

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
**GUAM ECONOMIC DEVELOPMENT AUTHORITY**

November 19, 2015

***Call to Order***

**§1.** The regular meeting of the Board of Directors of the **Guam Economic Development Authority** (referred to as “GEDA” or the “Authority”) was held on Thursday, November 19, 2015 at the hour of 1:30 p.m. at the Guam Economic Development Authority conference room, Fifth Floor Suite 511, ITC Building, Tamuning, Guam. The meeting was called to order by Chairman Edward J. Calvo to consider several items on the agenda.

***Attendance and Quorum***

**§2.** Roll Call. As determined by the roll call, the following directors were present:

***Directors:***

***Offices or Positions:***

Edward J. Calvo

Chairman

David J. John

Vice Chairman

Vera Wu

Secretary

Ernesto V. Espaldon, Jr.

Director

Monte Mesa

Director

***Absent and excused was:***

George Chiu

Director

John A. Rios

GEDA Administrator

***Also present were:***

***GEDA Officials:***

|                          |   |
|--------------------------|---|
| Mana Silva Taijeron      | GEDA Acting Administrator               |
| Terry Brooks             | GEDA Legal Counsel                      |
| Claire Cruz              | Loans & Compliance Manager              |
| Larry Toves              | Real Property Manager                   |
| Diego Mendiola           | Real Property Assistant Manager         |
| Ed Camacho               | Business Development Manager            |
| Mike Cruz                | Project Director                        |
| Therese Santos           | Loans & Compliance Servicing Specialist |
| Matt Sgro                | Industry Development Specialist         |
| Jha'Aunie Leon Guerrero  | Program Coordinator                     |
| Mark Mendiola            | Special Assistant Inter-Agency Support  |
| Antoinette Leon Guerrero | Public Finance Officer                  |
| Henry Cruz               | Economist                               |
| Sydney Leon Guerrero     | Financial Analyst                       |
| Anthony Arriola          | Program Coordinator                     |
| Nico Fujikawa            | Financial Analyst                       |
| Matthew Baza             | Industry Development Specialist         |
| Gloria Molo              | Administrative Service Officer          |
| Mark Mendiola            | Special Assistant Inter-Agency Support  |
| Therese Ybarra           | Commerce & Economic Specialist          |
| Angelene Guzman          | Executive Assistant                     |
| Megan Perez              | KUAM                                    |
| Ken Quintanilla          | KUAM                                    |
| Brian H                  | Magas                                   |
| Larry R                  | Magas                                   |
| Jasmine Stole            | The Guam Post                           |

***Approval of Agenda***

**§3.** The first item considered was approval of the agenda. Motion was made by Chairman Calvo to add to the Imagine Guam Task Order to Old Business and to add Mr. Brian Hahn and Mr. Larry Richardson to the Public Comments section regarding Assisted Living. The motion was unanimously approved. Motion was made to approve by Director Mesa, seconded by Director John and unanimously approved by the board.

### ***Communications***

**§4.** The next item on the agenda was Communications. There were no communications.

### ***Old Business***

**§5.** The next item on the agenda was Old Business. Mr. Ed Camacho, GEDA's Business Development Manager spoke about Imagine Guam and the Task Order 3. After further discussion, GVB will fund and GEDA will carry out. Director Mesa moved to approve Task Order 3 contingent on GVB transferring funding for the project. Seconded by Chairman Calvo and a unanimous decision by the board.

### ***New Business***

**§6.** The next item on the agenda was New Business. The Resolution Approving the Issuance and Sale of the Guam Waterworks Authority Water and Wastewater System Revenue Bonds, Series 2016 by Christina Garcia, Public Finance Manager.

#### **BOARD OF DIRECTORS OF THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

#### **RESOLUTION NO. 15-\_\_\_\_**

#### **RESOLUTION APPROVING THE ISSUANCE AND SALE OF GUAM WATERWORKS AUTHORITY REVENUE BONDS AND APPROVING AND AUTHORIZING THE EXECUTION OF RELATED DOCUMENTS, AGREEMENTS AND ACTIONS**

WHEREAS, Article 2, Chapter 14, Title 12 of the Guam Code Annotated (the "Act") authorizes Guam Waterworks Authority ("GWA") to issue revenue bonds to raise funds for the purpose of acquiring, constructing, improving, equipping, maintaining, repairing, renewing, replacing, reconstructing or insuring the System (as that term is defined in the Act), or any part thereof, or for the purpose of refunding any such bonds or any other prior obligations of GWA, or for any combination of such purposes, in accordance with and subject to the requirements and limitations set forth in the Act; and

WHEREAS, the Consolidated Commission on Utilities (the "Commission") has determined that there exists a need for certain additions and improvements to the System, including certain water production, treatment and distribution projects, certain wastewater collection and treatment projects and certain systems analysis, monitoring and technology upgrades, including certain electrical projects, contained in GWA's Capital Improvement Plan (collectively, the "Projects"), and has determined that it is in the public interest for GWA to issue bonds pursuant to the Act for such purposes; and

WHEREAS, GWA has determined it is necessary and desirable to issue one or more series of Guam Waterworks Authority Water and Wastewater Revenue Bonds (the “2016 Bonds”) to finance the Projects subject to the final approval of such issuance by the Consolidated Commission on Utilities and;

WHEREAS, pursuant to §50103(k), Title 12, Guam Code Annotated, public corporations of the Government of Guam shall issue bonds and other obligations only by means of and through the agency of GEDA; and

WHEREAS, as required by Section 14203 of the Act and said Section 50103(k), the authorization provided by this resolution to sell and issue the 2016 Bonds has been approved by the Legislature of Guam (the “Legislature”) pursuant to the terms and conditions set forth in Public Law No. 28-71, as amended by Public Law Nos. 30-145 and 32-069 (collectively, the “Legislation”); and

WHEREAS, this Board of Directors has determined that it is in the public interest for GWA to sell the 2016 Bonds for the purpose of financing the Projects; and

WHEREAS, GWA has previously executed and delivered an Indenture, dated as of December 1, 2005, pursuant to which bonds in one or more series may be issued, and such indenture, as previously supplemented and amended, is now in effect; and

WHEREAS, there has been presented to this Board of Directors the proposed substantially final form of a Preliminary Official Statement relating to the 2016 Bonds; and

WHEREAS, there have been presented to this Board of Directors proposed substantially final forms of a Fifth Supplemental Indenture pursuant to which the 2016 Bonds are proposed to be issued by GWA (the “Supplemental Indenture”) and a bond purchase agreement pursuant to which the 2016 Bonds will be sold (the “Bond Purchase Agreement” and, together with the Supplemental Indenture, the “Bond Documents”);

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors (this “Board”) of the Guam Economic Development Authority as follows:

Section 1. The issuance and sale of the 2016 Bonds in an aggregate principal amount not to exceed \$160,000,000, to finance the Projects, including capitalized interest, and related costs of issuance, and to make a deposit to the Bond Reserve Fund, if necessary, are hereby approved in accordance with Section 50103(k), subject to the terms and conditions set forth in the Legislation, including final approval of such issuance by the CCU, and further subject to the approval by the Guam Public Utilities Commission (the “PUC”) pursuant to Title 12 of the Guam Code Annotated of the issuance of the 2016 Bonds.

Section 2. The form of Bond Purchase Agreement presented to this meeting is hereby approved for execution and delivery by GWA and GEDA in substantially such form, with such additions, changes and modifications as (i) the CCU, acting as Board of Directors of GWA, may approve or may authorize the Chairman or Vice-Chairman of the CCU or the General Manager of GWA (collectively, the “Designated Officers of GWA”) to approve upon consultation with the Administrator of GEDA (the “Administrator”) and legal counsel, such approval to be conclusively evidenced by the adoption of one or more bond resolutions by said Board and by execution and delivery of the Bond Purchase Agreement by the Designated Officers of GWA, and (ii) are approved by the Administrator upon consultation with legal counsel, such approval to be conclusively evidenced by the execution and delivery of such Bond Purchase

Agreement by the Administrator or the Public Finance Division Manager of GEDA, who are hereby authorized to execute and deliver the Bond Purchase Agreement on behalf of GEDA.

Section 3. The forms of Bond Documents presented to this meeting are hereby approved for execution and delivery by GWA in substantially such form, with such additions, changes and modifications as the CCU may approve or may authorize the Designated Officers of GWA, to approve upon consultation with the Administrator and legal counsel, such approval to be conclusively evidenced by the adoption of one or more bond resolutions by said Board and by execution and delivery of such Bond Documents on behalf of GWA by one or more Designated Officers of GWA.

Section 4. The Preliminary Official Statement in the form presented to this meeting is hereby approved, and the distribution of the Preliminary Official Statement in connection with the offering and sale of the 2016 Bonds, with such changes, omissions and insertions as shall be approved by the Designated Officers of GWA, is hereby authorized and approved. GEDA hereby approves and acknowledges the review of the Preliminary Official Statement by the Designated Officers of GWA and their certification on behalf of GWA upon appropriate authorization and delegation by the CCU, that the Preliminary Official Statement is "deemed final" as of its date, except for the omission of certain terms and pricing information permitted to be omitted therefrom pursuant to Securities and Exchange Commission Rule 15c-12.

GEDA further hereby approves and acknowledges the preparation of a final version of the Official Statement by the Designated Officers of GWA (such final version of the Official Statement, in the form of the Preliminary Official Statement, with such changes, insertions and omissions as shall be approved by the Designated Officers of GWA, upon consultation with the Administrator and legal counsel, being hereinafter referred to as the "Official Statement") upon appropriate authorization and delegation by the CCU, and their execution of the Official Statement and any amendment or supplement thereto, in the name of and on behalf of GWA, and their causing the Official Statement and any such amendment or supplement to be delivered to the purchasers and distributed in connection with the sale of the 2016 Bonds.

Section 5. The Designated Officers of GWA, upon appropriate authorization and delegation by the CCU, and the Administrator are hereby authorized and directed to determine, consistent with the Act, the aggregate principal amount of 2016 Bonds to be issued (subject to Section 1 hereof), the number of series of such 2016 Bonds, the maturity or maturities, the interest rates (not exceeding any limitation established by the Legislature), interest payment dates, denominations, forms, registration privileges, terms and place or places of payment, terms of redemption and other terms of each series of the 2016 Bonds.

Said Designated Officers of GWA, upon appropriate authorization and delegation by the CCU, and the Administrator are hereby also expressly authorized to arrange for such bond insurance, reserve fund surety bond or other supplemental security arrangements for all or such portion of the 2016 Bonds as they may deem in the public interest, and to enter into any other agreements deemed by them to be necessary or appropriate in connection therewith.

Notwithstanding any other provision of this resolution, the 2016 Bonds and any obligations of GWA under any reimbursement or other similar agreement shall be limited obligations of GWA payable solely from the revenues and other assets of GWA pledged for such purpose and shall not be a debt or liability of the Government of Guam.

Section 6. The Administrator and the Designated Officers of GWA, upon appropriate authorization and delegation by the CCU, are hereby authorized and directed to do any and all things and to execute and deliver any and all documents, certificates and other instruments, including tax certificates which they may deem necessary or advisable in order to consummate the sale of the 2016 Bonds and otherwise to effectuate the purposes of this resolution. Such actions may include, but are not limited to, the distribution of other information and material relating to the 2016 Bonds and the holding of any appropriate information meetings concerning the 2016 Bonds.

Section 7. All actions heretofore taken by the officers, representatives or agents of GEDA in connection with the issuance and sale of the 2016 Bonds are hereby ratified, confirmed and approved.

Section 8. The 2016 Bonds shall not be issued without the approvals of the CCU and the PUC in accordance with the Act and Chapter 12 of Title 12, Guam Code Annotated, and shall be in all respects subject to such approvals, and to the Legislation.

Section 9. This resolution shall take effect from and after its adoption.

After some discussion, motion to approve was made by Director Wu and seconded by Director Mesa with unanimous approval made by the board.

### ***Reports***

§7. The next item on the agenda was Reports. There were no reports.

### ***Public Comments***

§8. The next on the agenda is Public Comments. Mr. Larry Richardson and Brian Hahn made public comments regarding assisted living. All comments were heard. No board action was required.

### ***Adjournment***

§9. A motion to adjourn was duly made by Director Espaldon and seconded by Director Mesa. The motion was unanimously approved.

Dated this 31<sup>st</sup> day of March, 2016



Edward J. Calvo  
Chairman

ATTEST:



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Vera Wu  
Secretary