

**Resolution No. 2015-03**

**RELATIVE TO FINALIZING AND CLOSING THE \$2 MILLION COMMUNITY FACILITY  
DIRECT LOAN BETWEEN THE JOSE D. LEON GUERRERO COMMERCIAL PORT 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**, USDA provided PAG with the Letter of Conditions dated September 17, 2006 amended October 26, 2006, July 18, 2014 and October 14, 2014, along with the requisite forms in order to effectuate the use of funds; and


**WHEREAS**, after further discussions with USDA, management was provided the 4<sup>th</sup> Amendment to the Letter of Conditions on April 21, 2015; now therefore be it


**RESOLVED**, the Board of Directors accepts the 4<sup>th</sup> Amendment to the Letter of Conditions between the United States Department of Agriculture and Port Authority of Guam; and be it further

**RESOLVED**, the Board of Directors hereby authorizes Management to execute the 4<sup>th</sup> Amendment to the Letter of Conditions with intent to close and with the authority to establish, create and/or open the requisite account with the bank as well as complete all administrative actions necessary and incidental to effectuate the transfer of and access to the funds; 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 13<sup>th</sup> DAY OF MAY, 2015.**

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

  
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**TIMOTHY T. KERNAGHAN**  
**SECRETARY, BOARD OF DIRECTORS**  
**PORT AUTHORITY OF GUAM**

