

BOARD OF DIRECTORS

*Francisco G. Santos, Chairman
Oscar A. Calvo, Vice Chairman
Melanie R. Mendiola, Board Secretary
Maria D.R. Taitano, Member
Nathan T. Taimanglo, Member*



Resolution No. 2017-22

**RELATIVE TO AUTHORIZING THE PORT AUTHORITY OF GUAM
TO PROCEED WITH THE ISSUANCE OF REVENUE BOND FINANCING**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PORT AUTHORITY OF GUAM:

WHEREAS, *I Maga'låhen Guðhan*, signed Bill No. 157-34 into law on December 5, 2017, as Public Law 34-70 which governs the Port Authority of Guam (Port) relative to revenue bonds and other indebtedness; and

WHEREAS, in accordance with law, the bond issuance is for the purposes of financing improvements and/or working capital of the Port and other related facilities and operations and the refinancing of existing loans of the Port; and

WHEREAS, the Port has engaged the Guam Economic Development Authority as the Central Financial Manager and Consultant for the government of Guam agencies or instrumentalities, relative to the Port's intent to pursue bond financing; and

WHEREAS, by way of Public Law 34-70, approval and authority was extended to the Port for the issuance of one or more series of bonds to finance capital improvements, including, but not limited to: (1) local match for the Transportation Investment Generating Economic Recovery (TIGER) grant program funding for rehabilitation of "H" Wharf and access road in the approximate amount of \$14,200,000; (2) replacement of the Administration Building in the approximate amount of \$17,500,000; (3) replacement and relocation of domestic waterline(s) in the approximate amount of \$6,000,000; (4) repair and expansion of Equipment Maintenance & Repair Building (EQMR) in the approximate amount of \$3,628,800; (5) repair of Warehouse I in the approximate amount of \$2,000,000; and (6) repair of Golf Pier in the approximate amount of \$2,000,000; and

WHEREAS, approval and authority was also extended to refinance all or a portion of the following existing loans of the Port as shall be determined eligible: (1) a loan in the original principal amount of \$12,000,000 from ANZ Guam, Inc. made in December 2012; (2) a loan in the original principal amount of \$10,000,000 from Bank of Guam made in April 2014; and (3) a loan in the original principal amount of \$2,000,000 from the United States Department of Agriculture made in July 2015; and

WHEREAS, in addition to above, the proceeds of issuance of one or more series of bonds will also be used to fund capitalized interest with respect to the bonds; to pay any costs or expenses relating to the authorization, issuance, or sale of bonds in an amount not to exceed two percent (2%) of issuance; to fund a deposit to a debt service reserve fund in an amount not to exceed \$6,000,000 with respect to the bonds; and further provided that such bonds shall have a principal amount not to exceed \$72,600,000 with a final maturity not later than 2048 and shall bear an interest rate not to exceed 6.5% per annum; now therefore be it

RESOLVED, the Port Authority of Guam Board of Directors, as vested with the authority through Public Law 34-70 hereby authorizes the Port Authority of Guam to proceed with the issuance of one or more bonds for purposes of funding (1) Capital Improvement Projects which include the rehabilitation of "H" Wharf and Access Road, the replacement of the Administration Building, the relocation of domestic waterlines, the repair of the Equipment Maintenance and Repair Building (EQMR) and Warehouse I, and the repair of Golf Pier; and (2) to refinance all or portions of the existing eligible loans of the Port; and be it further

RESOLVED, the Chairman certifies and the Secretary attest to, the adoption hereof and that a copy of this resolution be sent to the Public Utilities Commission and the Guam Economic Development Authority.

**PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF
DIRECTORS THIS 19th DAY OF DECEMBER, 2017.**




**FRANCISCO G. SANTOS
CHAIRMAN, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM**

**MELANIE R. MENDIOLA
SECRETARY, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM**