

I Mina'Trentai Kuáttro Na Liheslaturan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
98-34 (LS)	Dennis G. Rodriguez, Jr. Joe S. San Agustin	AN ACT TO ADD NEW SUBSECTIONS 75122(c)(21), 75122(c)(21)(A), AND 75122(c)(21)(B), TO CHAPTER 75 OF TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE CHAMORRO LAND TRUST COMMISSION (CLTC) TO AMEND AN EXISTING LICENSE AGREEMENT; TO ESTABLISH CLTC CREDIT IN LIEU OF CASH PAYMENT IN ACCORDANCE WITH LICENSE AGREEMENT; AND TO PROVIDE THAT THE CLTC CREDITS ESTABLISHED HEREIN ARE ASSIGNABLE TO A THIRD PARTY OR PARTIES.	5/23/17 2:20 p.m.						

I MINA'TRENTAI KUÁTTRO NA LIHESLATURAN GUÁHAN
2017 (FIRST) Regular Session

Bill No. 9834(LS)

Introduced by:

Dennis G. Rodriguez, Jr. *DR*
Joe S. San Agustin *JS*

AN ACT TO ADD NEW SUBSECTIONS 75122(c)(21), 75122(c)(21)(A), AND 75122(c)(21)(B), TO CHAPTER 75 OF TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE CHAMORRO LAND TRUST COMMISSION (CLTC) TO AMEND AN EXISTING LICENSE AGREEMENT; TO ESTABLISH CLTC CREDIT IN LIEU OF CASH PAYMENT IN ACCORDANCE WITH LICENSE AGREEMENT; AND TO PROVIDE THAT THE CLTC CREDITS ESTABLISHED HEREIN ARE ASSIGNABLE TO A THIRD PARTY OR PARTIES.

2017 MAY 23 PM 2:20



BE IT ENACTED BY THE PEOPLE OF GUAM:

1 **Section 1.** New Subsections 75122(c)(21), 75122 (c)(21)(A) and
2 75122(c)(21)(B), are hereby added to Chapter 75, Title 21, Guam Code
3 Annotated, to read:

4 “(21). **Authorization to Amend Existing License Agreement**
5 **Relative to Lot. No. 5219-1-1, Barrigada, Guam; Establish CLTC**
6 **Credit in Lieu of Cash Payment Resulting from the provisions of**
7 **§75122(c)(21)(A)), *Infra*; and that CLTC Credits Established Herein are**
8 **Assignable to a Third Party or Parties.** The Chamorro Land Trust
9 Commission (CLTC) is hereby authorized to approve, *in toto*, the following

1 First Amendment to Chamorro Land Trust Commission License Agreement
2 for Lot. No. 5219-1-1, Barrigada, Guam:

3 'FIRST AMENDMENT TO CHAMORRO LAND TRUST
4 COMMISSION LICENSE AGREEMENT

5 THIS FIRST AMENDMENT is entered into on this ____
6 day of ____ 2017, by and between the Chamorro Land Trust
7 Commission, whose mailing address is Post Office Box 2950,
8 Hagatna, Guam 96932 (“Licensor”) and Ko’Ku Recycling,
9 whose mailing address is Post Office Box 25158 GMF, Guam
10 96921 (“Licensee”).

11 RECITALS

12 WHEREAS, Licensor and Licensee previously entered
13 into a License Agreement regarding Lot No. 5219-1-1,
14 Barrigada, Guam, a true and correct copy of which is attached
15 hereto as Exhibit “1”; and

16 WHEREAS, in accordance with said license agreement,
17 Licensee is authorized to conduct business related to solid
18 waste management, processing, recycling, disposal and a
19 storage facility, so long as all uses are legal and conforming;
20 and

21 WHEREAS, parties wish to clarify certain matters set
22 forth in the License Agreement.

23 NOW, THEREFORE, in consideration of the mutual and
24 dependent promises set forth herein, the parties hereto agree as
25 follows:

26 1. Except as expressly agreed to in writing in this

1 First Amendment, all provisions in the License Agreement
2 between the parties, attached hereto as Exhibit "1", will remain
3 fully binding and in full force and effect.

4 2. Pursuant to Section II, TERM, of the License
5 Agreement, the parties agree that the "initial term" of the
6 License Agreement shall be deemed to have commenced on
7 September 4, 2005.

8 3. In Section V of the License Agreement,
9 COMPENSATION, the parties agreed that Licensee would
10 receive certain credit in exchange for rental payments for all
11 cleanup work; conducted by Licensee on Lot No. 10122-15,
12 and that the amount of the credit would be based upon work
13 performed on Lot No.10122-15, including but not limited to the
14 removal of metallic waste and other items. Licensor has already
15 agreed that Licensee is entitled to credit for the removal of at
16 least 25,000 metric tons from Lot No. 10122-15. In accordance
17 with the formula set forth in Section V, Licensor and Licensee
18 hereby agree that the total amount of credit currently due
19 Licensee for work completed pursuant to Section V is
20 \$7,500,000. This credit shall be an offset in favor of Licensee
21 against any rental payments that would otherwise be due to
22 Licensor under the License Agreement. The agreed upon
23 calculation of the credit due Licensee is set forth in the
24 document attached hereto is Exhibit "2". Benny B. Bello and
25 Licensee further agree that the license for Lot 10122-15 is
26 terminated with respect to Bello and Licensee. Bello and
27 Licensee are released from any further responsibility or liability

1 for such lot.

2 4. Licensee shall be authorized to conduct the
3 following business activities on the real property, Lot 5219-1-1,
4 Barrigada; solid waste processing facility, solid waste
5 management disposal and recycling, hard fill, storage and
6 warehousing, operation of construction office and storage and
7 sales of construction and building materials and equipment, and
8 lay down yard.

9 5. Licensee will immediately continue with its efforts
10 to clean and remediate the property. Within sixty (60) days
11 from approval of this Amendment, Licensee will provide a
12 detailed plan to the CLTC indicating how the property will be
13 cleaned and remediated. Licensee will submit periodic reports
14 to the CLTC, no less than quarterly, indicating its progress in
15 fulfilling its obligations under the license agreement.

16 6. CLTC and Licensee may negotiate for the
17 exchange of another property, in substitution of the property
18 licensed herein. Any such substitution must be mutually agreed
19 upon by the parties. In the event that the parties agree to the
20 substitution of another property, the credit currently due to
21 licensee shall be transferable to such other property.

22 7. All provisions in the License Agreement, except as
23 expressly modified herein, shall remain in full force and effect.

24 8. Licensee may assign the credit due hereunder to a
25 third party or parties.

26 9. Licensee will provide insurance coverage in
27 accordance with the original license.

1 10. Licensee shall pay any applicable real estate taxes.'

2 **(A). CLTC Credit.** Upon the official board action taken by the
3 CLTC pursuant to the adoption of Subsection 75122(c)(21), *Supra*,
4 and solely for the purposes of Subsection 75122(c)(21), *Supra*, there
5 is hereby established CLTC credit in lieu of cash payment to satisfy
6 the terms and conditions of Subsection 75122(c)(21), *Supra*.

7 **(B). CLTC Credits Assignable.** The CLTC credits authorized
8 pursuant to Subsection 75122 (c)(21)(A), *Supra*, shall remain valid
9 and lawfully binding until fully expended by the holder of such CLTC
10 credit. Moreover, the Licensee may assign the credit due hereunder to
11 a third party or parties, and such assignment or assignments to a third
12 party or parties shall remain valid and lawfully binding until fully
13 expended, and all CLTC credits or assignments of such CLTC credits
14 provided herein shall be honored by the CLTC. An assignee of
15 Licensee may use such credits to satisfy an obligation owed to the
16 CLTC on other properties owned by it."