

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

March 31, 2016

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 March 31, 2016 at the hour of 1:35 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:

Edward J. Calvo

Vera Wu

George Chiu

Monte Mesa

Ernesto V. Espaldon, Jr.

Offices or Positions:

Chairman

Secretary

Director

Director

Director

Absent and excused were:

David J. John

Mana Silva Tajjeron

Vice Chairman

GEDA Deputy Administrator

Also present were:

GEDA Officials:

Jay Rojas	Administrator
Terrence Brooks	Legal Counsel
Gloria Molo	GEDA
Angelene Guzman	GEDA
Larry Toves	GEDA
Diego Mendiola	GEDA
Dong Choe	GEDA
Raeann LeFever	GEDA
Natalia Faculo	GEDA
Antoinette Leon Guerrero	GEDA
Jha'Aunie Leon Guerrero	GEDA
Nico Fujikawa	GEDA
Brianna Benito	GEDA
Julius Santos	GEDA

Approval of Agenda

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

Approval of Minutes

§4. Motion to approve minutes for the following months: September 2015, October 2015, November 2015, December 2015 and January 2016 by Director Chiu and seconded by Director Espaldon. The motion was unanimously approved. It was noted by Chairman Calvo that the minutes for February and March will be ready for approval at the April Board meeting.

Communications

§5. The next item on the agenda was Communications.

Administrator, Jay Rojas gave an update on discussions with Guam Trades Academy discussing the opportunity to partner with them to house the new Guam Trades Academy building. They were working with the DISID organization previously about obtaining financing or a grant to construct a new building in the old vocational rehab

facilities across from JFK. Discussions are very preliminary to see if they would be interested in the Star Press Building – this will be a GEDA partnership. USEDADA will be paying for the construction of that building and GEDA is looking at a 25 year agreement with DISID. So at the term of that lease, the building will be reverted back to GEDA and we will be able to enter into a lease with Guam Trades Academy. We will be looking at the old vocational rehab center in Tamuning, we will look into entering into an MOU with DISID to develop that property to use as commercial property while managing and collecting fees on the building. GEDA is still working on the Governor's Directive in assuming the One Stop Center into GEDA's per view. GEDA has completed the study and are just looking to find funding with the Governor's Office to make sure we can handle it. We estimate that the initial cost is \$650,000.00 to turn over the One Stop Center and adding new technology to help get us online. In addition, we had a successful meeting with USEDADA, Gail Fujita. We discussed setting up a revolving loan fund. No board action necessary.

Old Business

§6. The next item on the agenda was Old Business. None to report at this time.

New Business

§7. The next item on the agenda was New Business. The first item under New Business was Department of Land Management's \$15.7M Financing RFP Recommendation.

March 31, 2016

TO: GEDA Board of Directors

VIA: Jay Rojas, GEDA Administrator

FROM: Tina Garcia, Public Finance Manager

Subject: RFP 16-001 – Request for Proposal for Financing the Construction of the Government of Guam's Department of Land Management's Land Resources and Public Facility

The Guam Economic Development Authority, on behalf of the Government of Guam's Department of Land Management issued Request for Proposal 16-001 requesting proposals for financing not to exceed Fifteen Million

Seven Hundred Thousand Dollars (\$15,700,000.00) to provide for the construction of the GovGuam's Department of Land Management's land resources and public facility and for the purchase of collateral equipment for such facility.

GEDA issued RFP 16-001 on Tuesday, October 20, 2015 and closed on Tuesday, November 24, 2015.

Members of the evaluation committee included Jay Rojas, GEDA Administrator; Mana Silva Taijeron, GEDA Deputy Administrator; Antoinette Leon Guerrero, GEDA Public Finance Officer; and George Tydingco, DLM Management Analysis IV.

After a thorough analysis, the committee recommends that the Bank of Guam be selected to provide the financing of a loan for the above RFP. The committee respectfully submits this recommendation to the GEDA Board of Directors for consideration and request adoption of the same by resolution.

Recommendation to approve the selection of Bank of Guam as the lending institution as stated above:

- Approved
- Disapproved

Edward J. Calvo
GEDA Board Chairman

Vera Wu
GEDA Board Secretary

Motion to approve Bank of Guam as the lending institution with negotiation of the best possible rate was made by Director Espaldon and seconded by Director Mesa. The motion was unanimously approved.

The next item under New Business is GovGuam Underwriter RFP 16-003 Selection Recommendation.

March 31, 2016

TO: GEDA Board of Directors
VIA: Administrator / Deputy Administrator
FROM: Christina Garcia, Public Finance Manager
SUBJECT: **RFP 16-003: Underwriter Services For The Government Of Guam's Bond Financing Projects**

Hafa Adai!

As the central financial manager and consultant for the Government of Guam ("Government") and those agencies or instrumentalities of the Government requiring financial guidance and assistance, GEDA issued RFP 16-003 for bond underwriting services to the Government and those agencies or instrumentalities of the Government.

The goal of this RFP process was to identify and create a pool of pre-qualified underwriting firms from which the GEDA Administrator can work with for specific financing projects. The pool of pre-qualified underwriters created via this RFP will expire on April 30, 2018, with a one-time option to renew for two (2) more years. RFP 16-003 was issued on January 22nd with a close date of February 17th.

Each group was given one (1) hour for presentation with 15 minutes for questions and answers. Five (5) firms were interviewed on Monday with the remaining four (4) interviewed on Tuesday. The evaluators met with the following firms over a two day period: Barclays Capital, Bank of America/Merrill Lynch, Citigroup, Jefferies, JP Morgan, Morgan Stanley, Piper Jaffray, RBC Capital and Wells Fargo.

Evaluators for this RFP included the following: Bernadette Artero, Governor's Chief Fiscal Advisor (CFA); David John, GEDA Board Vice Chairman; Jay Rojas, Administrator; John Rios, GIAA Controller and Advisor to the CFA and myself as the fifth evaluator. Vera Wu, GEDA Board Secretary was present at the interviews as an observer.

After hearing the presentations from the nine (9) firms, a discussion, led by the Administrator and the CFA, was held to ensure that our selection would comply with GEDA Statute (5GCA, Chapter 50, section 50103.1 (b-6)) which states:

After reviewing the final presentations of the narrowed group of underwriters, the Board shall, within 10 (ten) working days of final presentation, select either one (1) managing underwriter or two (2) co-managing underwriters for the bond issue.

Based on a priority of projects, and in compliance with the RFP overview, the following were selected to serve as co-managing underwriter teams selected for each of the following priority projects:

1. General and Limited Obligation Bonds / Certificates of Participation: **Citigroup / Barclays Capital**
2. Grant Anticipation Revenue Vehicles (GARVEE) Bonds: **Barclays Capital / Jeffries**
3. Hotel Occupancy Tax Refunding Bonds: **Morgan Stanley / Wells Fargo**
4. Port Authority of Guam Revenue Bonds: **Citigroup / RBC Capital**

Please let me know if you have any other questions.

Si Yu'os Ma'ase,

Christina D. Garcia

SUBJECT: RFP 16-003: Underwriter Services For The Government Of Guam's Bond Financing Projects

Concurred By:

Jay Rojas
Administrator

As presented and APPROVED at the GEDA Board of Directors Meeting, March 31, 2016;

EJ Calvo
GEDA Board Chairman

Vera Wu
GEDA Board Secretary

Motion to approve was made by Director Chiu and seconded by Director Espaldon. The motion was unanimously approved.

Reports

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


Public Comments

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

Adjournment


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

Dated this 31st day of March, 2016



Edward J. Calvo
Chairman

ATTEST:



Vera Wu
Secretary