



**Minutes of Regular Meeting to the Board of Directors of the  
Guam Economic Development Authority  
October 26, 2023**

***Call to Order***

- § 1. The regular meeting of the Board of Directors of the Guam Economic Development Authority (“GEDA” or the “Authority”) was held on Thursday, October 26, 2023 at the hour of 1:35 p.m., at the GEDA conference room, Suite 511, GITC Building, Tamuning, Guam. The meeting was called to order by Chairman David J. John to consider items on the Agenda.

***Inifresi***

- § 2. GEDA Board of Directors and all others in attendance recited the *Inifresi*.

***Quorum and Attendance***

- § 3. **Roll call.** As determined by the roll call made by Chairman David J. John the following individuals were present:

<b><i>Directors:</i></b>	<b><i>Office or Position:</i></b>
David J. John	Chairman
Ernesto Espaldon Jr.	Vice Chairman
Siska Hutapea	Secretary/Director (via zoom)
Andrew Park	Director
Dr. Doreen Crisostomo-Muna	Director
Melanie Mendiola	CEO/Administrator
Carlos P. Bordallo	Deputy Administrator
Terrence M. Brooks	Legal Counsel

***Also, in attendance were:***

Angelene Rios	GEDA
Tina Garcia	GEDA
Jenn Calvo-Guzman	GEDA
Claire Cruz	GEDA

Ed Camacho	GEDA
Diego Mendiola	GEDA
Melvin Tabilas	GEDA
Christina Merfalen	GEDA
Yong Pak	GEDA
Frank San Nicolas	The Guam Daily Post

***Approval of Agenda***

- § 4. The motion to approve the agenda was made by Vice Chairman Ernesto Espaldon Jr. The motion was seconded by Director Park. The Directors then voted, and the motion was unanimously passed.

***Approval of Minutes***

- § 5. Director Park made the motion to approve September board meeting minutes, and was seconded by Vice Chairman Ernesto Espaldon Jr. The Directors then voted, and the motion was unanimously passed.

***Chairman's Remarks***

- § 6. Chairman David John reported the following:
- a. The only item for the board action is the performance evaluation of our administrator.
  - b. Domestically, we are still seeing ongoing struggles with inflation. Right here at home, we had the threat of typhoon. We were ultimately spared and are grateful for that. But what it means for the municipal markets is that we are in a holding pattern on two issuances, the GWA and a GARVY bonds. Both were planned for investor meetings this month, but on the advice of underwriters and municipal advisors, we pushed this to early next year because of the interest rate volatility.
  - c. The SBD team is working with representatives that are on island from the US Economic Development Administration to identify possible projects for grant application funding in the coming year or two. Note, we have already received funding toward aquaculture and the green markets and our CEDDs study from this pot of money. UOG's multimillion dollar School of Health expansion is also utilizing this same source of money. Administrator Mel will give you additional updates.

***CEO/Administrator's Remarks***

- § 7. Administrator Mendiola reported the following:
- a. Our only update in our reports today, I believe there's one update to the qualifying certificate report. We did receive a letter of intent from one company called Aviation Concepts, LLC. The letter of interest to apply for a QC was received on October 13th.

They're currently engaged in some drone training. In addition, they'd like to do some aviation fuel services as well. We look forward to seeing how that process goes for them. In addition, we did send a letter to the attorney general concerning, as the board was made aware, we posted an EMA notice. This is a notice to our municipal bondholders about the BPT pledge and how any laws that may affect it or not affect it or any potential effects on the pledge, just to get any commentary, concerns, et cetera. I'd say it's been about a month and a half, and still we've received nothing from bondholders, so this leads us to believe there's no concern. We waited about three weeks until we actually sent the letter to the AG saying we've not received anything. We believe this was a good round of disclosure, and we'd like to go ahead and recommend moving forward. We'll probably follow up with the AG's office again next week.

- b. The AG's careful consideration of this qualifying certificate will effectively cause swifter opinions on the other QCs because the same issue affects the other QC's. We're hopeful that we'll get some feedback ASAP and we'll follow up regardless. Then right now, the governor is very active over the next few days, doing a number of, she's calling them road shows, information meetings about the medical campus. The last meeting will be on Monday night at the GCC Multi-Purpose Center. This morning was the first one at 7:30. One thing I did want to correct, something we have mentioned multiple times in the press, but every time it's referenced in the media, it's referred to as a \$6 million medical action plan. It wasn't a \$6 million plan. Matrix Group had \$6 million worth of contracts with the government of Guam over the course of its multiyear contract. The medical campus plan was one of them. There were approximately 22 meetings held with GMH personnel, divisions, and teams in late 2021. That alongside some work with GRMC and the surveys with GRMC, the clinics, the hospitals, and a survey of the medical community that went into a certain portion of medical action plan and what services are a part of phase one. The medical campus is a phased study.
- c. Today, the staff at GMH was happy, of course, about any discussion about improvement of facilities. Improvement of facilities in the near term, as we're all aware, Governor Leon Guerrero pledged \$20 million from ARP towards improving the hospital, and the legislature also appropriated some money for that. They're happy with that. Doctor Eusebio brought up the business case. He said, if we don't get the business side of the house right, we will fail the way public hospitals across America are failing as far as billing and not collecting. He said, it has nothing to do because you build your campus wherever you like, but if you don't get your financial house in order, it doesn't matter how beautiful of a hospital we have, which the Governor did not disagree with him.

#### ***Committee and Standing Reports***

§ 8. Administrator Mendiola reported the following:

- a. The committee reports were attached with the Board packet, the qualifying certificate report with the addition of Aviation Concepts was the only addition.

- b. Director Hutapea commented that Administrator Mel mentioned about following up with the AG office on some issues. She asked that GEDA also follow up with the AG office regarding the building permit system procurement that has been stuck there for a while because of the protest? I can't stress enough how important the building permit issue is to provide more supply to our already dire, affordable housing condition.

*Old Business*

§ 9. There was no old business to discuss.

*New Business*

§ 10. Chairman David John reported the following:

- a. Next on the agenda here is the performance evaluation for Mel Mendiola, the CEO/Administrator. Mel and I sat down on Tuesday and we spoke about the progress that the organization has made under her leadership. I think I speak for us all in that you've done a great job with the organization and the team as a whole. It's a reflection of you and the team and the team and you right, together. I've been around.. this is year 13. I think this is the smoothest it's ever been running. The operational stability brought with the organization with the team and the finance situation we're in, is awesome. We used to have massive swings in our annual financials. We're not seeing that. The grant underwriting is solid and it's just nice to see the organization on sound financial footing. Also under your leadership, the community of the business perception you saw last week at Chamber, where not everybody is ever going to be happy with one administration and everything they're doing. I think in the community, I can't think of anyone who's ever spoke with anything but praise for the organization under your leadership. I'll also applaud you for that. We've also seen a lot more engagement with the small businesses, working with GUMA and hand in hand and complimenting each other. Lastly, the front office calls on us from time to time to help moving projects along the time to time or every day. I know that balancing these balls and trying to align all the different demands that are coming at you is a skill set in itself, and I think you can handle it very well. In the coming years, Mel and I spoke about the need to bring back aggressive marketing to invest in Guam. I think COVID took the wind out of our sails. I think it's time to reignite those sails and get back into that. But in order to do that, we're just going to bring up things with what Siska said we really need to push through on that. I think we're looking at determining what our priorities are, making sure that when we invite investors here, that we're inviting them to an environment where they can get the project done. We really need to push through these things and make sure that we're not going to bring them here and then agencies are going to drop balls on things. I think that needs to be the priority with that and I think we're in agreement with that. But if we can start to move forward with trade missions and bringing investors here, I think that would be great. But from my

perspective, if I were from a rating standpoint, your actions and your leadership to me have been outstanding and I applaud the efforts of you and your team. Thank you.

- b. Vice Chair Espaldon agreed. The suggestions that have been offered by the board, I think you've taken seriously, especially during the time of the, I guess, post-pandemic and trying to get the grant out there to a lot of the small businesses, both within the tourism industry and also not within the tourism industry. Also thinking, keeping in the back of your mind the businesses that are not in the know or not connected. I appreciate that. At the same time, you've also, I think, done a great job in terms of managing and collaborating with the team on other aspects, such as the bond, borrowing that we've been having, as well as the qualifying certificates. I think you have a good energy. Thank you for that. You do a good job at sticking up for your team, but also at the same time, taking responsibility when you know that things could have been done better and you strive to do them better. So thank you.

- c. The other directors concurred.

§ 11. Director Hutapea made a motion to accept Mel's performance evaluation as presented with an outstanding rating. Further that the Administrator, CEO Mel, who was last evaluated in 2021, be given a two-step pay increase as soon as possible, and was seconded by Vice Chairman Ernesto Espaldon Jr. The motion passed unanimously.

#### *Public Comments*

§ 12. There were no public comments made.

#### *Adjournment*

§ 13. A motion for the meeting to be adjourned was moved by Vice Chairman Ernesto Espaldon Jr. and was seconded by Director Park. Adjournment of the meeting was unanimously approved.

  
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DAVID JOHN, Chairman  
Board of Directors

Attest:

  
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SISKA HUTAPEA  
Secretary, Board of Directors