



**CONSOLIDATED COMMISSION ON UTILITIES**  
Guam Power Authority | Guam Waterworks Authority  
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**GWA RESOLUTION NO. 15-FY2020**

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF GUAM WATERWORKS AUTHORITY WATER AND WASTEWATER SYSTEM REVENUE BONDS AND/OR 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 (the “Authority”) 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 Authority, or for any combination of such purposes, in accordance with and subject to the requirements and limitations set forth in the Act; and

**WHEREAS**, this Consolidated Commission on Utilities (the “Commission”) has determined that there exists a need for certain additions and improvements to the System, including certain water production, treatment and distribution projects, certain wastewater collection and treatment projects, and certain electrical projects, contained in the Authority’s Capital Improvement Plan (collectively, the “Projects”), that a certain number of the Projects requiring immediate financing are for Court Order (approximately forty million dollars), potential Consent Decree (approximately thirty nine million dollars), and water loss control (approximately twelve million dollars), and has determined that it is in the public interest for the Authority to issue bonds pursuant to the Act for such purposes; and

**WHEREAS**, the Authority has informed this Commission that the opportunity has arisen to issue refunding bonds to redeem or otherwise retire a portion of the outstanding Guam

1 Waterworks Authority Water and Wastewater System Revenue Bonds, Series 2013 (the "Prior  
2 Bonds") for debt service savings; and

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4 **WHEREAS**, the Authority has determined it is necessary and desirable to issue one or  
5 more series of Guam Waterworks Authority Water and Wastewater System Revenue Bonds to  
6 finance the Projects (as more particularly defined in Section 2, "New Bonds") and to redeem or  
7 otherwise retire a portion of the Prior Bonds (as more particularly defined in Section 2, "Refunding  
8 Bonds" and collectively with the New Bonds, the "Bonds"); and

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10 **WHEREAS**, the Authority has previously made and entered into an Indenture dated as of  
11 December 1, 2005 (as previously supplemented and amended, the "General Indenture"), by and  
12 among the Authority, Bank of Guam, as trustee (the "Trustee") and U.S. Bank National  
13 Association, as co-trustee (the "Co-Trustee"), which authorized one or more series of Guam  
14 Waterworks Authority Water and Wastewater System Revenue Bonds; and

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16 **WHEREAS**, there has been presented to this meeting the form of a seventh supplemental  
17 indenture (Exhibit A), by and among the Authority, the Trustee and the Co-Trustee (the  
18 "Supplemental Indenture" and, together with the General Indenture, the "Indenture"), pursuant to  
19 which the Authority proposes to issue the Bonds in one or more series; and

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21 **WHEREAS**, the Authority previously has executed a Master Continuing Disclosure  
22 Agreement with Digital Assurance Certification, L.L.C., as dissemination agent (the  
23 "Dissemination Agent"), dated as of December 1, 2005, which authorized one or more  
24 supplemental continuing disclosure agreements to be entered into in connection with the issuance  
25 of one or more series of bonds; and

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27 **WHEREAS**, there has been presented to this meeting the form of a supplemental  
28 continuing disclosure agreement (the "Continuing Disclosure Agreement") (Exhibit B), by and  
29 between the Authority and the Dissemination Agent, in connection with the Bonds; and

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31 **WHEREAS**, there has been presented to this meeting the form of a bond purchase  
32 agreement (the "Bond Purchase Agreement") (Exhibit C), between the Authority and Citigroup

1 Global Markets Inc., as representative (the "Representative") of itself and Barclays Capital, Inc.,  
2 as underwriters (together, the "Underwriters"), relating to the sale of the Bonds; and  
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4 **WHEREAS**, the Supplemental Indenture, the Continuing Disclosure Agreement and the  
5 Bond Purchase Agreement are collectively referred to herein as the "Bond Documents"; and  
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7 **WHEREAS**, there has been presented to this meeting the form of preliminary official  
8 statement of the Authority (the "Preliminary Official Statement") (Exhibit D) relating to the  
9 Bonds;  
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11 **WHEREAS**, the Authority has commissioned and presented to this meeting a draft of the  
12 Consulting Engineers Report (Exhibit E), pursuant to the Indenture, to support the issuance and  
13 sale of the Bonds; and"  
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15 **WHEREAS**, the Authority has requested or will request the Guam Economic  
16 Development Authority ("GEDA") to approve the issuance and sale of the Bonds pursuant to the  
17 Act and Section 50103(k) of Title 12, Guam Code Annotated;  
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19 **WHEREAS**, the Authority is authorized to request that the Public Utilities Commission  
20 of Guam (the "PUC") approve the issuance of the Bonds pursuant to the Act;  
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22 **WHEREAS**, in accordance with the Act, the authorization provided by this resolution to  
23 sell and issue the Bonds has been approved by *I Liheslaturan Guahan* (the "Legislature") pursuant  
24 to the terms and conditions set forth in Public Law No. 28-71, as amended by Public Law Nos. 30-  
25 145 and 32-069 (collectively, the "Legislation");  
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27 **NOW, THEREFORE, BE IT RESOLVED**, by Consolidated Commission on Utilities as  
28 follows:  
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30 Section 1. The foregoing recitals are true and correct.  
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32 Section 2. Issuance of one or more series of additional Bonds from time to time  
pursuant to the Act and the General Indenture as supplemented by the Supplemental

1 Indenture to be designated as "Revenue Bonds" or "Revenue Refunding Bonds" as  
2 appropriate (or as otherwise designated by the Supplemental Indenture, as finally  
3 executed) is hereby authorized (i) in an aggregate principal amount not to exceed  
4 \$134,000,000 to finance the Projects, to pay costs of issuance, to pay for credit  
5 enhancement, if any, to pay for capitalized interest, and to fund a deposit to a debt  
6 service reserve fund, if any (the additional bonds authorized to be issued for such  
7 purposes, the "New Bonds"), plus (ii) with respect to the Prior Bonds, in a principal  
8 amount not to exceed a principal amount sufficient to provide funds for the redemption  
9 or retirement of such Prior Bonds, plus the related costs of issuance and of such  
10 redemption or retirement (the additional bonds authorized to be issued for such  
11 purposes, the "Refunding Bonds"). Such Bonds shall be issued in such series and  
12 amounts and at such times as the Chair of the Commission, the Vice-Chair of the  
13 Commission or the General Manager of the Authority (the "Designated Officers")  
14 deem appropriate, provided that such Bonds have a final maturity not later than 30  
15 years from their date of issuance with respect to the New Bonds, and not later than the  
16 final maturity of the Prior Bonds with respect to the Refunding Bonds, bear interest at  
17 such rate or rates and are sold for such price or prices not exceeding any limitation  
18 established by the Legislation, and are issued and sold pursuant to the Indenture and  
19 otherwise in compliance with the provisions of the Act.  
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27 The Bonds shall be limited obligations of the Authority payable solely from  
28 revenues and other assets of the Authority pledged for such purpose and shall not be a  
29 debt or liability of the Government of Guam.  
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1           The Chair of the Commission and the appropriate officials of the Authority are  
2 hereby authorized and directed, subject to the approval of the PUC, to execute and  
3 countersign, for and on behalf and in the name of the Authority and under its seal, the  
4 Bonds, in an aggregate principal amount not to exceed the amount authorized hereby,  
5 in accordance with the Indenture.  
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8 Section 3. The form of Preliminary Official Statement presented to this meeting is  
9 hereby approved, with such additions, changes and modifications as the Designated  
10 Officers may approve upon consultation with legal counsel, such approval to be  
11 conclusively evidenced by the execution thereof or of a certificate deeming final the  
12 Preliminary Official Statement for purposes of Rule 15c2-12 of the Securities and  
13 Exchange Commission by one or more of the Designated Officers, who are each hereby  
14 authorized and directed, subject to the approval of the PUC, to execute the same and to  
15 authorize the Underwriters to distribute such Preliminary Official Statement to  
16 potential purchasers of the Bonds and other interested parties. The Designated Officers  
17 are also hereby authorized to execute and cause to be delivered a final Official  
18 Statement to purchasers of the Bonds and other interested parties, with such additions,  
19 changes and modifications from the Preliminary Official Statement as the Designated  
20 Officers may approve upon consultation with staff and legal counsel, such approval to  
21 be conclusively evidenced by the execution and delivery of the final Official Statement  
22 by one or more of the Designated Officers. The Underwriters are hereby authorized to  
23 cause the Official Statement to be delivered to the purchasers of the Bonds and to be  
24 distributed in preliminary form in connection with the marketing and sale of the Bonds.  
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1           Section 4. The Bond Documents presented to this meeting are hereby approved, with  
2           such additions, changes and modifications as the Designated Officers may approve  
3           upon consultation with legal counsel, such approval to be conclusively evidenced by  
4           the Bond Documents executed by such Designated Officers, who are each hereby  
5           severally authorized and directed, subject to the approval of the PUC, to execute the  
6           same.  
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9           Section 5. The Designated Officers are hereby authorized to approve such bond  
10          insurance, surety bond (including a surety bond which may substitute for a deposit in a  
11          bond reserve fund under the Indenture) or other supplemental security arrangements  
12          for the Bonds as are approved by the Designated Officers, and to approve any other  
13          similar agreements deemed by the Designated Officers to be necessary or appropriate  
14          in connection therewith.  
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17          Section 6. The appropriate officials of the Authority are hereby authorized and  
18          directed to do any and all things and to execute and deliver any and all documents,  
19          certificates, notices, directions, consents and agreements which they may deem  
20          necessary or advisable in order to effectuate the purposes of this resolution, including,  
21          without limitation, closing documents and certificates, including a tax certificate, an  
22          escrow agreement, amendments to any existing agreements and any documents or  
23          agreements necessary in order to obtain credit enhancement for the Bonds or the  
24          obligations of the Authority with respect thereto.  
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28          Section 7. All actions heretofore taken by the officers, representatives or agents of the  
29          Authority in connection with the issuance and sale of the Bonds are hereby ratified,  
30          confirmed and approved.  
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