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5	Attorney for the Guam Solid Waste Authority ("GSWA")	
6	By and through Receiver Gershman, Brickner & Bratton, Inc. ("GBB")	
7	IN THE UNITED STATES DISTRICT COURT	
8	DISTRICT OF GUAM	
9	UNITED STATES OF AMERICA	CIVIL CASE NO. 02-00022
10		
11	Plaintiff,	SPECIAL REPORT RE: STATUS OF COMPENSATION
12	v.	TO FORMER LANDOWNERS OF
13	GOVERNMENT OF GUAM,	ORDOT PROPERTY AND RESOLUTION OF GOVERNMENT
14	Defendant.	CLAIM
15		
16	This Special Report is filed to advise the Court of a proposed settlement in two separate	
17	matters. A proposed settlement has been reached for the taking of Lot Number 3434, a parcel of	
18	land in the Municipality of Ordot-Chalan Pago in the Territory of Guam ("Lot 3434") for the	
19	amount of \$870,000 payable to the Estate of Antonio Camacho Bautista. A stipulated judgment	
20	delineating the settlement amount will be prepared and be subject to the Superior Court's	

approval.

As we previously reported to this Court, the Superior Court of Guam dismissed the eminent domain proceeding regarding Lot 3434 without prejudice and found that a land registration proceeding was the better forum to determine size and ownership of Lot 3434. We further reported that legal counsel was preparing to initiate the land registration proceeding as directed by the Superior Court. However, in subsequent discussion with the Attorney General of Guam, the Office of the Attorney General did not recommend the filing of a land registration action for Lot #3434. We were also advised by the Attorney General that the Department of Land

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Management has confirmed that the Government of Guam does not own Lot #3434. Given these developments and with the Receiver's concurrence, the Attorney General proceeded with settlement discussions based on the 2013 valuation.

It was necessary to acquire Lot 3434 for the closure of Ordot Dump. Under Guam law, just compensation in a partial taking case includes the fair market value of the land taken, plus damages to the remainder, plus compounded interest on any amount awarded over and above the estimated just compensation deposited in court upon the filing of the declaration of taking. The date of taking was July 8, 2013, and the appraised value of Lot 3434 based on an area of 135,005 square meters was \$870,000.00 (or \$6.44 per square meter) at the date of take. Given the appraised value and the full support of the settlement amount by the Government of Guam, the Receiver believes the settlement amount stated to be a fair and reasonable amount.

A proposed settlement has also been reached in Superior Court case captioned *Maeda Pacific Corporation vs. Guam Solid Waste Authority*, Guam Superior Court Case No. CV0225-16 ("Government Claim") for liquidated damages against Maeda Pacific Corporation of \$298,091.39 for the construction of the Harmon Household Hazardous Waste Facility. A stipulated judgment delineating the settlement terms will be prepared and be subject to the Superior Court's approval.

As previously reported, the Receiver sought to enforce contractual liquidated damages against Maeda Pacific Corporation for delays in substantial completion. Under Guam law, the liquidated damages are enforceable when it would be difficult for the parties to estimate or for the nonbreaching party to prove, and the sum agreed upon is designed to compensate the non-breacher for the other party's failure to perform. Guam courts have also upheld liquidated damages in the construction context, but acknowledged that liquidated damages should stop accruing upon substantial completion. Given the delay in substantial completion and Guam law on liquidated damages, the Receiver believes liquidated damages of \$298,091.39 is reasonable.

Respectfully submitted this 9th day of March, 2018.

<u>/s/ Vanessa L. Williams</u> VANESSA L. WILLIAMS, ESQ.