissioner D. Herrera: And the volume that flows through your course is about 50/50 or 60/40 percent tourist – local?

GICC GM Yohei Koike: Before it was 50/50 before COVID but now it's 95% local and 5% tourist.

Commissioner D. Herrera: 10% tourist.

GICC GM Yohei Koike: But general number it's almost – there's now no tourist.

Commissioner D. Herrera: I have another question. What is your ground maintenance like? I have not been to your golf course so I don't know what it looks like. I don't know what the maintenance is there. I don't play golf so...

GICC GM Yohei Koike: I would say, we are not of course the best golf course this condition because it's negative slow – that low income – low maintenance cost and it's been so long that we don't have – we have – our financial is very bad that we have to cut many people. And we have to cut on the supplies as well and ground maintenance level of course it looks very nice as if you *inaudible* we mow the grass and it's not like a jungle we maintain nicely but for the golf course what they looking for as a quality, we are not in the best shape sir.

Commissioner E. Garrido: Okay. Since you said that on a measure of 1 to 10, ten being the best, where do you rate?

GICC GM Yohei Koike: Oh, so hard to say since I'm a general manager I don't want to say to low but I would say – 0 to 10 – I would say, 3.5

Commissioner E. Garrido: At least you're being honest.

Chairman J. Reyes, Jr.: Any additional questions, Commissioners?

So, again, we can make the decision here I think it's time that we put this to rest. And I shared my sentiments and I want to make sure that I understand that we have. So, option one, everything stays the same we will accept the check and we will continue to receive payment beginning – So, Mr. Yohei, this is through April, correct? This Check?

GICC GM Yohei Koike: Yes.

Chairman J. Reyes, Jr.: So, May 1st we should be getting the May payment. Okay, so we keep everything as is and then they have the *inaudible* 2026 to receive to complete their arrears payment given what have as a commission put forth. Second option is and Director Tajeron if you can make sure I don't butcher this is that; we don't accept any of the payments and or if we do accept to continue that we receive all the arrears by May 1st with current standing to maybe – I should let you speak to the option.

Administrative Director A. Tajeron: Bring current all the arrears up to May 1st and that they continue to make their payments on time moving forward.

Chairman J. Reyes, Jr.: So, all nine twenty-three we want by

Administrative Director A. Tajeron: It's actually more than nine twenty-three I think we have to add an additional – that's just as of April 20th so, we are now towards the end of April so they would have to make current all arrears it would be *inaudible* for April up through May 1st.

Chairman J. Reyes, Jr.: Okay, so, just so I'm clear is bring everything to current up to May 1st.

Administrative Director A. Tajeron: Yeah, their payment for May 1st and all the arrears to May 1st.

Chairman J. Reyes, Jr.: Otherwise, we serve a 90-day eviction

Administrative Director A. Tajeron: The 90 days is actually to allow them to bring current, correct, Kristan – is to bring it current. We would write a letter to them to bring everything current, we give them 90-days to do it. But since, May 1st is next week, I think. We'll give them the 90-days to bring everything current moving forward from there they need to be current with their payment.

Chairman J. Reyes, Jr.:Correct. So, complete arrears okay. Commissioners, understand that option?

Commissioner D. Herrera: Option two, is

Chairman J. Reyes, Jr.:Is bring arrears up through the letter that we served 90-days

Administrative Director A. Tajeron: We'll give them 90-days to make current on payment.

Chairman J. Reyes, Jr.:But be current with payments beginning May.

Commissioner D. Herrera: And accept the 160-day payment

Chairman J. Reyes, Jr.:Nope, we don't accept it until they become current and make the arrears. Mr. Cruz?

PC IV J. Cruz: I think if when the 90-days is served if I'm not mistaken and Attorney Finney can correct me if I'm wrong. Because they're given 90-days to become current, we can accept that check but on the 90th day if it's not paid in full, they paid down their arrears but we still move to terminate if that's what the board is going to decide. The 90-day period is their grace period to make payments as much as they could to pay down or to come – or cure their default. So, if they wanted to make that payment even knowing that I don't see why we can't accept it.

Chairman J. Reyes, Jr.:Okay, but so we're giving them 90-days versus up to 2026 and accepting the check. Now, I don't want to go back on my words, you guys know where I stand but I'm going to put the vote to the commissioners.

Commissioner E. Garrido: Before we vote, I want to ask my friend here, my new friend if we go with option one, I want to put you on a probationary period to make sure that your performance meets every deadline

GICC GM Yohei Koike: Mhm

Commissioner E. Garrido: And I think maybe 6 to 9 months' probation

Chairman J. Reyes, Jr.:Commissioner Garrido, probation meaning...

Commissioner E. Garrido: We're watching him to perform

Chairman J. Reyes, Jr.:We should get that check every month on the first

Commissioner E. Garrido: Yes, on time with the arrears

Chairman J. Reyes, Jr.:With whatever has been agreed upon

Commissioner E. Garrido: The agreement that you guys had put on the table last year.

Chairman J. Reyes, Jr.: But that's going to be an amendment to what we already done

Commissioner E. Garrido: Yeah, yeah. We're just saying that in addition to we want to make sure that in the 6 month window we continue to receive your payment on time.

Commissioner E. Garrido: It could be six or nine months. To me, I like it to be extended longer that way we watch – his performance is longer

Administrative Director A. Taijeron: Mr. Chair, whatever the board decides may I ask that legal counsel review put everything together for their signature and the board's signature.

Chairman J. Reyes, Jr.: That's the other thing right, we said, that we wanted them to acknowledge but there was no call to action in that letter. So, that was kind of in the back of my mind that we didn't say, GICC, you need to reply accepting the boards. Again, it could be a technicality but there's no call to action from GICC or am I missing something.

PC IV J. Cruz: We did reach out to GICC to inquire if they had any concerns.

Chairman J. Reyes, Jr.: Okay, after we sent the letter right – after April. So, again, we did call and reach out but did we to the director's point, did we say, here's our proposal we need you to sign off on it so that you acknowledge the agreement. Okay, so, Commissioners, I think we spent enough time on this. Let's put some clarity on our options. Option one, everything remains the same with the proposal that we had put forward in – last year, we accept the check and that GICC has to come and – make sure that they make their payments on the 1st of every month. Okay, with we can add Commissioner Garrido's suggestion, that you cannot be late and we'll you know, just period, you cannot be late. I don't think we put a window or time box because you will not be late – if you're going to be late you make that call and set the expectation of why and but you cannot be late because you have up until the 15th technically. No time box.

PC IV J. Cruz: Sir, if I may, if... I don't know how the board is going to go but if it's option one, we add more teeth to it because how are you going to hold Mr. Yohei accountable for not being late other than telling him not to be late.

Chairman J. Reyes, Jr.: We're going to come back to the table and say, okay, you're late and this is how we're going to move forward with plan B.

PC IV J. Cruz: Understood, but then we have to give him another 90-days as what's required in the lease agreement. I don't know, but Kristan can correct me if I'm wrong but if we maintain the 90-day period for example right, Mr. Yohei is given the

opportunity to I guess make his monthly payment and the arrears but in the event that does not comply with the 1st through the 15th, what's going to be the immediate action of the board because we're going to come back again to the board again and sing the same tune so how would we immediately address it.

Chairman J. Reyes, Jr.: Okay, so, I'm really not to make this...I don't want to make this complicated. The first late payment come back to the board and we then make that decision. I mean, we're extending – we're holding to our word and we're hoping that the commitment is there. The fact that we have a check, we're going to take the check, May 1st is coming we're going to get another check, the first late payment, so, Mr. Yohei, the first late payment we're going to come back to this table and I don't think there's going to be any more concession.

PC IV J. Cruz: Just one more thing, I know he mentioned a number which you divided by 48 or 44; is

Commissioner A. Bordallo: 46

PC IV J. Cruz: Is that going to be their proposal that they're going to pay towards their arrears? Or are they going to escalate it as...?

Chairman J. Reyes, Jr.: I think we keep as is and if they escalate it and they get more then we accept it because it's arrears, we're reconciling what is defaulted. But again, we just be very clear here, first late payment we're back at this table. And then Joey, I mean I say, making sure that the number of months we're all aligned with what that is and get another letter out that has to be paid. I just want to make this decision to make sure that we're moving forward.

Administrative Director A. Tajeron: Mr. Chairman, I just – remind the board and for legal counsel as well that everything that's discussed any action that's taken needs to be written into the current lease between GICC and CLTC that whatever the legal terms may be, whatever the best legal course of action, language to be written and put into the lease so that the commissioners are not in violation of any agreement here. Right Kristan?

Attorney Kristan Finney: Yeah, because when you were saying before that you wanted me to write something up I was envisioning that whatever the commission decides we would decided we would write that up as a payment plan proposal send it to them if they accept it they have to sign off on it and it sounds like one of those terms that that payment plan would be that they have to pay at the first of the month and if payment is not received by the 1st then all the arrears will be immediately due and you know the director would send the 90-day notice or whatever... so, that would all be part of the payment proposal.

Administrative Director A. Taijeron: I just want to protect the commissioners so that whatever it is that's voted on legal counsel reviews it – it's written up on whatever legalese there is and attach to the current lease agreement.

Chairman J. Reyes, Jr.: Yes, understood. And it'll just be so be it there's an addendum. Okay, Commissioners, I really think we spent more than enough time on this so could we please – so we have a decision to make with GICC. Option one, is we stay the course of what we had committed too with the additional verbiage to this agreement with the payment in document in writing and the additional legal terms with the payments need to be made on the first of each month and with a – any late payment after the grace period we take the necessary next steps.

Commissioner E. Garrido: Is there a grace period?

Chairman J. Reyes, Jr.: Yes, up to the 15th and that's in their contract. Second option is – oh, commissioner Bordallo?

Commissioner A. Bordallo: Sounds like a promissory note here, legal counsel, make one up?

Attorney Kristan Finney: Just a payment plan

Chairman J. Reyes, Jr.: A document that we have to reference too that both sides agree. Option two is that and Alice make sure you keep me honest here, option two is that we notify GICC to bring everything to with a 90-day window to bring everything to current and make sure that monthly payment that's owed is current after that 90-days has been served. Correct?

Administrative Director A. Taijeron: Yeah, and then we come back to the table should they be late.

Chairman J. Reyes, Jr.: Should they be late with the arrears too?

Administrative Director A. Taijeron: Basically, just the following the lease agreement.

Chairman J. Reyes, Jr.: Yes. Okay, understood. Okay, Commissioners, may I get a motion and then we can vote and if that fails, we can get another motion or have a discussion or I really hope to come to a decision this afternoon.

Commissioner A. Bordallo: I would like to make a motion on option one, simply because it's more realistic with the conditions of what's happening in their company.

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

Commissioner E. Garrido: I'll second it.

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

Commissioner D. Herrera: No objections

Commissioner A. Bordallo: None

Chairman J. Reyes, Jr.: Hearing none, motion passes for the option one which is to honor what has been decided on by the board with any additional legal terminology and payments have to be made by the first of each month. Okay, thank you, Commissioners.

Administrative Director A. Taijeron: Mr. Chair, legal counsel needs to leave there's a public hearing on abandon vehicles we were just asked to attend to today so legal counsel needs to attend that.

Chairman J. Reyes, Jr.: Okay. Thank you, for being here for this one. Okay, Commissioners, thank you. Thank you, GICC representatives. I know we do have

Chairman J. Reyes, Jr.: Okay I know we do have GWA present with us.

Administrative Director A. Taijeron: SO, are we supposed to receive that check?

Chairman J. Reyes, Jr.: Oh yes, Mr. Yohei

Administrative Director A. Taijeron: Drop the check to the front

NEW BUSINESS

1. Adacao Water & Sewer Infrastructure Project – Right of Entry

Chairman J. Reyes, Jr.: Okay, we have GWA present with us so, I'm going to move over to the New Business with the Adacao Water & Sewer Infrastructure Project. Commissioners, we will go back to number two and number three I just want to... Our guest are here.

Administrative Director A. Taijeron: I'll just give an introduction. A couple of weeks back – this is Marie McDonald she is the current Acting Assistant General Manager of the Engineering Department.

Chairman J. Reyes, Jr.: Okay, and Ms. McDonald for the record if you could just please state your name.

GWA Acting Assistant GM Mauryn McDonald: Yes, good afternoon Chairman Reyes and Commissioners. My name is Mauryn McDonald I'm the Guam Waterworks Authority's Acting Assistant General Manager of Engineering. And I'm here today with GWA *inaudible* Engineer, George Watson and our Design Engineer, Ken Rekdoll, from DCA Engineers.

Chairman J. Reyes, Jr.: You can join us if you'd like

Administrative Director A. Taijeron: So, we had a meeting just a couple of weeks ago with Guam Waterworks and the project basically which is actually good news for CLTC is to bring water and wastewater infrastructure to the doorstep in Adacao for the areas up in Adacao. Mauryn has a presentation, right?

GWA Acting Assistant GM Mauryn McDonald: We weren't able to use the TV

Administrative Director A. Taijeron: Oh, okay.

GWA Acting Assistant GM Mauryn McDonald: You have handouts in front of you so we can just walk through it together and if you have any questions, please feel free to let us know and we'll be happy to provide that information to you. So, this is the Water and Infrastructure Capital Improvement Project, if you turn the page, you'll see a map of Adacao Mangilao and it's located near the back road to Andersen, Route 15 and Carnation Road in that Mangilao area. And if you're familiar with the Adacao Elementary School, the land trust properties are near that area. On your map you'll see the land trust properties outlined and shaded in yellow. So, some of these areas have waterlines, they may be 6 inch, 8 inch or 2 inch but these areas do not have sewer lines.

Commissioner E. Garrido: Will your sewer lines be extended to Cupid Route or is that where you're tapping off from?

GWA Acting Assistant GM Mauryn McDonald: We would be connecting not towards Golden...let me make sure I have a map here

Commissioner E. Garrido: Golden Cupid is at the end of your shaded – your yellow shaded area

GWA Acting Assistant GM Mauryn McDonald: So, I believe it's the

Commissioner E. Garrido: That comes up Latte – Latte

GWA Acting Assistant GM Mauryn McDonald: If may, right over here and then there's another road over here

Commissioner E. Garrido: Yeah, yeah.

GWA Acting Assistant GM Mauryn McDonald: So, we would those locations in the project.

Commissioner E. Garrido: So, they would benefit from it?

GWA Acting Assistant GM Mauryn McDonald: Correct, correct. Alright, if you turn the page, now this stemmed from GWA's 2021 Cesspool and Septic Tank Elimination Study where we looked at buildings that were not connected to the public sewer system and served by onsite wastewater systems. So, these would be your septic tank and leaching field systems, cesspools and your holding tanks. And these types of facilities would allow discharge to the ground water, discharge containing whatever you would find in whatever goes down your drains and your toilets, biological, chemical contaminants: nitrates, personal care products, and medicines as well and as many of us know, Northern Guam anything that goes into – into the soil, into the ground will end up in our aquifer and potentially serve as a contaminant for our drinking water source to our Northern Guam Aquifer our primary source of drinking water. So, what this project aims to do is connect these homes to the public sewer system to eliminate cesspools, septic tank systems so that we can protect our ground water source and protect our public health.
So, you have some pictures on the side of the page

Commissioner E. Garrido: Are they bringing any pumps within

GWA Acting Assistant GM Mauryn McDonald: Yes. Yes, we do need to put in or construct a sewer pump station because of the elevation in that area.

Commissioner E. Garrido: And you'll be tapping off Macheche Road

GWA Acting Assistant GM Mauryn McDonald: We will be connecting to the existing sewer at the top of Macheche Hill, yes.
So, if you turn the page that study that GWA completed in 2021 included ranking areas around waterwells based on the highest nitrate concentrations because nitrate levels can have adverse and acute affect on human health. So, we collaborated with the Water Environmental Research Institute at the University of Guam and reviewed well nitrate concentration from 1986 to 2019, and based on that we were able to predict 2029 nitrate concentration so we forecast into the future and ranked wells according to those forecast. In the Adacao area we have seven GWA production wells and six of those are the highest on the list and those are the ones that are highlighted on the table in front of you. The safe drinking water standard established by US Environmental Protection Agency is ten milligrams per liter, what we're seeing now is nitrate levels at around five milligrams per liter. So, we're safe now it's safe to drink according to USEPA standards and we're good in that respect. But we want to make sure we're proactive and keep the water safe. We don't want those nitrate levels to increase further than they are already. Moving along to the next page, you'll see another *inaudible* of the Adacao area. The blue boxes that you see with the letter P inside will be the location of the production wells that are 6 of them are identified on the prior table. The yellow shaded areas are CHamoru Land Trust properties and you'll also see the ground water flow direction. So, in all these areas basically we're looking at unsewered areas all these waterwells and rising nitrate levels at those waterwells. So, that is the *inaudible* for this project. On the next page you'll see what Commissioner Garrido was asking about. We have shown here – it's very busy, we

apologize for that but we outlined where the gravity sewer, sewer force mains and the water mains will be located in these areas so there will be a sewer pump station. This is an example of where it might be, we have to still identify where the appropriate place for it and identify land that we would need to purchase in order to construct the station. And this project is funded by an American Rescue Act Grant through the Governor's Office. So, we're very very happy and blessed to have that funding, especially since this grant as Director Tajeron identified earlier will allow us to install pipes on private property. Normally, our funding sources only allow us to stay on public right of ways or public easements and you can't go on to public – I'm sorry on private lands. But because of the characteristics of this grant, we're able to go on to private property and install piping connections there.

Commissioner E. Garrido: I just have a question on this thing and if I may?

GWA Acting Assistant GM Mauryn McDonald: Yes

Commissioner E. Garrido: Down here in the furthest corner from the school, on the red, I don't know if that's a sewer or a gravity sewer but you've got arrows going down this way and then from that corner there you got arrows going up and they meet at midpoint, what does that mean?

GWA Acting Assistant GM Mauryn McDonald: They are... so, we need to drain... I apologize, sorry, let me see if I can do this upside down. Oh, thank you, George. So, we have a larger map here and the area that you're referring too is

Commissioner E. Garrido: It seems like you got them abutting each other

GWA Acting Assistant GM Mauryn McDonald: Right, in this area here we have a higher elevation so, we're going to have gravity *inaudible* down towards the school in this area some areas may have to drain this way and across and again this is a conceptual design we still have to get elevations which Mr. Rekdoll will be leading the charge on and identify the most appropriate place for the pump stations for the sewer lines and for the waterlines. So, it looks like we have arrows crisscrossing but there was a method to the madness when we created the conceptual design so that they met and they crossed over the lot that is abutting the school grounds going towards the Golden Cupid Road area and then draining back down to an area where a pumpstation will be located.

Commissioner E. Garrido: Yeah, so you're pumpstation is there at Golden Cupid?

Unidentified Representative: That's a proposed location. There's a couple of proposed locations we're looking at potentially having the pump station so, like Mauryn was just saying, most of the arrows is just based off of elevation that when we use lidar or whatever the case may be that's where the elevation is and how it would naturally flow it granted like Mo mentioned most of this going to have to be field verified by the

designer when they're out there when they do the survey work and based off of that there'll likely be changes but this is a conceptual design based off of

Chairman J. Reyes, Jr.: Understanding what we have to

GWA Acting Assistant GM Mauryn McDonald: Yes, a tabletop exercise basically.

Chairman J. Reyes, Jr.: Understood

GWA Acting Assistant GM Mauryn McDonald: Alright.

Commissioner E. Garrido: Well I think you have a

Chairman J. Reyes, Jr.: I have one question and maybe this is more for our team but all the areas that are highlighted in yellow, the CLTC properties do we know how much constituents we already have in there?

Administrative Director A. Tajeron: So, Joey and the team is pulling that information together. We do have several

Chairman J. Reyes, Jr.: I mean this is like huge news for them. Plus it will also then allow us to make sure these properties are ready for additional leases that we're working on. And these will be now priority one of where to put leases on right because now they have the infrastructure.

Administrative Director A. Tajeron: Yes, so Joey, when we met, I think we were working on the schemes for that the schematics for it. And we're coordinating – there's already a list that was provided to Guam Waterworks with regard to current lessees there. I think there was about a hundred or so... it was about a hundred or so and so we're going to update the list.

Chairman J. Reyes, Jr.: Right. and then I know, sorry, just one more thing. I know that there's going to be potential issues in these areas right more so for our constituents making sure that they're in the right spots. So, I also want to make sure that we are ready to figure that out once the project starts because I want to make sure that our constituents are in the rights spots but also any new leases that we issue right that it's where they go and we now get to increase the property lot size now that we have sewer.

Commissioner A. Bordallo: Right.

Administrative Director A. Tajeron: Yes

Chairman J. Reyes, Jr.: All good stuff to look forward too.

Administrative Director A. Tajeron: We're working on that.

GWA Acting Assistant GM Mauryn McDonald: So, we're near the end the next page on visitation when we met with Alice and the other folks from Land Trust, we talked about fees and impacts not just to land trust customers but also to the homeowners along Golden Cupid Road, on other portions of private property so, the American Rescue Plan Act grant will be for the sewer connection cause

Commissioner E. Garrido: To existing residents?

GWA Acting Assistant GM Mauryn McDonald: For existing residence that are legally there so, that's something that we are going to be working through. One of the conditions that we understand we may be facing when we hit the field and actually start the work and contacting homeowners and making sure that we're talking to the right people and the correct and so forth... so, we have a deadline of December 2024 which is very aggressive and we're committed to making sure that we spend the ARP Grant Funds accordingly and looking at the *inaudible* the construction on private property lots because this is the only grant we have that we can avail of that opportunity because new customers will have monthly water and sewer charges. We do have some water customers there already. I don't think all of the folks that are living there have watermasters, it didn't appear that way based on records and what we can tell from the aerials. But that's something everyone has to deal with when they open an account and they *inaudible* Additionally, there's a System Development Charge which is a one-time cost that applies to customers that apply for services after March 1, 2010. The GWA does have payment plans available, we have financial assistance. So, we're going to do what we can to provide that assistance to folks so they don't have that financial burden.

Commissioner E. Garrido: What is that initial charge?

GWA Acting Assistant GM Mauryn McDonald: For both water and sewer combined for residential folks that open up an account now after that March 1, 2010 date it's fifty-six hundred dollars (\$5600.) it is a lot but again we do have payment plans they're able to take out loans with GWA they put a down payment on the loan and they pay monthly payments thereafter.

Commissioner E. Garrido: How is that based?

GWA Acting Assistant GM Mauryn McDonald: It's based on water meter size, the System Development Charge cost, so, the smaller the water meter and this is to defray additional operating cost such as we need more chemicals for the water system when we add new customers so that we make sure we disinfect the water so it's safe to drink. We'll need more – we'll have more operational cost on the wastewater side, dealing with increased wastewater loading and so forth, so, that is a one-time cost.

Chairman J. Reyes, Jr.: Will that also be a part of the system and maintenance of those new waterwells that are being...

GWA Acting Assistant GM Mauryn McDonald: So, all the *inaudible* that adding new customers will have on the existing system.

Unidentified: And the SDC or the System Development Charge is broken down into two parts, right, so, there's a water meter SDC and there's also the wastewater SDC so, some of the folks out there may actually already have done the water side of it; not all of them will because there's some areas here that don't have any water. So, if they're previous to 2010 -March 1st 2010 and they have a water meter they won't have to do the wastewater SDC. If they're after that but they do have a water meter they'll still have to do the wastewater SDC which is 34-74 and if they don't have either one of them then they'll have to the whole 56 and change

Commissioner E. Garrido: So, it's 56 for both water and sewer?

Multiple Response: Correct

Commissioner E. Garrido: I thought it was just for water

Chairman J. Reyes, Jr.: So, we would then make sure that all our lessees are well aware of this and we would prepare and whatever assistance you guys may provide. Okay, that's a great deal

GWA Acting Assistant GM Mauryn McDonald: Okay, and *inaudible* into the last page, where we're talking about our partnership, we are working on a draft memorandum of agreement so it'll identify responsibilities for both CLTC and GWA we're also asking for a right of entry to get on to the lots in order to do the surveying and investigations. We don't know what we're going to find in terms of structures. A lot of them may not have building permits so we're not sure of the piping if they do have the water piping on site; is it safe for drinking water use? So, we'll have to do testing, there's a number of investigations we have so that we don't make a difficult living situation unsafe for the customers.

Chairman J. Reyes, Jr.: Unsafe for the customers

GWA Acting Assistant GM Mauryn McDonald: And we did talk about outreach, so we'll be identifying the plan for that, GWA will be providing flyers and handouts. For every project, we walk door to door for the directly impacted customers, homeowners, and business owners if there are businesses in the area. So, we're used to doing that, it's one of our normal part of our procedures to start our project. We've already reached out to the Mangilao Mayor and have the mayor's interest and support and also again just we need to move forward. One of our additional items to address would be the strategies for these various homeowners and conditions that we know we're going to find so that we're – we have a plan and we can present that plan to the homeowners and try to answer as many questions as we can upfront.

Chairman J. Reyes, Jr.: And Alice, with that, I'm sure we'll see a lot of constituents come through and our team will have to be ready to answer some of those questions that may arise.

Administrative Director A. Taijeron: Yes.

Chairman J. Reyes, Jr.: Okay, so, the MOA is being worked on between both legals so actually that's not any of ours... at this junction, right?

Administrative Director A. Taijeron: Yes, our legal counsel has it, she's reviewing it and she's going to reach out to their legal counsel and work on it.

Chairman J. Reyes, Jr.: And the only action for the board this afternoon is to just to provide the right of entry?

Commissioner A. Bordallo: Yeah

Administrative Director A. Taijeron: Permission for right of entry, yes.

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

Commissioner E. Garrido: I have a question, what is your next target?

Chairman J. Reyes, Jr.: We have more property in Yigo.

All: Laughing

GWA Acting Assistant GM Mauryn McDonald: Yes, Joey has already asked us about that. He's lining up the areas.

Multiple conversations

GWA Acting Assistant GM Mauryn McDonald: So, our next project is going to be Gill Breeze and that's going to be the next one to advertise to get an engineering design going getting started with that and then after that, everything from the wellhead I'm sorry, the cesspool and the septic elimination plan is based on wellhead protection and safeguarding the drinking water the ground water so the next location will likely be the Chalan Bada, Machanao area up in Dededo.

Commissioner E. Garrido: So, you're focusing up north right now?

GWA Acting Assistant GM Mauryn McDonald: Yes, we're looking at where the wells are impacted

Multiple conversations

Chairman J. Reyes, Jr.: And we have *inaudible* a lot of property up in the North so, please seek out to the team because

Commissioner E. Garrido: Can *inaudible* do a study with the Aqueduct in California?

Unidentified: Oh, yeah, that was a long time ago though, like years ago. If you want I can just give a short update on where we're at because we were given notice to proceed about 3 weeks. Our survey crew has already been out to areas where we can properly go to. We've completed that we're ready and willing, we understand all of this has to be cleared but we're excited to work with you all because normally we don't survey on to the private property. This is unique where we can go in and you know, we're going to need your support and I think we have it. I just wanted to share that we're considering a drone, just because we can but while we're waiting for all this maybe it'll help up get a little bit of a bird's eye – advance view so I just wanted to let you guys know because if you get calls by someone saying they're going to shoot it down or something but we're going to give it a shot.

Commissioner E. Garrido: We can't control that – not those people there in that area

Unidentified: We understand, but we're going to try it anyways.

Chairman J. Reyes, Jr.: Well, I think everything we're doing is obviously the step in the right directions. So, we appreciate the partnership. I think the MOA that should be to burdensome but our legal – our *inaudible* our jobs as the commissioners is to give you that right of entry this is *inaudible* our constituents with more to come.

Commissioner E. Garrido: This is actually our mission statement, residential. So, your plan to augment it by putting in sewer, you have my vote.

GWA Acting Assistant GM Mauryn McDonald: Thank you, thank you, commissioners. And we're very excited and it won't just benefit the land trust tenants in that area it's every body that's

Multiple speakers

Commissioner E. Garrido: Which is out on its own those are private land owners there

Unidentified: correct

Chairman J. Reyes, Jr. And these are ideal locations where we have our properties and I just think that it just now allows us to shrink the size because now we have sewer which will allow for more.

Unidentified: Water too, right, this project also has new waterlines going there as well. So, a lot of the waterlines in this area where the new wells are at because there's set wells – like we'll set up we have waterlines like I said, a lot of this back area here, they

don't have any. So, these guys are folks that have to go the mayor's office and have to get water there. They'll be able to actually have a water ground

Commissioner E. Garrido: Well, it's a good project

Chairman J. Reyes, Jr.: Yeah, I'm in full support so, I guess without further ado commissioners may I get a motion to provide right of entry for the Adacao Water and Sewer Infrastructure Capital Improvement Project

Commissioner E. Garrido: I move

Chairman J. Reyes, Jr.: Okay, can I get a second

Commissioner D. Herrera: I second the motion

Chairman J. Reyes, Jr.: Thank you, Commissioner Herrera, may I get a second. Any objections?

Commissioner A. Bordallo: None

Chairman J. Reyes, Jr.: Hearing none, motion passes for the Right of Entry for the Adacao Water and Sewer Infrastructure Capital Improvement Project.

Chairman J. Reyes, Jr.: Okay, Commissioners, we will take a quick five-minutes. I do want to get through the

Multiple background conversations

AA T. Tainatongo: You can begin, PBS is on live

Administrative Director A. Taijeron: Are we recording

AA T. Tainatongo: PBS, are you on live?

PBS: Yes.

Chairman J. Reyes, Jr.: Okay, alright. Thank you, Commissioners, we are back the time is 2:44. Okay, I would like to take up the next item on the agenda back to the Old Business.

OLD BUSINESS

Guam Racing Federation; Lot 7161-R1

Chairman J. Reyes, Jr.: In designating the Lot 7161-R1, Municipality of Yigo for Commercial Use. So, this 7161 is the raceway, the current raceway and we all know

where we stand with that. And Ms. Taijeron, could you remind us what's the date in which the

Administrative Director A. Taijeron: GRF – I believe it's June 2nd. They should be out of there by June 2nd.

Chairman J. Reyes, Jr.: Okay, just wanted to make sure we cover that. So, Commissioners, right, as part of our job when we kind of take back land that was designated outside of us issuing the lease, right, it was done through legislation

Commissioner E. Garrido: Yes

Chairman J. Reyes, Jr.: So, we need to then start from step one, and step one, is to the determination of use I believe is the

Administrative Director A. Taijeron: It's the designation of the property as commercial

Chairman J. Reyes, Jr.: The zoning?

Administrative Director A. Taijeron: Right, the zoning, commercial zoning

Chairman J. Reyes, Jr.: And then after that is then we go to the determination of lease

PC IV J. Cruz: Not yet.

Chairman J. Reyes, Jr.: Mr. Cruz, please join us at the table

Administrative Director A. Taijeron: We have to go through a public hearing

Chairman J. Reyes, Jr.: I just want to make sure that the commissioners know this so we're all aware at least the steps.

PC IV J. Cruz: What will happen is after that we will hold a public hearing. We'll gather all community comments, report it back to the board. If the board should proceed with declaring it for commercial use, it'll be done through resolution. After that we package everything and send it to the legislature they have 60-days to hold another public hearing or do what they deem fit to do with it. If on the 61st day and there's no action on the part of the legislature it automatically grandfathers for commercial use and then we go through the RFP process.

Chairman J. Reyes, Jr.: Alright, got it. Commissioner Garrido?

Commissioner E. Garrido: How much of that lot are we going to designate for commercial?

PC IV J. Cruz: The board can... because right now the lot is known as Lot 7161-R1 so it's the remainder. I think there's like 200 – 250 acres up there.

Commissioner E. Garrido: So, it's the entire lot?

PC IV J. Cruz: Yes, that's the entire R1 lot. So, if the board decides that they want to sever out so many acres, you can but just remember it's going to come with a cost because in order to designate them we have to start all over again because now the property has a new description.

Commissioner E. Garrido: Well right now the zoning on that is A and it's being used as commercial because of the legislature they gave them a variance

PC IV J. Cruz: And within our RFP they'll be something stated to the effect that the commission would allow for rezoning so then whoever is the successful bidder would have to go through GLUC or Planning Div. to get a conditional use or rezone it for whatever would...

Chairman J. Reyes, Jr.: The onus will always be at that point the lessee.

Commissioner E. Garrido: Can I just give my opinion of what my vision is on that. I would like to see the Route 15 frontage rezoned into commercial. I would like to see the back lots zoned into R1, right now that area there, the back lots are fairly level and it would be ideal for housing residential housing which is our mission, right?

Chairman J. Reyes, Jr.: Yes

PC IV J. Cruz: It would come with a cost

Commissioner E. Garrido: I know but I'm just giving you what I think my vision is for it and at the end of the day it would accomplish the rezoning if – don't know if it's us that's going to do it or we're going to put it on the tenant but piecemeal it and see if we can send out a bid request to use the property for like maybe the dragstrip association or the drag racers association might want to lease the dragstrip portion and then the off-roaders could because the facilities are there and it's easier if we parcel it and find tenants for each of those special parcels – because really Guam does not need a Grand Prix, we don't even need the Smoking Wheels, that's an event that occurs once a year. The only one that used there a lot is the dragstrip, that's used on a weekly basis normally

Chairman J. Reyes, Jr.: Yeah, weekly – weekend. So, just to add to that right Commissioner Garrido, I think there is still – we can still afford the opportunity for whoever the conductor may be – the operator to have those sporting events that you know are ATV, biking related right and I don't think it's a bad option to parcel. It's big so, parcel it where at the end of the day the back side you can use your ATVs and then

the front side or the side is the dragstrip and even with the dragstrip again is a good place to have it but there's no safety right it's still very scary.

Commissioner E. Garrido: Yes, that's why I don't understand how that was allowed in the first place.

PC IV J. Cruz: Based on the documents that you see there, that was only the temporary dragstrip because they were going to tear that down and then make a permanent.

Commissioner E. Garrido: My perception after reading your 400-page bible and lease, that was a subtle dragstrip to give him the opportunity mine the minerals and then he's going to say, oops, we need to bring that down now. Because he used that oops a lot in the 400-page and he did it also in here in the Department of Land Management. I read a lot of the, oops, and then there was a lot of, oops, I'm sorry to say with GEDA. GEDA was allowing it to happen without proper sufficient justification and they were cited by the auditor.

Chairman J. Reyes, Jr.: And as the director mentioned, right, there's a lot we at the last meeting know that the OPA is looking into this and that's working alongside Joey and they're going – they have access to all this so, I guess the point where we're at is, do we designate the entire thing for commercial?

Commissioner A. Bordallo: Can I say something first?

Chairman J. Reyes, Jr.: Yes

Commissioner A. Bordallo: What's the total acreage for that?

PC IV J. Cruz: 200 or 250

Commissioner A. Bordallo: Okay, can we have a survey done as to the dragstrip and the back

Commissioner E. Garrido: To parcel it out

Chairman J. Reyes, Jr.: To understand how big is each

Commissioner A. Bordallo: Yeah before we can

Chairman J. Reyes, Jr.: Designate it?

Commissioner A. Bordallo: Yeah

Chairman J. Reyes, Jr.: Okay, so let me ask the question; when we think of surveying of where things exist today, we have to pay for that, correct?

PC IV J. Cruz: Yes. If possible, if some consideration could be given to just scheming the area meaning just a tabletop not an actual full-blown survey

Chairman J. Reyes, Jr.: Now, when you say, scheming, by drone?

PC IV J. Cruz: No, just a tabletop

Commissioner E. Garrido: Table survey

Chairman J. Reyes, Jr.: Table survey but how do we know and maybe you have to educate me but how do we know this is exactly the – this is for the dragstrip and this is...

PC IV J. Cruz: We can go out and GPS it and then they can take the coordinates from the GPS and then plot it in and stuff like that. But we would need to ask for assistance.

Commissioner A. Bordallo: With Land Management?

PC IV J. Cruz: Yes.

Chairman J. Reyes, Jr.: Okay, I mean, I'm open to that. I mean, we have 'til June but that's not a lot of time. We know and then this process within itself. And let me move to number 3, then we have this Bill right, from Senator San Nicolas.

Commissioner E. Garrido: San Nicolas, Parkinson and Quinta and San Agustin

Chairman J. Reyes, Jr.: Yes. It's to take this land and give it to Parks and Recs.

Administrative Director A. Taijeron: Yes

Commissioner A. Bordallo: I object

Chairman J. Reyes, Jr.: Flat out – and this and I'll announce. I wasn't at the last meeting

Commissioner E. Garrido: Well, I like to say something since we're here in this beginning portion, Parks and Rec has no mandate to lease. They have no mandate to lease.

Chairman J. Reyes, Jr.: Right, or if they take this – if they take this and move it into their inventory, we're not going to go without a fight. I want them to pay us the fair market value as how we're going to approach this now going forward on that piece of land.

Commissioner E. Garrido: But you know, Parks and Rec was picked specifically because there's no accountability

Commissioner A. Bordallo: And they don't clean their darn place

Commissioner E. Garrido: There's no accountability

Multiple conversation

Chairman J. Reyes, Jr.: So, for the record, I don't support this Bill

Commissioner E. Garrido: I don't support it either. I'll stand up against it.

Commissioner A. Bordallo: I'll stand up against it

Chairman J. Reyes, Jr.: And I feel that as a commission we have to come as a united front and you know, I think one of the recommendations is to put a resolution out there to send out to the legislature, right that we don't support this Bill. Again, it's not about not supporting the recreational activities that happen there it's just not supporting the process and operating the process of managing this land, the process of making sure we get the right rental lease and

Commissioner E. Garrido: We have to make sure that in that resolution we indicate the current manager or overseer or president of that facility was the reason for the eviction not the activities that occurred there meaning the sports related activities.

Chairman J. Reyes, Jr.: The operator

Commissioner A. Bordallo: Yeah

Commissioner E. Garrido: He's guilty of excavating minerals and he never had a feasibility study because that would tell you where your financings are coming from. I'll tell you where his financings are coming from, it's coming from the Kaskao – he never had skin in the game, he had no money in the game. It was all stolen from the people of Guam.

Chairman J. Reyes, Jr.: So, let's... I guess, what I'm hearing is that we won't make that designation or we won't proceed with that designation let's come into our next meeting Joey with the table top scheme and understanding the size of each of the lots of where things are happening today.

PC IV J. Cruz: So, just so we understand correctly. We could GPS the area and maybe 20 -30 feet from the actual – like for example

Multiple response

PC IV J. Cruz: The dragstrip and then there's the drifting area and then if I'm not mistaken because we went up there – there's the

Commissioner E. Garrido: Go cart

PC IV J. Cruz: Go-cart area and then to the right of that we're going to assume that's the off-roading area

Chairman J. Reyes, Jr.:Off-roading – ATV area

PC IV J. Cruz: But that also goes on the back side of the drifting area so it'll become like a U or something just so we're

Chairman J. Reyes, Jr.:And then there's also the place we're they kind of terrain through to go to the overlook looking out of the side of the water

PC IV J. Cruz: The backside yeah, that's for the Guam Adventures

Chairman J. Reyes, Jr.:Yeah, it's still – it's not cleared, it's still trees and

Commissioner E. Garrido: Who's running the Guam Adventures?

PC IV J. Cruz: We don't know but we do know

Commissioner E. Garrido: Because he's not allowed to sublease

PC IV J. Cruz: But unfortunately, what had happened is many boards ago, the board had approved them to operate. Our concern was, yes, they approved it but there was no amendment to the lease that's one; two, there was no dollar figure attached to their operation but if you read in the bible it says, how much they have to pay and even a percentage of their GRT filings so, that's one of our concerns that we had too.

Chairman J. Reyes, Jr.:Well, there's no lease today, right? We know where we stand. We allowed them to have Smoking Wheels, there's still some fees that we will gain from that, right Joey? Technically?

PC IV J. Cruz: Yes, and that's something that we also want to bring. So, we haven't invoiced them since the termination. We, - if the Board decides we will continue to invoice them so, they'll owe for maybe like 3- 4 months

Chairman J. Reyes, Jr.:Yeah, up to the termination ends. It's business as usual up to termination. Which also means that Smoking Wheel, there's a dollar figure for every person that goes into that event

PC IV J. Cruz: It's 10%

Chairman J. Reyes, Jr.:Yeah, so we should recoup, we should be able to get that and then we should be able to also tick and tie how much tickets they've sold.

Commissioner E. Garrido: Which is more beneficial to the CLTC, 10% or half of the admission gain?

PC IV J. Cruz: We never got to half, it was either \$2.00 I believe or 10%. But I think 10% would be better because at one point they had events there that at the very minimum their ticket price was \$50.00 so that would \$5.00 but unfortunately, that wasn't run by the Guam Federation so, instead we got something like 10% of their sublease rate which was \$3000. So, we got whatever it was - \$300.

Commissioner E. Garrido: I don't know, but reading through your bible, I think Henry stiffed us a lot, in monies he owed us because we were supposed to share 50/50 and I think he was getting money from both sides of that faucet.

Chairman J. Reyes, Jr.: Commissioner, not to interrupt. I think that with this audit that is being done I think a lot of that will be uncovered. Especially, knowing what we know with everything that *inaudible*

Commissioner E. Garrido: But who's being audited?

Chairman J. Reyes, Jr.: Yes, by the OPA

Commissioner E. Garrido: By the public auditor, oh that's great

Chairman J. Reyes, Jr.: And we're involved in this audit because we have the paper trials. I mean as much as I know, we have most

Administrative Director A. Tajeron: We provided everything to the auditors.

PC IV J. Cruz: And it – just so you guys know, it has been and item, a finding in our audit since 2015, so, already at that point there was concerns because we weren't able to ascertain the amount, we received versus the amount that was taken out. So, from that that's what had triggered us to start monitoring. And then I believe in 2017 because there was no action done in our proposed internal policies on how to determine through topo surveys, drones, whatever it was; they terminated it or they ceased that operation and then again later they allowed it to happen and then terminated it and allowed it and today it's not authorized.

Chairman J. Reyes, Jr.: Okay, so, commissioners, we won't move on the designation. We'll wait for that on our next meeting in May to look at what that scheme looks like that table top scheme. Is that doable? In the May meeting?

PC IV J. Cruz: I believe so, we can go out there and GPS and then

Chairman J. Reyes, Jr.: Secondly, again, we have all already express Commissioner Herrera, I didn't hear your stance on the Bill

Commissioner D. Herrera: Same, same as what we're...

Chairman J. Reyes, Jr.: Okay, want to make sure that we're all in a unified front that we do not object to this.

Commissioner D. Herrera: It's just that we have to consider right, once this thing comes to the public and the 15 senators if they decide to have a majority to transfer it then now, that would be a different story because we can object *inaudible* because it could be legislatively transferred. So, that's my

Chairman J. Reyes, Jr.: Yes, so they can have this bill, they can have another bill they can have other bills that will again, how it was initially put into the Guam Raceway, they can have you know do another bill. So, let's come as a united front in objection to this bill. The team, Alice and Joey could put the resolution together and I want all of us to sign, we can do that. And then we'll get it transmitted and again if there's another bill that comes up we'll deal with it then. But again, I just don't...

Commissioner E. Garrido: Can we have an opening section of that resolution because we're all in unison here about objecting to the transfer of the land. Citing the reasons for the termination of the lease.

Administrative Director A. Taijeron: It could be in the resolution Mr. Garrido

Commissioner E. Garrido: Yeah, and I want it to be vigorously stated. It has nothing to do with the sports activities that were occurring there but the behind the scenes

Chairman J. Reyes, Jr.: Well, I think it's all the improprieties that has happened.

PC IV J. Cruz: It's not to say that it's not a good idea or anything but how would that play out, would it be prematurely done because there may be poss... there is an investigation going on now.

Commissioner E. Garrido: Yes, but the bill says to transfer it and they're trying to do it as soon as possible

PC IV J. Cruz: understood

Commissioner E. Garrido: What I want to see is something to counter because right now, we're against the youth of Guam because the youth of Guam although, I think it's less than one percent that would utilize that facility it's being expanded and blown out of proportion that we are against them.

Administrative Director A. Taijeron: So, I'll work with legal counsel. Write it up because the instruction is the commissioners oppose the transfer – oppose Bill 56-37 which seeks to transfer the 7161-R1 from CLTC to Parks and Rec, I will... that's what the commissioners are... and I will prepare the resolution for review with legal counsel,

Joey, we'll put and then before you guys sign-off you'll have to pass the resolution, right so, before you even pass it, I can provide it for review.

Chairman J. Reyes, Jr.: But I want it to get started and quickly.

PC IV J. Cruz: Maybe they can vote on it now

Commissioner E. Garrido: Well, we can vote on it conditionally

PC IV J. Cruz: Because we don't know if that's going to be fast tracked by next weekend.

Commissioner E. Garrido: Well, the first thing they need to do before it goes before the legislature is hold a public hearing and it has to happen

Chairman J. Reyes, Jr.: So, Joey – Mr. Cruz, I'm not necessarily worried about that. I think that the hard part here for this to be fast tracked, the hard part here for this to be *inaudible* for the transfer is I mean, this is our lands, okay, this is the intent of these lands and then there's still other things happening with lands that's not even ours.

So, if we can – this, yeah, no, I think that the fast track of this, I don't think is very viable but anything can happen, yes, anything can happen, I agree.

But we're making it very clear that we are not against the activities that happened at the raceway.

Commissioner E. Garrido: The sports activity

Chairman J. Reyes, Jr.: The sports activity...it's the management and improprieties that happened over the years.

Commissioner D. Herrera: In accordance with the contract

Chairman J. Reyes, Jr.: And there's no lease. There is no lease

Commissioner E. Garrido: It's a license

Chairman J. Reyes, Jr.: Right, license... there's nothing existence, it ended in 2018.

PC IV J. Cruz: Or June 2nd. It'll end in June 2nd.

Commissioner E. Garrido: Well, technically it was a month to month

Chairman J. Reyes, Jr.: Technicalities that we approved up to but again, there has been no lease since 2018 and now that it's on our table

Commissioner E. Garrido: And just for the benefit also, he cited in this board meeting that it was our responsibility to take the lease to the legislature but I read in the bible, Pika revised it and sent it to him, no response.

Chairman J. Reyes, Jr.: So, again, the OPA will be dissecting all the documentations we have. I'm comfortable that a lot of this will be even brought to light and summarized in a way that it doesn't make any sense that in an operator's standpoint, it will go – that they will even do any type of legislation to have this carry on. Our duty is, let's make sure that we could still have these types of recreation activities and figure out who will make these things happen. That's my stance, so....let's have – I recommend we have the team put the resolution together, let's vote that this resolution – that we want this resolution in opposition to this particular bill and any other bill that comes through, we take a look and we can figure it out if we can... but again, I rather us start from step one and designate from commercial use based on what we find with the tabletop schemes and we go from there. I think...

Commissioner E. Garrido: We'll there's nothing to stop right now the attorney from working on a draft resolution.

Chairman J. Reyes, Jr.: Do we need a motion of

PC IV J. Cruz: You should because you're making a decision

Administrative Director A. Taijeron: Yes, you're making a decision so you can vote on us instruct us to write a resolution in opposition to this bill and we'll work with legal counsel.

Chairman J. Reyes, Jr.: Okay, alright, so, may get a motion

Commissioner E. Garrido: I move - motion

Chairman J. Reyes, Jr.: Commissioner Herrera, second, second the motion?

Commissioner D. Herrera: Second the motion

Chairman J. Reyes, Jr.: Okay, any objections?

Commissioner A. Bordallo: None

Chairman J. Reyes, Jr.: Okay hearing none. Motion passes for the team to create the resolution in opposition to Bill No. 56-37, okay, thank you, commissioners.

Commissioner E. Garrido: Just fyi also the same – there's a bill also requesting to transfer the golf course to Parks and Rec

Chairman J. Reyes, Jr.: Where did that bill come from?

Commissioner E. Garrido: Same – same senators

Chairman J. Reyes, Jr.: Have we seen this bill to transfer GICC to Parks and Rec
Commissioner Garrido said there's a bill

PC IV J. Cruz: No, the bill that we did see was regarding GICC was to expand their activity so also for solar panel I think or something like that

Commissioner D. Herrera: No, your right but that's for that solar

PC IV J. Cruz: But let me dig

Commissioner E. Garrido: Because they see that the golf course is in jeopardy here also

Chairman J. Reyes, Jr.: So, may I ask Ms. Taijeron and Mr. Cruz, instead of these bills just being – again, I appreciate the efforts but are any of these senators writing these bills reached out or their staff reached out to understand some of the things behind scenes or under the covers per se that we have records of, public records before these bills come to flourish and again I appreciate but any collaboration that was called to for the team

Administrative Director A. Taijeron: With regard to any bills that are currently introduced, no. I've not received anything. We've not received a request for information or asked for a meeting.

Chairman J. Reyes, Jr.: information, data....

Administrative Director A. Taijeron: Right, with any bills that have been introduced, no.

Chairman J. Reyes, Jr.: Alright, just curious. Alright, Commissioner Garrido send me that bill

Multiple speakers

Commissioner E. Garrido: It happened basically the same time that this first came out.

Commissioner A. Bordallo: In the resolution you should state the purpose of the CHamoru Land Trust.

Chairman J. Reyes, Jr.: Oh yeah. I'm sure they'll craft some very good language to that. We have to take a look at that anyways.

Commissioner A. Bordallo: Yeah

Chairman J. Reyes, Jr.:Okay, moving on, any other further questions to this?

NEW BUSINESS

Chairman J. Reyes, Jr.:Okay, moving on into our New Business. We did address the Adacao Water we approved that for the right of entry.

December 1995 Listing

Chairman J. Reyes, Jr.:December '95 listing, Ms. Taijeron, could you give us some updates.

Administrative Director A. Taijeron: Okay, so, we are stuck at number six, we're working with legal counsel on that. Right now, according to the land agent who's currently overseeing it is I think number three is the only one that has responded. So, I'm working – I've actually met with the team and we're going to meet again just to itemize exactly what it is that we're going to do moving forward. We are going to move forward with 1995 as aggressively as possible and get those out. I think they were reviewing 30 applicants and

Commissioner E. Garrido: Joey, I thought back in December, Toft agreed that we can go to number seven, we're not going to kill number six but go to number seven just to keep the momentum going because what I remember with number six is one they gave the wrong designee to be the benefactor of the land. And two, there was a swap that went on

PC IV J. Cruz: The letter that we used for the initial five is being updated currently by our current legal counsel. So...

Administrative Director A. Taijeron: Everything with regard to 1995 and I ask for the commissioners for a little bit of time is I am reviewing with legal counsel. There's so many things that have occurred and as I sit at my desk I'm like, I don't know where to begin. I sat with legal counsel, I said, okay, this is what we're going to do because we have our 1995s and then we have issues with leases and lessees, all kinds of issues, right. So, I spoke with legal counsel and I said, I am sending this to you for direction and it's to protect us and that's with 1995 as well. We are going to continue to move forward with that. In addition to that, is there are no SOPs, there's no flow chart, there's no process in place. So, I have to work with team. I just had a discussion this morning with one of the land agents, I said, I need to know what it is that we're doing and you need to pull out the Guam Code Annotated, not the public law. The Guam Code Annotated or the GAR with regard to our processes. So, we're working on that. I actually have somebody outside of our agency in trying to get these SOPs, processes, flowcharts done so that it protects all of us. And that our processes aren't questioned. So, I am working on that. We are updating everything pursuant to Guam Code Annotated, applications, everything.

Chairman J. Reyes, Jr.: May I? I have a question. So, with regard to that, I know that on our residential leases and things that we can help that the board had may be allowed to do; had we heard any feed back anything from the resolution that we had approved to send down to the Speaker's office you know to kind of... any dialogue and collaboration in moving that forward. Anything?

Administrative Director A. Taijeron: I had a brief discussion with the Speaker maybe weeks back when there was a meeting. But there's no movement on that yet. I don't want to say anything else, I may have misunderstood the conversation but I will follow up with the speaker and I will ask if there's any... you know, what kind of support can we get.

Chairman J. Reyes, Jr.: Because, there was a reason why we sent that down. There's a lot of things that we could - if we could easily address but it's not proving that we can do *inaudible* and we don't want to stop in the movement in 95, we've been talking about this so, let's continue to move on as guided by Attorney Toft and I'm hoping that Attorney Finney will proceed with that guidance as well.

Administrative Director A. Taijeron: Yes.

Chairman J. Reyes, Jr.: Alright, any questions commissioners on 95s?

Commissioner E. Garrido: Well, I know since you said, only number three has replied, right?

Administrative Director A. Taijeron: I think only one of

Chairman J. Reyes, Jr.: The ones we sent letters and ads...

Administrative Director A. Taijeron: The letters that went out, yeah.

Commissioner E. Garrido: Isn't there a timeline Joey on that? You said, they have to respond within 90-days otherwise it's null and void

Administrative Director A. Taijeron: Yes

PC IV J. Cruz: Just to add to what Director Taijeron had said was in addition to if it's only one who replied there's I think two or three in that listing that had a lease in their file that were issued a lease but an employee had requested that the lessee had decline had wrote in the notes. But there's no document in file to effectuate that decline so, that lease perse was removed from the lease listing and one of the applicants now we were kind of confused because they said they were going to their lease property. They don't need a lease; they have a lease. But unfortunately, that property that was named in that lease has been given already to somebody else

Commissioner D. Herrera: And they're on the property?

PC IV J. Cruz: We're assuming. So, you know, to clean it all up, the person who was given a lease but supposedly decline and the lease award was removed from the database. You know, I think that they did communicate with the office too, so, it's just that's the issues that we're dealing with now. And we're foreseeing already that maybe within the next 30, or the first 30 that we're supposed to be working on, I think from 6 to 30 there may be some applicants who had switched application date and times. So, that's part of the null and void. So, what are we going to do then? Do we present it to the board and the board is going to action it to revert it? Or do we do one *inaudible* fix and revert everybody back because it's not allowed by law?

Administrative Director A. Tajeron: So, with regard to that Mr. Chair and Commissioners is as I mentioned is our duty here is to protect the beneficiaries, the employees and our... right, so, issues like that that come up will be written to the AG's office because we need their help at this point in time. And whatever direction they provide will be presented to the commissioners. One of the things that we do not have is our process, our flow, how do we go about doing this to ensure that everybody is being treated equally and fairly. I saw a little bit of something and we need to rewrite all of that. So, all of these issues that Joey mentioned – anything that's coming up is going to legal counsel. So, it's going to take a little bit of time because I'm going to ask legal counsel for guidance and what is the best legal course of action.

Commissioner E. Garrido: So, you're speaking to the process?

Administrative Director A. Tajeron: I'm talking about everything that's happening in that file. We need to protect the commission, right, is because I need to ensure that we have a process in place from start to finish. So, that if anybody comes into question, well, how did this happen? I've been asking that, how did this happen? Because there's no real process in place, right. It's to no fault of the team that's here, they understand where I'm coming from. I've said it already, right, and so we need something down that's following the GCA. That's just one. Now, as we try to work on that – it's going through these files with all of these issues, alright. So, we don't have the authority to make that decision and if there's a decision that needs to be made by the board it will come to the board however, before it does, I'm going to get legal guidance.

Chairman J. Reyes, Jr.: It's already been cleared before us?

Administrative Director A. Tajeron: It's going to be cleared so that whatever comes to the board, is you will know- this is what legal says and it's also to protect the board with regard to the decisions that are going to be made.

Chairman J. Reyes, Jr.: Making sure that it's within the compounds of whatever parameters thus follow. Understood. Again, it's been since 95 and I'm not trying to

accelerate and do things where we're going to have to go back. So, let's speed it up. As speeded as we can.

Administrative Director A. Taijeron: Okay, Mr. Chair. Since, 1995, okay.

Commissioner D. Herrera: Question. In 1995, right, we have formatted and configure the application form, yes, both in CHamoru and English.

Administrative Director A. Taijeron: I believe so.

Commissioner D. Herrera: There that's a good point, I think so.

Administrative Director A. Taijeron: Yes, I've seen it. It's in CHamoru and English.

Commissioner D. Herrera: So, would not the original application have its questions, right, from one to twenty so, would that not kind of be the foundation of the process flowchart? The question on each item would ask are you living or farming on Chamoru Land Trust? Yes, or no? Right, so if it's a yes, then the next question would be, where? So, what I'm saying is to do the schematic and the configuration of the process flowchart, the original question here in the file would be your point of beginning. You're following?

Administrative Director A. Taijeron: It's our checklist, yes.

Commissioner D. Herrera: So, that would be number one before they get the lease

Chairman J. Reyes, Jr.:Yes

Commissioner D. Herrera: Right, so, if everything is in compliance based on the requirement of Guam Code Annotated or Public Law 12-226 or now 35-112 – then the applicant will get their lease, yes? Correct?

Chairman J. Reyes, Jr.:If all things

Commissioner D. Herrera: If all things are there, however, if the applicant is farming on CHamoru Land Trust but has a Land Use Permit now, that changes the configuration. Part of the law is saying that if the applicant was there before July 12, 1995, we cannot evict the applicant. The applicant can be there for the next 100 years but according to the language of the law we cannot or we CHamoru Land Trust cannot evict the applicant. *inaudible* So, what we're saying is that a lot of this applicants that were there the page is yellow Mr. Chair, so this is back in '99 so we're in number 6, yes?

PC IV J. Cruz: Not, number 6 – we're in number 6 in the next 30

Commissioner E. Garrido: How many 30s have we gone through?

Chairman J. Reyes, Jr.:One

Commissioner E. Garrido: Only one?

PC IV J Cruz: It's the first 30

Commissioner D. Herrera: So, that's what I'm saying. I mean, thank you, both for hard work and we're on the first 30. So, this documentation will kind of give us the first 30 but how many leases have we issued? I think about 2500

PC IV J. Cruz: As of September 30, 2022, if I'm not mistaken, there's 2911 leases.

Commissioner D. Herrera: Okay, so, we'll say, 3000 out of 13000 applicants. 3 out of 13 so, long story short *inaudible*

So, I understand the complexity of everything we're saying and doing so now we're getting the attorney general to be part of the process to validate or deny what was already issued or their current condition. So, where are we on the first 30, we're at number 6

Commissioner E. Garrido: Well, those in compliance with the application process if they completed the application the way it should have been completed should not be affected. There should be some allowances like a grandfather clause. I mean we don't expect or at least I won't expect them to go back and have to fill in a whole new questionnaire for the process but the ones that we have questions on their answers and stuff like that those needs to be remediated.

Administrative Director A. Taijeron: That's what I'm working with legal counsel on. I mean you have our 1995 applicants – we are not questioning applications, their numbered right and pursuant to the law we need to go through the number. What we have are individuals who weren't from 1995 at 8:07 a.m. December 2nd; how did that happen?

Commissioner D. Herrera: And they have a lease

Administrative Director A. Taijeron: And they have leases

Chairman J. Reyes, Jr.:Exactly

Administrative Director A. Taijeron: How did that happen?

Commissioner D. Herrera: I understand

Administrative Director A. Taijeron: I'm not – if they've got a... I'm not saying I'm sending every – it's all of these things that are coming and I'm working on 1995s our first 30 and trying to get them out there. There's other issues with regard to naming

beneficiaries or successors who are not eligible. People living on our land or who aren't eligible

Commissioner E. Garrido: Number 6

Administrative Director A. Taijeron: Right the law also changed we have 75A that doesn't speak to what happens to applications or applicants who named successors. It speaks to if I'm not mistaken it to leases or lessees not applicants. The law states that if you didn't get a lease prior to January 1, 2021, you now have to qualify under 75A. So, there's – it's very complex we can – we have applicants from 1995 if they didn't get a lease we now have to work with them to qualify under 75A. Right, we're not – we're trying to stay within the law

Chairman J. Reyes, Jr.: Commissioners, rest assured that the team does everything in their research to help ensuring that they are qualified.

Administrative Director A. Taijeron: Yes

Chairman J. Reyes Jr.: Okay, any other questions? I'm comfortable that we're moving all disclosure I'm not comfortable at the speed of how we're going so you know, just...

Administrative Director A. Taijeron: Okay

Chairman J. Reyes, Jr.: So, thank you for the update

Commissioner E. Garrido: I like your idea. The application process has to be revisited and I think that's what we should use in place when you finalize it for all the new applicants.

Chairman J. Reyes, Jr.: Yeah, any other questions?

Commissioner E. Garrido: Because we can't change the applications from the past unless there's some discrepancies in it.

Administrative Director A. Taijeron: Oh no, we're not changing – yes, sir, we're not changing anything.

Chairman J. Reyes, Jr.: Alright I know next in our item is the Strategic Plan. However, are we ready to tick and tie and have that discussion today?

Administrative Director A. Taijeron: It's fluid we're going to update it, no.

Chairman J. Reyes, Jr.: Understood

Administrative Director A. Taijeron: Well, we have Adacao – we're working on Adacao to get water infrastructure in there.

Chairman J. Reyes, Jr.: I don't - Tina, if we can leave this as an item it should always be on there and if we can start looking – just pull-out certain things okay, this is where we can meet this is we're going to discuss this on this day.

AA T. Tainatongo: For the strategic plan?

Chairman J. Reyes, Jr.: Yes. Plug different things, okay?

Administrative Director A. Taijeron: Okay

Chairman J. Reyes, Jr.: Thank you.

FY2024 Budget Request

Chairman J. Reyes, Jr.: Alright, let's go through the budget request, I think that's one thing that we need to approve and Joey, in the same breath our monthly revenue can set us up. And then

Administrative Director A. Taijeron: Did you want us to go through our monthly revenue first or ...? Or the budget in its entirety?

So, the budget in its entirety, right, I just wanted to indicate here that in the budget how we had originally proposed budget is at one million seven hundred six thousand two hundred six dollars (\$1,706,206.00)

Commissioner D. Herrera: Is that line *inaudible*

PC IV J. Cruz: If you look at page the government – the budget *inaudible* the summary the first long page

Commissioner D. Herrera: Page 1 of 5

PC IV J. Cruz: Yeah, Column L

Administrative Director A. Taijeron: Yeah, to the far right.

Commissioner E. Garrido: page 105? Okay

Administrative Director A. Taijeron: It's the first long sheet to the right. The original request when we prepared this for the board is one million seven six dollars – seven hundred and six two hundred and six thousand dollars right or... seven hundred six thousand dollars- our numbers came in, I'm asking for an increase. We're going to have to change this when we submit it to the legislature an increase of six hundred dollars and this is for the audit cost. Originally we budget it at \$37,400. But it's going to cost us \$38,000. So that's an additional six hundred dollars.

Commissioner D. Herrera: And that would be under column

Administrative Director A. Taijeron: That would be contractual

PC IV J. Cruz: That will be contractual under a different form

Administrative Director A. Taijeron: Item 230

Commissioner D. Herrera: Page 1 of 5?

Chairman J. Reyes, Jr.:Page 2 of 5 So, that will increase by 600

Administrative Director A. Taijeron: \$600 yes and then also we need numbers came in after we submitted the budget we need uh to have a virtual server and that's going to cost us thirty five thousand dollars right so this is for the scanning and the recording of all our documents right so we need to put that on a virtual server

Chairman J. Reyes, Jr.:what line would that fall under

Administrative Director A. Taijeron: That would also be under contractual, right Joey

Chairman J. Reyes, Jr.:Okay, so it's virtual server

Administrative Director A. Taijeron: Yes it's virtual server yeah and this is I believe a subscription

PC IV J. Cruz: If you're looking at the digest so, there's multiple sheets. The additional expenses that the director had mentioned will all fall under the CHamoru Land Trust Operations Fund so, that's sheet 2 of 5.

Commissioner E. Garrido: Can I ask a question and I know this is budget that we're going to proposed and be sent to the legislature. I'm kind of like – I though we're self-generating. Why do we have to go to the legislature for approval for us to spend our own money? We're not getting it from the general fund

PC IV J. Cruz: Just – if we can go complete the review – only because it'll answer your questions. But to get ahead of it- we are requesting for general fund money now. We do not generate enough money to self-sustain our expenditures for the year.

Commissioner E. Garrido: Okay, that answers it.

Commissioner D. Herrera: Where's that number?

PC IV J. Cruz: Which one?

Commissioner D. Herrera: The self-generation funds or cash

PC IV J. Cruz: It's a budget request. And then two, we are not allowed to expend money from our revenues without any appropriations. If it in the law they decided to change it and allow us to expend freely then that could occur and we won't have to go through the legislature. Almost like how the autonomous agencies operate but because we're a line agency we still have to get approval unless in the fund it specifically says you may expend and this year report this and that and stuff like that

Chairman J. Reyes, Jr.: So, just to be clear, the increase from 1706206 would be 1736806

Multiple conversations

PC IV J. Cruz: 174

Administrative Director A. Tajeron: 1741806

PC IV J. Cruz: So, it'll be an additional thirty...

Chairman J. Reyes, Jr.: 35600 okay. So, it's remind me, 170

Administrative Director A. Tajeron: 07

Chairman J. Reyes, Jr.: No no what's the final number?

PC IV J. Cruz: 1741806

Chairman J. Reyes, Jr.: 1741806 okay. Commissioners any questions?

Multiple conversations

Administrative Director A. Tajeron: 1706206 would be our general fund

PC IV J. Cruz: It's an increase. The 1706206 was the initial request which you guys find in your packet. But because we learned of the virtual server cost and a little increase to the audit cost for FY2023 independent audit we're requesting a total of 1741806

Commissioner D. Herrera: And that includes the additional employees?

PC IV J. Cruz: Yes

Commissioner D. Herrera: What column

PC IV J. Cruz: The breakdown of the request

Commissioner D. Herrera: You have 10 – 10 personnel

Commissioner E. Garrido: Are you including for the additional personnel?

PC IV J. Cruz: Yes, but just so we understand. One million one hundred forty-one thousand two hundred eleven is being requested from the general fund that is fully for salaries and benefits

Commissioner D. Herrera: Again that's for the salaries

PC IV J. Cruz: Yes. Six hundred thousand five hundred ninety-five will come from the Operations Fund

Chairman J. Reyes, Jr.:600595?

PC IV J. Cruz: Yes. Just know that we are

Chairman J. Reyes, Jr.:Barely making it

PC IV J Cruz: We are stretching it a little bit based on our projections. Even though in the audit you may see that we're projecting a little over seven hundred thousand for FY2024 or a little or seven hundred I believe just know that the allowance for doubtful accounts is almost like GICC

Commissioner E. Garrido: Well this is a wish list. It's still going to be scrutinized by the legislature they may knock it down

PC IV J. Cruz: They may cut – decrease the general fund request

Chairman J. Reyes, Jr.:So, the increase from 23 to 24 is about hundred thousand?

PC IV J. Cruz: Not even. Oh yeah – yes a hundred sixty something like that

Chairman J. Reyes, Jr.:So, it's an increase from what we've been allocated in 2023 and it's always good to go into a – and it's not even cushion right

PC IV J. Cruz: Bare bone is what and just so you guys know we

Commissioner E. Garrido: In the past, how were we received by the legislature on our proposed budget?

PC IV J. Cruz: The most recent budget for 2023 we're lucky that Speaker Terlaje had fought for us to get an additional appropriation from the 2% the two percent well we fairly were able to justify how we spend where we're going to get the money and stuff like that so we got it we're not collecting enough to maintain our solvency our financial Independence it shows so we need to find new Revenue so amendments need to be made current laws speaking of which when did we when do we

Chairman J. Reyes, Jr.:Speaking of which when does the submerge lands when do they – I know Tata we still have to sign paperwork

PC IV J. Cruz: yes there's an update

Chairman J. Reyes, Jr.:Because they're high in production so when I know they're up for renewal and then we'll start seeing those revenues and then of course GTA depending on when they actually land right become operational so we know what those revenue streams could be I think TATA is more what we can materialize right or calculate it again immediately it's immediate once you sign... I think there's just some minor there's minor changes

Administrative Director A. Tajeron: There's some minor changes from legal

Chairman J. Reyes, Jr. Yeah and so once so to your point they have I forget the number of circuits but actual

PC IV J. Cruz: six cable cables

Chairman J. Reyes, Jr.:that are running through that six that's 600.

Multiple speakers

Commissioner E. Garrido: Where are the submerged lands at that we have authority over?

PV IC J. Cruz: anywhere that's not federally reserved so it's everywhere

Chairman J. Reyes, Jr.:in a sense

Commissioner E. Garrido: that's a very broad stroke

PC IV J. Cruz: it works in our favor

Chairman J. Reyes, Jr.: yes, so you when you think of that I think there's one up in the South that's actually starting to have some dialogue

Administrative Director A. Tajeron: Piti –

Chairman J. Reyes, Jr.:Piti's already and then

PC IV J. Cruz: so Tata has two active they're working on one so we have to go back and see whether it could be assessed the Landing fees or not because the law was talking about construction and all that other stuff.

Chairman J. Reyes, Jr.:so because we have active cables with Tata that's what we know we can materialize

Commissioner E. Garrido: Yes came in remember a few months back

Chairman J. Reyes, Jr.:any other questions Commissioners I think I'm comfortable with the increase

Commissioner E. Garrido: These guys scrutinize this we have the director there's very forceful. I'll sign off on this

Chairman J. Reyes, Jr.:And just to wrap it up

Commissioner E. Garrido: Are you sure you don't want a pad it up with safety equipment for you guys?

PC IV J. Cruz: You know we have we can put down everything that we want like a wish list

Commissioner E. Garrido: yeah, but safety - safety equipment

PC IV J. Cruz: we have money in here for supplies and it could be classified as supplies yeah it is in the past, we had there had been requests for safety shoes my only concern before was for one we don't do

OSHA inspections there's no need for steel toe it if they needed some type of shoes because of what they do maybe like cleats because of the topography just yesterday we went to Inarajan and we almost prayed like George of the Jungle because the Topography of by the Inarajan Middle School the terrain was... so you know those are the things but we do look out for our staff for example like the Dengue Fever have off spray

Commissioner E. Garrido: No, but how about vest identifying you as well so the government

Administrative Director A. Taijeron: The team when I first came on board, I asked them they do have safety events but what they do not want is to be identified cltc because they have been threatened, they're targeted government agent

Commissioner E. Garrido: Government agent – it doesn't have to be CLTC

Chairman J. Reyes, Jr.:you know as long as as long as we throw all the safety precautions in place, I think that the the direction is good we've got to make sure that that's all-in place

Commissioner E. Garrido: since we're doing budget right now, I have another thing that I would like maybe consideration for everyone is legal protection

PC IV J. Cruz: we've added some legal costs into our budget request

Commissioner E. Garrido: because we're cleaning up a lot of Dirty Work and we're all subject to being sued in our capacity since we're board members

Commissioner A. Bordallo: You should get insurance

Administrative Director A. Taijeron: As in bond

Commissioner E. Garrido: Well, see I don't know if the AG's going to step in and help us because already announced to the world and K57 Talk Shows that he's thinking about suing us.

Administrative Director A. Taijeron: It's okay

Commissioner E. Garrido: I'm saying

Administrative Director A. Taijeron: That's why I'm working with Attorney Finney with all these issues to ensure that we are protected

Commissioner E. Garrido: The reason also why I'm asking is because GWA and GPA just lost their legal attorneys that were on staff the AG took them away.

PC IV J. Cruz: I remember what you had mentioned previous for me so for Legal Services we budgeted at 300 per billable hour.

Commissioner E. Garrido: Most attorneys go for like four or five hundred dollars per hour okay

Commissioner D. Herrera: if we need to amend that 600 we have to go through the legislature again or no?

Chairman J. Reyes, Jr.: I think it'll be so not to interrupt but I think Joey will find a way to work within the confines of our ability to move money around

Commissioner E. Garrido: But yeah thank you – we have some wiggle room that will make us feel comfortable

PC IV J. Cruz: so if you guys decide today to make a vote on the budget requests and you want to make an adjustment for example like the attorney fees if you can in your motion that you approve based on the condition that we adjusted per hour rate and increase the total amount of hours if that's what you

Commissioner E. Garrido: I mean we could use a general term but I don't think the legislature will buy a general term you know if we say, at current rate

PC IV J. Cruz: market value – but we need to put a number to it

Commissioner E. Garrido: yes that's what I'm saying we need to put a number so we can go high and they can chip it down but it's on an as needed basis okay. We need to ask them if they won't allow it but because you can't carry over certain classes that has to be returned to the general fund at the end of the fiscal year.

Chairman J. Reyes, Jr.:so what's our proposal

Commissioner E. Garrido: We increase

Chairman J. Reyes, Jr.:The Billable hour

Commissioner E. Garrido: Yeah, we increase the billable hours

Chairman J. Reyes, Jr.:Why don't we just increase the hours instead keep the billable hours as it is and just increase the number of hours

Commissioner E. Garrido: I'm sorry

Chairman J. Reyes, Jr.:So instead of increasing the billable hour say we have like 50 hours around 50 hours and say we want to increase it to 200 hours we need billable hours there net just *inaudible*

Commissioner E. Garrido: I'm gain for that that and we can always amend it if we do deplete because we're all going against

PC IV J. Cruz: No no cannot increase it

Commissioner E. Garrido: Especially if we need it – emergency

Commissioner A. Bordallo: I've served in an autonomous agency and we were covered as the board members especially when like you said what's happening now

Commissioner E. Garrido: Our exposure

Commissioner A. Bordallo: Right, they may take his house away

PC IV J. Cruz: We can look into some kind of bond or liability or some kind of coverage but since I've been here since 1998 til today, I haven't encountered ensuring our board members

Commissioner E. Garrido: But we're going to make changes

Chairman J. Reyes, Jr.: No- yeah, I don't disagree. So let's address the – is that under contractual fees?

So what do you have budgeted Joey for a number of hours

PC IV J. Cruz: six hours

Chairman J. Reyes, Jr.: At what rate 300 just double the hours - doubles the amount right not changing the per hour

Commissioner E. Garrido: Right either we change the amount per hour or double the amount of billable hours

Chairman J. Reyes, Jr.: okay so it's part of the motion too where we have to account for the increase of the 35 600

PC IV J. Cruz: For the new rate

Chairman J. Reyes, Jr.: 35 600 that increases from 1706 to 206.

PC IV J. Cruz: Oh I think adopting the new total will suffice one seven four one eight oh six but that

Chairman J. Reyes, Jr.: So in the motion so approving the budget request of one million seven forty one thousand eight hundred six dollars and adding the additional 600 hours to attorney fees

Commissioner A. Bordallo: That's how much 600 times 300.

PC IV J. Cruz: No it's doubled so it's 360 000 because they went up to yeah

Chairman J. Reyes, Jr.: Commissioners, would you like to take action?

Commissioner E. Garrido: Sure, I will I move we approved conditionally the amendments for the new fiscal year budget

Commissioner A. Bordallo: I second

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

Commissioner A. Bordallo: None

Chairman J. Reyes, Jr.: Okay, hear no objections okay motion passes to accept the budget with the conditions of the new amount of 1 million seven forty-one thousand

eight hundred six dollars and the provision to increase the hours for the attorney fees by 600.

Administrative Director A. Taijeron: The budget will come out to 2 million 101 806.

Chairman J. Reyes, Jr.: Well 600 hours is in here already so you're just adding 600 more hours

Administrative Director A. Taijeron: Oh

PC IV J. Cruz: Commissioner Herrera you had a question about 1.1? Proposed budget for the staffing pattern?

Commissioner D. Herrera: Right

PC IV J. Cruz: So, 7 of 7 is the second page of 6 of 7. The staffing pattern is *inaudible

Commissioner D. Herrera: And that's the budget we just discussed

PC IV J. Cruz: so page seven or six of seven is our total staff reflects people the staff and the details of the incumbent

Commissioner E. Garrido: Joey what is an agricultural management specialist?

PC IV J. Cruz: That's a position that has some type of subject matter expertise based on agriculture. So, the reason why in the past it was identified as for recruitment is so we have land agents and myself and a planner who does compliance inspections so, to ensure that we do not create a liability in terms of having an employee perform above and beyond the required duties and we have someone who has a subject matter expertise knowledge of Agriculture that individual would be part of the compliance team because we have a lot of agriculture leases so that's this type this position title came from the Department of Agriculture

Commissioner E. Garrido: Okay so we are in line with the duties with... that we're in line with the duties of whatever what the Department of Agriculture oversees?

PC IV J. Cruz: The duties of this individual will be in line with what

Commissioner E. Garrido: Yeah because like I know like to be a licensed farmer you need to you need to meet certain criteria to be licensed by the Department of Agriculture

so this person will be following up like surveys and stuff like that checking up and checking up on their progress because they're supposed to find the entire property

PC IV J. Cruz: And they that they would know like they could probably even assist in terms of providing guidance right? if you're in a CasKao area you don't have to dig the

plant you can dig above ground in the land agents here have gone through training like that with Dr. Bob Barber from UOG so that's what that position is.

Commissioner E. Garrido: Okay

Commissioner D. Herrera: Then you have three or four vacant?

PC IV J. Cruz: There's three not four

Administrative Director A. Tajeron: we interview for some of these Physicians Commissioners and when we gave them the offers they declined it so were we - DOA is going to re-announce

Commissioner D. Herrera: And they're declining because of...

Administrative Director A. Tajeron: The pay was one big thing, right, Joey? And then some decided they wanted to relocate and then they got better offers

Commissioner D. Herrera: What's this a land agent supervisor is step one at 54? Is that what it is?

PC IV J. Cruz: But you know just so you're aware if an individual should apply in a selected and it's promotional, they won't be slotted at step 1

Commissioner D. Herrera: It would be above step increase?

PC IV J. Cruz: It would be because it is a promotion so there will be some type of promotional

Chairman J. Reyes, Jr.: Adjustment

PC IV J. Cruz: Yeah. So we'll just use an example like the land agent 3 or an agent two a

Commissioner D. Herrera: Departmental of Land Management or here

PC IV J. Cruz: anywhere because the pay grade and the step is we're using a general pay plan.

so like let's just say on that agent 2 here without a K3 is promoted to the land agent supervisor so what happens is from the promotion you move up two steps from the K and then match what's greater too but not less than on the end pay grade so if N is already at 54 and going up two steps from K3 to K5 it doesn't exceed 54 then they start at step one

Commissioner D. Herrera: So, let's say for us to speed up our process on the first thirty maybe three more land agents or five more land agents or you know analyzing the process flow where's the

PC IV J. Cruz: In the past not... it's our process right that we had in the past that we've worked towards trying to correct right so we can put as many people and many hands as required but it may become counterproductive. The problem initially is not because the amount of people we have but all the anomalies and all the acts that were done. In addition to that even if we wanted to survey, if we survey five or more lots it has to go through the GLUC at that point they're going to require things depending whether it's an agriculture subdivision or residential subdivision – agriculture they're going to require us to put water – power throughout the whole entire subdivision and I'll give you an example, Tract 10123 which the board had designated for affordable housing was rezoned to R1 that was our first project that we rezoned to R1 but because the conditions of the GLUC was not met that rezoning and the map or whatever that was done has expired so we're going to have to go back and reapply so it's not necessarily the amount of hands we have but it's the process that we had in the past that we've worked towards today to try to get going and then all the actions that were done by allowing applications to switch date and time and naming an unsuccessful successor. Though the desire to want to lease with the infrastructure or at the very least, survey we don't have that resource or those resources

Commissioner E. Garrido: Are we allowed to name more than one successor?

PC IV J. Cruz: In the law you can, it says successor or successors it doesn't say how many so it's plural so you can

Commissioner D. Herrera: So, here we have six land agents if we had 12 would that...increase our productivity? I mean it says six here right and... so, six land agents here now, what's their workload? Do they have like 10 clients on each land agent or is it spread out in that kind of workload where

Administrative Director A. Tajeron: It's kind of spread out and I mean dividing among all the land agents right so with a lot of these projects coming up I need to – okay, I'm going to allocate how many people to the 1995s how many people is going to be allocated to... now, to Joey's point with regard to – we can have 12 land agents doesn't mean it's going to speed things up. The bottleneck would be in the process with regard to everything that needs to be done after

Commissioner D. Herrera: And the process is being held at the attorney general

Administrative Director A. Tajeron: No..no..no..there's nothing being held up at the AG's Office. We are trying to

Commissioner D. Herrera: The process is here

Administrative Director A. Tajeron: Well just in general, like trying to get land surveyed you know we have to give – when we make an offer this individual can – didn't decline three right three properties and upon that we have to bring it the

board. There's a lot of things that happened in between that could... we are in the process – I'm hoping to get a PC 1 and a PC 2 right – is what we put out? That would help. It's going to be an addition to what we have right now. We had a land agent one never responded so we have to determine if we're going to put that out again and if that'll help. It's...

Chairman J. Reyes, Jr.: So, I think Commissioners, I think the thing is not necessarily that head count it's really the obstacles to through some of the... some are a slam dunk so to speak

Commissioner D. Herrera: It will be that even if we had a 100 land agents we're still going to be in the first thirty?

Administrative Director A. Tajeron: No
Chairman J. Reyes, Jr.: No

Commissioner D. Herrera: No, that's my point.

Chairman J. Reyes, Jr.: I don't think the answer is 12, I don't think the answer is 8. I think the answer is how do we remove some of these obstacles that we as the board can assist the land agents to get through so the idea I think that's where we continue to be stuck but also continue to be stuck on – potentially qualifying.

Commissioner D. Herrera: So, how many have we done so far?

PC IV J. Cruz: Zero. But if I may,

Chairman J. Reyes, Jr.: And that's okay. I just want to make sure that we have to be comfortable and be able to defend that. I'm not trying to say that it's right – wrong – it's a different whatever we have to be okay with that and we have to also support as to why.

PC IV J. Cruz: If I may, one thing that would assist us in the process at least qualifying and starting to award is the additional authorities that the board had approved for example number 6 is the named beneficiary the granddaughter – the board had approved to allow the main beneficiary to extend to the third degree of consanguinity so that would include the granddaughter

Commissioner D. Herrera: Remember a grandchild cannot be a beneficiary so

Chairman J. Reyes, Jr.: Exactly

Commissioner D. Herrera: My point is that if we come from a agency that's providing funds and they're saying okay you're asking for 1 million point seven hundred what's your productivity are you worth to be allotted 1.7 million

Chairman J. Reyes, Jr.: No – yes and commissioners and I’m just looking at everything. I whole heartedly agree with you and I just don’t want to – I also want to make sure – I don’t want to discount the work of the staff continues to do

Commissioner D. Herrera: I was a land agent myself and I work from six in the morning to six in the evening and I see the load that these guys have

Chairman J. Reyes, Jr.: Yea and you go out with these guys as well to visit all the commercial

Commissioner D. Herrera: That’s now. But 30-years ago which started

Chairman J. Reyes, Jr.: And want to make sure by no means that’s what where we’re discounting the staff’s hard work that they do today but sometimes some of these obstacles are the stop gap or the gaps

Commissioner D. Herrera: And that is why they created land trust and land management was to integrate the resources so we can use the surveyor, the planners as one, remember?

Chairman J. Reyes, Jr.: We merge now we’re not emerged

Commissioner D. Herrera: now we're not let's just mentioned we would like to take it or trifurcated it so now is it more productive or counterproductive and in my opinion it's counterproductive because we're waiting for surveys so if you want applicant number one to have a survey so we came up with this if you want a survey you can choose from one of seven surveyors in the beginning right because this is to appease the beneficiaries that were victimized by the unfair land taking so that's all Mr. Chairman

Chairman J. Reyes, Jr.: No and appreciate it and sir again I appreciate your attention to detail so we have to ask these questions because as you guys know those are the questions you’re going to get asked right when we’re in front the budget committee and okay and sorry any...

Commissioner E. Garrido: I know that like the survey and the rezoning is outside of our work description here okay we depend on other agencies and we don't know how long they take to address those issues that are being sent to them but in the case of naming the wrong successor can we send them out a certified mail based on the 90-day rule that we have and if they don't reply then cut off

Administrative Director A. Tajeron: Yeah, that’s part of our process is when these files come this is the issue – legal, what is the best legal course of action to take if it can be resolved within the confines of the law

Chairman J. Reyes, Jr.: Or for interpretation you have to send it to legal

PC IV J. Cruz: And one thing we have to consider is for example if they're still an applicant but they're an applicant who was a preoccupier who used it to the land use or whatever the case may be right and they did name the successor who's ineligible but there's a home on it or they're farming you know I are we going to terminate it or are we going to what would we do because that individual will not probably not be able to qualify as a preoccupier because they may have not stayed there but since their grandparent had died they took it up they take me over the house taking over the payments taking over the farm

Commissioner E. Garrido: Well, that could be handled in a case-by-case basis we tell them that there's a 90-day timeline of that if they don't come in then we've got to get them to move which is what I'm saying

PC IV J. Cruz: Understood, but also we're putting a requirement on somebody who's not eligible so we could inadvertently prematurely do something that we shouldn't have because we notified someone who's not eligible. You know just things like that right it's I guess our what just for meaning since I started working here and how I've grown through to today is we try to find a resolution to the issues not to take so you know it's just and then maybe it's built into me but you know it's what it is but there's a possibility

Commissioner E. Garrido: But in order to find a resolution we need their cooperation and if they're not cooperating to come in and try and straighten things out I think that's where our 90-day rules will kick in hard you know look at Simpson

Commissioner D. Herrera: That's commercial he's talking about residential

Commissioner E. Garrido: No but if we didn't serve him an eviction notice

Multiple conversations

Commissioner E. Garrido: Thank you for all your efforts you guys are doing a spectacular job

Chairman J. Reyes, Jr.: Yeah again by no means we're discounting that

Commissioner E. Garrido: Remember Joey I said I don't want your job

PC IV J. Cruz: Yeah I remember that – right now, I don't want it either.

Chairman J. Reyes, Jr.: I'm gonna move to the next item I know we're just about done any questions on the revenue report we don't have to go through it I went through it I have no questions but I didn't get the no I thought we approved it the budget but our revenue report any questions on our the last two months

Commissioner A. Bordallo: We can't touch our TCD?

PC IV J. Cruz: No no because we have an agreement with the U.S Veterans Affairs are the secretary or something like that if in the event we decreased the securitized amount of 500 000 and we do not replenish it within time timelines we get penalized so you that is under our loan guarantee program which is funded through the revenues of our payment and lower taxes which is the real property taxes when as we work through the FY 2022 budget that had to tell you guys you're going to see a high due from the general fund which means it's a receivable from the general fund so what happened I believe in 20 2017 we hope not to happen in 2023 and what happened in 2017 was we had to write off so but you know will the possible yeah

Commissioner D. Herrera: Is there a revenue from ITC here being this property

PC IV J. Cruz: Not to us because it's a lease hasn't terminated

Commissioner E. Garrido: But who owns the property?

PC IV J. Cruz: Gov Guam – it's a lease from Gov Guam to GEDA

Commissioner E. Garrido: It was renewed during Governor Camacho's time

PC IV J. Cruz: I don't think so

Commissioner E. Garrido: Yeah, so Governor Camacho

Chairman J. Reyes, Jr.:The land lease?

Commissioner D. Herrera: Yeah and it's under land management

Commissioner E. Garrido: I don't know who it's under but I remember

PC IV J. Cruz: I think they attempted to renew it but for another 15 but it didn't work

Commissioner D. Herrera: Yeah so the land lease now is under Department of Land Management

Multiple response

Commissioner E. Garrido: Who owns the land back there?

PC IV J. Cruz: Same

Commissioner E. Garrido: Gov Guam not CHamoru Land Trust

PC IV J. Cruz: No, GEDA has it well it depends the cliff or

Commissioner E. Garrido: The old Hakubotan and these businesses here

PC IV J. Cruz: Gov Guam or GEDA

Commissioner D. Herrera: When you say Gov Guam you mean under the jurisdiction of DLM

Administrative Director A. Taijeron: GEDA

Commissioner D. Herrera: Oh GEDA

PC IV J. Cruz: DLM only has 3 commercial leases that I know off. I think it's between GEDA and DLM

Commissioner A. Bordallo: So, who gets the money?

PC IV J. Cruz: GEDA

Chairman J. Reyes, Jr.: But when it expires, it comes to us?

PC IV J. Cruz: It should

Commissioner D. Herrera: Is the expiration date by 2029

PC IV J. Cruz: I'm not sure

Commissioner D. Herrera: Who has a copy of the lease?

PC IV J. Cruz: GEDA or DLM because they're the repository for all reported documents

Chairman J. Reyes, Jr.: there's nobody in the room just for the record any public comments I think we...

AA T. Tainatongo: Yeah, there's none on Zoom

Chairman J. Reyes, Jr.: Okay thank you Commissioners any questions comments concerns

Commissioner D. Herrera: Thank you for the work.

Chairman J. Reyes, Jr.: Yes, thank you so much. May I get a motion to adjourn

Commissioner E. Garrido: I make a motion to adjourn

Chairman J. Reyes, Jr.: Thank you. Can I get a second

Commissioner D. Herrera: I second

Chairman J. Reyes, Jr.: Adjourned. The time is 4:11 p.m. Adjournment to May 18; at 1:00 p.m.

The time is 4:11, the meeting is adjourned.

Transcribed by: Tina Rose Tainatongo, Administrative Assistant

Approved by motion in meeting of: _____

Chairman John F. Reyes, Jr.: _____ **Date:** _____

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Approved by motion in meeting of: May 18, 2023

Chairman John F. Reyes, Jr.:  _____ **Date:** 7/13/23