



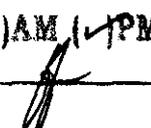
Office of the Governor of Guam

P.O. Box 2950 Hagåtña, Guam 96932

TEL: (671) 472-8931 • FAX: (671) 477-4826 • EMAIL: governor@mail.gov.gu

House of the People's Speaker
VICENTE C. PANGELINAN

JUL 01 2004

TIME: 4:50 () AM (✓) PM
RECEIVED BY: 

Felix Perez Camacho
Governor

Kaleo Scott Moylan
Lieutenant Governor

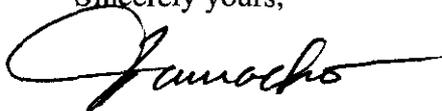
01 JUL 2004

The Honorable Vicente C. Pangelinan
Speaker
Mina' Bente Siete Na Liheslaturan Guåhan
155 Hessler Street
Hagåtña, Guam 96910

Dear Mr. Speaker:

Transmitted herewith is Bill No. 286 (LS), "AN ACT TO APPROVE THE LEASE OF THE PASEO STADIUM BY THE GUAM BASEBALL FEDERATION, A NON-PROFIT ORGANIZATION, AS PROVIDED IN SECTION 3 OF PUBLIC LAW 27-27 AND TO AMEND SECTION 5 OF PUBLIC LAW 27-27 RELATIVE TO YOUTH RECREATIONAL ORGANIZATION VOLUNTEERS," which I signed into law on June 25, 2004 as Public Law No. 27-95.

Sincerely yours,



FELIX P. CAMACHO
I Maga' Låhen Guåhan
Governor of Guam

Attachment: copy attached of signed bill

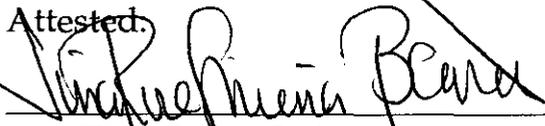
cc: The Honorable Tina Rose Muna-Barnes
Senator and Legislative Secretary

I MINA'BENTE SIETE NA LIHESLATURAN GUÅHAN
2004 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

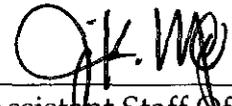
This is to certify that Substitute Bill No. 286 (LS), "AN ACT TO APPROVE THE LEASE OF THE PASEO STADIUM BY THE GUAM BASEBALL FEDERATION, A NON-PROFIT ORGANIZATION, AS PROVIDED IN SECTION 3 OF PUBLIC LAW 27-27, AND TO AMEND SECTION 5 OF PUBLIC LAW 27-27 RELATIVE TO YOUTH RECREATIONAL ORGANIZATION VOLUNTEERS," was on the 18th day of June, 2004, duly and regularly passed.

Attested:


Tina Rose Muña Barnes
Senator and Legislative Secretary

vicente (ben) c. pangelinan
Speaker

This Act was received by I Maga'lahaen Guåhan this 18th day of June, 2004,
at 4:30 o'clock P.M.



Assistant Staff Officer
Maga'lahaen's Office

APPROVED:



FELIX P. CAMACHO
I Maga'lahaen Guåhan

Date: 6/25/04

Public Law No. 27-95

I MINA'BENTE SIETE NA LIHESLATURAN GUÅHAN
2004 (SECOND) Regular Session

Bill No. 286 (LS)

As substituted by the Committee on
Community, Culture, Recreation and
Public Broadcasting, and amended on the Floor.

Introduced by:

T. R. Muña Barnes
L. A. Leon Guerrero
F. R. Cunliffe
J. M. Quinata
Toni Sanford
F. B. Aguon, Jr.
J. M.S. Brown
C. Fernandez
Mark Forbes
L. F. Kasperbauer
R. Klitzkie
J. A. Lujan
v. c. pangelinan
R. J. Respicio
Ray Tenorio

AN ACT TO APPROVE THE LEASE OF THE PASEO STADIUM BY THE GUAM BASEBALL FEDERATION, A NON-PROFIT ORGANIZATION, AS PROVIDED IN SECTION 3 OF PUBLIC LAW 27-27, AND TO AMEND SECTION 5 OF PUBLIC LAW 27-27 RELATIVE TO YOUTH RECREATIONAL ORGANIZATION VOLUNTEERS.

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan*
3 finds that Bill No. 125 (COR), which became Public Law 27-27 upon the
4 signature of *I Maga'lahren Guåhan* on July 18, 2003, provided specific

1 parameters for which the government of Guam could lease the Paseo
2 Stadium to the Guam Baseball Federation in order to enhance the
3 development of recreation and sports in Guam.

4 *I Liheslaturan Guåhan* further finds that Section 3 of Public Law 27-27
5 adds a new §77112.2 to Article 1, Chapter 77, Subpart E of Title 21, Guam
6 Code Annotated, in which subitem (e) states: "Any lease agreement
7 inclusive of the Stadium Master Plan entered into pursuant to this Chapter
8 shall be subject to legislative approval."

9 *I Liheslaturan Guåhan* further finds that Section 5 of Public Law 27-27
10 exempts volunteers of youth recreational organizations from paying certain
11 costs, but as amended in Public Law 27-27, it creates a "Catch 22" problem
12 that must be resolved to accomplish its intended purpose.

13 It is therefore the intent of *I Liheslatura* to approve the Lease
14 Agreement attached to this Bill as "Appendix 1," and to *amend* Section 5 of
15 Public Law 27-27 to assist youth recreational organization volunteers.

16 **Section 2. Approval of Lease Agreement.** The Paseo Stadium Lease
17 Agreement attached hereto and identified as "Appendix 1," signed by *I*
18 *Maga'lahaen Guåhan* on June 8, 2004, and transmitted to *I Liheslaturan*
19 *Guåhan* on June 9, 2004, is hereby approved, provided that a Memorandum
20 of Lease be recorded at the Department of Land Management no later than
21 July 1, 2004, and attached thereto shall be a properly signed resolution of
22 the Guam Major Baseball League, Inc. (Guam Baseball Federation),
23 authorizing the Guam Baseball Federation to enter into this Lease and
24 designating a selected officer to execute this Lease on behalf of the Guam
25 Baseball Federation.

1 Section 3. 4 GCA §2111, as *amended* by Section 5 of Public Law 27-
2 27 is *amended* to read:

3 “§2111. **Volunteers Exempt from Certain Screening Costs.**

4 All volunteers working uncompensated in any agency of the
5 government of Guam or volunteer applicants of a youth recreational
6 organization as evidenced by a form or letter issued by such youth
7 recreational organizations shall be exempt from clearance and
8 screening fees charged by government of Guam agencies, including
9 police and court clearances and skin test for tuberculosis
10 administered by a government of Guam agency. This exemption
11 does *not* apply to chest x-rays required of positive skin test readers or
12 drug testing; however, nothing herein shall prevent any appointing
13 agency from paying for such examinations for its volunteers.”

PASEO STADIUM LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into on the dates written below by and between the DEPARTMENT OF PARKS AND RECREATION, Government of Guam, whose mailing address is Post Office Box 2950, Hagåtña, Guam 96932 (hereinafter referred to as "LESSOR") and the GUAM BASEBALL FEDERATION, a non-profit association, whose mailing address is Post Office Box 21809, Main Post Office, Barrigada, Guam 96921 (hereinafter referred to as "LESSEE").

WITNESSETH:

WHEREAS, pursuant to Public Law 27-27, LESSOR and LESSEE are authorized to enter into this Lease for the development, maintenance, improvement, and management of the Paseo Stadium and its ancillary facilities for a period not to exceed fifty (50) years;

NOW, THEREFORE, in consideration of the rent hereinafter to be paid and of the covenants which are to be observed and performed, LESSOR and LESSEE agree as follows:

AGREEMENT:

1. DESCRIPTION OF PROPERTY: LESSOR does hereby demise and lease unto LESSEE, and LESSEE does hereby lease from LESSOR, the real property described as, and hereinafter called the "Premises":



Paseo Stadium, Hagåtña, Guam as depicted in the drawing attached hereto as Exhibit "A" and incorporated herein by this reference, together with the improvements thereon and the easements, privileges and appurtenances, thereunto belonging or appertaining.

LESSOR warrants that the Premises are free and clear of all encumbrances and that it has good right to lease the same.

2. **TERM OF LEASE:** The term of this Lease shall be fifty (50) years commencing July 1, 2004 and ending June 30, 2054, unless the term shall be sooner terminated as hereinafter provided, or unless extended by authorization of the Guam Legislature. In the event statutory authorization to extend is enacted, **LESSOR** and **LESSEE** shall memorialize the extension in writing, amending any provisions of this Lease as necessary.

3. **RENTAL:** **LESSEE** agrees to pay a nominal annual rental sum, the value of which is determined to be four percent (4%) of accrued gross revenues per year. The nominal annual rent shall not exceed Four Thousand Dollars (\$4,000.00).

4. **PAYMENT OF RENTALS:** The rent shall be paid yearly, with the initial rental payment due thirty (30) days after the end of the first full year of the term of this Lease, specifically July 30, 2005, and on July 30 of each year thereafter for the remainder of this Lease. The rent due on July 30, 2005 shall be for the first year's rent. The last year's rent is due on July 30, 2054, thirty days after the term of this Lease expires.

5. **DELIVERY OF RENT AND NOTICES:** All rents or other sums, notices, demands, or requests from one party to another may be personally delivered or sent by mail, certified or registered, postage prepaid, to the addresses indicated hereinafter, and



shall be deemed to have been given at the time of personal delivery or at the time of mailing:

(a) All rents and other sums payable LESSEE to LESSOR shall be by check payable to LESSOR, delivered in person or mailed to LESSOR at Post Office Box 2950, Hagatna, Guam 96932, or such other address as LESSOR may designate in writing.

(b) All notices, demands or requests from LESSEE to LESSOR shall be delivered in person or mailed to LESSOR at Post Office Box 2950, Hagatna, Guam 96932.

(c) All notices, demands or requests from LESSOR to LESSEE shall be delivered in person or mailed to LESSEE at Post Office Box 21809, GMF, Guam 96921.

(d) Each party shall have the right, from time to time to designate a different address by notice given in conformity with this section.

6. QUIET ENJOYMENT OF THE DEMISED PREMISES: LESSOR hereby covenants with LESSEE that upon payment by LESSEE of the rent provided for in this Lease, and upon observance and performance of the covenants and conditions by LESSEE hereinafter contained, and so long as LESSEE observes the provisions of Public Law 27-27 or any superceding law applicable to the Premises, LESSEE shall peaceably hold and enjoy the Premises for the term hereby demised without hindrance or interruption by LESSOR or any other person lawfully or equitably claiming by, through or under LESSEE.



7. INDEMNIFICATION OF LESSOR: LESSOR shall not be held liable for any loss, injury, death, or damage to persons or property which at any time may be suffered or sustained by LESSEE or by any person who may at any time use, occupy, or visit the Premises or be in, on, or about the same, whether such loss, injury, death, or damage shall be caused by or in any way result from or arise out of any act, omission, or negligence of LESSEE or of any occupant, visitor, or user of any portion of the Premises. LESSEE shall indemnify and hold LESSOR harmless against all claims, liability, loss, or damage whatsoever on account of any such loss, injury, death, or damage. LESSEE hereby waives all claims against LESSOR for damage to the improvements and to LESSEE's property in, on, or about the Premises and for injuries to persons or property in or about the Premises, from any cause arising at any time during the term of this Lease.

8. PUBLIC LIABILITY AND PROPERTY DAMAGE INSURANCE:

(a) Type of Policies. LESSEE shall procure, at its own cost and expense, and keep in force during the term of this Lease for the mutual benefit of LESSOR and LESSEE, a policy of comprehensive liability insurance in such form and with such insurance company as LESSOR shall approve. LESSOR may review the foregoing limits of coverage and require increases therein but shall not require increases more frequently than annually. LESSEE, at its sole cost, shall maintain on LESSEE's personal property and leasehold improvements, a policy of standard fire and extended coverage insurance, with vandalism and malicious mischief endorsements. LESSEE shall pay promptly when due all of the

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premiums for insurance described in this Lease. In the event of failure to pay within thirty days of the due date, LESSEE shall be in default of this Lease carrying the same consequence as failure to pay any installment of rental.

(b) **Policy Form.** Policies shall be for the mutual and joint benefit and protection of LESSOR and LESSEE, and executed copies of such policies of insurance or certificates thereof shall be delivered to LESSOR. All public liability and property damage policies shall name LESSOR as an additional insured or loss payee shall contain a provision that LESSOR, although named as an additional insured or loss payee, shall nevertheless be entitled to recover under said policies for any loss occasioned to it, its servants, agents and employees by reason of the acts, omissions or negligence of LESSEE. As often as any such policy shall expire or terminate, renewal or additional policies shall be procured and maintained by LESSEE in like manner and to like extent. LESSEE shall deliver to LESSOR on the anniversary of this Lease each year such policies, or certificates, or other proof of insurance described in this Lease. Any failure to deliver proof of insurance shall be considered a default by LESSEE. All policies of insurance delivered to LESSOR must contain a provision that the company issuing said policy will give to LESSOR thirty (30) days notice in writing in advance of any cancellation or lapse of insurance or the effective date of any reduction in the amounts of insurance. All public liability, property damage or other casualty policies shall be written as primary policies, not contributing with and not in excess of coverage which LESSOR may carry. All insurance policies

carried by LESSEE covering the Premises shall expressly waive any right of the insurer against the LESSOR. LESSEE agrees that its insurance policies will include such waiver clause or endorsement.

9. **USE OF PREMISES:** LESSEE shall use the Premises only for the purposes of managing, maintaining, operating and improving a municipal baseball facility, the purposes and uses of which are hereinafter described or as described elsewhere in this Lease. If LESSEE uses the Premises for any purpose other than as described as follows, then LESSEE shall be in default of this Lease.

(a) LESSEE may construct improvements on, or develop the Premises in accordance with Section 10 of this Lease.

(b) As a part of managing the Premises, LESSEE shall schedule all games and events to be conducted on or within the Premises.

(c) LESSEE may sell billboard space and other signage on the Premises for advertisements in a manner mutually agreeable between LESSOR and LESSEE and not inconsistent with existing laws. All advertising revenues shall be deposited into the Municipal Stadium Operations Fund (MSOF).

(d) LESSEE shall maintain the playing field, lighting, and buildings and structures on the Premises, including all improvements thereto, and including all appurtenances located within the structures or buildings or any improvements, in good sanitary and working order for the purposes intended, and in an attractive and functional condition, including painting and making prompt minor repairs as needed.

(e) LESSEE shall regularly remove and dispose of all trash and debris that accumulates on the Premises, or make arrangements for the regular removal and disposal of all such waste matter.

(f) LESSEE shall regularly cut, trim, prune or mow all shrubbery, vegetation or grass on the Premises, and ensure that the Premises have a well-kept and attractive appearance.

(g) LESSEE may collect user fees and stadium sponsorship fees not inconsistent with existing laws, and all revenues from user or sponsorship fees shall be deposited into the Municipal Stadium Operations Fund (MSOF).

(h) As mandated by Public Law 19-48, LESSEE shall exempt bona fide youth sports groups from usage fees and shall ensure that bona fide youth sports groups have unrestricted usage of the Paseo Stadium except during scheduled maintenance of the Stadium or during pre-scheduled events by users with permits.

10. IMPROVEMENTS AND ALTERATIONS:

(a) **Stadium Master Plan.** Before LESSEE may undertake any development of, or improvement to, the Premises which are structural in nature, including any expansion, reconfiguration, remodeling, reconstruction, replacement, or alteration of all or any part of the Premises, LESSEE in consultation with LESSOR shall develop a Stadium Master Plan (hereinafter Master Plan). All facilities shall meet the minimum standards established by the International Baseball Federation. The Master Plan shall undergo a public

hearing conducted by LESSEE. The Parks and Recreation Commission or its successor shall approve the final form of the Master Plan, which approval may not be unreasonably withheld. The Master Plan shall not be considered final until approved by the Guam Legislature. LESSEE shall develop and submit the Master Plan to the Legislature no later than one hundred eighty (180) days after this Lease is signed by the Governor. The Master Plan may not be altered, changed, or amended except in conformance with the same procedures outlined in this subsection.

(b) Construction of Improvements. After approval of the Master Plan, LESSEE shall undertake to construct or develop the improvements in accordance with the Master Plan and any applicable rules established by the Guam Economic Development and Commerce Authority (hereinafter GEDCA), but only to the extent practicable using the Municipal Stadium Operations Fund (MSOF) described below in Section 12 and using contributions of materials.

(c) Ownership of Improvements. All improvements constructed, altered or repaired by LESSEE during the term of this Lease shall be considered a part of the Premises and under the control of LESSEE. Upon termination of this Lease for any cause, any improvements or alterations constructed or placed on the Premises by LESSEE, of any nature whatsoever, shall become the property of LESSOR and remain on the Premises at the expiration or sooner termination of this Lease. Any lien, claim or security interest on any improvements or on

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LESSEE's leasehold interest in the Premises shall remain the obligation of LESSEE unless LESSOR agrees otherwise in writing.

(d) **Compliance with Building Code.** All improvements or alterations and additions to the Premises shall comply with any building code or regulations in force, and LESSEE agrees to obtain all necessary approvals and permits for the construction of the improvements to the Premises.

(e) **Damage to or Destruction of Improvements.** The damage, destruction, or partial destruction of any improvements that are a part of the Premises shall not release LESSEE from any obligation in this Lease unless expressly provided otherwise. In the event of damage to or destruction of any improvements or part thereof, LESSEE shall promptly restore and rehabilitate the same to a condition as good or better than that which existed prior to such damage or destruction. Without limiting such obligations of LESSEE, LESSOR and LESSEE agree that the proceeds of any insurance covering such damage or destruction shall be made available to LESSEE for such repair or replacement.

11. UTILITY PAYMENTS:

(a) **First Year.** During the first year after the effective date of this Lease, LESSOR shall be responsible for payment of all utility charges incurred at the Paseo Stadium or Premises; provided that LESSOR is allotted funds for this purpose by *I Liheslaturan Guâhan* in its annual budget appropriation.

(b) **Second Year.** During the second year of this Lease, payment of all utility charges incurred at the Paseo Stadium or Premises shall be shared equally



between LESSOR and LESSEE; provided that LESSOR is allotted funds for the purpose by *I Liheslaturan Guåhan* in its annual budget appropriation.

(c) **Third Year and Thereafter.** Beginning the third year and every year thereafter, LESSEE shall be solely responsible for all utility charges incurred at the Paseo Stadium or Premises.

12. MUNICIPAL STADIUM OPERATIONS FUND:

(a) **Establishment of Fund.** LESSEE shall establish a checking account that shall be called the Municipal Stadium Operations Fund (MSOF). LESSEE and the Director of Parks and Recreation shall jointly be the custodians of the MSOF in accordance with existing procedures established by the Department of Administration and other terms provided for in this Lease. LESSEE shall not commingle any of its other funds with the MSOF and shall keep the MSOF as a separate and distinct account. Any checks written on the account shall require two signatures, one being the president of LESSEE and the other being either the treasurer or secretary of LESSEE.

(b) **Deposit of Revenues.** All stadium revenues generated by the use of or by any other means relative to the stadium or to the Premises, to include monetary contributions from private entities, collected by LESSEE or by anyone on behalf of LESSEE, except those revenues expressly exempted hereinafter, shall be deposited promptly into the MSOF.

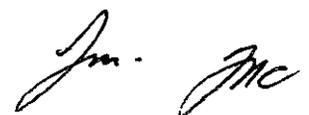
(c) **Exempted Revenues.** During the term of this Lease, LESSEE may retain 25% of all revenues deposited into the MSOF, except that in no event shall



LESSEE retain more than \$25,000 in any one calendar year. At the beginning of each calendar month, LESSEE shall tally the revenues deposited into the MSOF for the previous month and may write a check to itself for 25% of the total revenues from the previous month. LESSEE may not thereafter commingle its 25% of exempted revenues in or with the MSOF. If LESSEE receives more than 25% of exempted revenues, LESSEE shall promptly return all amounts over 25% to the MSOF upon discovery by LESSEE or notice by LESSOR or other appropriate government entity.

(d) **Uses of Fund.** The MSOF shall be used only for the maintenance, management and operations of the Premises, and for the construction of improvements thereon in accordance with this Lease, and for utilities in accordance with the provisions of this Lease, and for any contractual obligations related to the Premises, to include the payment of the nominal annual rent herein provided, except that the MSOF shall not be used to pay any of LESSEE's obligations existing at the time this Lease became effective, or which were entered into prior to this Lease becoming effective, or which are unrelated to the Premises. The MSOF may also pay for an annual audit of the MSOF to be arranged by LESSOR.

(e) **Quarterly Financial Statements.** LESSEE shall submit to LESSOR for each quarter of a calendar year unaudited financial statements to include a profit and loss statement and a balance sheet. These financial statements shall be due

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on April 20, July 20, October 20 and January 20 of each year, except for July 20 of the first year.

(f) Audit of Fund. The MSOF, and any other fund or account which is established pursuant to this Lease, is subject to the scrutiny of the Office of the Public Auditor.

Promptly after the end of each calendar year, LESSEE shall cause the MSOF, including any exempted revenues, to be audited. The audit shall be completed no later than March 15 of each year. LESSEE shall provide a copy of the annual audited financial statement to (i) LESSEE, (ii) the Parks and Recreation Commission, (iii) the Office of the Public Auditor, (iv) the Speaker of *I Liheslaturan Guåhan*, and to (v) *I Maga'láhen Guåhan* no later than March 15 of each year.

If LESSEE does not submit an audited financial statement of the MSOF to (i) LESSEE, (ii) the Parks and Recreation Commission, and to (iii) the Office of the Public Auditor by March 15 of any year, then this Lease is automatically terminated without further notice notwithstanding any other default or termination provisions within this Lease which require notice. The only exception to automatic termination is if an unavoidable delay occurs in accordance with the provisions of Section 18 of this Lease.

(g) Semi-Annual Reports to the Legislature. LESSEE shall submit to the Speaker of the Legislature a report of the costs of improvements to the Premises using funds from the MSOF or from funds other than the tax credits authorized

by P.L. 27-27. The report shall be prepared semi-annually for the periods January through June and then from July through December of each year, and shall be due no later than twenty (20) days after the end of each six-month period.

13. RESPONSIBILITIES OF MSOF CO-CUSTODIANS: As co-custodians of the MSOF, both LESSEE and LESSOR shall share equally in the control of the MSOF. Equal control of the MSOF shall be shown by a sharing of responsibilities as follows:

(a) **Procedure for Disbursements.** Whenever an expenditure from the MSOF is necessary, the procedure for disbursement from the MSOF shall be as follows:

(1) LESSEE's Commissioner shall prepare a "Preliminary Spending Report" for all expenditure requests. If the use of the expenditure is not obvious, then the reason shall be explained in detail.

(2) LESSOR's Director shall approve the Preliminary Spending Report if the expenditure is in accordance with the terms of this Lease or applicable law. Otherwise, the Preliminary Spending Report shall be disapproved.

(3) If LESSOR's Director approves the Preliminary Spending Report, then LESSEE's Commissioner shall prepare a "Spending Voucher" for the expenditure request.

(4) LESSEE's Commissioner shall certify the availability of funds for all expenditure requests on the Spending Voucher.

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(5) LESSEE's Commissioner shall prepare a check for all disbursements and obtain the two required signatures on the check.

(6) LESSEE's Commissioner shall submit a copy of the signed check to LESSOR's Director as soon as practicable or as often as LESSOR's Director requests.

(b) **Procedure for Reporting Income.** LESSEE's Commissioner shall report all income to LESSOR as follows:

(1) LESSEE's Commissioner shall prepare an individual "Collection Report" for all income sources or events as may be necessary or as often as LESSOR's Director requests.

(2) LESSEE's Commissioner shall submit a copy of all Collection Reports to LESSOR's Director on a regular basis or when requested by LESSOR's Director.

(3) LESSEE's Commissioner shall provide to LESSOR's Director as soon as practicable a copy of all monthly statements of the MSOF issued by the financial institution in which the MSOF is held.

(4) LESSOR's Director shall reconcile all financial documents as soon as they are received in order to ensure that the status of the MSOF is at all times orderly and in compliance with the terms of this Lease and applicable laws.

14. **PASEO MAINTENANCE PERSONNEL:** At the time this Lease is entered into, LESSOR has employees in classified positions, whose present assigned duties are

at the Paseo Stadium or Premises. LESSEE may use these same classified employees to carry out the maintenance functions for the Premises, except that LESSEE's use of such classified employees is subject to any other assignments LESSOR may have for them. In no event may such employees be removed from government service except pursuant to Title 4 of the Guam Code Annotated. LESSEE may hire additional personnel to maintain and improve the Premises at LESSEE's expense.

15. ADMISSIONS FEE: LESSEE shall not charge an admissions fee from any person who is 55 years of age or older and who desires admission to the Premises.

16. ASSIGNMENTS AND TRANSFERS; SUBLEASING: LESSEE may not transfer, assign, sublease, or alienate this Lease or the Premises, or any part thereof, except that LESSEE may sublease portions of the Premises to vendors or concessionaires without any other approval. This Lease does not permit LESSEE to encumber the Premises to improve it or to secure any indebtedness of LESSEE, and any mortgage or deed of trust or other instrument or the foreclosure thereof, or any sale or conveyance there under, shall be held as an express violation of the terms of this Lease and shall be cause for termination.

17. CONSENT AND APPROVAL: Whenever LESSOR's consent or approval is required under the terms of or in connection with this Lease, LESSOR shall not arbitrarily or unreasonably withhold such consent or approval.

18. UNAVOIDABLE DELAY—FORCE MAJEURE: If either party shall be delayed or prevented from the performance of any act required by this Lease by reason of acts of God, strikes, lockouts, labor troubles, inability to procure materials, or other

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cause, without fault and beyond the reasonable control of the party obligated, then performance of such act shall be excused for the period of delay, and the period equivalent to the period of such delay; provided, however, nothing in this section shall excuse LESSEE from the prompt payment of any rental or other charge required of LESSEE except as may be expressly provided elsewhere in this Lease.

19. DEFAULT: The following events shall be deemed to be events of default by LESSEE under this Lease, and should such events occur, the Premises shall revert back to the government of Guam in accordance with the provisions of this Lease:

(a) LESSEE shall fail to pay any installment of rent hereby reserved or other charges required to be paid by LESSEE under the terms of this Lease, and such failure shall continue for a period of thirty (30) days from and after the date written notice specifying such failure and demand to cure is delivered to LESSEE; or

(b) LESSEE shall fail to comply with any terms, provisions or covenants of this Lease, other than the payment of rent or other charges, and shall not commence to remove or cure such failure within sixty (60) days from and after the date written notice specifying such failure and demand to cure is delivered to LESSEE or, having commenced to remove or to cure such failure within said sixty (60) day period, LESSEE thereafter fails to proceed with reasonable diligence to completely remove or cure such failure.

(c) Upon failure to commence to cure a default within the times given in sub-sections (a) and (b) above, this Lease may be terminated by LESSOR upon

thirty (30) days prior written notice to LESSEE for the non-compliance of any provisions of the Lease. Following the termination of this Lease, LESSOR may enforce any and all obligations of LESSEE arising out of LESSEE's acts or failure to act, occurring prior to such termination.

20. PROHIBITION OF INVOLUNTARY ASSIGNMENT: Neither this Lease nor the leasehold estate of LESSEE nor any interest of LESSEE in the Premises or any improvements shall be subject to involuntary assignment, transfer, or sale, or to assignment, transfer, or sale by operation of law in any manner whatsoever. Any such attempted involuntary assignment, transfer, or sale shall be void and of no effect.

21. EFFECT OF EMINENT DOMAIN: In the event the entire Premises shall be taken under the power of eminent domain by any public authority, or a portion of the Premises shall be taken and the remainder of the Premises shall be rendered unsuitable for the uses for which the Premises was leased, then this Lease shall terminate and expire as of the date of such taking, and LESSEE shall be released from any liability accruing thereafter under this Lease. In either event, LESSOR and LESSEE shall be free to make claim against the condemning authority for the amount of any damage done to them, respectively, as a result thereof.

22. ABANDONMENT: LESSEE shall not vacate, abandon, or surrender the Premises at any time during the term of this Lease. If LESSEE shall abandon, vacate or surrender the Premises, or be dispossessed by process of law, or otherwise, the LESSOR may, at its option, enter the Premises by any means without being liable for any prosecution therefor, and without becoming liable to LESSEE for damages or for

any payment of any kind whatever, and may at its discretion, as agent for LESSEE, operate the facilities on the Premises, for the whole or any part of the then unexpired term, and may receive any fees of any nature normally collected by LESSEE for the Premises. If LESSEE does not return to possession of the Premises within twenty (20) days after LESSOR enters, then this Lease may be deemed immediately and automatically terminated without the necessity of further notice as may otherwise be required by the default and termination provisions of this Lease. Any personal property belonging to LESSEE and left on the Premises shall be considered abandoned, at the option of the LESSOR, and LESSOR may dispose of all such personal property in any manner LESSOR shall deem proper and is hereby relieved of all liability for doing so.

23. LESSOR'S RIGHT OF ENTRY: LESSEE shall permit LESSOR and the agents and employees of LESSOR to enter into and upon the Premises at all reasonable times for the purpose of inspecting the same without any liability to LESSEE for any loss of occupation or quiet enjoyment of the Premises thereby occasioned, provided that in the exercise of such rights, LESSOR shall not unreasonably interfere with LESSEE's use and enjoyment of the Premises. Furthermore, LESSOR and other authorized agents or representatives of the government of Guam reserve the right to enter the Premises for the purpose of performing any public or official duties, including the duty to inspect as required by any applicable rules promulgated by GEDCA, and for maintaining or adding public utilities.

24. SURRENDER OF POSSESSION: LESSEE shall, on the last day of the term, or on earlier termination of the Lease, peaceably and quietly surrender and deliver the

A handwritten signature in black ink, appearing to read "Jim. Inc", is located in the bottom right corner of the page.

Premises, including all improvements thereon, to LESSOR free of any subleases. All improvements shall be in good condition and repair. Any personal property belonging to LESSEE, if not removed by the date of termination shall be deemed abandoned at LESSOR's election and become the property of LESSOR without any payment or offset therefor. Thereafter, LESSOR may remove such personal property from the Premises and store them or destroy them, at LESSOR's option, and at LESSEE's expense, and without any liability to LESSOR.

25. CAVEAT RE POSSIBILITY OF REVERSION TO UNITED STATES: The real property which is the subject of this Lease may be subject to a possible reversion to the United States of America because of a possible failure of the government of Guam to comply with the conditions of the grant from the federal government. This notice is given pursuant to Guam Public Law 22-18, Section 8.

26. NO WAIVER: Acceptance of rent by LESSOR shall not be deemed a waiver of any breach by LESSEE of any term, covenant or condition of this Lease, nor of LESSOR's right to declare a default and enforce termination for any such breach by LESSEE. The failure of LESSOR to insist upon strict performance of any such term, covenant or condition shall not be construed as a waiver or relinquishment of any term, covenant, condition or option.

27. ADDITIONAL TIME: Notwithstanding any provision contained in this Lease, LESSOR may in writing allow additional time beyond the time or times specified herein to LESSEE in which to comply, observe or perform any of the

conditions and covenants herein contained, so long as LESSEE shows good cause in writing and so long as not contrary to law.

28. COMPLIANCE WITH LAWS; PROHIBITION AGAINST WASTE AND NUISANCE: During the term of this Lease, LESSEE shall comply with all applicable laws affecting the Premises, including any rules promulgated by GEDCA affecting this Lease or its Premises. LESSEE shall not commit nuisance or waste, or suffer to be committed, any waste on the Premises, except as necessary for the removal or construction of any improvements thereon as required or permitted by this Lease.

29. WORKMEN'S LIENS: LESSEE shall keep the fee estate of the Premises free and clear from all liens of mechanics or materialmen or others for work or labor done, services performed, materials, appliances, or power contributed, used or furnished or to be used in or about the Premises for or in connection with any operations of LESSEE, or any alteration, improvement, repairs, or additions which LESSEE may make or permit or cause to be made, or any work or construction by, for, or permitted by LESSEE on or about the Premises.

30. PARTIES TO BE BOUND: This Lease shall be binding on and shall inure to the benefit of and shall apply to the respective successors and assigns of LESSOR and LESSEE, and all references herein to "Lessor" or "Lessee" shall be deemed to refer to and include the successors and assigns of LESSOR or LESSEE without specific mention of such successors or assigns.

31. HOLDOVER BY LESSEE: No holdover following the expiration of the term of this Lease shall be permitted unless authorized by law.



32. LEASE TERMS SEVERABLE. If any terms, provision, covenant or condition of this Lease should be held by a court of competent and final jurisdiction to be invalid, void or unenforceable, the remainder of this Lease shall continue in full force and effect and shall in no way be affected, impaired, or invalidated thereby. In all other respects, this Lease shall continue in full force and effect.

33. CONDITIONS AND COVENANTS: All the provisions of this Lease shall be deemed as running with the land, and construed to be "conditions" as well as "covenants" as though the word specifically expressing or imparting covenants and conditions were used in separate provisions.

34. ENTIRE AGREEMENT: This Lease contains the entire agreement of the parties with respect to the matters covered by this Lease, and no other agreement, statement, or promise made by any party, or to any employee, officer, or agent of any party, which is not contained in this Lease or executed pursuant hereto shall be binding or valid.

35. HEADINGS: The headings used in this Lease are inserted only for convenience and reference, and shall in no way define or limit the scope or intent of any provision of this Lease.

36. TIME OF ESSENCE: Time is of the essence of this Lease, and of each provision.

37. GOVERNING LAW: The laws of Guam shall govern the validity, construction, and effect of this Lease. Whenever in this Lease any words of obligations or duty are used in connection with either party, such words shall have the same force

and effect as though framed in the form of express covenants on the part of the party obligated.

38. **OBSERVANCE OF LAWS: LESSEE** shall observe, at all times, all laws and ordinances imposed by any governmental authority.

39. **REMEDIES CUMULATIVE:** The various rights, options, elections or remedies of LESSOR and LESSEE, respectively, contained in this Lease shall be cumulative and no one of them shall be construed as exclusive of any other, or of any other right, priority or remedy allowed or provided for by law and not expressly waived in this Lease.

40. **COVENANT TO EXECUTE ADDITIONAL INSTRUMENTS:** The parties agree to execute and deliver any instrument in writing necessary to carry out this Lease or its terms, conditions, or assurances whenever such occasion shall arise, and request for such instruments shall be made.

41. **MODIFICATION:** Any modification of this Lease or additional obligation shall be binding only if evidenced in writing signed by the Director of Parks and Recreation and the Commissioner of the Guam Baseball Federation or an authorized representative of each party.

42. **OPERATIONAL STATUS CERTIFICATION:**

(a) LESSEE shall provide proof of its operational status and proof that it is in compliance with the licensing and tax laws of Guam, certified by the Department of Revenue and Taxation at the time it executes this Lease. The certification shall include proof of compliance from the Divisions of General

Licensing, Income Tax, Business Privilege Tax, and Tax Enforcement. LESSEE may provide a form for certification by the Department of Revenue and Taxation. The certification provided by LESSEE is attached hereto as Exhibit "B" and incorporated herein by this reference. From time to time as LESSOR may require, LESSEE shall provide an updated certification that it is in compliance with the licensing and tax laws of Guam.

(b) LESSEE shall provide a properly signed resolution authorizing LESSEE to enter into this Lease, and designating a selected officer to execute this Lease on behalf of LESSEE, at the time LESSEE enters into this Lease. The resolution shall be attached hereto as Exhibit "C" and incorporated herein by this reference.

43. EFFECTIVE DATE: This Lease does not become effective until approved by and signed by *I Maga'lahaen Guahan*.

//



IN WITNESS WHEREOF, the undersigned have executed this Lease Agreement on the dates indicated below.

LESSOR:

DEPARTMENT of PARKS and RECREATION

By [Signature]
THOMAS A. MORRISON
Director

Dated: 5/18/04

LESSEE:

GUAM BASEBALL FEDERATION

By [Signature]
MARK C. CHARFAUROS
Its Duly Authorized Representative

Dated: 5/18/04

Attachments:

- Exhibit "A": Drawing of Paseo Stadium depicting leased area
- Exhibit "B": Certification from Department of Revenue and Taxation of Lessee's compliance
- Exhibit "C": Resolution authorizing Lease by Lessee

APPROVED as to LEGALITY and FORM:

[Signature]
DOUGLAS B. MOYLAN
Attorney General of Guam

Dated: 5/24/04

APPROVED:

[Signature]
FELIX P. CAMACHO
Governor of Guam

Dated: 6/8/04

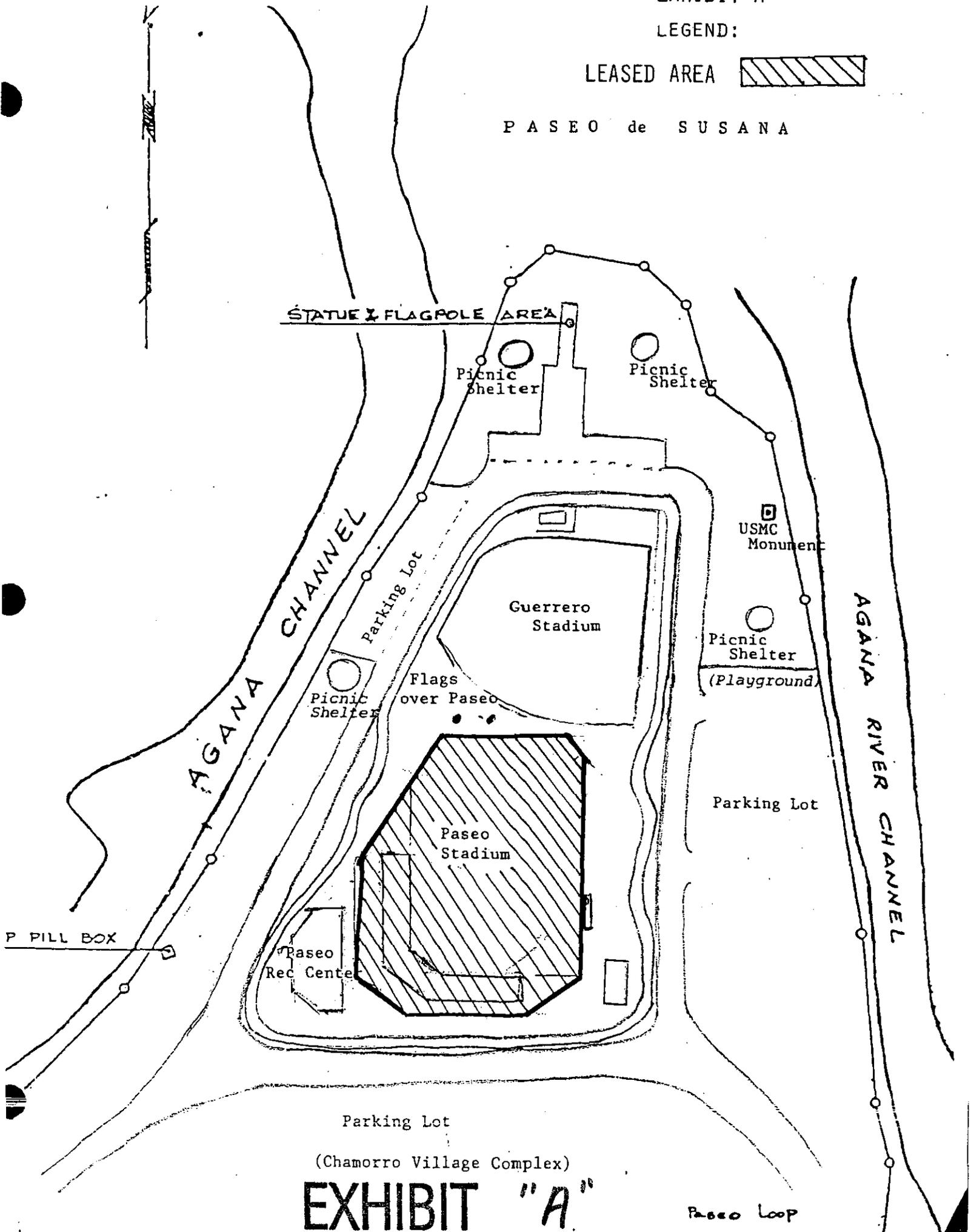
EXHIBIT A

LEGEND:

LEASED AREA



PASEO de SUSANA



STATUE & FLAGPOLE AREA

Picnic Shelter

Picnic Shelter

USMC Monument

Picnic Shelter

(Playground)

Guerrero Stadium

Flags over Paseo

Picnic Shelter

Paseo Stadium

Paseo Rec Center

P PILL BOX

Parking Lot

(Chamorro Village Complex)

EXHIBIT "A"

Paseo Loop

AGANA CHANNEL

AGANA RIVER CHANNEL



Department of Revenue and Taxation

REGULATORY DIVISION
Government of Guam

P.O. Box 23607
GMF, Guam 96921



May 17, 2004

Date

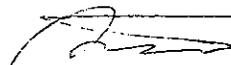
CERTIFICATE OF GOOD STANDING

I, the undersigned, Director of Revenue and Taxation, Government of Guam, do hereby certify that GUAM BASEBALL FEDERATION
a Domestic Corporation was first registered with the Government of Guam on October 9,
19 73 under the name of Guam Major Baseball League, Inc. and amended Oct 15, 1992
according to the Laws of Guam; that the aforesaid corporation is duly incorporated and the
files failed to disclose any unfavorable information.

In Witness Whereof, I have hereunto set my hand
and affixed the seal of the Government of Guam,

this 17th day of May, ~~xx~~ 2004
Artemio B. Ilagan

ARTEMIO B. ILAGAN
Director of Revenue and Taxation

By: 
RAMONA D. SANTOS, Supervisor
General Licensing & Registration Br.

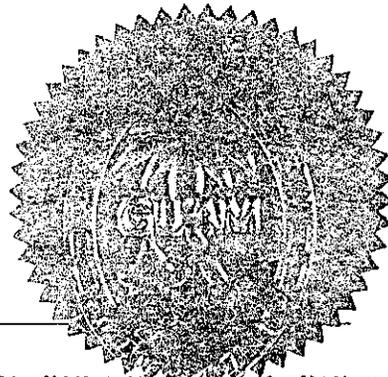


EXHIBIT B

Print Key Output
5769SS1 V4R4M0 990521 S1042353

Page 1
05/17/04 08:44:04

Display Device : DSPBL01
User : BLB01

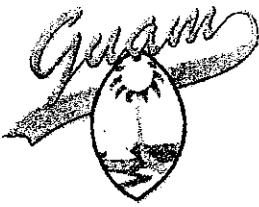
Page 1 Display Enterprise Record

Press Enter to continue.

Enterprise file no . . : D 2371
Enterprise name . . . : GUAM BASEBALL FEDERATION
FKA name : GUAM MAJOR BASEBALL LEAGUE, INC.
Agent name : CERT OF EXEMPTION 087
EIN :
Address line 1 . . . : P.O. BOX 11436 Phone # . . : (000)
Address line 2 . . . : YIGO GUAM
Address line 3 . . . : Zip code . . : 96912
Incorporated state . : GUAM Term . . . : 50
Filed date : 10 9 1973 Exempt . . . : Y
Dissolved date . . . :
Name changed date . . : 10 15 1992
Corp approved date . . : 10 9 1973
Merged date :
Bylaws filed date . . : 3 11 1981

F3=Exit F12=Cancel Roll=Next/Prev Rcd

EXHIBIT "B"



04-0104

Handwritten initials and date: 5/25/04

BASEBALL

P.O. Box 21809, GMF Guam 96921 Phone: (671) 647-4662 Fax: (671) 646-4233

OFFICIAL SPONSORS



May 25, 2004

Douglas B. Moylan
Attorney General
Guam Judicial Center
Suite 2-200E
120 West O'Brian Drive
Hagåtña, Guam 96910

Dear General Moylan:

As the Chairman of the Guam Baseball Federation (GBF) Paseo Lease Negotiating Committee and Board Member, I am hereby certifying that the GBF Commissioner, Mark C. Charfauros is duly authorized to sign the final version of the Paseo Lease Agreement with recommended changes from the Office of the Attorney General.

If you have any questions, please do not hesitate to call me at 477-8539

Sincerely,

Albert H. Tsutsui
Chairman
GBF Negotiating Committee

Cc;
GBF Board of Directors

The Guam Baseball Federation is a member of:

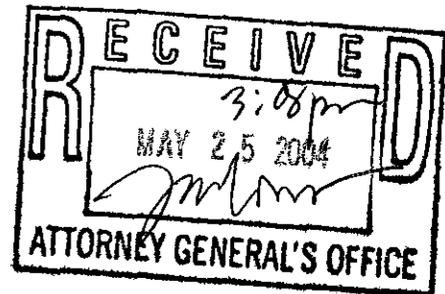


EXHIBIT 2



SENATOR TINA ROSE MUÑA BARNES
LEGISLATIVE SECRETARY

CHAIRPERSON
COMMITTEE ON COMMUNITY, CULTURE, RECREATION & PUBLIC BROADCASTING
Mayor's Council; Bureau of Women's Affairs; Department of Chamorro Affairs; GUAM MUSEUM,
CHAMORRO LANGUAGE AND CULTURE; Guam Council on the Arts & Humanities; Guam Historic Preservation
Trust; Department of Parks & Recreation; Guam Educational Telecommunications Corporation

I MINA' BENTE SIETE NA LIHESLATURAN GUÅHAN
TWENTY SEVENTH GUAM LEGISLATURE
155 Hesler St., Hagåtña, Guam 96910
(671) 472-3455 • Fax (671) 472-3400

June 10, 2004

The Honorable Vicente C. Pangelinan
Speaker
I Mina' Bente Siete na Liheslaturan Guåhan
155 Hesler St.
Hagåtña, Guam 96910

Dear Mr. Speaker,

The Committee on Community, Culture, Recreation and Public Broadcasting, to which the below named bill was referred, wishes to report its findings and recommendations **TO DO PASS** as Substituted.

Bill No. 286 (LS)As Substituted by the Committee on Community, Culture, Recreation and Public Broadcasting: AN ACT TO APPROVE THE LEASE OF THE PASEO STADIUM BY THE GUAM BASEBALL FEDERATION, A NON-PROFIT ORGANIZATION, AS PROVIDED IN SECTION 3 OF PUBLIC LAW 27-27.

The voting record of the members of the Committee is as follows:

TO PASS:	<u>6</u>
TO NOT PASS:	<u>0</u>
TO ABSTAIN:	<u>0</u>
OFF ISLAND:	<u>3</u>

A copy of the committee report and other pertinent documents are attached for your reference.

Sincerely,

Tina Rose Muña Barnes

Attachment

Handwritten note: "2004 JUN 10 10:02 AM" with initials.



SENATOR TINA ROSE MUÑA BARNES
LEGISLATIVE SECRETARY

CHAIRPERSON
COMMITTEE ON COMMUNITY, CULTURE, RECREATION & PUBLIC BROADCASTING
 Mayor's Council; Bureau of Women's Affairs; Department of Chamorro Affairs; GUAM MUSEUM,
 CHAMORRO LANGUAGE AND CULTURE; Guam Council on the Arts & Humanities; Guam Historic Preservation
 Trust; Department of Parks & Recreation; Guam Educational Telecommunications Corporation

I MINA' BENTE SIETE NA LIHESLATURAN GUAHAN
 TWENTY SEVENTH GUAM LEGISLATURE
 155 Hessler St., Hagåtña, Guam 96910
 (671) 472-3455 • Fax: (671) 472-3400

VOTING SHEET

Committee on Community, Culture, Recreation & Public Broadcasting

SUBJECT MATTER: Bill No. 286 (LS) As Substituted by the Committee on Community, Culture, Recreation and Public Broadcasting: AN ACT TO APPROVE THE LEASE OF THE PASEO STADIUM BY THE GUAM BASEBALL FEDERATION, A NON-PROFIT ORGANIZATION, AS PROVIDED IN SECTION 3 OF PUBLIC LAW 27-27.

	TO DO PASS	TO NOT PASS	TO ABSTAIN	OFF ISLAND
 Sen. T.R. Muña Barnes, Chairperson	✓			
 Sen. R.J. Respicio, Vice Chairperson				
 Vice Speaker F.B. Aguiar 6/9/14	✓			
 Sen. F.R. Cunliffe	✓			
 Sen. L.F. Kasperbauer	X			
OFF - ISLAND Sen. L.A. Leon Guerrero				✓
OFF - ISLAND Sen. J.A. Lujan				✓
OFF - ISLAND Sen. J.M. Quinata				✓
 Sen. A.D. Sanford	✓			

Those testifying on Bill 286 (LS) were Ray Aguon, representing the GBF; Ivan Carbullido; Mark Charfauros, Commissioner of the GBF; Richard Lai, Chairman of the Guam Visitors Bureau's Sports Tourism Committee; Thomas Morrison, acting Director of the Department of Parks and Recreation (DPR); Al Tsutsui from the GBF; and Dennis Zermeno, Chairman of the Parks and Recreation Commission.

Senator Muña Barnes told the attendees that she wished to make a few comments before proceeding. She related that Bill 125, which set the parameters for the lease agreement and authorized a public-private partnership, was introduced on June 5, 2003. Within just five weeks it was passed by the Legislature, but it took nine months for the lease to come back to the Legislature, and it still was not in its final form. She noted that the public-private partnership was the best way to proceed, and admonished those involved, asking them to place baseball at the top of their agendas.

She noted that she had received correspondence a few days before the hearing asking for a postponement. She elected to continue with the hearing and said she was not going to wait another nine months. She stated that it was her intent to get the bill before the full Legislature for the next session and she had made Thursday, May 6 available for a mark-up meeting.

First to testify was Mr. Zermeno. He noted that Sen. Leon Guerrero had commented at an earlier hearing concerning tax credits for sports. He agreed that was the way to go. He pointed out that the 1972 plans for a sports complex did not come to fruition even though everyone was supportive. The Government could not do the project itself. In over 30 years, only a gymnasium was built. But the Guam Football Association, in a public-private partnership, were successful in getting two soccer fields built. He said we have to face realities, despite what people may say, it is the only way these facilities can be built. Mr. Zermeno proceeded to read from his testimony, stating his belief that when the lease is implemented, the sport of baseball will greatly benefit.

Senator Klitzkie asked if Mr. Zermeno was in favor of the lease attached to the bill. Mr. Zermeno said he was in favor of a lease once it has been amended with the Attorney General's concerns. Senator Klitzkie said that the process should be to revise the lease, have the Attorney General review it, get all needed signatures and then have that lease reviewed by the Legislature.

Mr. Zermeno said that he supports the procedure the committee Chair is following to avoid further delays. Senator Klitzkie suggested that the lease

Commissioner Charfauros echoed the support given by Mr. Zermeno and said it was important to move forward. He explained that the Guam Baseball Federation members had incorporated all of the leagues around the island, including Guam Little League, Babe Ruth, GML, Guam Masters, and the Korean Baseball Association. The two that are not members are the Guam Baseball League and high school baseball, because they do not have established leagues. Should they organize, they will automatically become members of the GBF. Everyone wants this lease to go through.

Commissioner Charfauros said that in his review of the Attorney General's comments he found that they were primarily format-related and did not concern anything illegal or improper in the lease. He said that he supported each of the proposed amendments. He said there was an urgency to getting the lease executed and beginning the upgrade of the stadium because there were professional baseball teams from Korea waiting to come to Guam to use the field.

Commissioner Charfauros added that the GBF would move their international membership from the Baseball Confederation of Oceania, which is comprised primarily of South Pacific countries, to the Baseball Confederation of Asia where Guam will have more participation with Asian teams, a move that will go hand in hand with sports tourism.

He noted that a number of communities and organizations were already hard at work getting their own fields into shape because 80% of Guam's baseball fields were in bad shape. He hoped that it would be possible to use the refurbished Paseo Stadium to help raise funds to refurbish other community stadiums islandwide.

Acting Director Morrison said he was in support of the lease and noted the hurdles involved in negotiating the lease. He said he was in support of incorporating the Attorney General's provisions and believed once they were included, it would be a better document.

Senator Klitzkie asked if the Federation can provide DPR with proof of their operational status from the Department of Revenue & Taxation and if they could also provide authorization from the Federation that the Commissioner was authorized to enter into the lease and that the items be attached to the lease.

Commissioner Charfauros said that would be no problem.

Senator Klitzkie inquired about the identity of the person who drafted the lease agreement. Commissioner Charfauros said that there were multiple writers of the document.

Senator Leon Guerrero noted in her review of the draft lease and the AG's comments that some of the comments were not just format. Sen. Muña Barnes said that her office was working closely with the Legislative Counsel to make sure that the law was followed. Senator Leon Guerrero asked if Commissioner Charfauros and Acting Director Morrison had seen the revised lease. They said that they had and they were satisfied. Acting Director Morrison reiterated that he supported the original lease document attached to Bill 286 and also supported the AG's recommendations for amendments to the lease.

Mr. Ivan Carbullido was the next to testify. He agreed with the lease and agreed with the intention. He expressed concern with the security of the employees of DPR. He suggested that the attorneys work on the lease and let it come back to the Legislature to act on it.

Mr. Ray Aguon of the GBF and head Coach of the University of Guam Tritons Baseball team. He said he was in support of the lease. It is critical and a key point for the development of baseball and sports tourism. He gave a brief chronology of baseball in Guam starting with the Guam Major League in the 1970s and its transition into the GBF. He indicated that a certain individual was specifically responsible for most of the delays.

Mr. Albert Tsutsui of the GBF and coach/manager for various teams in Guam spoke in support of the bill. He said it has been very frustrating up to this point. He narrated the very long and convoluted process to arrive at an agreement. He said he attended three different meetings concerning the lease in which additional changes were requested after agreements had been reached. He reiterated Mr. Ray Aguon's assertion that a certain individual was specifically responsible for most of the delays. He noted that GBF had already begun working on the stadium.

Senator Klitzkie said he had just one question, "Who's on first?" Senator Muña Barnes responded with "What's on second."

Senator Muña Barnes repeated that she had scheduled a mark-up meeting on May 6 at 9 a.m. for all parties involved.

Senator Sanford thanked Albert Tsutsui for his guidance throughout the process. She said that his guidance is invaluable in this process and believes that the Draft No. 2 lease is a document combining all concerns and understands that time is of the essence. Mr. Tsutsui concurred.

Senator Sanford said that the lease would bring good things to the island. She said that she thinks that May 6 will be a better time for her to ask any questions.

There being no further comments, Senator Muña Barnes concluded the mark-up meeting.

V. FINDINGS AND RECOMMENDATIONS

The Committee on Community, Culture, Recreation and Public Broadcasting finds that the lease attached to Bill No. 286 (LS) as Substituted by the Committee on Community, Culture, Recreation and Public Broadcasting was signed on May 18, 2004 by Thomas A. Morrison, Acting Director of DPR and by Mark C. Charfauros, Commissioner of the GBF. The lease was approved as to legality and form by the Attorney General's Office and signed by Deputy Attorney General Joseph A. Guthrie for Attorney General of Guam Douglas B. Moylan on May 26, 2004. *I Maga'lahen Guåhan* Felix P. Camacho then approved the lease on June 8, 2004 and transmitted the document to *I Liheslatura* on June 9, 2004.

The lease document attached to Bill 286 as introduced had the signatures of Mr. Morrison and Mr. Charfauros, but had not been approved by the Attorney General or signed by the Governor. The lease document attached to the original Bill 286 was amended to incorporate changes to form and legality proposed by the Office of the Attorney General. On the date of the mark-up meeting the amended lease agreement was transmitted to the Attorney General's Office for approval, having had the changes proposed by the Attorney General included in the document. After review, the AG and the Governor affixed their signatures.

The final lease document is attached to substitute Bill No. 286, which seeks to give final approval for said lease.

The Committee also amended a section of P.L. 27-27 relative to volunteers of youth recreational organizations.

The Committee on Community, Culture, Recreation and Public Broadcasting hereby reports out Bill No. 286 (LS) as Substituted by the Committee on Community, Culture, Recreation and Public Broadcasting with the recommendation to do pass as Substituted.

COPY



Felix P. Camacho
Governor
Kaleo S. Moylan
Lt. Governor

PARKS, RECREATION and HISTORIC
PRESERVATION
DIPATTAMENTON PLASET YAN DIBUETSION
GOVERNMENT OF GUAM

490 Chalan Palayso
Agana Hts., Guam 96910
Telephone: (671) 475-6296/7
Facsimile: (671) 477-0997

RECEIVED
5/6/04
8:30am



Thomas A. Morrison
Director, Acting
Gregory A. Matanane
Deputy Director

May 5, 2004

Mr. Douglas B. Moylan
Attorney General of Guam
120 W O'Brien Dr Suite 2-200E
Hagatna, Guam 96910

RECEIVED
MAY 6 2004
8:00am
ATTORNEY GENERAL'S OFFICE

Dear Attorney General Moylan

As per the authorization granted in Public Law 27-27, attached is the lease proposed for the transfer of management operation of the Paseo Stadium from the Department of Parks and Recreation to the Guam Baseball Federation.

Through the vehicle of this public – private partnership lease, the goal of realizing a true Municipal Stadium operation will evolve to better serve the baseball community and the people of Guam. Under the direction of this bold venture, the Paseo Stadium operations will now be managed by the stadium users, the baseball community of the territory.

Both the Department of Parks and Recreation and the Guam Baseball Federation support this lease document. We therefore submit this negotiated lease for your approval as to form.

Thank you,

Thomas A. Morrison
Acting

5/5/04
Date

PARKS AND RECREATION COMMISSION

April 26, 2004

Hon. Senator Tina Muna Barnes
Senator, 27th Guam Legislature
Chairperson, Committee on Community
Culture, Recreation and Public Broadcasting
155 Hessler St.
Hagatna, Guam 96910

Dear Senator Barnes,

The approval of a lease of the Paseo Stadium by the Guam Baseball Federation, once completed, will prove more than historic. Such a document will initiate a template for future endeavors as the Government of Guam moves into the reality of such unique public – private partnerships. This document is more than just a simple transfer of operations. It must be crafted to primarily safeguard the future maintenance and operational integrity of the facility while at the same time assisting the baseball Federation with opportunity to achieve their baseball related goals and objectives.

Once signed into law, this document will present to the people of Guam the purest of opportunity to move the Paseo Stadium into a municipal stadium operation.

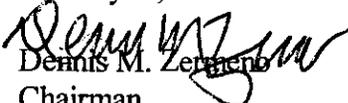
Since the stadium opening in January of 1982, the Department of Parks and Recreation has performed with the best intentions of providing to the community a baseball facility. Facility operators, such as Pete Ojeda, Rick Castro, and Joseph Mendiola all have used limited government resources to perform their responsibilities.

But the best is yet to come. Federation expertise, love of the game, ability to generate revenue will at the end of the day prove to be the ultimate success story. This partnership will reshape the Paseo Stadium into a far greater facility than what it was on that 1982 opening day.

The Federation and the Department of Parks and Recreation, the principals in this public – private partnership, along with input from the Parks and Recreation Commission, must be commended for moving this lease process to its present state. I want to also thank the Attorney General's office for their thorough review and comments as to the lease. These

important concerns must be a part of the lease. Once fully blended into the lease document, the end results will provide a soon to be finalized lease that will prevail.

Thank you,


Dennis M. Zermeno
Chairman