MINUTES OF THE BOARD OF DIRECTORS SPECIAL MEETING
3:00 p.m., Friday, April 12, 2013
GIAA TERMINAL CONFERENCE ROOM #3

1. CALL TO ORDER AND ATTENDANCE

Chairman Francisco G. Santos called the A.B. Won Pat International Airport Authority, Guam (GIAA) special meeting to order at 3:15 p.m. The presence of Directors is noted as follows: Jesus Q. Torres, Vice Chairman, Rosalinda A. Tolan; Martin J. Gerber; Edward G. Untalan, and Lucy M. Alcorn. Also present were Charles H. Ada II, Executive Manager, Peter Roy Martinez, Deputy Executive Manager, Carlos P. Bordallo, Acting Comptroller, Frank R. Santos, Business and Financial Consultant, Janalynn C. Damian Esq., and Michael A. Pangelinan Esq., Legal Counsel. The Chairman welcomed the presence of Airport Tenants, stakeholders, and members of the public who are noted in a sheet made as an attachment to the minutes.

At this time Chairman Santos acknowledged the presence of Mr. Pedro (Sonny) Perez Ada III. The Chairman informed the Board that Mr. Ada’s Confirmation Hearing was April 8th, 2013; he is now just awaiting approval from the Legislature before becoming an official Board Member. The Chairman stated it is honor for Mr. Ada to be a part of the Airport Board of Directors and thanked him for attending the meeting.

2. APPROVAL OF AGENDA

Director Tolan made motion to approve the agenda as presented, seconded by Vice Chair Torres; motion carried.

3. MATTERS FOR BOARD RATIFICATION/APPROVAL

A. Appropriation to Capital Improvement Fund

Mr. Frank Santos presented item A. He informed the Board that during the course of the year, GIAA has worked closely with FAA in planning future projects for the Airport. The three (3) projects listed were anticipated during the budget preparation for Fiscal Year 2013. Board’s approval is requested to appropriate the sponsors share for each project to the Capital Improvement Fund. Once approved, preparation may begin on the Request For Proposals for each project. The projects are as follows:
1. Sterile Arrivals Corridor (Design Only)  
   Sponsor $139,000  FAA $1,250,000
2. Aeronautical Survey (AGIS) Phase 2  
   Sponsor $ 54,000  FAA $ 486,000
3. Extend Runway 6L/24R Completion Part B  
   Sponsor $222,845  FAA $2,005,605
   TOTAL Sponsor $415,845  FAA $3,741,605

Mr. Santos informed the Board, that the requested amount to be appropriated is $415,845.00. Vice Chair Torres inquired on project number one (1), the Sterile Arrivals Corridor, and if this project will include eliminating the divider in the Arrivals Corridor. Mr. Santos responded stating that the divider will be eliminated, but needs to be designed first. This will be an ongoing upgrade project consisting of three (3) phases so as not to disrupt the flow of the arrivals area. Vice Chair Torres made motion to appropriate the requested amount of $415,845.00 to the Capital Improvement Fund, seconded by Director Alcorn; motion carried.

B. Approval of Award for Specialty Retail Concession Multi Concepts RFP No. GIAA010-FY12

The Executive Manager stated that the Airport solicited proposals from qualified concessionaires to develop, construct and operate a high quality specialty retail concession at the main passenger terminal featuring branded merchandise products using exciting and innovative marketing and merchandising techniques to enhance the terminal environment and to appeal to the traveling public. A total of eight (8) firms obtained RFP packages, however only four (4) firms submitted proposals before the deadline of October 17, 2012. To maintain the confidentiality requirement of the procurement law, each of the proposers were randomly assigned a letter designation. The four (4) proposals were evaluated by a committee and as a result, Management recommends that the Board approve the contract award to the highest ranked proposer, Proposer ‘A’; subject to the successful negotiation of the said Agreement. If negotiations prove unsuccessful, Management may commence negotiations with the next highest ranked proposer. Before voting commenced, the Chairman stated for the record that he and Director Tolan will continue to abstain from discussing or voting on item B, and requested that item B be chaired by the Vice Chairman. Since the Board had no objection, the Acting Chairman called for a motion on item B. Director Untalan made motion to approve Management’s recommendation, seconded by Director Alcorn; motion carried.

At this time Acting Chairman called on the Executive Manager to announce the concessionaire that was randomly designated the letter ‘A’. The Manager announced that the proposer ranked number one and approved to commence negotiations is Lotte Duty Free.

4. ADJOURNMENT
Vice Chair Torres made a motion to adjourn the meeting, seconded by Director Tolan; motion carried. The meeting adjourned at 3:32 p.m.

Respectfully submitted,

[Signature]

Amanda O'Brien-Rios
Board Secretary

APPROVED:

[Signature]
FRANCISCO G. SANTOS
Chairman of the Board

05/23/13
Date

Attachment
BOARD OF DIRECTORS SPECIAL MEETING  
3:00 p.m., Friday, April 12, 2013  
Terminal Conference Room No. 3

AGENDA

1. Call to Order and Attendance

2. Approval of Agenda

3. Matters for Board Ratification/Approval
   A. Appropriation to Capital Improvement Fund
   B. Approval of Award for Specialty Retail Concession Multi Concepts RFP No. GIAA010-FY12

4. Adjournment
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<th>PRINT NAME</th>
<th>COMPANY/AGENCY</th>
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<tr>
<td>STEVZ PARK</td>
<td>LOTTE DUTY FREE</td>
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<td>NICOLE SUJIN NAHKUNGT</td>
<td>LOTTE DUTY FREE</td>
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<td>VICTOR J. CRUZ</td>
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<td>FRANKLIN P. TATOLA</td>
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<td>John Sg-OE</td>
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<td>James Roh</td>
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<td>Jeong Ho Cha</td>
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<td>J G. JACUANA</td>
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<td>Anna Patty</td>
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20. Tim Bergley
21. Nady Akram
22. Carlito Rizal
23. Gerard Bautista
24. Jermaine Alenta
25. Bzeu Loz
26. CHANDLER
27. Benny A. Baz
28. Meg Parangalan
29. Art Day
30. Lloyd Tamana
31. David Castro
32. Kaan Pelay
Pizza Hut – From a secret lab comes a cheesy idea

PLANO – For around 16 months, Chef Wiley Bates III has done his work in a closely monitored, difficult-to-access test kitchen in Plano, Texas, one where research is conducted, where ideas are abandoned or advanced, and where product development is handled with care.

It is near this kitchen, located within an attractive building in a suburban office park, that he and a set of his colleagues are seated around the newest product from the pizza seller, the Crazy Cheesy Crust pizza.

The name is a fair one, though perhaps only by seeing it in person can one truly appreciate it. This particular item relies on the hand-tossed crust, but it comes with an immediately noticeable difference in the slices ending in that familiar arc of baked dough. Each piece of the Crazy Cheesy Crust has appended to it a two-edible pockets filled with melted cheese. "You notice how the dough actually nestles around," Chef Bates says. "The hand-tossed [crust] lends itself to absorbing some of those wonderful flavors, while again maintaining the integrity of the cheese."

His description of the pizza's characteristics and how it came to exist can perhaps be summed up by one short statement he adds: "Consumers always want more cheese."

(Tulon! News)

Weak economic reports send stock market lower

NEW YORK (AP) – Weak reports on hiring and service industries sent the stock market sharply lower Wednesday, giving the Dow Jones industrial average its worst day in more than a month.

The Dow fell 111.66 points, or 0.8 percent, to 14,559.35, its worst decline since Feb. 25. The Standard & Poor's 500 index dropped 16.56 points, or 1.1 percent, to 1,533.69. Both indexes closed at record highs the day before.

The reports Wednesday disappointed the market and came two days after news that U.S. manufacturing growth slowed unexpectedly last month.

The losses were widespread. All 10 industry groups in the S&P 500 index fell. Banks and energy stocks had the worst losses, 1.7 percent and 1.6 percent. Utilities, which invest heavily when they want to play it safe, fell the least, 0.3 percent.

Japan central bank revamps policy to boost economy

TOKYO (AP) – Japan is making a sweeping shift in its monetary policy, aiming to spur inflation and get the world's third-largest economy out of a long, debilitating slump.

Bowing to demands from Prime Minister Shinzo Abe for more aggressive monetary easing, the Bank of Japan announced Thursday a policy overhaul intended to double the money supply and achieve a 2 percent inflation target at the "earliest possible time," with a time horizon of about two years.

The central bank said it was launching "a new phase of monetary easing both in terms of quantity and quality" to "thoroughly change the expectations of markets and economic entities."

Financial markets, which had feared new BOJ Gov. Haruhiko Kuroda might not live up to expectations for bold steps, reacted with relief. The Japanese yen, which was trading at about 92.8 yen per U.S. dollar, dropped to about 94.95 yen per dollar by mid-afternoon Thursday after the announcement. The benchmark Nikkei 225 stock index rebounded from negative territory to close 2.2 percent higher.

The policy shift is a coup for Abe, whose Liberal Democratic Party needs to make headway in reviving the economy before an upper house parliamentary election in July. The LDP is hoping for a strong enough mandate to push ahead with other items on their wish list, such as politically difficult economic and educational reforms and changes to the constitution to give Japan's military a higher profile.

$135K battery-powered sports car

DETROIT (Reuters) – Detroit Electric, a startup electric-car maker reviving a brand that dates back more than a century, unveiled its first model on Wednesday: a $135,000, battery-powered sports car that is to go into limited production in August.

With a projected top speed of 155 mph, the Detroit Electric SP:01 is "the world's fastest pure-electric sports car," the company says, adding the two-seater has a range of "just under 190 miles" between charges.

Detroit Electric's two-seat all-electric sports car model named SP:01 (DPA/SP01) is shown in this recent photo released to Reuters on April 3, 2013.

NOTICE TO THE PUBLIC

EFFECTIVE APRIL 8, 2013, GHURA'S NEW OPERATING HOURS WILL CHANGE FROM:
7:00 A.M. - 5:00 P.M.
to
8:00 A.M. - 5:00 P.M.
Monday through Friday; closed holidays and weekends

The Board of Directors of the A.B. Won Pat International Airport Authority, Guam (GIAA) will hold a Special Board Meeting on Friday, April 12, 2013 at 3:00 p.m. in GIAA Terminal Conference Room No. 3 to discuss the RFP for Specialty Retail Concession and appropriation to GIAA’s Capital Improvement Fund. Parking is available in the Public Parking Lot.

For special accommodations, please call the Board Office at 643-4717/18.

(A B Won Pat International Airport Authority)
Income tax filing deadline approaches

By Frank Whitman
Variety News Staff

ON MONDAY, April 15, Department of Revenue and Taxation officials estimate that 7,000 taxpayers will file their 2012 income tax returns in the next few days. In order to ease the filing process and avoid congestion at DRT’s Barrigada office, the department will man tables to accept returns at the center courts of Micronesia Mall and the Agana Shopping Center from 10 a.m. to 4 p.m. on Friday, April 12 and on Monday, the final day to file the returns without penalty.

“You can drop off returns [at the shopping centers],” said Marie Benito, deputy director of Revenue and Taxation. “There will be no lineups accepted; there won’t be any cashiers there.” The satellite shopping centers will each be staffed with Rev and Tax employees.

The satellite locations will also have available “basic” tax forms—1040EZ, 1040A and 1040, Schedule B, Schedule F, Schedule B and, of course, the Form 4868, [for an] automatic six-month extension,” Benito said. “If you need any of the complicated forms or something, you have to come to the department.”

The department has offered the satellite locations for the past two years. Mangiong said. Last year, 2,000 or 3,000 taxpayers filed their returns at the shopping centers. “We had, comments from the public that it’s so convenient,” she said.

At the Barrigada office, canoes will be set up in the parking lot so that taxpayers can also be dropped off, though payments will only be accepted at the collection branch and the Treasurer of Guam cashiers inside the Rev and Tax building. Payments are also accepted at the other Treasurer of Guam locations—the Department of Administration in the Sandalwood Mall and of Public Works One Stop Center in Upper Tumon.

A drop box is also at the front of the building, and returns can be placed inside it—no later than midnight, April 15 to avoid a penalty. “The drop box is monitored,” Benito said. “It’s here all night collecting the returns. Anything dropped off after midnight, April 16.”

Online filing is also available at myguamtax.com for taxpayers using Form 1040EZ. Electronic forms must be filed not later than midnight, April 15.

The returns of taxpayers who file Form 1040EZ will be due Oct. 15.

Benito said taxpayers should take care to avoid mistakes that might result in penalties or delays in refunds. She noted that some are filing returns at their residential address, if that’s not where you get your mail. “They should be careful that the proper schedules and copies of Form W-2s are attached to the return,” she said. “Review the return before it’s sent to avoid additional paperwork and delays and send it to the Department of Administration.”

Any incorrect Social Security number, Social Security taxpayer, Social Security number of dependent may result in errors, Benito said. “All returns taxpayers that returns must be signed.”

“Are you a taxpayer? Are you claiming social security? It’s a 30-day notice and they’ll come in and respond to that.”

As of yesterday, 38,947 taxpayers had filed 2012 tax returns. Of this number, 7,806 taxpayers were late, 22,000 still to file. Benito said about 46,000 returns require refunds, she said. The department expects about $4 million in refunds. Based on recent years, officials expect about $5,900 taxpayers to file for extensions and they will pay about $2.2 million when they file returns.

Calvo cancels his China trip

By Frank Whitman
Variety News Staff

Due to the ongoing North Korea threat, Gov. Eddie Calvo has called a trip to China planned for next week according to a statement yesterday by the Governor’s Office. During the trip, Calvo was to meet with Chinese officials and the U.S. Ambassador. The governor will remain on Guam.

“While my meetings in China are important, I am always there if my country needs me,” Calvo said in the statement. “There is a need for everyone to be vigilant and prepared for anything, even though the threat level isn’t at crisis time. We’ve been busy preparing and testing the components of our emergency management system, and we’re fielding calls at the Emergency Operations Center. Many people have concerns. I want to stay with Guamans during this time to help relieve any concerns there may be. We’re very concerned about our current heightened status. It’s important we work together to get Guam prepared and sharpen our vigilance.”

According to a release on the National Governors Association website, Calvo was to have been a member of a four-governor delegation that includes Gov. Gary Herbert of Utah, Bob McDonnell of Virginia and Gov. Scott Walker of Wisconsin. While there, they were to participate in the third U.S.-China Governors Forum.

REGULAR SESSION MEETING

Guam Board of Education for Regular Session Meeting, Wednesday, April 17, 2013, 3:00 p.m., Health Professional Licensing Office, Telefex, Professional Building, Conference Room 205, 114 Harmon Avenue, Hagåtña. Agenda copies available.

Persons with disabilities needing special accommodations, please call the Health Professional Licensing Office at 735-4700 or the Guam Telephone Exchange for people who are hearing impaired (TDD) at 641-1981. Agency’s agent available at the Board meeting location. Executive meeting may be called if necessary.

Note: Please announce 7 days (April 10 and 2 days (April 14) prior to date of meeting to comply with the Open Government Law. Release dates: April 10 and 15, 2013

PUBLIC NOTICE

The Board of Directors of the A.B. Won Pat International Airport Authority, GIAA will hold a Special Board Meeting on Friday, April 12, 2013, at 5:00 p.m. in GIAA Terminal Conference Room “No. 3” to discuss the RFP for Specialty Retail Concession and appropriate GIAA’s Capital Improvement Funding. Parkings available in Public Parking Lot.

For special accommodations, please call the Board Office at 642-4717/18.

(The ad paid for by GIAA)
GIAA BOARD OF DIRECTORS

SPECIAL MEETING

April 12, 2013, 3:00 p.m.

Appropriation to Capital Improvement Fund

In anticipation of federally-assisted grants for FY’13, management requests Board consideration and favorable action to appropriate unencumbered funds to the Capital Improvement Fund as outlined below.

The funds to be appropriated represent the sponsor or GIAA’s share of a FAA grant at a 90/10 percentage split. The projects are as follows:

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<thead>
<tr>
<th>Project</th>
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<th>FAA</th>
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<td>TOTAL</td>
<td>$415,845</td>
<td>$3,741,605</td>
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</table>

The amount requested to be appropriated to the CIF is $415,845.

We appreciate the Board’s consideration and approval.
ANTONIO B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM
BOARD OF DIRECTORS
EXECUTIVE SUMMARY

REQUEST FOR PROPOSAL FOR
SPECIALTY RETAIL CONCESSION – MULTIPLE CONCEPTS
RFP NO. GIAA010-FY12

April 12, 2013

Purpose

Board action is requested to approve the ranking results by the Evaluation Committee of the proposals submitted in response to Request for Proposal No. GIAA-010-FY12, Specialty Retail Concession – Multiple Concepts.

Background

Under the RFP, GIAA seeks a qualified concessionaire to develop, construct, and operate a high quality specialty retail concession at the GIAA Main Passenger Terminal. GIAA seeks a concessionaire who will market and sell high quality, branded merchandise products, using exciting, innovative marketing and merchandising techniques that will appeal to the traveling public, and will employ culturally and aesthetically pleasing facility designs that will enhance the GIAA Terminal environment.

Procurement Background

The RFP was issued on July 19, 2012. The advertisement for this RFP was published in the Pacific Daily News on July 19, 23, and 25, 2012, and in the Marianas Variety on July 19, 23, and 30, 2012. The deadline for the submission of proposals in response to the RFP was October 17, 2012 via an addendum to the RFP.

Eight (8) firms acknowledged receipt of the RFP package and four (4) firms submitted proposals on or before the submission deadline.

To maintain the confidentiality requirements of the Procurement Law, each of the proposers were randomly assigned a letter designation of A, B, C, or D, by lottery. The designations are a part of the Procurement Record.

An Evaluation Committee was appointed by me comprised of the following individuals:

a. Pedro R. Martinez, Deputy Executive Manager
b. Jean M. Arriola, Airport Services Manager
c. Carlos Bordallo, Comptroller
d. Frank Santos, Expansion Office

Pursuant to Part III (F) of the RFP package, after receipt of all proposals the GIAA Evaluation Committee conducted an independent evaluation of the four (4) proposals
submitted for the purpose of selecting the best qualified proposer based on the evaluation criteria established in the RFP. Interviews with each proposer were also conducted.

**Ranking Results**

The Evaluation Committee completed their evaluation and the scores were tabulated and ranking established. As a result of the tabulation of the ranking, the proposers were ranked as follows:

1. Proposer A  
2. Proposer D  
3. Proposer C  
4. Proposer B

**Financial**

The rent under the concession agreement will be the greater of a minimum annual guarantee or a percentage of the concessionaire’s gross revenues.

Proposers were required to propose Minimum Annual Guaranteed Rent (MAG) in an amount equal to or exceeding $6,000,000.00 each lease year.

Proposers were required to propose a Percentage Rent at a rate equal or exceeding 25% of the concessionaire’s annual gross revenues for each lease year.

Capital investments for the retail space must exceed $250 per square foot.

**Legal**

Subject to successful negotiations and legal review, a concession agreement will be entered into with the highest ranked proposer. If negotiations are unsuccessful, GIAA may commence negotiations with the next highest ranked proposer.

**Recommendation**

Based on the tabulation of Evaluation Committee’s ranking of the proposers, Proposer A is ranked number one and is the best qualified firm to perform the required services in accordance with the criteria set forth in the RFP. Also, Proposer A has been determined to have met the standards of responsibility and responsiveness outlined in the Guam Procurement Regulations.

Therefore, it is recommended that the Board of Directors approve the ranking of the proposers as determined by the Evaluation Committee, that Proposer A be given the first opportunity to negotiate the Specialty Retail Concession Agreement, and that in the event that the aforementioned negotiations prove unsuccessful, GIAA may commence negotiations with the next highest ranked proposer.