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**FOR IMMEDIATE RELEASE**

### **OAG's Statement on the Layon Case: A Final Word**

*October 30, 2013*-Chief Judge Francis Tydingco-Gatewood has set the record straight, dispelling any misleading information that others may have made.

In her October 29, 2013 Order regarding the Lieutenant Governor's Motion to Stay and for Further Relief she states "Despite the Lieutenant Governor's complaint that the Office of the Attorney General (OAG) has not been acting to protect the Government of Guam's interest but has instead been working on the Receiver's behalf for the last two years, the record in this case shows otherwise."

The Court found that "The Lieutenant Governor fails to provide any factual support for his contention that the Government of Guam suffered any prejudice over the last two years by the Attorney General's representation." Adelup's claims that it has not been permitted to be meaningfully represented in this action by the OAG is "not true," according to the judge.

In its Order, the District Court stated, "The Attorney General has been diligently working to represent the Government of Guam's interest since the inception of the case."

The Court noted that:

"The Attorney General has always acted professionally in representing the Government of Guam's interests in this action. The OAG worked closely with the Receiver and bond counsel to obtain bond financing and ensure that the bond proceeds *were appropriately used* for their intended purposes. The Attorney General assisted the Receiver with reviewing procurement contracts and other matters related to compliance with the Consent Decree. Additionally, the OAG worked to clear up land ownership issues on lands required for the closure of the Ordot Dump. Finally, the OAG worked with various government agencies, including the Department of Public Works, to address safety concerns with the roads leading to the Layon Landfill."

Quoting the United States Attorney and Guam's Deputy Attorney AG, the Court acknowledged "there had never been a concern or complaint raised by the prior administration or the current administration about the OAG's representation until the former landowners filed a motion to intervene in an attempt to seek the release of bond proceeds to pay the Layon Condemnation Case judgment."

The Court noted Governor Calvo's conflict of interest in this case. "The Governor's conflict of interest is based on his family's interest in the approximate \$25 million judgment issued by the Superior Court of Guam in what has been referred to throughout this proceeding as the Layon Condemnation Case."

The Court's decision to allow the full substitution of counsel of the Mantanona law firm in place of the AG's Office is "based on a breakdown in the attorney-client relationship," and further explains that "The breakdown may have started from what the Lieutenant Governor perceived was reluctance on the part of the OAG to agree with the release of bond proceeds to pay the \$25 million judgment in the condemnation action, but it has quickly escalated in the last few months. The court finds that there is a lack of communication between the OAG and the Lieutenant Governor dating back to May 16, 2013, and this lack of communication has led to a relationship clouded by an atmosphere of non-cooperation."

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