

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

May 15, 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 May 15, 2014 at the hour of 1:39 p.m. at the Guam Economic Development Authority conference room, Fifth Floor Suite 511, ITC Building, Tamuning, Guam. The meeting was called to order 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

Arlene P. Bordallo

Monte Mesa

George Chiu

Vera Wu

Ernesto V. Espaldon, Jr.

Absent and excused:

David J. John

Also present were:

GEDA Officials:

Mana Silva Taijeron

Thomas J. Fisher

Larry Toves

Offices or Positions:

Chairman

Secretary

Director

Director

Director

Director

Acting Administrator

GEDA Legal Counsel
Fisher & Associates

Real Property Division Manager

Henry Cruz	Economist
Bernice Torres	Administration & Operations Division Manager
Christina D. Garcia	Business Development Division Manager
Lester Carlson, Jr.	Public Finance Division Manager
John San Nicolas	Compliance Supervisor
Nico Fujikawa	Public Finance Officer
Gloria Molo	Administrative Services Officer
Greg Sablan	Public Finance Assistant Manager
Antoinette Leon Guerrero	Public Finance Officer
Arleen Evangelista	Public Finance Administrative Assistant
Therese Santos	Executive Assistant
Steve Dierking	Chief Information/Marketing Manager
Brianna Benito	Industry Development Specialist
Diana Rivera	Industry Development Specialist
Jha"Aunie Leon Guerrero	Real Property Administrative Assistant
Jeff Marchesseault	DNA, Inc.
Nicole Santos	Office of Senator Ben Pangelinan
Ken Quintanilla	KUAM
Joe Termulo	KUAM

Approval of Agenda

§3. The first item considered was approval of the agenda. Chairman Calvo informed the Board that there was going to be an addition to the agenda. This would be an update on the Cost U Less property as well as an update on the QC for New Hotel Development. On motion duly made to approve the agenda with the additional Old Business Items: Compliance Division Update on the Tamuning Property and QC for New Hotels by Director Espaldon and seconded by Director Mesa. The agenda was unanimously approved.

Approval of Minutes

§4. The next item considered was the approval of the minutes of the April 24, 2014 Board meeting.

On motion duly made by Director Mesa and seconded by Director Wu to approve the April 24, 2014 minutes; the motion was unanimously approved.

Communications

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

Acting Administrator, Mana Silva Tajeron informed the Board that a letter from the Governor was received dated May 14, 2014, addressed to all Department Agencies, Heads and Directors. This letter appointed the Acting Administrator for the Guam Economic Development Authority. Mr. John A. Rios will be Acting Administrator effective May 15, 2014.

No Board action was required for this item.

Old Business

§6. The next item on the agenda was Old Business. The first item under Old Business was the Update on the Sale of Lot 2145-REM-7 Tamuning, GU.

Mr. John San Nicolas informed the Board that the sale of the Tamuning property has been closed and the funds of the sale were received on May 2, 2014. Chairman Calvo asked if all the documents were recorded and Mr. San Nicolas confirmed that the documents had been recorded.

With no further questions and no Board action required, Chairman Calvo moved on to the next item on the agenda.

§7. The next item under Old Business was a MOA between GEDA and Department of Chamorro Affairs.

Mr. Larry Toves presented that at the April 24, 2014 meeting of the Board, GEDA staff was requested to provide information on the development of a business and sustainability plan for the Guam and Chamorro Educational Facility. Attached for the Board's consideration and approval is a Memorandum of Agreement (MOA) between GEDA and the Department of Chamorro Affairs in which GEDA will front the costs for developing the business and sustainability plan subject to reimbursement by DCA once the museum begins operations.

The estimated cost for preparing the business and sustainability plan is \$50K plus out of pocket expenses for travel to Guam to include the following scope of work:

- Develop market approach (target market and competitive position)
- Evaluate the experience of other similar museums that devote separately devised spaces to achieve distinct interpretive or programmatic objectives while increasing opportunities for earned income.
- Identify SWOT (strengths, weaknesses, opportunities and threats).
- Review and verify current income sources and potential for additional earned revenue opportunities, and related costs. Develop practical strategies for implementation based on the experience of comparable facilities.

- Identify sustainable business practices including employment and hiring, community contributions and involvement (such as enhanced role of the Guam Museum Foundation in fund raising), education, procurement, contracting and out-sourcing.
- Prepare financial analysis based on the selected concept and potential usage including financial performance projections, including operating pro forma, financing assumptions, cash flow analysis, break-even analysis, and business ratios.

GEDA staff recommends that the Board of Directors authorize the Administrator to expend no more than \$60K on the preparation of the GCEF Business and Sustainability Plan and to execute the Memorandum of Agreement between DCA and GEDA to reimburse GEDA for the cost of developing the business and sustainability plan for the Guam and Chamorro Educational Facility upon completion of legal counsel review.

Chairman Calvo mentioned that one of the things that we are asking DCA is to submit a plan; perhaps within the sustainability plan a payment mechanism can be suggested. So we are extending this on behalf of the museum, and asking the planners to also show a reimbursement plan within their cash flow so that GEDA can ultimately get paid.

A motion duly made by Director Mesa and seconded by Director Espaldon, to approve the recommendation of the staff and proceed with finalizing the MOA between GEDA and DCA and it's noted in the agreement that, that provision is there to have the opportunity to collect what we spent to have the study done. The motion was unanimously approved.

§8. The next item under Old Business was the HOT Bonds Update.

Mr. Larry Toves presented to the Board the HOT Bond Program – Executive Dashboard; this basically gives a snapshot of all the activities with the projects, all 23 of them. The Dashboard shows the project name, life cycle (issues), whose ball court it's in, the schedule and the financial status. Mr. Toves continued to explain that in item number 1, it shows the Site Preparation, Main Building, Furniture, Exhibit/AV/Specialty Lighting, Security, Arts and Relocation all for the Museum.

Chairman EJ Calvo informed the Board Members that he sat in the meeting with the Project Managers and the HOT Bond Committee, it's an open meeting and the Board is welcome to sit in. The meeting is a regular HOT Bond meeting and is held on every Wednesday. At the meeting we were given a good comprehensive status of the projects and everything seems to be moving along as planned. There are obstacles here and there but nothing the Project Managers are too concerned about.

No action was required from the Board on this agenda item.

§9. The next item under Old Business was an Update on the Economic Symposium.

Acting Administrator, Mana Silva Taijeron informed the Board that we are still moving forward with the planning for the Economic Symposium. The venue has been secured at the Hyatt for the last week of August, 26th through the 28th.

At this point of the planning stage, we are looking to secure speakers for the event, the key issues that will be focused on are; Tourism Infrastructure, Military Buildup, and the Industries that we are trying to develop on the island. Invitations will be to investors throughout the island and around the world. As we move forward, we will make announcements as to who we secure for speakers for this event.

Chairman Calvo had mentioned that he suggested to the event managers to set up working sessions with the Board, obviously you all represent different areas of the economy and different industries. But we need to reach out to other stakeholders; GVB, the Airport, the Port and other individuals in the private and public sector.

Acting Administrator Taijeron added that some of the key partners include GVB, the Airport and the Port, but we are also including key people from the other industries, so we have that collaboration. In this Economic Symposium, we are going to pull everyone together and have all the information available and resources, and the key people who can answer questions and address those specific industries and inquiries. So it's not just going to be about tourism. We also looked at including the Chamber of Commerce, Members from the business industries and also the military.

Chairman Calvo requested to keep the Board updated and informed the Board Members of another interesting thing is that they set an aggressive goal, trying to sell a large percentage of the room to potential investors and get their commitment to attend the conference.

No action was required from the Board on this agenda item.

§10. The next item on the agenda was Marketing Budget Update.

Mrs. Christina Garcia presented to the Board an update of the Marketing Activities. GEDA has participated since the beginning of the Fiscal Year in two Hotel Investment Conferences, there are going to be additional items that will be coming to the Board for approval by next month. One item is the Destination Study, in our efforts to work in supporting GVB's 2020 Plan in adding new hotel rooms. We have been working closely with GVB together with Director David John to create an incentive packet for hotel developers as well as the upgrade of existing hotels. It had been realized that we need to work on a Guam Destination Study, that's the package the hotel investors and owners look for in each destination before making decisions.

So we are working with our Accounting Division as to ways that we can put this together as well as in partnership with GVB and the Airport. We will put together a "one voice team Guam" to encompass what we need and what we can offer as far as incentives. So we are looking to fund a Destination Study.

Chairman Calvo added that he has been involved in discussions with GVB to make sure they are on board and feeling good about this move forward. Not only because we are looking to share the cost and receive reimbursement for some of it, and hopefully with the Airport as well. Because this study doesn't currently exist, this will give an opportunity to give a snap shot of the Tourism Industry, in particular hotel demand.

We are looking for a reputable firm that will be a sub through our planning consultant, and that's the mechanism to get this step generated. The cap that was put on this is \$100,000, however, it's just an allocation and we are looking at it being much less and in addition to that, sharing with possibly one or two agencies the cost of this study. So we are seeking approval to at least move forward and execute a consultation proposal so that we can get the ball rolling.

Director Chiu asked if there were enough funds in the budget. Mrs. Garcia responded that initial assessments are being made of what will be needed and speaking with GVB and the Airport to join as partners in this and we are also working with some funding alternatives.

Chairman Calvo added that this will assist the Real Property Division to attract investment to a particular site that we are mandated to find an investor for.

A motion duly made by Director Mesa and seconded by Director Bordallo, to approve the recommendation so that the Administrator can move on to soliciting for the services for the study. The motion was unanimously approved.

Chairman Calvo inquired for an update on the China GEDA Office. Sometime in the past, GEDA had agreed to work with GVB and maybe fund part of the office. Basically, GVB opened the office, they have a service provider as their eyes and ears, attending events and providing collateral to draw tourism arrivals. We need to understand the opportunity first and then find ways we can leverage we are not going in blind, there is already a GVB office that we can work with and look at similar services to be provided where we can have eyes and ears reaching out to potential investors. The payoff would be thousand times return on investment depending on what we invest and depending on what investment comes.

Chairman Calvo continued to explain that if we GEDA were in China, if there is a conference or some kind of event where there's an opportunity to network and mix with the right people, we are not knowing about it, if someone is out there, not that Guam would have to attend every time, but we would have someone to provide information.

If Marketing and Admin can give us the history on what the opportunity is, maybe some ideas on this. Not to ignore other markets to draw investment, but we don't want to miss any opportunity.

Mrs. Garcia informed the Board that at the next meeting she will provide a China Marketing Budget.

No action was required from the Board on this item.

§11. The next item on the agenda under Old Business was Guam's Cruise Ship Development Program update.

Director Mesa reported to the Board that in support of Tourism 2020, a request for the Board's approval for GEDA, through its Business Development Division, to explore and research the feasibility of developing a cruise ship industry for Guam and the Micronesia Region.

This approach is requested to ensure proper planning and development for Guam's business opportunity of this industry to ensure sustainability and a reasonable rate of return for future infrastructure investments. Key points included:

- Prior to 2013, Guam port calls went as high as 12 "Port of Calls" per year but now down to 4 due to lack of concerted business strategy to grow and attracting the cruise ships to make regular stops on Guam.
- Port revenues generated per cruise ship estimated at \$37,000 to cover security, dockage, line handling, guard services etc. Per passenger spending per day estimated at \$100 - \$250 with top purchases in sundries, souvenirs, on-shore excursion tours and food/beverage.
- Statistics release shows continued growth in the already multi-billion dollar worldwide cruise industry.
 - The experts point to the aging U.S. baby boomer generation which is retiring and said to be seeking new and exotic island destinations, while throughout Asia and Australia, rising incomes have given birth to an upper middle class with enough disposal income to afford vacation cruises.
 - The Asia-Pacific-Oceania region is considered a new "Hot Destination" for 2015 as it is untapped and new to the potential cruisers. This is further validated by the recent additional of two ships deployment of International Royal Caribbean's "Legends of the Sea" and Radiance of the Sea" for the Australian/ market.

- Guam is poised to be a natural ship route for a Port of Call for around the world cruises and trans-pacific cruises between Asia and Australia.
- Tourism 2020 identifies the Cruise Industry as a potential source of new tourists to Guam as this industry shows annual growth of 7-8% worldwide and Asia-Pacific-Oceania as the new frontier for a major source market for new cruise ship passengers.
- Our short term range opportunity is to grow more “Port of Calls” from Princess Cruise Lines, International Royal Caribbean Cruise Lines, NYK Asuka II Cruise lines, Nippon Maru Cruise Lines and Holland America Cruise Lines.
- Our mid-term range opportunity is to develop a home-port hub for a Luxury Expedition-type cruise ship(s) of 500 to 1,000 passengers to cruise Guam and Micronesia as a Regional Exotic Islands Cruise Destination (similar to the US Virgin Islands and the Caribbean Islands Cruise Ship Industry) working with the Micronesia Cruise Association (MCA).
- Our long-range opportunity is to one day have Cruise Ships dock and/or tender in our capital city of Hagåtña and create a Luxury Yacht and Cruise Ship pier “water front” attraction as part of our Historical Hagåtña Restoration and Revitalization master-Plan.

We seek the Board’s approval for GEDA to explore the potential of this industry. This will be done through stakeholder meetings with a goal to develop a government policy on how to move forward. With the Board’s approval, GEDA resources will be used to fully pursue the opportunity.

We also request that GEDA Board Member Monte Mesa be appointed to lead this effort along with Business Development Division in the creation of the government’s policy.

After further discussion, Chairman Calvo reminded the Board that Director Mesa was appointed in the past to lead on this effort; it’s definitely an opportunity for Guam’s tourism industry. What we are looking forward to is more of the detailed plan; what can GEDA do and what we can do to bring the investor to Guam and that can kick off this industry.

New Business

§12. The next item on the agenda was New Business: Approval of GWA 2005 Bond Refinancing.

Mr. Lester Carlson, Jr. presented to the Board that Public Law (PL) 32-69 allows for the issuance of the 2013 Guam Waterworks Series A Bonds. In addition, PL32-69, Section 3, approved the refinancing of the 2005 Bonds as long as we met a 2% net present value savings and as long as the bonds and without extending the maturity.

Mr. Carlson requested the Board to approve a resolution, as the Board knows, GEDA is the essential finance manager for all issuance of debt related to the Government of Guam. All debt basically has to receive GEDA's Board approval prior to an issuance.

The resolution has been circulated to the Board Members and Legal Counsel has reviewed it. So we are asking that the Board approve this resolution, it will be subsequently obtained by the CCU and ultimately by the PUC as a prerequisite before we go to market. We anticipating going out to market and pricing by late July until the first week of August.

After some discussion, a motion duly made by Director Mesa and seconded by Director Espaldon, to have the staff precede working with the GWA Bond, subject to the process to get the PUC to get the review completed. The motion was unanimously approved.

RESOLUTION NO. 14-024

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, pursuant to Section 14226 of the Act, GWA may provide for the issuance and sale of refunding bonds for the purpose of redeeming or retiring any bonds issued under the Act; and

WHEREAS, by its Resolution 13-057, adopted October 24, 2013, the Board of Directors of the Guam Economic Development Authority (“GEDA”) approved the issuance of refunding bonds to redeem or retire all or a portion of the outstanding Guam Waterworks Authority Water and Wastewater System Revenue Bonds, Series 2005 (the “Prior Bonds”);

WHEREAS, GWA has informed GEDA that an opportunity has arisen to issue such refunding bonds for savings, which is expected to result in savings to ratepayers, and therefore GWA has determined it is necessary and desirable to issue one or more series of Guam Waterworks Authority Water and Wastewater Revenue Bonds (the “2014 Refunding Bonds”) to redeem or retire all or a portion of the Prior Bonds, subject to the final approval of such issuance by the Consolidated Commission on Utilities (the “CCU”); 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 2014 Refunding 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, GWA has requested that GEDA confirm its prior approval of the issuance and sale of the 2014 Refunding Bonds; and

WHEREAS, this Board of Directors has determined that it is in the public interest for GWA to sell the 2014 Refunding Bonds for the purpose of redeeming or retiring all or a portion of the Prior Bonds; 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 (including the 2014 Refunding Bonds) may be issued, and such indenture, as previously supplemented, 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 2014 Refunding Bonds; and

WHEREAS, there have been presented to this Board of Directors proposed substantially final forms of a Fourth Supplemental Indenture pursuant to which the 2014 Refunding Bonds are proposed to be issued by GWA (the "Supplemental Indenture"), an escrow agreement in respect of the refunding of the Prior Bonds (the "Escrow Agreement") and a bond purchase agreement pursuant to which the 2014 Refunding Bonds will be sold (the "Bond Purchase Agreement" and, together with the Supplemental Indenture and the Escrow Agreement, 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 2014 Refunding Bonds in an aggregate principal amount not to exceed an aggregate principal amount sufficient to provide funds for such redemption or retirement of all or a portion of such Prior Bonds, plus related costs of issuance and of such redemption or retirement, [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 2014 Refunding Bonds.

Section 2. The form of Bond Purchase Agreement presented to this meeting, relating to the 2014 Refunding Bonds, 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 [or Acting 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, relating to the 2014 Refunding Bonds 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 2014 Refunding 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 2014 Refunding 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 2014 Refunding Bonds to be issued (subject to Section 1 hereof), the number of series of such 2014 Refunding 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 2014 Refunding 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 2014 Refunding 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 2014 Refunding 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 2014 Refunding 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 2014 Refunding Bonds and the holding of any appropriate information meetings concerning the 2014 Refunding Bonds.

Section 7. All actions heretofore taken by the officers, representatives or agents of GEDA in connection with the issuance and sale of the 2014 Refunding Bonds are hereby ratified, confirmed and approved.

Section 8. The 2014 Refunding 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.

§13. The next item under New Business: RFP 14-008 for Professional Multi-Discipline consulting Services for the Research, Development, Planning and Implementation of Economic Development Initiatives and Opportunities.

Mr. Larry Toves informed the Board that GEDA issued RFP 14-008 for Professional Multi-Discipline Consulting Services for the Research, Planning and Implementation of Economic Development Initiatives and Opportunities. The intent of the RFP was to obtain proposals from consultants that were interested in providing a wide variety of services to GEDA. The selected consultant would perform services on an as-needed basis and subject to the availability of funds. The first task to be

performed by the consultant was to prepare the update of the Hagåtña Restoration and Redevelopment Authority's Master Plan.

The RFP was published in the Marianas Variety on March 28, 2014. The submission date for the proposal was April 25, 2014. Three (3) prospective offerors registered for the RFP but only one company submitted a proposal by the deadline. An evaluation team comprised of GEDA, HRRRA Board members (Senator Respicio and John Calvo) and the President of the Department of Chamorro Affairs evaluated the proposal on May 7, 2014 and gave the proposal from Matrix Design Group Inc. 6,720 points out of a possible 7,000 total points.

If the selection of Matrix Design Group is approved by the GEDA board, a master contract will be negotiated. GEDA Board approval will be obtained for any specific future work required by GEDA under the master contract. Matrix fees for preparation of the HRRRA Master Plan update will be negotiated and this particular task order will be submitted to the HRRRA Board for approval.

Matrix Design Group Inc. is a Colorado-based company that has a local office. It has been performing services under a contract with the Office of the Governor which is fully funded by the Office of Economic Adjustment, Department of Defense.

GEDA staff recommends that the Board of Directors approve the selection of Matrix Design Group Inc. to carry out the services under RFP 14-008 and authorize the Real Property Division to negotiate terms and conditions of the master contract, along with the fee proposal to be submitted by the single offeror for Task Order No. 1 to complete the HRRRA Master Plan. The Board further authorizes the Administrator to execute a master contract with Matrix Design Group Inc. upon presentation to both GEDA and HRRRA Board of Directors for final approval and final review by GEDA's legal counsel.

After further discussion, a motion duly made by Director Chiu and seconded by Director Espaldon, to approve the selection of Matrix Design Group Inc. to carry out the services under RFP 14-008 and authorize the Real Property Division to negotiate terms and conditions of the master contract, along with the fee proposal to be submitted by the single offeror for Task Order No. 1 to complete the HRRRA Master Plan. The Board further authorizes the Administrator to execute a master contract with Matrix Design Group Inc. upon presentation to both GEDA and HRRRA Board of Directors for final approval and final review by GEDA's legal counsel... The motion was unanimously approved.

Reports

§14. The next item on the agenda was Reports.

Directors Mesa and Bordallo wanted to point out that members of the Board requested to go over the loans and this was met and they are on the right track. All the reports that the divisions prepare for the Board meetings Director Monte also mentioned that the reports and updates are being provided and the Board can see the progress with collections.

Chairman EJ Calvo informed the Board that there is another item that needed to be brought up, the GEDA Office Lease is up for renewal. Deputy Administrator, Mana Silva Taijeron informed the Board that there was an increase per square foot for the GEDA office lease renewal. They are contingent on a longer term lease instead of an annual lease; it would be three year lease. We are agreeable to the increase, it seems nominal, about thirty-seven cents per square foot, but we are not quite in agreement with the long term lease and we haven't signed anything yet. We are in negotiations and discussions with the landlord.

After discussion on the details of the lease, Chairman Calvo asked for an update and mentioned that it was a good time to look at other options. Time is of the essence because we are on a month to month.

Deputy Administrator, Taijeron also mentioned to the Board that the RFP for GEDA's Legal Counsel will be posted on Friday, May 16, 2014.

Public Comments

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


Adjournment

§16. Having no further items to discuss, on motion to adjourn duly made by Director Chiu and seconded by Director Mesa, at 3:04 p.m., the meeting was adjourned.

Dated this 17th day of July, 2014


David J. John
Vice Chairman

ATTEST:



George Chiu

Secretary

Director