

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

September 30, 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 September 30, 2016 at the hour of 1:30PM 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

David J. John

Ernesto Espaldon Jr

George Chui

Jay Rojas

Absent and excused was:

Vera Wu

Monte Mesa

Offices or Positions:

Chairman

Vice Chairman

Director

Director

Administrator

Secretary

Director

Also present were:

GEDA Officials:

Angelene Guzman	GEDA
Diego Mendiola	GEDA
RaeAnn LeFever	GEDA
John San Nicholas	GEDA
Ed Camacho	GEDA
Antoinette Leon Guerrero	GEDA
Tony Arriola	GEDA
Dong Choe	GEDA
Matt Baza	GEDA
Mary Camacho	GEDA
Julius Santos	GEDA
Gloria Molo	GEDA
Larry Toves	GEDA
Jha'Aunie Leon Guerrero	GEDA
Claire Cruz	GEDA
Therese Ybarra	GEDA
Ken Quinatanilla	KUAM News
Carlito Rozanski	KUAM News
Lara Ozaki	Glimpses Publications
Terry Brooks	Legal Counsel – Brooks Concepcion Law, PC

Approval of Agenda

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

Approval of Minutes

§4. Approval of minutes from the September 2016 board meeting was next on the agenda for consideration. Motion to approve the minutes was made by Vice Chairman John and seconded by Director Chiu. The motion was unanimously approved.

Communications

§5. The next item on the agenda was Communications. Administrator, Jay Rojas briefed the board on the MOA between GEDA and DCA for Chamorro Village. No decisions were made. He also brought up that there was a public hearing on Monday, October 3 @ 9AM regarding Bill No. 371-33 for the museum. The boards stance is to lift the cap on the museum to complete it – no decisions were made by the board.

Old Business

§6. The next item on the agenda was Old Business. Business Development Division:

September 30, 2016

TO: All Senators
I Mina'trentai Tres Na Liheslaturan Guåhan
155 Hesler Place
Hagåtña, GU 96910

RE: Letter of Support for Manhita Farms, LLC

Dear Senators:

Hafa adai! Manhita Farms, LLC has been working closely with the Guam Economic Development Authority (GEDA) throughout the process of establishing their operation. In May, 2015, Manhita Farms obtained GEDA's leasehold interest in property in Yigo, Guam, which is under the inventory of the Department of Agriculture. Even further, the GEDA Board has recommended the approval of Manhita Farms' application for a Qualifying Certificate in April, 2016.

As you know, the development and growth of a sustainable local economy is a top priority for GEDA. One of the industries that has garnered particular interest over the last few years is agriculture. Manhita Farms plans to produce hundreds of thousands of locally grown produce, and well over 2.5 million dozens of fresh locally produced eggs every single year. Their project will help Guam reduce imports and reignite our agriculture industry all the while creating new jobs.

Manhita Farms is undertaking one of the largest agriculture projects Guam has ever seen. GEDA is extremely excited and appreciative of their commitment to grow Guam's economy in an industry that has immense potential to increase local residents' quality of life. Manhita Farms has already paid off its debt to GEDA for its leasehold interest, and currently has approximately 2 years remaining on their lease with the Department of Agriculture.

The initial lease, which was signed by the Department of Agriculture and the former leaseholder, had a full lease term of fifty (50) years. Manhita Farms is simply looking for the same opportunity to develop and grow this farm for the same period of time as the initial leaseholder. GEDA wholeheartedly supports any legislation that would extend their current lease back up to fifty (50) years, and strongly urge the members of *I Mina'Trentai Tres na Liheslaturan Guahan* to do the same.

Sincerely,

Edward J. Calvo
Chairman of the Board

Jay Rojas
Administrator

cc: Director, Department of Agriculture
Manhita Farms, LLC

The motion to approve the letter of support for Manhita Farms was made by Director Chiu and seconded by Vice Chairman John. The motion was unanimously approved.

New Business§7. The next item on the agenda was New Business. Public Finance Division:



GEDA
Guam Economic Development Authority
Ata'vidad Inadilanton Ikumunihan Guahan

EDDIE BAZA CALVO
I MASA LAHEN GUAHAN
RAT TENDRIO
JAY ROJAS
MANA SILVA TAIJERON

September 27, 2016

TO: GEDA Board of Directors
Jay Rojas, Administrator
Mana Silva Taijeron, Deputy Administrator

FROM: Christina D. Garcia, Public Finance Manager

RE: **INVEST GUAM (MUNICIPAL BOND) SYMPOSIUM 2017 – Budget Approval**

Hafa Adai!

As you are aware, GEDA is mandated to serve as the Central Financial Manager for the Government of Guam as per 12 GCA, Section 50103 (k). This role is facilitated through the Public Finance Department, which assists with, coordinates and monitors Financial Advisory Services, Capital Financing, Debt Management and the Capital Markets.

A key activity of the Department is to continue to build stronger bond investor relations, which will generate greater interest and provide more advantageous financings for the Government of Guam. In support of this, GEDA will host a 2-day Invest Guam Symposium 2017, tentatively schedule for February 22nd and 23rd, 2017 at the Dusit Thani Hotel.

This Symposium will provide an opportunity for investors to experience first-hand the assets they have invested in. This will be the island's first municipal bond seminar, creating a model for future events focused around our investors. This seminar will not only strengthen our existing relationships with investor accounts, but will also enhance our efforts in being more transparent.

The goal of this seminar is to provide bond investors with updates in areas of tourism, military, utilities and the overall economy as well as enable them to witness the growth Guam has undergone over the past couple of years. It will also help alleviate concerns with the 'Puerto Rico Oversight, Management, and Economic Stability Act' or 'PROMESA'.

INVEST GUAM (MUNICIPAL BOND) SYMPOSIUM 2017 Funding

The Invest Guam Symposium is a program that we have been discussing for a number of years. Therefore, GEDA has been setting aside funds from the past bond deals to cover the cost for the symposium. It is our intent to have the conference expense in the initial amount of \$32,000 be covered by GEDA Bond expenses. See attached for budget.

Thank you in advance for your continued support.

Senseremente.

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ITC BUILDING, SUITE 511
TAMUNING, GUAM 96913



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FAX (671) 649-4146
WWW.INVESTGUAM.COM

INVEST GUAM (MUNICIPAL BOND) SYMPOSIUM 2017 – Budget Approval

As presented at the GEDA Board of Directors Meeting, 9/30/16

Approved

Disapproved

Approved

Disapproved

Jay Rojas
Administrator

EJ Calvo
GEDA Board Chairman



Administrative Services Division:

GUAM ECONOMIC DEVELOPMENT AUTHORITY

Fiscal Year 2017 Projected Budget

Adopted by the Board of Directors on _____ 2016.

Recommended & Certified by:

Jay Rojas, Administrator

Mana Silva Taljeron, Deputy Administrator

Approved by:

Edward J. Calvo, Board Chairman

Vera Wu, Board Secretary

**GUAM ECONOMIC DEVELOPMENT AUTHORITY
FY2017 PROJECTED BUDGET - SUMMARY**

	FISCAL YEAR 2016		FISCAL YEAR 2017		
	APPROVED	ACTUAL AS OF 9/23	INCREASE (DECREASE)	%	AMOUNT PROJECTED
SUMMARY					
Operating Revenues	3,008,985	3,035,441	207,910	6.91%	3,214,895
Operating Expenses	3,047,321	3,100,105	208,853	6.79%	3,254,174
Net Operating Income (Loss)	(40,336)	(64,663)	1,057	-2.62%	(39,279)
Non-Operating Income	88,792	148,580	(7,112)	-8.01%	81,680
Depreciation Expense	48,456	40,136	(8,456)	-17.45%	40,000
Net Income/(Loss)	0	124,052	2,401		2,401

**GUAM ECONOMIC DEVELOPMENT AUTHORITY
FY2017 PROJECTED REVENUES**

REVENUES	FISCAL YEAR 2016		FISCAL YEAR 2017		
	APPROVED	ACTUAL AS OF 9/23	INCREASE (DECREASE)	%	AMOUNT PROJECTED
REVENUES					
Leases					
Industrial Parks					
Cabras Industrial Park	24,739	24,739	(0)		24,739
ET Calvo Memorial	940,482	1,023,010	74,019		1,014,501
Harmon Industrial Park	117,813	126,545	7,031		124,844
Total Leases	1,083,034	1,174,294	81,049	7.48%	1,164,084
GALC	88,547	90,735	24,098	27.21%	112,643
QC/Surveillance	109,665	134,265	1,500	1.37%	111,185
QC/Economic Development	898,639	684,500	(43,306)	-4.83%	853,333
QC/Marketing	75,000	75,000	0	0.00%	75,000
Anticipated Bond Fee	752,000	894,373	144,570	19.22%	896,570
Guam Product Seal	2,100	2,275	0	0.00%	2,100
Non-Operating Revenue:					
Total Other Revenue	88,792	148,580	(7,112)	-8.01%	81,680
Total Revenues	3,095,777	3,184,021	200,798		3,296,575

**GUAM ECONOMIC DEVELOPMENT AUTHORITY
FY2017 PROJECTED BUDGET**

EXPENSES	FISCAL YEAR 2016		FISCAL YEAR 2017		
	AUTHORIZED	As of 9/23	Increase (decrease)	%	AMOUNT PROJECTED
Salaries & Benefits	2,122,434	2,245,827	187,486	8.83%	2,309,920
Travel	57,791	55,307	(4,791)	-8.29%	53,000
Marketing & Promotions					
-Trade Msn (Travel)	100,000	105,478	0	0.00%	100,000
- GPS, Promo Items, Promo TV, airtime	0		50,000	100.00%	50,000
Contractual Services					
Office Space	207,238	205,166	(2,299)	-1.11%	204,839
Legal Services	76,000	57,030	(15,000)	-20.00%	60,000
Insurance	12,364	7,553	(4,213)	-34.07%	8,151
Audit	27,200	28,783	1,329	4.88%	28,529
Copier Lease	16,230	16,518	(5,960)	-36.72%	10,270
Other Professional Service	275,000	282,505	1,000	0.36%	278,000
Software - Licensing / Maintenance	8,594	6,000	3,187	48.33%	9,781
Lease Vehicle	8,457	7,047	(306)	-3.62%	8,151
Maint-Vehicles	824	0	806	97.72%	1,830
Fuel Services	1,236	88	(421)	-34.08%	815
Postal Services	1,000	106	(500)	-50.00%	500
Courier Services	500	0	0	0.00%	500
Subscriptions/Periodicals	2,200	243	1,395	63.41%	3,595
Advertising	6,000	9,450	1,000	18.67%	7,000
Printing & Photocopying	6,000	3,128	(1,000)	-16.67%	5,000
Total Contractual Services	645,844	603,596	(20,983)	-3.25%	624,861
Supplies & Materials	8,000	4,486	(3,000)	-37.50%	5,000
Equipment					
Software < \$500	2,500	0	(2,000)	-80.00%	500
Computer Periphera/Accsy	500	250	0	0.00%	500
Office Equip - Other	1,000	250	(500)	-50.00%	500
Total Equipment	4,000	500	(2,500)	-62.50%	1,500
Communication					
Telephone-Basic	6,182	2,194	(69)	-1.11%	6,113
Long Distance	150	273	0	0.00%	150
Website - Investguam	6,182	4,475	(476)	-7.70%	5,706
ISP Services	4,797	302	(53)	-1.11%	4,744
Total Communications	17,311	7,244	(598)	-3.46%	18,713
Miscellaneous					
Retiree Supplemental/Med/Dental/Life	52,315	58,176	6,185	11.82%	58,500
Contingency	2,500	3,508	500	20.00%	3,000
Refreshment/Entertainment	3,500	3,241	2,000	57.14%	5,500
Training & Development	17,000	10,168	(1,700)	-10.00%	15,300
Membership Dues/Fees	3,725	1,235	(745)	-20.00%	2,980
Cable TV	1,400	665	0	0.00%	1,400
PTR's	10,000	0	(5,000)	-50.00%	5,000
Bank Chrgs / Investment Fees	1,500	674	0	0.00%	1,500
Total Miscellaneous	91,940	77,668	1,240	1.35%	83,180
Total Operational Expenses	3,047,321	3,100,105	206,853	6.79%	3,254,174
Depreciation	48,458	40,136	(8,456)	-17.45%	40,000
Total Expenditures	3,095,777	3,140,241			3,294,174

Both items were motioned to be approved by Director Espaldon and seconded by Director Chiu. The motion was unanimously approved.

Reports

§8. The next item on the agenda was Reports. There were none.


Public Comments

§9. 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 Espaldon and seconded by Director Chiu, at 2:36PM, the meeting was adjourned.

Dated this 28th day of October, 2016



Edward J. Calvo
Chairman

ATTEST:


~~Vera Wu~~ *Dal Pd*
Secretary *Via Ch*