



PORT AUTHORITY OF GUAM
ATURIDAT I PUEYTON GUAHAN
Jose D. Leon Guerrero Commercial Port
GOVERNMENT OF GUAM

1026 Cabras Highway, Suite 201
 Piti, Guam 96925



Telephone: (671) 477-5931/35
 (671) 477-2683/85
 Facsimile: (671) 477-2689/4445
 Webpage: www.portofguam.com

FELIX P. CAMACHO
 Governor of Guam

MICHAEL W. CRUZ
 Lieutenant Governor

September 23, 2009

The Honorable Judith T. Won Pat, Ed.D.
 Speaker
 I Mina' Trenta Na Liheslaturan Guahan
 155 Hesler Place
 Hagatna, Guam 96910

30-09-1141
 Office of the Speaker
 Judith T. Won Pat, Ed.D.
 Date: 9/24/09
 Time: 10:30-
 Received by: [Signature]
 2009 SEP 23 AM 11:15
 W.W.

Dear Speaker Won Pat,

On August 27, 2009 the Port Authority Board of Directors at its regular meeting approved Resolution No. 09-07 "Relative to requesting the Governor of Guam and 30th Guam Legislature to solicit the assistance of the Guam's Delegate to the United States Congress to introduce a bill to amend Section 818 of the United States Public Law 96-418, as amended, 1980, relative to lifting a certain condition within the provisions of the Quit Claim Deed".

In December of 1984, the United States through Public Law 96-418 had authorized the Secretary of the Navy to convey all right, title, and interest of certain lands located on Cabras Island, and so forth unto the Government of Guam with explicit conditional requirements. In particular, the lands remised, released and forever quitclaimed unto the Government of Guam are specifically described as follows:

Parcels 1, 2, 3 and 4, containing 175.315 acres, 16.508 acres, 154.524 acres and 129.303 acres of land respectively, as depicted and described on Government of Guam, Department of Land Management, Land Survey Division Drawing No. E4-82T693.

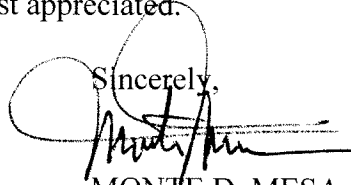
In accordance with Governor of Guam Executive Order No. 85-9, Amendment to Executive Order No. 85-2, the aforementioned parcels shall be under the administration of the Port Authority of Guam, subject, however, to the terms and conditions and reservations of the Quitclaim Deed.

Since the conveyance of the property, the Port Authority has revised its 1981 Master Plan, now designating the property as a "preserve area" because of environmental concerns. We, therefore, would like to consider all options available in determining the usage and disposition of such property, but is unable to do so with the current provisions stipulated in the Quitclaim Deed.

1152

As such, we seek the assistance of the Governor and the 30th Guam Legislature in soliciting the assistance of Guam's Delegate to the United States Congress to introduce a bill to amend Section 818 of the U.S. Public Law 96-418, as amended, relative to removing the restrictive provisions on the use of said property and reversionary clause in said Quitclaim Deed.

Your assistance in this regard is utmost appreciated.

Sincerely,

MONTE D. MESA
Chairman

cc: Congresswoman Madeleine Bordallo's office-Guam
Board of Directors
Corporate Services Manager
Chief Planner
Commercial Manager

RECORDED
 INDEXED
 253601
 Recorder, GOVERNMENT OFFICE
 Deputy Recorder

N6274283RP00016

QUITCLAIM DEED

THIS QUITCLAIM DEED, made this 6th day of December 1984, between the UNITED STATES OF AMERICA, represented by the Commander, Pacific Division, Naval Facilities Engineering Command, Department of the Navy, acting for and by direction of the Commander, Naval Facilities Engineering Command, under authority of the Secretary of the Navy, hereinafter referred to as the "UNITED STATES", and the GOVERNMENT OF GUAM, an unincorporated Territory of the United States of America, hereinafter referred to as the "GRANTEE".

WITNESSETH: that

WHEREAS, Section 818 of United States Public Law 96-418 approved on October 10, 1980, as amended, authorized the Secretary of the Navy to convey, without monetary consideration, all right, title, and interest of the UNITED STATES in and to certain lands located on Cabras Island and within the northern portion of the Apra Harbor Naval Complex, Guam, Mariana Islands, at such times and on such terms and conditions as the Secretary of the Navy considers to be in the interest of national defense.

NOW, THEREFORE, the UNITED STATES does hereby remise, release, and forever quitclaim, unto the said GRANTEE, its successors and assigns, those certain fast and submerged lands with all improvements thereon situated in the Municipality of Piti, Territory of Guam, further described as follows:

Parcels 1, 2, 3 and 4, containing 176.315 acres, 16.808 acres, 154.824 acres and 179.393 acres of land, respectively, as depicted and described on Government of Guam, Department of Land Management, Land Survey Division Drawing Number E4-82T693 (6 sheets),

Reprinted at Government Expense

QUITCLAIM DEED
 - 253601

a copy of which is attached hereto and made a part hereof as Exhibit "A", the original of which drawing is permanently on file at the Pacific Division, Naval Facilities Engineering Command, Pearl Harbor, Hawaii 96860 as Drawings No. 7,060,588 through 7,060,593, inclusive.

SUBJECT, HOWEVER, to the following:

1. that certain Grant of Easement for Oil Pipelines (Navy Identification No. NOY(R)-68733) dated the 16th day of May 1969, for a term of twenty (20) years, to the GUAM OIL & REFINING COMPANY, INC., recorded in said Department on the 23rd day of June 1969 as Document No. 90623, which Grant was assigned on the 30th day of September 1982 to the GUAM ACQUISITION CORP., a Delaware corporation authorized to transact business in Guam, affecting Parcels 1 and 4 only; and
2. the right of the Guam Power Authority to install, operate and maintain power transmission lines within portions of Parcel 1 as set forth in that certain Power Pool Agreement dated the 5th day of October 1972.

AND FURTHER SUBJECT to any other rights of way, restrictions, reservations, and easements now existing or of record.

RESERVING, HOWEVER, to the UNITED STATES, and its successors and assigns, the following affecting Parcel 1 only:

1. a non-exclusive roadway easement in perpetuity over and across the 100-foot wide right of way (Route 18), depicted and described in Exhibit "A" hereto, for the purpose of access to and from lands owned by the UNITED STATES to the west of said Parcel 1;
2. non-exclusive easements in perpetuity over, across and under said 100-foot wide right of way (Route 18) and the 50-foot wide right of way, depicted and described in Exhibit "A" hereto, for utility corridor purposes, including, but not limited to, the construction, operation, maintenance, repair and replacement of electrical power transmission lines,

substations and other structures; lines for communication purposes and for radio and television, and transmitting, relay and receiving structures; pipelines for oil, gas, and other fuel transmission purposes, pumping stations and other structures; and water, sewer, and drainage pipelines, pumping stations, drainage and other structures, and any other facilities relating or appurtenant thereto;

3. a non-exclusive easement in perpetuity over, across and under the 40-foot wide right of way, depicted and described in Exhibit "A" hereto, for the construction, operation, maintenance, repair and replacement of fuel and other pipelines;

4. a non-exclusive easement in perpetuity over, across and under the 20-foot wide right of way, depicted and described in Exhibit "A" hereto, for the construction, operation, maintenance, repair and replacement of drainage facilities to serve Parcel 5, depicted and described in said Exhibit "A".

AND FURTHER RESERVING to the UNITED STATES, and its successors and assigns, the following:

1. ownership of and the right to operate, maintain, repair and replace such facilities and navigation aids as now exist or may hereafter be placed on the lands hereby conveyed (exclusive of the Route 18 roadway improvements) whether or not such facilities or navigation aids are described above, provided said rights shall be exercised in such manner as not to create any unreasonable interference with the rights of others; and

2. the right to limit access over and control traffic on the said 100-foot wide right of way for Route 18 during, and for the benefit of, the movement of military cargo and ordnance when such movement could in the opinion of the UNITED STATES result in personal injury or property damage.

THIS QUITCLAIM DEED is made by the UNITED STATES and accepted by the grantee upon the following terms and conditions, which shall be binding upon and enforceable against the GRANTEE, its successors and assigns, except as otherwise provided herein:

a. The lands hereby conveyed shall be used and developed by the GRANTEE only in accordance with that certain "Commercial Port of Guam Master Plan, As Revised" dated February 1981 and prepared for the Port Authority of Guam by Maruyama & Associates, Ltd., Guam/Dravo Van Houten, Inc., New York, a copy of which is made a part hereof by reference, or as said Master Plan may hereafter be amended with the approval of the Secretary of the Navy, or his designee (hereinafter referred to as "the Secretary"). Prior to any actual use or development of the lands hereby conveyed, the GRANTEE shall in writing submit to the Secretary for review and approval a proposal in detail satisfactory to the Secretary to identify the intended use or development. Upon receipt of such approval from the Secretary, the GRANTEE hereby agrees to use the property concerned only in accordance with said approved proposal, except as otherwise may be modified subsequently in writing by the Secretary.

b. The GRANTEE's use of the four non-exclusive easements reserved hereinabove unto the UNITED STATES shall be in accordance with the following:

1. no trees shall be planted within the easement areas nor shall any building foundation of any kind be constructed on or below the surface of the land;

2. no material shall be stockpiled nor shall any improvements, including but not limited to, pipelines, drains, electrical or communication facilities, walls, fences, roadways (with the exception of vehicular access driveways from Routes 1 or 18 to the remainder of Parcel 1 and

not unreasonably interfering with reserved rights of the UNITED STATES), or appurtenances thereof, be constructed above, below or on the surface of the easement areas without the prior written approval of the Secretary; and

3. If the use of the easement areas by the UNITED STATES results in any damage thereto, the GRANTEE hereby remises, releases and forever discharges the UNITED STATES, its officers, agents and employees, of and from all manner of actions, claims or demands, legal or otherwise, which the GRANTEE might have as a result of said damage.

c. (1) Any disposal by sale or lease by the GRANTEE of all or any part of the lands hereby conveyed shall be only for a monetary consideration equal to or in excess of the fair market value or fair rental value, as the case may be, (at the time of disposal) of the property concerned, as determined by the Administrator of General Services, or his designee, or successor in function (hereinafter referred to as "the Administrator"), and any such monetary consideration received by the GRANTEE, less any reasonable development costs incurred by the GRANTEE in preparing the property concerned for disposal, as determined by the Administrator, shall be promptly paid to the UNITED STATES. Reasonable development costs shall be a fixed standard percentage of such monetary consideration received by the GRANTEE. The fixed standard percentage shall be determined by a study, conducted by the Secretary, of typical development costs required to convert comparable lands to finished developed sites, except that such percentage shall not exceed thirty (30) percent. In the event all or any part of the lands hereby conveyed is disposed of by sale, lease, mortgage or otherwise encumbered in a manner not consistent with this paragraph c. without the prior written consent of the Administrator, all resulting revenues, rents and other benefits to the GRANTEE as determined by the Administrator shall be

Approved by the Secretary of the Department of the Interior

considered to be received in trust by the GRANTEE for the UNITED STATES and shall be subject to the Administrator's direction and control.

(2) All disposals of the fee title in and to all or any part of the lands hereby conveyed shall be subject to the terms and conditions contained in paragraphs a, d, g, h and i of this conveyance and all such instruments executed by the GRANTEE shall recite the same in haec verba. All disposals of interest less than fee title in and to all or any part of the lands hereby conveyed shall be subject to the terms and conditions contained in paragraphs a, e, g, h, i and j of this conveyance and all such instruments executed by the GRANTEE shall recite the same in haec verba. In addition, all disposals of the fee title or of interests less than fee title in and to all or any part of the following lands shall be subject to the terms and conditions contained in the below indicated applicable paragraphs of this conveyance and all such instruments executed by the GRANTEE shall recite the same in haec verba:

<u>INVOLVED LANDS</u>	<u>APPLICABLE PARAGRAPHS</u>
20 ft. wide drainage easement	b.
40 ft. wide fuel and pipeline easement	b.
50 ft. wide utility easement	b.
100 ft. wide roadway easement	b. and f.

d. All leases, licenses, easements and other property interests affecting the lands hereby conveyed and issued by the UNITED STATES which are in effect on the date of this conveyance, shall be honored by the GRANTEE until their final termination dates; provided, however, that all rents collected under such documents for all periods subsequent to the date of this conveyance shall become the property of the GRANTEE.

e. Upon the request of and at no cost to the UNITED STATES, and for so long as the GRANTEE owns the lands hereby conveyed, the GRANTEE shall at the Secretary's request

grant perpetual easements, not interfering with GRANTEE's facilities and operations, to the UNITED STATES permitting the construction, installation, reconstruction, operation, maintenance, and removal of: overhead and underground water, gas, oil, fuel and other pipelines; drainage and sewer systems; overhead and underground power, telephone and other utility transmission lines; and navigation aids, in, on, under, and over the lands hereby conveyed, together with all necessary rights and privileges for the full enjoyment of the foregoing, as determined by the Secretary, including, but without limitation on the foregoing, the right of ingress and egress. The GRANTEE hereby agrees that for so long as it owns the lands hereby conveyed, it will bear all costs as determined by the Secretary for the relocation of utility lines and other facilities owned by the UNITED STATES in, on, under, or over the lands hereby conveyed which relocation may be required by or result from construction activities of the GRANTEE, and shall prior to undertaking any such relocation, submit to the Secretary for review and approval plans for the proposed relocation project.

f. The GRANTEE shall be responsible for all future operation and maintenance costs associated with the roadway improvements within the 100-foot wide right of way for Route 18 located on said Parcel 1; provided, however, that any relocation thereof shall require the prior written approval of the Secretary.

g. The GRANTEE acknowledges that portions of the lands hereby conveyed have been designated as special flood hazard areas by the Federal Insurance Administrator, to whom the Director of the Federal Emergency Management Agency has delegated the administration of the National Flood Insurance Program authorized by 42 U.S.C. 1001 et seq. Accordingly, the GRANTEE:

Not Produced of Government Expense

35-601

(1) shall in the development of said flood hazard areas comply with the minimum standards imposed by or pursuant to the regulations of the National Flood Insurance Program as in effect on the date of this conveyance (44 CFR 60.3) issued under the provisions of the National Flood Insurance Act of 1968, as amended; and

(2) covenants and agrees to indemnify and save harmless the UNITED STATES, its agents, servants, officers, and employees, against any and all liability, claims, causes of action or suits due to, or arising out of, or resulting from, immediately or remotely, the possible flood hazard, ownership, use, occupation, or presence of the GRANTEE or any other person upon the lands hereby conveyed, lawfully or otherwise.

h. The GRANTEE, prior to making any use of the lands hereby conveyed, shall insure that the use is consistent with any Government of Guam management program approved pursuant to the Coastal Zone Management Act of 1972 (33 U.S.C. 1151 et seq.).

i. The GRANTEE shall in the development or use of those portions of the lands hereby conveyed which have been designated as "wetlands" comply with all rules and regulations promulgated as of the date of this conveyance by the Guam Territorial Planning Commission pertaining to the development and conservation of wetlands issued pursuant to and under authority of Titles XVIII and XIV of the Government Code of Guam and Executive Order No. 78-31 issued by the Governor of Guam on September 7, 1978.

j. For so long as it owns or is in possession of the lands hereby conveyed, the GRANTEE and any other persons (any legal entity), who through contractual or other arrangements with the GRANTEE are authorized the possession, use or occupancy of the lands hereby conveyed, shall not

Reproduced at Government Expense

discriminate upon the basis of race, color, religion, or national origin in the use, occupancy, sale, or lease of the lands hereby conveyed, or in their employment practices conducted thereon.

IN THE EVENT of any breach of the terms or conditions set forth hereinabove, as determined by the Secretary, regardless of the cause of such breach, all right, title and interest in and to the lands hereby conveyed, in their then existing condition, including all improvements thereon, shall at the option of the Secretary revert to and become the property of the UNITED STATES immediately upon demand made in writing by the Secretary. In such event, the UNITED STATES shall have the immediate right of entry upon said property, and the GRANTEE, its successors and assigns, shall relinquish all right, title, and interest in said property and in any and all of the tenements, hereditaments, and appurtenances thereto belonging, by making such conveyances and taking such other actions as the Secretary, in his judgment determines to be necessary or required to evidence the return of title to such property to the UNITED STATES. The failure of the Secretary to insist upon complete compliance or performance of any of the terms and conditions set forth hereinabove in any one or more instances shall not be construed to be a waiver or relinquishment of the obligation for future performance thereof by the GRANTEE, and such obligations of the GRANTEE, its successors and assigns, with respect to all future performance under the terms and conditions of this conveyance shall continue in full force and effect.

AS FURTHER CONSIDERATION for this conveyance the GRANTEE, by acceptance thereof, covenants and agrees for itself, its successors and assigns, that (a) the GRANTEE, its successors and assigns, will comply with all terms and conditions set forth hereinabove; (b) the GRANTEE, its

Reproduced at Government Expense

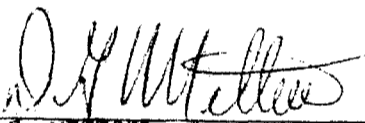
successors and assigns, will promptly take and continue to take such action as may be necessary to effectuate this covenant; and (c) the UNITED STATES shall have notwithstanding the last preceding paragraph, the right at all times to seek judicial enforcement of this covenant. This covenant shall run with the lands hereby conveyed, and shall in any event, without regard to technical classification or designation, legal or otherwise, be binding to the fullest extent permitted by law and equity for the benefit of, and in favor of, the UNITED STATES and enforceable by the UNITED STATES against the GRANTEE, its successors and assigns.

TO HAVE AND TO HOLD, all and singular, the said lands, with the improvements thereon, unto the said GRANTEE, its successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed as of the day and year first above written.

UNITED STATES OF AMERICA

By:

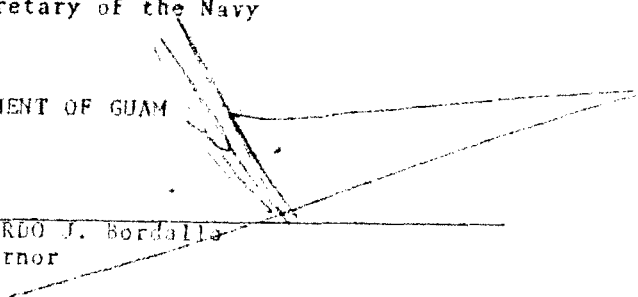


D. G. METTEER, Captain, U. S. Navy
Acting, Commander U.S. Naval Forces Marianas/
Commander U. S. Naval Base, Guam

By direction of the Commander, Pacific
Division, Naval Facilities Engineering
Command, acting under the direction of the
Secretary of the Navy

GOVERNMENT OF GUAM

By:



RICARDO J. Bordallo
Governor

BOARD OF DIRECTORS

Resolution No. 09-07

Chairman:
Monte Mesa
Vice Chairperson:
Jovyna Lujan
Secretary:
Marilou Lacson
Members:
Joseph Camacho
William Beery



RELATIVE TO REQUESTING THE GOVERNOR OF GUAM AND 30TH GUAM LEGISLATURE TO SOLICIT THE ASSISTANCE OF GUAM'S DELEGATE TO THE UNITED STATES CONGRESS TO INTRODUCE A BILL TO AMEND SECTION 818 OF THE UNITED STATES PUBLIC LAW 96-418, AS AMENDED, 1980, RELATIVE TO LIFTING A CERTAIN CONDITION WITHIN THE PROVISIONS OF THE QUIT CLAIM DEED.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PORT AUTHORITY OF GUAM:

WHEREAS, the Port Authority of Guam was created by Public Law 13-87 on October 31, 1975; and

WHEREAS, on December 6, 1984, the United States of America, represented by the Commander, Pacific Division, Naval Facilities Engineering Command, Department of the Navy, acting for and by direction of the Commander, Naval Facilities Engineering Command under authority of the Secretary of the Navy, conveyed several parcels of land in a Quitclaim Deed to the Government of Guam; and

WHEREAS, the Quitclaim Deed was recorded with the Government of Guam Department of Land Management as Document No. 353601 on December 6, 1984; and

WHEREAS, the parcels indicated in the Quitclaim Deed are Parcels 1, 2, 3, and 4, containing 176.315 acres, 16.508 acres, 154.524 acres and 129.303 acres of land, respectively, as depicted and described on Government of Guam, Department of Land Management, Land Survey Division Drawing Number E4-82T693; and

WHEREAS, Section a of the Quitclaim Deed stated, "*The lands hereby conveyed shall be used and developed by the Grantee only in accordance with that certain 'Commercial Port of Guam Master Plan, As Revised' dated February 1981 and prepared for the Port Authority of Guam by Maruyama and Associates, Ltd., Guam/Dravo Van Houten, Inc., New York, a copy of which is made a part hereof by reference, or as said Master Plan may hereafter be amended with the approval of the Secretary of the Navy, or his designee (hereinafter referred to as "the Secretary")...*"; and

WHEREAS, a paragraph under Section j states "*In the event of any breach of the terms or conditions set forth hereinabove, as determined by the Secretary, regardless of the cause of such breach, all right, title and interest in and to the lands hereby conveyed, in their then existing condition, including all improvements thereon, shall at the option of the Secretary revert to and become the property of the United States immediately upon demand made in writing by the Secretary...*"; and

WHEREAS, the 1981 Master Plan designated the property to be developed as "*Port government industrial facilities*"; and

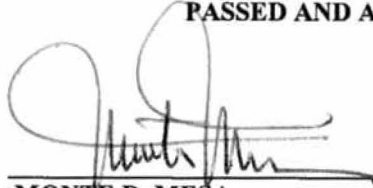
WHEREAS, since the conveyance of the property by the Department of Navy, the Port revised its 1981 Master Plan twice, now designating the property as a "*preserve area*" because of environmental concerns; and

WHEREAS, the Port Authority of Guam has updated its 1999 Master Plan and would like to consider all options available in determining the usage and disposition of such property, but is unable to do so with the current provisions stipulated in the Quitclaim Deed; now therefore be it

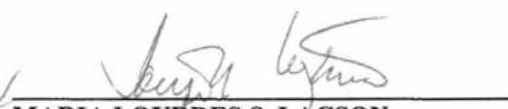
RESOLVED, that the Board of Directors of the Port Authority of Guam hereby request the Governor of Guam and 30th Guam Legislative in soliciting the assistance of Guam's Delegate to the United States Congress to introduce a bill to amend Section 818 of the U.S. Public Law 96-418, as amended, relative to removing the restrictive provisions on the use of said property and reversionary clause in said Quitclaim Deed; and be it further

RESOLVED, that the Chairman certify to and the Secretary attest the adoption hereof and that a copy of this resolution be sent to the Honorable Felix P. Camacho, Governor of Guam, Honorable Judith B. Won Pat, Speaker of the 30th Guam Legislature and Honorable Madeleine Bordallo, Guam Delegate of the United States House of Representatives.

**PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS
THIS 27th DAY OF AUGUST, 2009.**


MONTE D. MESA
CHAIRMAN, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM




MARIA LOURDES S. LACSON
SECRETARY, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM