

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

August 21, 2014

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 August 21, 2014 at the hour of 1:43 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 Vice Chairman David John 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:

Edward J. Calvo

David J. John

Monte Mesa

George Chiu

Vera Wu

Ernesto V. Espaldon, Jr.

Offices or Positions:

Chairman

Vice Chairman

Director

Director

Director

Director

Also present were:

GEDA Officials:

Mana Silva Tajeron

John A. Rios

Thomas J. Fisher

Acting Administrator

Acting Deputy Administrator

GEDA Legal Counsel
Fisher & Associates

Larry Toves	Real Property Division Manager
Bernice Torres	Administration & Operations Division Manager
Christina D. Garcia	Business Development Division Manager
Sheena Black	Commerce & Economic Development Division Manager
Claire Cruz	Compliance Division Manager
Lester Carlson, Jr.	Public Finance Division Manager
R. Greg Sablan	Public Finance Division Assistant Manager
Diego Mendiola	Real Property Assistant Manager
Mike Cruz	Project Director
Therese Santos	Executive Assistant
Jha' Aunie Leon Guerrero	Real Property Administrative Assistant
Anisia Terlaje	Special Assistant Inter-Agency
Gloria Molo	Administrative Services Officer
Steven Dierking	Chief Information/Marketing Manager
Gavin Thomas	CHA
John Camacho	GRRP
Rachel Taimanao-Ayuyu	Fisher & Associates

Approval of Agenda

§3. The first item considered was approval of the agenda. On motion duly made by Director Espaldon and seconded by Director Monte Mesa, the agenda was unanimously approved

Approval of Minutes

§4. The next item on the agenda was the approval of the minutes for the Regular Board Meeting on July 17, 2014.

Motion duly made to approve the minutes from the Regular Board Meeting on July 17, 2014 by Director Mesa and seconded by Director Espaldon, the agenda was unanimously approved.

Communications

§5. The next item on the agenda was Communications: Governor's Circular Nos. 2014-050 and 2014-051.

Acting Administrator, Mrs. Mana Silva Taijeron informed the Board that the Governor had issued directives appointing Mana Silva Taijeron as Acting Administrator and John A. Rios as the Acting Deputy Administrator.

Mr. John Rios, Acting Deputy Administrator added that he had received an appointment letter from the Governor on August 1st; the next step is for the legislature to hold the confirmation hearing.

No Board action was needed.

Old Business

§6. The next item on the agenda was Old Business. The first item under Old Business is RFP 14-011 – Professional media Production Services for the Guam and Chamorro Educational Facility – HOT Bond Project.

Mr. Larry Toves presented to the Board that on July 23, 2014, GEDA issued RFP 14-011 for Professional Media Production Services for the Guam and Chamorro Educational Facility. The role of the Media Production Professional is to communicate the Guam and Chamorro journey through time, *I Hinanao-ta*, so that the GCEF provides our people and visitors the opportunity to learn about our unique nature, history and culture in story form and provides a unique experience for patrons. Audio Visual hardware that will be used to display the Media Production Professional's work was previously procured by GEDA and approved by the Board following the design developed by the design firm contracted for this purpose.

GEDA publicized availability of the RFP in the newspaper and sent copies of the publication to numerous on-island production companies. However, only two companies registered with GEDA for this solicitation and only one company submitted a proposal. GEDA, with assistance from the Department of Chamorro Affairs evaluated the proposal and determined that the proposal met all requirements. The next step in the procurement process is to negotiate fees to perform the work. GEDA has requested that the offeror submit his fee to begin the negotiation process.

The only company that submitted a proposal is Architects Laguana + Cristobal which has partnered with Barry Howard Limited and Portable Interpretive Media Inc. to perform the services required under the RFP. This is the same company and partners that produced the design for the construction of the GCEF and its interior furnishings including exhibits and audio visual systems. GEDA had previously attempted to amend ALC's current design contract to incorporate media production services however, the Attorney General determined that media production services were not specifically included in the RFP issued for the design of the construction and interior furnishings of the GCEF and required GEDA to issue a new RFP for these services.

As the board is aware, funding for all components of the GCEF is extremely limited. To assist in the fee negotiation process, GEDA requests the board to establish a ceiling on the amount that can be awarded for Media Production services, taking into account funds that are available and demands placed on the budget.

GEDA recommends that the Board of Directors approve the selection of Architects Laguana + Cristobal to provide media production services for the GCEF and further recommends that the Board allow the Administrator to negotiate a contract with Architects Laguana + Cristobal. Thereafter Board approval is necessary. BBMR, AG and Governor's approval of the contract will also be required.

After further discussion, motion duly made to accept the sole responder and start the negotiation process to find out what the cost is and report it back to the Board by Director Mesa and seconded by Director Chiu. The motion was unanimously approved.

§7. The next item was requested by Chairman Calvo, for an update on the Sustainability Plan outside of the HOT Bond Budget.

Mr. Mike Cruz presented to the Board that Leisure Business Advisors is the company that is developing business and system for the Guam Chamorro Educational Facility, The principle of the company, in the past few days has been meeting with different stakeholders regarding the operational plan for the museum and developing projections of revenue, to determine how the museum can sustain itself and what plans should the museum follow in order to generate revenue. The business plan should be completed in about five weeks from now; the original deadline was three months after the letters to proceed. The fee for that is \$65,000 that was funded by GEDA to be reimbursed by the museum or DCA once they begin operations.

Chairman Calvo mentioned that there was a Groundbreaking for the Farmers Coop and asked if there were any other updates.

Mr. Diego Mendiola informed the Board that he attended a site meeting at the Farmers Coop with the contractor and the designer. There was great cooperation between the contractor and designer. The designer in an acting administrator capacity is really looking out in doing a good job and the overall budget. From what it looked like, all the trenches for the foundation has been completed, the ponding

basins have been dug and they are starting on the utilities (the water and sewer lines).

Chairman Calvo inquired if the plan is for the public flea market to open to the public at the same time as the coop building or is there a staggered completion date. Mr. Mendiola informed the Board that the originally we were hoping for an October soft opening but the process of approvals have pushed back the date to approximately February 2015. Today at the meeting, the contractor did mention that the shell of the building will be completed by November depending on the weather. Mr. Larry Toves added that the plan is to have both the Coop and the Flea Market open at the same time.

The next item to be discussed was the Hagåtña Tennis Courts and Swimming Pool projects. Chairman Calvo informed the Board that this project is small as far as costs on the HOT Bond list but they are important.

Mr. Larry Toves presented that the PMO is just about complete with the preparation of the Invitation for Bid (IFB). The cost for this construction is \$150,000 to resurface, repairs to cracks, and ADA improvements for the Tennis Courts.

Chairman Calvo informed the Board that he met with the Director of Department of Parks and Recreation and the scope that has been discussed is his wish list. In discussions, it was mentioned that the lighting is adequate, but if there is money left we will request to improve the lighting.

Chairman Calvo asked for an update on the Swimming Pool. Mr. Larry Toves presented that the budget for the swimming pool is \$150,000. The Board approved the amount with an overall study and assessment of the pool. There are some serious structure problems with the pool structure itself. At the same time while we are doing the study, we want to be able to use some of the funds to do whatever repairs we can to the pool just to keep it running.

Chairman Calvo noted that there are other tennis courts but the swimming pool is the only public pool for training.

§8. The next item under Old Business was: Determination of Need (Pursuant to P.L. 32-40) – Leasing of GEDA Lot No. 1, E.T. Calvo Memorial Park.

In its last meeting, the GEDA Board decided to issue an RFP for Lot 1, Block 5, Tract 259 also known as the “Vacant Lot” adjacent to ITC’s rear exterior parking and

Kontenda's Gym. Public Law 32-40 which requires the publication of a Determination of Need to advise the public and to obtain legislative approval of the actual lease after negotiation by GEDA and approval by the Board of Directors for all commercial contracts, leases, permits, or licenses for use of public real property whose expected term is to exceed 5 years. The law requires the following steps to be taken:

1. Prepare a "written Determination of Need justifying by a quantifiable sum an Exceptional Term Contract (i.e., more than 5 year lease term) and specifying the full term, inclusive of extensions, options and renewals...."
2. Publicize a "notice of solicitation" which specifies the term thereof
3. Obtain GSA, Governor, or Board approval of Determination of Need
4. Submit copy of approved Determination of Need to Legislature.
5. Issue RFP.
6. Submit resulting lease to Legislature.
7. Legislature has 60 calendar days to act on ETC (lease) otherwise it is approved. Legislative public hearing must be held. Approval is by law, disapproval by resolution.

As required, staff subsequently published a Determination of Need (DON) Notice in the Marianas Variety on August 8, 2014. To date, no comments were received from the general public. With this, RPD staff is providing the required DON for board approval to submit to the Legislature.

GEDA staff recommends that the Board approve the DON and thereafter, staff will provide the DON to the Legislature as the law requires legislative notification (not approval). Once a prospective lessee is selected via an RFP, the terms of the lease will be presented to the Board for approval. Once approved, the lease will be provided to the Department of Land Management, the Attorney General and the Governor as required by the lease, and then to the Legislature as required by P.L. 32-40.

A motion dully made to approve the Determination of Need by Director Chiu and seconded by Vice Chairman David John. The motion was unanimously approved.

§9. Vice Chairman John informed the Chairman that at the last meeting the Board agreed to communicate with Senator Rodriguez and write a letter informing him that GEDA Board has done what was needed and GRRP now falls in the Legislature's court and if that's not the case to address in a letter what he specifically wants from GEDA Board of Directors.

Deputy Administrator, John Rios informed the Board that GRRP contacted GEDA and requested to transmit the minutes from the July Board meeting to Senator Rodriguez. The minutes were approved earlier in this August meeting and will be transmitted to Senator Rodriguez. There has not been any request received from the senator. The Board agreed to provide a copy of the minutes to Senator Rodriguez.

§10. Vice Chairman John brought one other item, as a quick update, Task Order for the Master Plan of the Hagåtña Restoration. Mr. Toves informed the Board that the contract was rewarded but is still going through review of legal counsel.

New Business

§11. The next item on the agenda was New Business: Economic Symposium: Merchant Service Approval for On-line payments using credit cards.

Mrs. Tina Garcia presented to the Board that the Guam Economic Symposium is quickly approaching and we are confident that the agenda developed to date will result in a successful event that will attract new investments onto the island. The Economic Symposium, "Invest Guam...The Time is Now" will be held on October 22nd to October 24, 2014 at the Hyatt Regency Guam.

With the opening of the registration, we have found the need to set up a GEDA payment system whereby international investors and sponsors may submit payments. Credit and debit cards are popular, convenient, flexible, and have become increasingly important in business commerce. If GEDA is to present Guam as a viable investment destination in today's competitive environment, then receiving payments through credit card is a necessary expense.

We therefore request that this Board pass a resolution that will authorize the Administrator to temporarily establish and manage merchant services accounts with the Bank of Guam and PayPal solely to accept payments for the Guam Economic Symposium.

Motion dully made by Director Chiu to approve a resolution that will authorize the Administrator to temporarily establish and manage merchant services accounts with the Bank of Guam and PayPal solely to accept payments for the Guam Economic Symposium and seconded by Vice Chairman John. The motion was unanimously approved.

Reports

§12. The next item on the agenda was Reports: Update – Guam Economic Symposium.

Chairman Calvo informed the Board that there is an updated draft agenda for the Economic Symposium in addition to a sponsorship solicitation. The Chairman asked to keep the Board members update with all the information needed with the conference as well as the sale of seats.

Public Comments

§13. The next item on the agenda was Public comments. There were none.

Vice Chairman John reminded the Board that at the last meeting the resignation of Director Bordallo was discussed. There was a motion made by Director Mesa and seconded by Director Espaldon to nominate Director Vera Wu for the Secretary position of the Board, as long as she accepts. The motion was unanimously approved. Director Vera Wu accepted. There was no action needed.

Adjournment

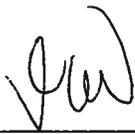
§14. Having no further items to discuss, on motion to adjourn duly made by Director Espaldon and seconded by Director Chiu, at 2:45 p.m., the meeting was adjourned.

Dated this 18 day of September, 2014



Edward J. Calvo
Chairman

ATTEST:



Vera Wu
Secretary