

BOARD OF DIRECTORS

Francisco G. Santos, Chairman

Christine Won Pat Baleto, Vice Chairperson

Timothy T. Kernaghan, Member

Oscar A. Calvo, Member



Resolution No. 2014-12

RELATIVE TO APPROVING THE REPROGRAMMING OF \$2 MILLION COMMUNITY FACILITY DIRECT LOAN BETWEEN THE JOSE D. LEON GUERRERO COMMERCIAL PORT OF GUAM AND THE UNITED STATES DEPARTMENT OF AGRICULTURE

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE JOSE D. LEON GUERRERO COMMERCIAL PORT:

WHEREAS, in 2006, the Port Authority of Guam (PAG) was approved for a total of \$14 million in Community Facility (CF) Direct and Guaranteed Loans from the United States Department of Agriculture (USDA) for the purchase of gantry cranes; and

WHEREAS, in December 2012, the sale was finalized for the purchase of three POLA gantry cranes in the amount of \$12 million in CF Guaranteed Loan, leaving a balance of \$2 million in CF Direct Loan; and

WHEREAS, PAG expressed continued interest in the CF Direct Loan of \$2 million with USDA in a letter dated June 13, 2013 and requested for the loan to be applied towards critical cargo handling equipment and maintenance equipment; and

WHEREAS, management relayed to the Board the loan term conditions at its regular Board meeting of July 25, 2013 wherein the Board of Directors approved up to a 10 year amortization on the USDA \$2 million CF Direct Loan for purposes of acquiring critical equipments; and

WHEREAS, after numerous discussions with USDA, management provided the required documentation and financial statements to further the reprogramming of the loan; and

WHEREAS, on July 18, 2014, USDA provided PAG with a 2nd amendment to the Letter of Conditions and requisite forms in order to effectuate the use of funds; now therefore be it


RESOLVED, the Board of Directors approves the reprogramming of the United States Department of Agriculture Community Facility Direct Loan in the amount of \$2 million for purposes of acquiring critical cargo handling equipment and maintenance equipment; and be it further

RESOLVED, the Board of Directors accepts the 2nd amendment to the Letter of Conditions to be executed between the United States Department of Agriculture and Port Authority of Guam; and be it further

RESOLVED, that the Chairman certify to and the Secretary attest to, the adoption hereof and that copies of the same be thereafter transmitted to the United States Department of Agriculture.

**PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF
DIRECTORS THIS 8th DAY OF AUGUST, 2014.**


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


**CHRISTINE WON PAT BALETO
VICE CHAIRPERSON, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM**

