

**BOARD OF DIRECTORS***Daniel J. Tydingco, Chairman**Christine Won Pat Baleto, Vice Chairperson**Mary Michelle Gibson, Secretary**Michael T. Benito, Member***Resolution No. 2013-07****RELATIVE TO THE APPROVAL AND ACCEPTANCE OF THE TERMS  
AND CONDITIONS FOR THE \$10 MILLION COMMERCIAL LOAN  
WITH BANK OF GUAM****BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PORT AUTHORITY OF GUAM:**

WHEREAS, on March 30, 2012, the Board of Directors authorized the Port Authority of Guam (PAG) to initiate the procurement process with the Guam Economic Development Agency (GEDA) to solicit financial assistance in an amount of up to \$15M to fund the service life extension repairs for the wharfs; and

WHEREAS, the Board of Directors at its June 28, 2012 regular board meeting concurred with the issuance of the Request of Proposal (RFP) No. 12-014 for a commercial lending institution for the proposed financing of the Port's service life extension repairs on the Port's wharf; financial management system and top lifter with the total amount not to exceed Ten Million Dollars (\$10,000,000.00); and

WHEREAS, GEDA issued the RFP on September 14, 2012 and received three responses to the proposal. Two of the responses were deemed acceptable and the third withdrew its interest; and

WHEREAS, on October 26, 2012, the Negotiation Team met with Bank of Guam and was able to successfully negotiate the terms and conditions; and

WHEREAS, on November 6, 2012, GEDA issued the Notice of Award to Bank of Guam (BOG) as the financial institution to provide the services as outlined in the RFP; and

WHEREAS, on January 22, 2013, it was made known to PAG that BOG had expressed that the condition on closing the loan was for PAG to waive its sovereign immunity; and

WHEREAS, PAG, GEDA, BOG and the Committee Chairman on Maritime Transportation of the 32<sup>nd</sup> Guam Legislature, in a collaborative effort, produced legislative language agreeable to all interested parties that resulted in Bill No. 86-32, relative to authorizing the PAG to waive sovereign immunity to satisfy a prerequisite for approval of a \$10M commercial loan; and

WHEREAS, on June 28, 2013, the Governor of Guam enacted into law Public Law 32-42, relative to authorizing the PAG to waive sovereign immunity to satisfy a prerequisite for approval of a \$10M commercial loan; now therefore be it

RESOLVED, the Board of Directors accepts the commercial loan terms and conditions to be executed between the Port Authority of Guam and Bank of Guam in the amount of \$10 Million Dollars for purposes of financing the service life extension repairs for the wharfs; financial management systems and top lifter, and authorizes management to formally petition the Public Utilities Commission for approval; and be it further

RESOLVED, the Chairman certify to and the Secretary attest the adoption hereof and that a copy of the resolution be transmitted to the Public Utilities Commission.

**PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF  
DIRECTORS THIS 25<sup>th</sup> DAY OF JULY, 2013.**

**DANIEL J. TYDINGCO  
CHAIRMAN, BOARD OF DIRECTORS  
PORT AUTHORITY OF GUAM**

**MARY MICHELLE GIBSON  
SECRETARY, BOARD OF DIRECTORS  
PORT AUTHORITY OF GUAM**

