

*I Mina'trentai Siette Na Liheslaturan Guåhan*  
**BILL STATUS**

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
16-37 (COR)	Joe S. San Agustin Roy Anthony Benavente Quinata	AN ACT TO ADD A NEW § 75122(c)(2)(A) TO CHAPTER 75 OF TITLE 21, GUAM CODE ANNOTATED RELATIVE TO REQUIRING THE CHAMORRO LAND TRUST TO SOLICIT COMPETITIVE BIDS FOR THE MASS GRADING AND MINERAL EXTRACTION OF A PORTION OF LOT 5412, MANGILAO.	1/26/23 2:04 p.m.						

***I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN***  
**2023 (FIRST) Regular Session**

**Bill No. 16-37 (COR)**

Introduced by:

Joe S. San Agustin   
Roy A. B. Quinata 

**AN ACT TO ADD A NEW § 75122(c)(2)(A) TO CHAPTER  
75 OF TITLE 21, GUAM CODE ANNOTATED  
RELATIVE TO REQUIRING THE CHAMORRO LAND  
TRUST TO SOLICIT COMPETITIVE BIDS FOR THE  
MASS GRADING AND MINERAL EXTRACTION OF A  
PORTION OF LOT 5412, MANGILAO.**

**BE IT ENACTED BY THE PEOPLE OF GUAM:**

**Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds that the Chamorro Land Trust Commission (“CLTC”) is authorized pursuant to Public Law 33-95 to, among other things, lease or license for commercial use certain properties in its land inventory. Further, such commercial leases or licenses may occur only on CLTC designated lands not to exceed nine percent (9%) of the total remaining unassigned CLTC land area inventory.

*I Liheslaturan Guåhan* further finds that, such commercial leases and licenses may include mineral extraction when specifically approved by the Chamorro Land Trust and *I Liheslaturan Guahan*. Such commercial leases and licenses shall be awarded through a competitive bid process to entities determined to be responsible and responsive.

*I Liheslaturan Guåhan* further finds that the CLTC currently has a backlog of applicants for homestead lots as well as a multi-million-dollar shortfall to survey new homestead lots and improve them with access and utilities.

1            *I Liheslaturan Guåhan* further finds that a large portion of Lot 5412,  
2 Mangilao, generally lying between the Gloria B. Nelson Public Service Building  
3 and the coastline, is owned by the CLTC; however, the land is presently  
4 inaccessible and undevelopable. This Lot contains quality limestone aggregate for  
5 construction purposes, and a section was previously quarried for the construction  
6 of Route 15 during the 1960's. Inasmuch as Guam's construction industry now  
7 requires approximately 1.5 million cubic yards of limestone aggregate per year,  
8 and the current market rate for quality limestone is approximately Two Dollars  
9 (\$2.00) per cubic yard, extraction operations at this Lot may potentially yield up to  
10 One Million Dollars (\$1,000,000) per year for CLTC during the next 6 years.

11            *I Liheslaturan Guahan* further finds that prudent extraction operations of Lot  
12 5412 can result in a landform that accommodates new homestead lots, as well as a  
13 large pad for another public service building, akin to the Gloria B. Nelson Public  
14 Service Building.

15            It is, therefore, the intent of *I Liheslaturan Guåhan* to cause the CLTC to  
16 issue an Invitation For Bid for the development of the CLTC Lot 5412, Mangilao,  
17 with an extraction plan to assist the CLTC accomplish three objectives: first,  
18 ultimately generate approximately Six Million Dollars (\$6,000,000) in revenues  
19 through the sale of limestone aggregate; second, create a sustainable revenue  
20 source by leasing a pad for a new public service building; and third, creating new  
21 homestead lots.

22            **Section 2.** A new § 75122(c)(2)(A) is hereby *added* to Chapter 75, Title 21,  
23 Guam Code Annotated to read as follows:

24            “(2)(A) Award of Lease Through Competitive Bids for CLTC Lot 5412,  
25 Mangilao. The CLTC shall immediately determine whether the  
26 undeveloped portion of Lot 5412 falls within 9% of its total remaining  
27 unassigned CLTC land area inventory. If so, the CLTC shall immediately

1 approve that portion of Lot 5412 for mineral extraction, and *I Liheslaturan*  
2 *Guahan* hereby also approves.

3 (i) Upon finding that the undeveloped portion of Lot 5412 falls within  
4 CLTC's 9% of total remaining unassigned inventory and upon approval by  
5 CLTC and *I Liheslaturan Guahan* for mineral extraction, the CLTC shall  
6 immediately announce a competitive Request for Proposals for a license for  
7 mass grading and mineral extraction of the undeveloped portion of Lot 5412  
8 in a manner that provides at least one large pad for a public service building  
9 and as many homestead lots as can be accommodated under Guam's  
10 subdivision development rules and regulations.

11 (ii) Such RFP for mass grading and mineral extraction shall require  
12 each bidder to:

13 1) Be responsible for all pre-grading tasks such as: cadastral and  
14 topographic surveying; biological and archaeological assessments; an  
15 EIA (if required by GEPA); mitigation of environmental and/or  
16 cultural resources (should any such mitigation be required); grading  
17 plans that yield the final landform option selected by CLTC; grading  
18 permits; clearing and disposal of over-burden, including topsoil;  
19 certified weigh station; security station; and compliance with interim  
20 and final inspections by CLTC. In the event that any property  
21 survey/assessment discovers an endangered species or other resource  
22 for which there is no economically viable mitigation, the awardee may  
23 cease further work and shall be released from all other obligations of  
24 the mineral extraction license, without penalty.

25 2) Submit a single fixed-price per cubic yard of aggregate removed  
26 from the site, but there shall be no revenue due to CLTC resulting  
27 from the removal other materials that are unsuitable as aggregate.

1 That single fixed-price per cubic yard of aggregate shall cover all  
2 associated expenses by the awardee, including those described in 1),  
3 above.

4 3) Be bonded and licensed with the Guam Contractors Licensing  
5 Board (“GCLB”) and certified by the Mining Safety and Health  
6 Administration (“MSHA”) with a designated “mine number” for mass  
7 grading and mineral extraction at Lot 5412. Such GCLB license and  
8 MSHA certification shall be kept current by the awardee for the  
9 duration of this work.

10 4) At all times comply with existing Guam and U.S. environmental  
11 laws.

12 5) Account for and pay to CLTC on a monthly basis the fixed-price-  
13 per-ton of aggregate removed from the Lot, in accordance with a  
14 system that is approved by CLTC.

15 6) Submit a conceptual plan of the final landform.

16 d) CLTC shall cancel the license for mass grading and mineral extraction  
17 when the approved, final landform is attained, or in the event the awardee  
18 does not perform in accordance with milestones mutually established  
19 between CLTC and the awardee, or in 6 years, whichever comes first.

20 e) Notwithstanding § 75105(b) of Chapter 75 of Title 21, Guam Code  
21 Annotated, all income arising out of any lease or license pursuant to this  
22 Section *shall* be credited to and deposited in the Chamorro Land Trust  
23 Survey and Infrastructure Fund until 2025, and to the Chamorro Home Loan  
24 Fund thereafter.”

25 **Section 3. Severability.** If any provision of this Act or its application to any  
26 person or circumstance is found to be invalid or contrary to law, such invalidity  
27 *shall not* affect other provisions or applications of this Act that can be given effect

1 without the invalid provision or application, and to this end the provisions of this  
2 Act are severable.

3 **Section 4. Effective Date.** This Act *shall* become effective immediately  
4 upon enactment.