

TERRITORY OF AMERICAN SAMOA

OFFICE OF THE GOVERNOR FAGATOGO 96799

A. P. LUTALI GOVERNOR EN! F. HUNKIN, JR. LIEUTENANT GOVERNOR

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EXECUTIVE ORDER NO. 10-1987

IMPOSITION OF TEMPORARY PETROLEUM STORAGE FACILITIES TERMINAL FEE

RESCISSION OF EXECUTIVE ORDER NO. 7-1987

WHEREAS, the American Samoa Government ("ASG") is the owner of the fuel dock, pipelines and tank farm facilities located at and between the Port of Pago Pago and the Village of Gataivai, American Samoa, which are collectively under lease to PRI South Pacific, Inc. ("PRISP"); and

WHEREAS, it is the duty of PRISP, as lessee of the premises, to adequately maintain those facilities subject to normal wear and tear; and

WHEREAS, it is the duty of ASG, as lessor of the premises, to provide and replace certain necessary capital assets and improvements to the facilities as may be occasioned by ordinary wear and tear and as may be necessitated by certain federal statutes and regulations relating to health, safety and the environment; and

WHEREAS, the present condition of the tank farm facilities, most of which were constructed over 40 years ago, prompts the need for immediate action to address unsafe conditions presently existing; and

WHEREAS, in response thereto ASG and PRISP have reached agreement as to which party is responsible for what repairs and replacements, and the probable cost of same; and

WHEREAS, it is appropriate that the users of the facility share the burden, with the government, of restoring it to safe and sound operational efficiency; and Page -2-

WHEREAS, neither an increase in tank farm rental nor the levy of an excise tax will affect an equitable sharing of the costs of the aforementioned work; and

WHEREAS, Executive Order No. 7-1987 reflected an incorrect date for commencement of the temporary terminal fee and must therefore be amended; and

WHEREAS, because of the temporary nature of the terminal fee it is appropriate that this executive order include a sunset clause;

NOW, THEREFORE, by authority vested in the Governor of American Samoa under the Revised Constitution of American Samoa and the laws of American Samoa, it is hereby ordered as follows:

- 1. Commencing August 1, 1987, pursuant to Article 6 of the Permit and Agreement of July 1, 1984, as amended, PRI South Pacific, Inc. ("PRISP"), as the terminal operator, shall charge and collect a temporary terminal fee of one cent (\$0.01) on each gallon of petroleum products put through the American Samoa Government's ("ASG") tank farm facilities.
- 2. PRISP shall collect the terminal fee from all its purchasers and other suppliers of petroleum products and pay it over to the ASG on or before thirty (30) days after the close of each calendar quarter.
- 3. The terminal fee shall be stated on all invoices and bills of sale as a separate line item or charge.
- 4. The terminal fees collected shall be used by the ASG for capital improvements to the tank farm.
- 5. This Executive Order is effective upon signature of the Governor, and shall cease to be of any force or effect on January 31, 1989, or sooner upon completion of the agreed upon tank farm improvements.
 - 6. Executive Order No. 7-1987 is hereby rescinded.

Dated: \(\(\frac{1}{2} \), \(

Governor of American Samoa