

BOARD OF DIRECTORS

*Francisco G. Santos, Chairman
Christine Won Pat Baletto, Vice Chairperson
Mary Michelle Gibson, Secretary
Timothy T. Kernaghan, Member*

**Resolution No. 2014-04****RELATIVE TO SETTING FACILITY LEASE AND USE RATES
OF THE PORT AUTHORITY OF GUAM****BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PORT AUTHORITY OF GUAM:**

WHEREAS, Public Law 30-52 placed the Jose D. Leon Guerrero Commercial Port under the oversight of the Public Utilities Commission (PUC) for establishment or modifications of rates and other charges; and

WHEREAS, Public Law 30-19 empowers the Port Authority of Guam (PAG) Board of Directors with the authority to set lease rates at a ten percent (10%) increase over the previously charged rate, or the amount determined by recent assessment, whichever is greater; and

WHEREAS, on November 30, 2012, Captain & Associates, Inc. (C&A), PAG's consultant provided a summary appraisal and consulting report on an analysis of PAG's current fee structure to determine possible rate increases and/or decreases for office, warehouse, open yard and telecommunications space; and

WHEREAS, the summary appraisal and consulting report of PAG properties prepared by C&A, the lease rate proposed are less than PAG's current rates; and

WHEREAS, the current rate per square foot for the leasing of port properties include office space at \$1.63, warehouse space at \$0.76 and open space at \$0.46; and

WHEREAS, the proposed lease rates per square foot prepared by C&A include office space at \$1.41, warehouse space at \$0.70 and open space at \$0.39; and

WHEREAS, based on the assessment and as mandated by Public Law 30-19 Section 4 relative to Setting Facility Lease and Use Rate, the Port Authority Board of Directors shall set lease rates at a ten percent (10%) increase over the previously charged rate; and

WHEREAS, the Port Authority Board of Directors at its regular meeting of February 17, 2014 adopted the ten percent (10%) escalation fee for the leasing of port properties; now therefore be it

RESOLVED, the Port Authority Board of Directors hereby authorizes the submission of an Open Space Escalation Fee petition for the leasing of port properties at \$1.79 per square foot for office space, warehouse space at \$0.77 per square foot and open space at \$0.51 per square foot to the Public Utilities Commission following adequate Public Notice; and be it further

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

**PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF
DIRECTORS THIS 27th DAY OF MARCH, 2014.**

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

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

