



Aturidád Inadilánton Ikunumihan Guahan

**Minutes of Regular Meeting to the Board of Directors of the
Guam Economic Development Authority
November 21, 2024**

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, November 21, 2024 at the hour of 1:30 p.m., at the GEDA conference room, Suite 511, GITC Building, Tamuning, Guam. The meeting was called to order by Chairman David 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 John, the following individuals were present:

Directors:

David J. John
Ernesto Espaldon Jr.
Siska Hutapea
Andrew Park
Dr. Doreen Crisostomo-Muna
Melanie Mendiola
Carlos P. Bordallo
Georgette Bello Concepcion

Office or Position:

Chairman (zoom)
Vice Chairman
Secretary/Director
Director
Director (zoom)
CEO/Administrator
Deputy Administrator
Legal Counsel

Also, in attendance were:

Angelene Rios	GEDA
Christina Merfalen	GEDA
Tara Murakami	GEDA
Jennifer Calvo Guzman	GEDA
Melvin Tabilas	GEDA
Yong Pak	GEDA

Diego Mendiola	GEDA
Gloria Melo	GEDA
Pamela Peralta	UOG
Sharleen Santos Bamba	UOG
Tracy Williams	UOG
Sam Mabini Young	UOG

Approval of Agenda

- § 4. The motion to approve the agenda was made by Secretary Siska Hutapea, and was seconded by Director Andrew Park. The Directors then voted, and the motion was unanimously passed.

Approval of Minutes

- § 5. The motion to approve the October board minutes, was made by Director Dr. Doreen Crisostomo-Muna, was seconded by Secretary Siska Hutapea. The Directors then voted, and the motion was unanimously passed.

Vice Chairman's Remarks

- § 6. Vice Chairman Ernesto Espaldon Jr. reported the following:
- a. The national and local elections are now complete, and as far as impacts to GEDA, it is too early to tell for any federal programs. Locally, we will see a new oversight chair come January. If we don't get a chance to say so next month, we would like to send our tremendous appreciation out to Senator Roy Quinata for his support and leadership over the last two years. Under Senator Quinata's leadership, we pressed forward with several important pieces of legislation, including LEAP II, a local employer assistance program. We certainly appreciate his open door and graciousness to the agency, and we wish him all the best in the future.
 - b. In public finance, we are almost done with the request for proposal evaluations. While all the awards are complete for bond underwriters, Guam Waterworks Authority receives separate authorization from the legislature to procure a banker relative to a commercial paper issuance program for short-term debt. This will likely be the last public finance meeting prior to year-end.
 - c. In real property, GHURA is the lead on the governor's medical campus. However, we are providing support when needed.

CEO/Administrator's Remarks

- § 7. Administrator Melanie Mendiola reported the following:

- a. Melvin and I, from our small business division, recently did a small business trade mission to Japan. We made connections in the city of Shizuoka. Shizuoka is the eighth largest city in Japan by virtue of GDP. But there are some interesting similarities between Shizuoka and Guam, and what we're interested in doing is undertaking some trade between our small businesses here and potentially their small businesses there. Melvin and I got to visit a farm, run by a gentleman who was a trader for Goldman Sachs, who decided he wanted to become a farmer. He has a small dairy farm and produces his own milk, cheese, and butter. He also has a microbrew in his farm. And what he agreed to do was work with us on a collaboration with local farmers, wherein we could work on a summer shandy type of project where we give him calamansi from Guam or mango from Guam. He handles the importation of the produce item and then turns it into summer ale, which can then be sold back here in Guam. And he currently already supplies like Don Don Donki, and others.
- b. In addition to the presence of our small businesses, they have a number of trade shows and trade events that are attended by buyers in Japan as well as the rest of Asia, like Korea, Singapore. It's a much, much lower cost of entry than sending our small businesses from Guam to America or to Europe for the same type of event, and a higher likelihood of being able to close the deal because we believe that the freight cost wouldn't be nearly as high to send the small scale of the small business exports from Guam to Japan versus Guam to California. All of this is being supported by the Western US Agriculture Trade Association and the State Trade and Export Program

Committee Reports

§8. Vice Chairman Ernesto Espaldon Jr. reported the following:

- a. The investment committee recently met with our advisors regarding Q3 results. GEDA's investments with BG Investment Services returned 6.56% for the quarter alone, pushing our year-to-date performance to 12.52% and 23.47% for the last 12 months. US equities led the charge, and outsize gains came from small and mid-caps, as well as value ETFs in which we are invested. Bonds also managed to return 4.5%. Finally, our allocation to alternatives via US infrastructure in an ETF returned 12.12% for the quarter. BG Investments has our allocation at 70% stocks and 30% bonds and cash. Regarding their outlook, which I like to usually share at this time of the year because I always ask them about 2025, is that they remain steady as we come to year's end.
- b. Raymond James ended the quarter at 6.16%, bumping up GEDA's year to date performance to 13.77% and 25.19% for the last 12 months. We are positioned a little bit more aggressively with Raymond James, 80% equities -20% fixed income and cash.
- c. In terms of GEDA's position, we are managing expectations into years end given profit-taking and rebalancing of funds. Into the new year, despite some good tailwinds that are predicted to support market gains, we will continue to manage expectations on short-term returns due to geopolitical risk, as well as inflation and labor uncertainty based on upcoming policy on tariffs and immigration.

New Business

§9. Administrator Melanie Mendiola reported the following:

- a. The Administrator discussed maintaining the \$100,000.00 threshold for approval at the executive level, the Administrator or in her absence, the Deputy Administrator. She also discussed raising the Agriculture Development Fund, the ADF, executive approval amount from \$50,000.00 to \$100,000.00.

§10. The motion to approve adopt Resolution 25-003, increasing the loan amount allowed to be approved by the Administrator or Deputy was made by Secretary Siska Hutapea, and was seconded by Director Andrew Park. The motion passed unanimously.

§11. Administrator Melanie Mendiola reported the following:

- a. We announced our qualifying certificate Community Contribution Program, with an original deadline of November 19th. We got several phone calls from the mayor's offices, there are mayors that are departing and new mayors that are coming in, that want to apply, but cannot until they take office. With that, and concerning the busyness of the holiday season, we thought that it would be good to push back the deadline and allow for a more competitive environment and more submissions.
- b. Most requests are for grants from the Community Contribution Grant program. Having said that, sometimes requests flow in that don't quite fit the box of our Community Contribution Grant program. If these requests strongly meet the organization's mission and the deliverables under the QC program, then we bring it to the board for your consideration. This is one of those requests. The University of Guam submitted this request for the creation of a Workforce Development Research Clearinghouse. The University of Guam team will be going in for a US EDA, US Economic Development Administration grant. They will be applying for a US EDA grant to fund the entire Workforce Development Research Clearinghouse. However, as with many federal grants, there is a 20% match requirement. UOG is seeking GEDA's support the 20% match requirement is what they're seeking our support for today.
- c. GEDA sees the great benefit of having a Center for Research about Workforce Development. Workforce development right now, what is available out there concerning our workforce is just the aggregate data that the Department of Labor provides. It's not enough if you want to know how many Chamorro women do we have? I would even extend this to what does our small business workforce look like? How is the workforce changing regarding generations.? Industries. How is the defense industry squeezing out the workforce for tourism? What does that really look like? And how can we effectively move policy and shape programs to address that? The GEDA management reviewed this

- request. We like it. It's also match. If they're not successful in getting the grant, our money remains in our bank account, and it's over the course of three years.
- d. The resolution itself, it lists an amount of \$247,881. This is payable across three years. And of course, is subject to the availability. Year two and three are subject to the availability of funds. Year one, however, would be funded out of our QC Community Contribution Grant program, which we have sufficient funds to meet this need, even after the QC grant program that we're currently doing, authorized for 600,000, in addition to the Hattori Award, which gives Health Care money to the University of Guam, as well as Guam Community College. Those are the only two. If you recall, we did have a multi-year award to the Center for Island Sustainability. That has since ended. And so this would be taking its place. But as far as the money for this year, we have sufficient funding. And for the future two years, it is all dependent on the GRMC QC which remains in force, so we should have no issues meeting the following two years match requirement.
- e. I do think that it's a very good idea to actually support this project with our community funds. I think the research component, the data, is something that we're really lacking on Guam that we could even become better at.

§12. After further discussion, the motion to approve Resolution 25-002 for \$247,881 over three fiscal years, is allocated to the university for the Workforce Development Program, was made by Director Dr. Doreen Crisostomo-Muna, and was seconded by Secretary Siska Hutapea. The motion passed unanimously.

Public Comments

§ 13. There were no public comments.

Adjournment

§ 14. A motion for the meeting to be adjourned was moved by Director Andrew Park, was seconded by Secretary Siska Hutapea. Adjournment of the meeting was unanimously approved.


DAVID JOHN, Chairman
Board of Directors

Attest:


SISKA HUTAPEA
Secretary, Board of Directors