



RESOLUTION NO. 51-FY2017

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF GUAM WATERWORKS AUTHORITY WATER AND WASTEWATER SYSTEM REVENUE REFUNDING BONDS, APPROVING FORMS OF RELATED DOCUMENTS, AGREEMENTS AND ACTIONS, AND AUTHORIZING THE EXECUTION AND DELIVERY THEREOF.

WHEREAS, Article 2, Chapter 14, Title 12 of the Guam Code Annotated (the “Act”) authorizes Guam Waterworks Authority (“GWA”) to issue revenue bonds to raise funds for the purpose of acquiring, constructing, improving, equipping, maintaining, repairing, renewing, replacing, reconstructing or insuring the System (as that term is defined in the Act), or any part thereof, or for the purpose of redeeming or retiring any such bonds or any other prior obligations of the GWA, or for any combination of such purposes, in accordance with and subject to the requirements and limitations set forth in the Act; and

WHEREAS, the GWA has informed this Consolidated Commission on Utilities (the “Commission”) that the opportunity has arisen to issue refunding bonds to redeem or retire all or a portion of the outstanding Guam Waterworks Authority Water and Wastewater System Revenue Bonds, Series 2010 (the “Prior Bonds”) for debt service savings, which is expected to result in savings to ratepayers; and

WHEREAS, the GWA has determined it is necessary and desirable to issue one or more series of Guam Waterworks Authority Water and Wastewater System Revenue Bonds (the “Bonds”) to redeem or retire all or a portion of the Prior Bonds; and

1 **WHEREAS**, the GWA has previously made and entered into an Indenture dated as of
2 December 1, 2005 (as previously supplemented and amended, the “General Indenture”), by and
3 among the GWA, Bank of Guam, as trustee (the “Trustee”) and U.S. Bank National Association,
4 as co-trustee (the “Co-Trustee”), which authorized one or more series of Guam Waterworks
5 Authority Water and Wastewater System Revenue Bonds; and
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8 **WHEREAS**, there has been presented to this meeting the form of a sixth supplemental
9 indenture, by and among the GWA, the Trustee and the Co-Trustee (the “Supplemental
10 Indenture” and, together with the General Indenture, the “Indenture”), pursuant to which the
11 GWA proposes to issue the Bonds in one or more series; and
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13 **WHEREAS**, the GWA previously has executed a Master Continuing Disclosure
14 Agreement with Digital Assurance Certification, L.L.C., as dissemination agent (the
15 “Dissemination Agent”), dated as of December 1, 2005, which authorized one or more
16 supplemental continuing disclosure agreements to be entered into in connection with the issuance
17 of one or more series of bonds; and
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20 **WHEREAS**, there has been presented to this meeting the form of a supplemental
21 continuing disclosure agreement (the “Supplemental Continuing Disclosure Agreement”), by and
22 between the GWA and the Dissemination Agent, in connection with the Bonds; and
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24 **WHEREAS**, there has been presented to this meeting the form of a bond purchase
25 agreement (the “Bond Purchase Agreement”), between the GWA and Citigroup Global Markets
26 Inc., as representative of itself and Barclays Capital, Inc., as underwriters (the “Underwriters”),
27 relating to the sale of the Bonds; and
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1 **WHEREAS**, the Supplemental Indenture, the Supplemental Continuing Disclosure
2 Agreement and the Bond Purchase Agreement are collectively referred to herein as the “Bond
3 Documents”; and
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5 **WHEREAS**, there has been presented to this meeting the form of preliminary official
6 statement of the GWA (the “Preliminary Official Statement”) relating to the Bonds; and
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8 **WHEREAS**, the Guam Economic Development Authority (“GEDA”) previously
9 approved the issuance and sale of the Bonds pursuant to the Act and Section 50103(k) of
10 Title 12, Guam Code Annotated, and the GWA has requested GEDA to confirm such prior
11 approval; and
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13 **WHEREAS**, the GWA has requested that the Public Utilities Commission of Guam (the
14 “PUC”) approve the issuance of the Bonds pursuant to the Act; and
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16 **WHEREAS**, in accordance with the Act, the authorization provided by this resolution to
17 sell and issue the Bonds has been approved by *I Liheslaturan Guåhan* (the “Legislature”)
18 pursuant to the terms and conditions set forth in Public Law No. 28-71, as amended by Public
19 Law Nos. 30-145 and 32-069 (collectively, the “Legislation”);
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21 **NOW, THEREFORE, BE IT RESOLVED**, by the Consolidated Commission on
22 Utilities as follows:
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24 Section 1. The foregoing recitals are true and correct.
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26 Section 2. Issuance of one or more series of additional Bonds from time to time pursuant
27 to the Act and the General Indenture as supplemented by the Supplemental Indenture is hereby
28 authorized, to be designated as “Revenue Refunding Bonds” (or as otherwise set forth in the
29 Supplemental Indenture), in an aggregate principal amount not to exceed an aggregate principal
30 amount sufficient to provide funds for such redemption or retirement of all or a portion of such
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1 Prior Bonds, plus related costs of issuance and of such redemption or retirement and to fund a
2 deposit to the debt service reserve fund, if any. Such Bonds shall be issued in such series and
3 amounts and at such times as the Chair of the Commission, the Vice-Chair of the Commission or
4 the General Manager of the GWA (the "Designated Officers") deem appropriate, provided that
5 such bonds have a final maturity not later than the final maturity of the Prior Bonds, bear interest
6 at such rate or rates and are sold for such price or prices not exceeding any limitation established
7 by the Legislation, and are issued and sold pursuant to the Indenture and otherwise in compliance
8 with the provisions of the Act.
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12 The Bonds shall be limited obligations of the GWA payable solely from revenues and
13 other assets of the GWA pledged for such purpose and shall not be a debt or liability of the
14 Government of Guam.
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16 The Chair of the Commission and the appropriate officials of the GWA are hereby
17 authorized and directed, subject to the approval of the PUC, to execute and countersign, for and
18 on behalf and in the name of the GWA and under its seal, the Bonds, in an aggregate principal
19 amount not to exceed the amount authorized hereby, in accordance with the Indenture.
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21 Section 3. The form of Preliminary Official Statement presented to this meeting is
22 hereby approved, with such additions, changes and modifications as the Designated Officers may
23 approve upon consultation with legal counsel, such approval to be conclusively evidenced by the
24 execution thereof or of a certificate deeming final the Preliminary Official Statement for
25 purposes of Rule 15c2-12 of the Securities and Exchange Commission by one or more of the
26 Designated Officers, who are each hereby authorized and directed, subject to the approval of the
27 PUC, to execute the same and to authorize the Underwriters to distribute such Preliminary
28 Official Statement to potential purchasers of the Bonds and other interested parties. The
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1 Designated Officers are also hereby authorized to execute and cause to be delivered a final
2 Official Statement to purchasers of the Bonds and other interested parties, with such additions,
3 changes and modifications from the Preliminary Official Statement as the Designated Officers
4 may approve upon consultation with staff and legal counsel, such approval to be conclusively
5 evidenced by the execution and delivery of the final Official Statement by one or more of the
6 Designated Officers. The Underwriters are hereby authorized to cause the Official Statement to
7 be delivered to the purchasers of the Bonds and to be distributed in preliminary form in
8 connection with the marketing and sale of the Bonds.
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12 Section 4. The Bond Documents presented to this meeting are hereby approved, with
13 such additions, changes and modifications as the Designated Officers may approve upon
14 consultation with legal counsel, such approval to be conclusively evidenced by the Bond
15 Documents executed by such Designated Officers, who are each hereby severally authorized and
16 directed, subject to the approval of the PUC, to execute the same.
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19 Section 5. The Designated Officers are hereby authorized to approve such bond
20 insurance or other supplemental security arrangements for the Bonds as are approved by the
21 Designated Officers, and to approve any other similar agreements deemed by the Designated
22 Officers to be necessary or appropriate in connection therewith.
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24 Section 6. The appropriate officials of the GWA are hereby authorized and directed
25 to do any and all things and to execute and deliver any and all documents, certificates, notices,
26 directions, consents and agreements which they may deem necessary or advisable in order to
27 effectuate the purposes of this resolution, including, without limitation, closing documents and
28 certificates, including a tax certificate, an escrow agreement, amendments to any existing
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1 agreements and any documents or agreements necessary in order to obtain credit enhancement
2 for the Bonds or the obligations of the GWA with respect thereto.

3 Section 7. All actions heretofore taken by the officers, representatives or agents of
4 the GWA in connection with the issuance and sale of the Bonds are hereby ratified, confirmed
5 and approved.
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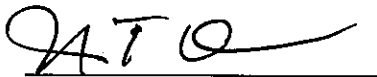
7 Section 8. The Bonds shall not be issued without the approval of the Guam Public
8 Utilities Commission in accordance with the Act and Chapter 12 of Title 12, Guam Code
9 Annotated, and shall be in all respects subject to such approval and to the terms and conditions of
10 the approval of GEDA, and to the terms and conditions of the Legislation.
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12 Section 9. This resolution shall take effect from and after its adoption.
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14 **RESOLVED**, that the Chairman certifies and the Secretary attests to the adoption of this
15 Resolution.
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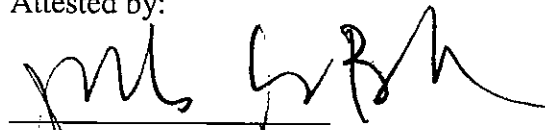
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18 **DULY AND REGULARLY ADOPTED**, this 25th day of July, 2017.
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20 Certified by:

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22 **JOSEPH T. DUENAS**
23 Chairperson
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20 Attested by:

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22 **J. GEORGE BAMBA**
23 Secretary
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1 I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as
2 evidenced by my signature above do hereby certify as follows:

3 The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular
4 meeting by the members of the Guam Consolidated Commission on Utilities, duly and
5 legally held at a place properly noticed and advertised at which meeting a quorum was
6 present and the members who were present voted as follows:

7 AYES: 5

8 NAYS: 0

9 ABSTENTIONS: 0

10 ABSENT: 0

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