



**A.B. WON PAT**  
INTERNATIONAL AIRPORT AUTHORITY, GUAM  
ATURIDAT PUETTON BATKON AIREN GUAHAN ENTENASIONAT

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**MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING**  
**3:00 p.m., Thursday, June 27, 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) regular meeting to order at 3:07 p.m. The presence of Directors is noted as follows: Jesus Q. Torres, Vice Chairman, Rosalinda A. Tolan; 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, Michael A. Pangelinan Esq., and Janalynn C. Damian 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.

**2. APPROVAL OF AGENDA**

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

**3. APPROVAL OF MINUTES**

- A. May 30, 2013 Board Regular Meeting
- B. June 11, 2013 Board Special Meeting

Before proceeding with the approval of the minutes, the Executive Manager announced that he would like to make a clarification in reference to the minutes. Regarding the unified pay scale, the 20<sup>th</sup> Percentile on page four (4), he stated that it was approved by the Board for the purposes of analysis, and to develop a performer report to present to the Board, which will be given later on today.

Director Tolan made motion to approve the minutes of the May 30, 2013 Regular Board Meeting and the June 11, 2013 Special Board Meeting subject to correction, seconded by Vice Chair Torres; motion carried.

**4. CORRESPONDENCE**



The Executive Manager informed the Board there is one item that was received today and apologized for the item not being in the Boards' packets. The correspondence is from Vladivostok Air, announcing that the airline will be operating scheduled Charter flights on direct route from Vladivostok, Russia to Guam from November 2013 to March 2014. Although they are only looking at flights every two (2) weeks, they are hoping with our partnership to have flights year round. Vice Chair Torres inquired on the type of aircraft they would be using. The Executive Manager replied that it will be a 737 aircraft, 142 – 155 passenger count.

## **5. MATTERS FOR BOARD RATIFICATION/APPROVAL**

### **A. Approval of Award for Custodial Services for TSA Offices and Facilities – IFB No. GIAA-003-FY13**

The Executive Manager reported that an Invitation for Bid was published to solicit bids from professional firms to provide custodial services at the TSA offices and facilities, inclusive of all labor, materials, supplies and equipment to the main terminal building. The term of the contract is for a period of three (3) years and may be renewed annually at GIAA's sole option for additional one-year periods, not to exceed the total contract term of five (5) years. Of the thirteen (13) firms that received bid packages, eight (8) submitted bids before the submission deadline. All eight (8) firms were evaluated; with only seven (7) determined to be acceptable. Management recommends that the contract be awarded to JJ Global with the bid amount of \$47,400.00. It has been determined that JJ Global has met the standards of responsibility and responsiveness outlined in the Guam Procurement Regulations. Discussion followed relative to bid amounts. At this time Chairman Santos welcomed the presence of Director Alcorn. Director Untalan made motion to approve Management's recommendation, seconded by Director Tolan; motion carried.

### **B. Approval of Award for Rehabilitate Runway 6L-24R, Phase II – IFB No. GIAA-C01-FY13**

The Executive Manager stated that Board action is requested to approve the bid award of the above mentioned project. The project is to provide construction and renovation work to rehabilitate runway 6L-24R (Phase 2) inclusive of all labor, materials, supplies and equipment. Six (6) firms received bid packages, and only two (2) submitted bids before the submission deadline. Management recommends that the Board authorize the contract award of \$6,896,871.09 to Nippo USA, Inc. who has been determined to have met the standards of responsibility and responsiveness outlined in the Guam Procurement Regulations. Director Tolan inquired if Nippo USA, Inc. was a new company on Guam and if they have been doing business on Guam. The Executive Manager responded stating the firm has done work previously for the Airport. Vice Chair Torres

made motion to approve Management's recommendation, seconded by Director Untalan; motion carried.

#### **C. Ratification of Disbursements**

The Executive Manager presented the summary of Disbursements to the Board. Vice Chair Torres inquired on the payment made to AECOM Technical Services Inc. in the amount of \$419,652.00. Business and Financial Consultant, Frank Santos replied, informing the Board that Guam Airport is one of the few designated for a 'Pilot Program', a testing program for a Geographical Information System (GIS) with the purpose of creating an electronic airport layout plan which includes both aerial and ground surveys, the GIS will be stored in the FAA servers. Mr. Santos went on to say that this will save the Airport money in the future with anything that has to do with the airfield because everything is now under GIS format, GPS (Global Positioning System) based. The payment amount of \$419,652.00 is for several invoices.

Vice Chair Torres made motion to ratify payments above the \$50,000.00 threshold made to vendors for the period of May 29, 2013 – June 21, 2013, seconded by Director Alcorn; motion carried.

### **6. OLD BUSINESS**

#### **A. Executive Manager's Report**

The Executive Manager presented brief reports on various issues and announcements relating to Airlines, regulatory and financial issues, including the refinancing of the 2003 Revenue Bonds. The Manager reported that a GIAA team travelled to San Francisco to present an Airport review to Standard & Poor's and Moody's Investors during the week of June 17, 2013 to refinance approximately \$125M in bonds, and new money financing structures.

Relating to the Specialty Retail Merchandise Concession, Lotte Duty Free Guam, LLC continues to transition and work toward the July 21, 2013 occupancy and operational date of the new retail concession awarded to Lotte. A job fair was held by Lotte on Friday, June 21, 2013 to hire managerial, supervisory and support staff. Lotte plans to phase in more personnel to an estimated 200 employees for the Airport retail concession and their off Airport location.

The Executive Manager reported on Legislative issues such as Bill 69-32, which would require legislative approval for lease agreements that span more than five (5) years. The Bill passed in the Legislative Session on May 28, 2013. The Manager stated that the new law will affect the way that the Airport does business. Vice Chair Torres inquired if any of the Management staff had met with the Airport's Oversight Chairman, Senator San

Nicolas regarding the new law. The Executive Manager replied, stating that Management had met with Senator San Nicolas, and he acknowledged the concerns. Vice Chair Torres stated this should be something that the Airport revisit, the Airport does not get a dollar from the general fund and he does not remember a time that the Airport had to go to the Legislature to ask that they appropriate for Airport operations. Vice Chair Torres went on to say that the Airport is run like a business, some of the commitments we have just cannot be constricted within the five (5) years. The Vice Chairman suggested that Management meet with Senator San Nicolas and ask that the Airport be exempt from the five (5) years. Vice Chair stated that from his understanding even though the law has been passed, it is possible for a law to be amended. Discussion followed relative to the new law. The Chairman requested that Management schedule a meeting with Senator San Nicolas regarding this issue.

Continuing with Legislative Issues, the Executive Manager reported that Bill 125-32 was passed in the June 4, 2013 Legislative session. The Bill appropriates \$500,000 to the Department of Public Works to fund the acquisition property for the Tiyan Parkway Project. The Manager informed the Board that Management has been in discussion with the FAA to come up with creative ways to augment this effort to resolve the Tiyan Parkway issue and have a couple of proposals, which will be packaged and presented to the Board at the next Board meeting. Discussion followed with the Executive Manager informing the Board that the FAA was very assistive with the matter for the Government of Guam to resolve this particular long standing issue we have. The Manager stated that with the conversation he had with the FAA, he believes he will be the last Executive Manager of the Airport that will have to deal with the issue, for the people of Guam, all stakeholders, and entire Government, he is confident it is close to being resolved.

On another Legislative issue, the Executive Manager informed the Board of an oversight hearing today of Bill 137-32, which provides low cost space to the Guam Customs and Quarantine Agency at the Guam International Airport Authority in a manner consistent with Federal law. By the introduction of the Bill, USCBP not only Guam but throughout the country does not pay rent to any airport operator. The Vice Speaker Benjamin J. Cruz had introduced this legislation. Vice Chairman Torres reiterated for confirmation, the Guam Customs and Quarantine be a non-paying tenant at here at the Airport. The Executive Manager responded, stating correct. He then went on to inform Chairman Santos that the hearing was today, the Airport provided written testimony and that it is their intention to be making office calls to senators in reference to this matter, hopefully before it leaves committee. The Chairman requested that there be a scheduled meeting with the Oversight Chairman to explain and provide more knowledge regarding the Airport. Vice Chair Torres inquired on how much is the Guam Customs and Quarantine earning, how much was approved for the inspections that they conduct downstairs. The Executive Manager replied based on the current Customs charge, it is approximately 10M annually. Vice Chair Torres stated, we have a Government agency coming in and siphoning off revenue from the Airport when our enabling legislation mandates that we

have to be self-sustaining financially and otherwise. Vice Chair Torres stated that we're all obligated here as Board members to insure that we maintain the financial integrity number one, so that we can run a first class facility.

The Executive Manager announced that the Pohnpei Ports Authority has committed to join GIAA as a partner in hosting the ACI Asia Pacific Small & Emerging Airports Conference to be held in October 2013.

Before closing the report the Manager informed the Board that the Airport completed Phase I of 4 Phases in part of the 'Modernization of Electronics' here in the Airport and invited the Board members to take a look at the completions.

#### **B. Financial Report**

For the Board's information, Carlos P. Bordallo, Acting Comptroller presented the financial report as of May 31, 2013, stating that the Net Debt Service Coverage is at 1.84. Vice Chair Torres stated that the report was the best he heard so far. The Acting Comptroller also added that the power costs have been declining.

Before proceeding to Legal Counsel's report, Director Untalan presented a brief report relative to the adjustment in salaries up to the 20<sup>th</sup> percentile approved at the last Board meeting. The Director presented a forecast that confirmed that the Airport would be able to absorb the \$830,000 for the salary increases and still have a good cash position at the end of the year. Discussion followed on the effective date of the salary adjustments, with the Acting Comptroller adding that the effective date would be from October 1<sup>st</sup>, 2012. Vice Chair Torres expressed the importance in giving back to the employees.

#### **C. Legal Counsel's Report**

Legal Counsel recommended that discussions regarding litigation matters be reported during Executive Session. The Board had no objection.

#### **D. Status of Capital Improvement Programs**

Business and Financial Consultant, Frank Santos presented a brief report for the Board's information stating that by the regular Board meeting in July that the FAA will be providing the Airport with grants for four (4) projects. One 2M dollar grant to repay the Airport for money previously spent, which adds to our cash position, strictly a reimbursement. He went on to add that the Airport will be getting one new ARFF truck. Vice Chair Torres inquired if the old truck will be given to Rota. Frank Santos replied, no that the intention is to keep the trucks so they can be rotated, eventually they will be given to somebody. Mr. Santos reported that the last grant that the Airport will receive

for FY13 will be an additional \$800,000 for the Airport Geographical Information System mentioned earlier in the meeting.

## **7. NEW BUSINESS**

No New Business presented.

The Executive Manager informed the Board that he had items to report to the Board under Tenant Matters the first being that the Airport sent a letter of intent to the Guam Army National Guard for a Hanger Project. The Manager stated that the Guam Army National Guard received funding for a proposed project to provide helicopter capabilities within the Guard Unit to service our area, and the background is that they requested for approximately two (2) acres of land located on Airport property specifically the south side of the AOA for the purpose of constructing a helicopter hanger facility. The purposes would be for Medivac helicopters and to maintain emergency units for our island. We actually found a template for other National Guard Units that operate within local airports and used the same format. After comprehensive discussions between the two organizations, the Guam Army National Guard will pay the Airport approximately \$5,242.04 per month for the use of the facilities including the runways, taxi's, light systems, navigational waves and other areas open to the public and used by the National Guard as well. The Manager informed the Board that the reason why we had to move quickly prior to the Board meeting is that there is a deadline to the Guam Army National Guard Bureau to access additional funds to extend the lease out to 45 years and expand their footprint. The Manager stated that we wanted to insure we did our part to insure that Guam receives more funding and support, to respond to not only to our Guards needs but our islands needs. Chairman Santos inquired on the lease term and if it would need to go to the Legislature. The Executive Manager replied informing the Board it is for a 20 year term and yes it would need to go to the Legislature as the law is enacted already. The Manager stated it would be a huge asset to the island.

The second item the Manager announced to the Board was correspondence from one of the Airports tenants. Pac Air walked a letter late Friday requesting for the approval of a new lease agreement. The Executive Manager reported that they are looking at bringing on the U.S. Citizenship and Immigration Services, leasing about 17,000 square feet of space at the Pac Air Cargo facility, bringing them to 80% of warehouse space that's dedicated to cargo, again, aeronautical. This is a similar to the concern that the former Chairman, Mr. Michael Ysrael had which elevated all the way to the Hawaii Area District Office and returned without merit. I just want to insure our tenant that it will be bought to the Board. They are going to be expanding their capacities to pay us next summer. As you know, the initial agreement with Pac Air was the deferred payment, which comes into effect July 2014. The Manager added that he is in full support of new lease agreement, and wanted to bring it to the Board. If there are concerns from constituents

within the community about the Airport engaging in non-aeronautical activity, that discussion will be made if it needs to be had with the appropriate stakeholders. The Executive Manager stated that it is the intent of Management right now to aggressively seek aeronautical and non-aeronautical revenue for the Airport, the more we can provide revenue to this Airport the better off we are to engage partners, more importantly signatory airlines, to reduce rates and possibly lower airfares, not just for the traveling tourists in the region but our people as well. Discussion followed relative to the changes of Airports over time and what Airports are emerging to be. Chairman Santos requested that Management keep the Oversight Chairman, Senator San Nicolas up to date with what is going on with Airport.

## **8. EXECUTIVE SESSION**

The Chairman announced that the Board will recess and convene Executive Session after the recess. Vice Chair Torres made motion to recess and convene Executive Session after the recess, seconded by Director Alcorn; motion carried. The Board recessed at 4:09 p.m.

Chairman Santos called the Executive Session to order at 4:18 p.m. Executive Session adjourned at 5:13p.m., at which time the regular meeting reconvened.

Based on discussions during Executive Session, Director Untalan announced that he would like to make a motion authorizing Management to proceed as directed by the Board in Executive Session regarding Freedom Air, seconded by Vice Chair Torres; motion duly carried.

## **9. PUBLIC COMMENTS**

The Chairman called upon any public member wishing to make comments. There was no response.

Vice Chair Torres announced that he would like to share some concerns with the Board regarding two (2) key Management positions. Both Comptroller and Chief Engineer positions have been vacant for a number of years. He stated that right now is an indication that we are prepping for the new fiscal year. Historically they are key positions and the right approach is to appropriately fill those positions. The Executive Manager informed the Board that he did speak with Mr. Victor Cruz in reference to the Chief Engineer position, which he currently oversees the responsibility. The Manager stated that out of courtesy to Mr. Cruz, who is a long time employee and very well liked, he had given him up to December 2013 to obtain the credentials needed to qualify for the position of Chief Engineer. If he was unable to, the position would be filled. He was informed there are ways to gain the credentials, and asked the Board to allow Mr. Cruz that time to gain them. The Chairman agreed with the Executive

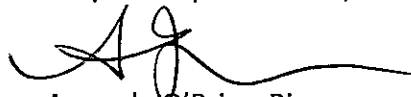
Manager and requested that Mr. Cruz be given a chance and opportunity to gain the requirements. The Executive Manager added however, Mr. Cruz would have to compete for the position. Vice Chair Torres responded, of course, that's the 'Merit System', the problem is that the Chief Engineer position is a classified position with the Government of Guam, and answers to the Executive Manager, whereas the Comptroller position is unclassified and answers to the Board. Airport Services Manager, Ms. Jean Arriola added that the Chief Engineer requires a PE, and the Comptroller requires a CPA. Discussion followed relative to the requirements of the position of Comptroller. Vice Chair Torres expressed the need to fill both key positions. Director Tolan made motion to allow Legal Counsel to obtain clarification whether Carlos Bordallo may be appointed to the Comptroller position by the Board without requiring a CPA, seconded by Director Untalan; motion carried.

#### 10. ADJOURNMENT

Mr. Frank Santos announced for the Board's information that the first Executive Manager of the Airport had passed away in Hawaii yesterday. The body will be brought back to Guam over the weekend and rosaries will begin.

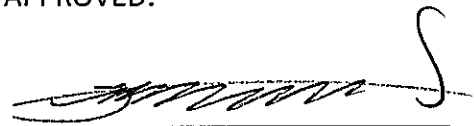
There being no further discussion, the Chairman announced that the next regular meeting is scheduled for Thursday, July 25, 2013. Director Alcorn made a motion to adjourn the meeting, seconded by Director Untalan; motion carried. The meeting adjourned at 5:10 p.m.

Respectfully submitted,



Amanda O'Brien-Rios  
Board Secretary

APPROVED:



FRANCISCO G. SANTOS  
Chairman of the Board

08/08/13  
Date

Attachment





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## **BOARD OF DIRECTORS REGULAR MEETING**

**3:00 p.m., Thursday, June 27, 2013**

**Terminal Conference Room No. 3**

### **AGENDA**

1. Call to Order and Attendance
2. Approval of Agenda
3. Approval of Minutes
  - A. May 30, 2013 Regular Meeting
  - B. June 11, 2013 Special Meeting
4. Correspondence
5. Matters for Board Ratification/Approval
  - A. Approval of Award for Custodial Services for TSA Offices and Facilities - IFB No. GIAA-003-FY13
  - B. Approval of Award for Rehabilitate Runway 6L-24R, Phase II - IFB No. GIAA-C01-FY13
  - C. Ratification of Disbursements
6. Old Business
  - A. Executive Manager's Report
  - B. Financial Report
  - C. Legal Counsel's Report
  - D. Status of Capital Improvement Programs
7. New Business
8. Executive Session
9. Public Comment



AMERICAN ASSOCIATION  
OF AIRPORT EXECUTIVES



**NASAO**  
National Association of State Aviation Officials



**10. Adjournment**



A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM

BOARD OF DIRECTORS REGULAR MEETING

3:00 P.M., THURSDAY, JUNE 27, 2013

GIAA TERMINAL CONFERENCE ROOM #3

SIGN IN SHEET

	<u>PRINT NAME</u>	<u>COMPANY/AGENCY</u>
1.	Gerard Bautista	GIAA - ATM
2.	VICTOR J. CRUZ	GIAA.
3.	J. G. JAVELLANA	GIAA
4.	Joann Camacho	DPS
5.	PL Faa Sumbe	GIAA Wktg
6.	J CALVO	GIAA
7.	B. BAZA	GIAA
8.	OLUCK ADA	GIAA
9.	Mike Pangelinan	CFS
10.	BOB CAMPALAO	A.P.
11.	Alan Amador	GIAA
12.	June Guzman	DPS
13.	FRANK P. TAITANOW	GIAA
14.	JEANINE AUGETA	Legislature
15.		
16.		
17.		
18.		
19.		

# Legislation establishing 'castle doctrine' introduced

By Louella Loaino  
louella@mvguam.com  
Variety News Staff

SEN. Tony Ada has introduced legislation that would establish a "castle doctrine" law on Guam.

Ada said he is sponsoring Bill 146 because "all residents of Guam have the constitutional right to protect their homes and their families."

Based on the long-held premise that a person's home is their castle and that they're entitled to protect their home, family and property from intruders, Bill No. 146 would allow the use of defensive force when there is reasonable fear of death, or great bodily harm upon an occupant of a home or vehicle by an intruder.

The bill would provide certain protections such as freedom from legal responsibility and prosecution for those who use such defensive force, typical of castle doctrine laws in other jurisdictions.

If Bill 146 becomes law, Guam will join 45 states that have adopted either the castle doctrine or "Stand Your Ground" laws.

The legislation is being co-sponsored by Sens. Brandt, McCreddie, Frank Aguiar Jr. and Rory Respicio, who all agree that the bill would provide an added deterrent to burglaries



Sen. Tony Ada said he is sponsoring Bill 146 because "all residents of Guam have the constitutional right to protect their homes and their families." Variety file photo

and home invasions on Guam.

"During a June 13, 2013 public hearing, a prominent defense attorney told the Legislature that people don't commit crimes because they are afraid

of the law, they commit crimes because they think they can get away with it. If this bill becomes law, then many crooks will know that it won't be easy to get away with it anymore," McCreddie said.

For his part, Aguiar said home safety is paramount and the people must be able to protect their homes.

"Our people must no longer

be hesitant to protect themselves and their families for fear that they will be prosecuted for doing so, and criminals must no longer believe that they can break into someone's home with impunity," Respicio added.

## Conditions

Typical conditions that apply to some castle doctrine laws include:

► An intruder must be making

(or have made) an attempt to unlawfully or forcibly enter an occupied residence or vehicle.

► The intruder must be acting unlawfully (the castle doctrine does not allow a right to use force against officers of the law acting in the course of their legal duties).

► The occupant(s) of the home must reasonably believe the intruder intends to inflict serious bodily harm or death upon an occupant of the home. Some states apply the castle doctrine if the occupant(s) of the home reasonably believe the intruder intends to commit a lesser felony such as arson or burglary.


► The occupant(s) of the home must not have provoked or instigated an intrusion; or, provoked/instigated an intruder's threat or use of deadly force.

## Legally


In all cases, the occupants of the home must be there legally; not be fugitives from the law themselves, or aiding/abetting other fugitives; and not use force upon an officer of the law performing a legal duty.

The castle doctrine (aka a Castle Law or Defense of Habitation Law) is an American legal doctrine that designates a person's abode as a place in which that person has certain protections and immunities permitting them to, in certain circumstances, use force to defend against an intruder — free from legal responsibility and prosecution for the consequences of the force used.


GUAM GIRLS SCOUTS, INC. STATEMENT OF REVENUE & EXPENDITURES	
	Fiscal Year Ended 30-Sep-12 (Audited)
PUBLIC SUPPORT AND REVENUE	\$390,316\$
EXPENDITURES	\$381,219
CHANGES IN NET ASSETS	\$9,097\$
NET ASSETS AT BEGINNING OF YEAR	\$443,947
NET ASSETS AT END OF YEAR	\$453,044\$
STATEMENT OF FINANCIAL POSITION	
ASSETS:	\$461,824\$
LIABILITIES:	\$11,780\$
NET ASSETS:	
Unrestricted	\$351,094
Temporarily restricted	\$2,900
Permanently restricted	\$99,150
TOTAL NET ASSETS	\$453,044
	464,824\$
This is to certify that the above Statement of Activities and Statement of Financial Position are a true and accurate record of the GUAM GIRLS SCOUTS, INC.	



**The Honorable  
EDDIE B. CALVO  
Governor**



**The Honorable  
RAY TENORIO  
Lt. Governor**



**A.B. WON PAT  
INTERNATIONAL AIRPORT AUTHORITY**

## PUBLIC NOTICE

The Board of Directors of the A.B. Won Pat International Airport Authority, Guam (GIAA) will convene its Regular Board meeting on Thursday, June 27, 2013 at 3:00 p.m. in Terminal Conference Room No. 3. In addition to regular matters, pursuant to S.G.C.A. §8111(c)(2), Executive Session will be held to discuss pending litigation to which GIAA is a party. Parking is available in the Public Parking Lot.

For special accommodations or agenda items, please call the Board Office at 642-4717/18.  
(This ad paid for by GIAA)

## Navy investigating death of sailor

By Gina Tabonares-Rellly  
gina@mvguam.com  
Variety News Staff

THE Navy has launched an investigation into the death of a sailor who may have drowned yesterday morning while swimming in the inner harbor of Naval Base Guam close to the vicinity of Alpha Wharf. Joint Region Marianas spokesperson Lt. Matt Knight confirmed a service member was pronounced dead by medi-

cal personnel who transported the sailor to Naval Hospital Guam.

"The incident is currently under investigation by the Naval Criminal Investigative Service. The cause of death is pending the results of an autopsy," Knight told Variety.

Knight was not able to provide specific information regarding the incident, pending the notification of the sailor's next of kin.

"At this time, I am not releasing any more specific information until the next of kin are notified. Department of Defense regulations authorize me to release specific information on the individual 24 hours after the next of kin have been notified. This allows the military to do our solemn duty of informing the next of kin in a respectful manner. I will provide more information once that is complete," Knight said.

## Motorist critical after Dededo accident

By Manny Cruz  
Far Variety

THE 18-year-old driver of a red sedan that hit a concrete power pole yesterday morning is still in the Intensive Care Unit of the Guam Memorial Hospital, according to GMH Nursing

Supervisor Bill Toves.

The accident occurred on Route 3, Dededo, across from the construction site of the Guam Regional Medical City at about 8 a.m.

Emergency responders arrived on the scene minutes

later to extract the man from the vehicle using the jaws of life.

The driver sustained multiple traumas throughout his body and is on life support.

Nursing staff will be monitoring his condition over the next two days for signs of recovery.

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# Judge: License plate is non-transferable

By Gina Tabonares-Rellly  
gina@mvguam.com  
Variety News Staff

SUPERIOR Court Judge Anita Sukola has reiterated that it is unlawful to transfer a vehicle license plate from one vehicle to another without authorization from the Department of Revenue and Taxation.

The court restated this ruling as it denied a motion to dismiss filed by Jason Michael Diaz Quinata, who said his fraudulent vehicle identification — a misdemeanor charge — was too trivial to warrant conviction.

Quinata, through Assistant Public Defender Pablo M. Aguilat, wants to dismiss his misdemeanor charges on "de minimis" grounds.

Quinata, 23, allegedly operated a vehicle without a front license plate when he was stopped by a police officer on Nov. 21/2012.

During the traffic stop, it was discovered the license plate attached to Quinata's vehicle was not the one assigned to the automobile's vehicle identification number, or VIN.

The defendant admitted he took the license plate and engine from his own car, which was wrecked in an accident, and attached it to the car of his mother-in-law with her full knowledge and consent. The car of the defendant's mother-in-law was exactly the same make and model of the defendant's but was not operational.

Quinata told the court he did not know it was illegal to do so and argued that his alleged conduct did "not cause or threaten any harm or evil sought to be prevented by the law defining the offense."

## Inappropriate

Assistant Attorney General Brian Gallagher, however, argued that Quinata's conduct was not "de minimis," and dismissal of the case is inappropriate under Guam law.

Gallagher told the court that Quinata's behavior was not within the customary license or tolerance that society should have to tolerate, adding the defendant did actually cause or threaten the harm sought to be prevented by law.

"To allow defendant to dismiss the case based on the claim that he was unaware of the illegality of his actions would open the door for every other defendant in a similar situation to get away with removing, defacing, covering, altering or destroying identification marks on their vehicles," Gallagher added.

Judge Sukola agreed with the government attorney and said that while the defendant's mother-in-law renewed the car registration days after Quinata's arrest to reflect her name and the defendant's name, it does not negate the fact that an offense was committed at the time the Guam Police Department discovered that the license plate attached was not the one assigned to the original VIN.

"The removal of a vehicle license plate from one vehicle to another without authorization from the Department of Revenue and Taxation is clearly unlawful under 9 GCA Section 9101," Judge Sukola ruled.

The court added that the complaint is not too trivial and is determined to continue the case against Quinata.

Further proceedings is set for July 3 at 10 a.m.



Health and Human Services Secretary Kathleen Sebelius announced Friday that nationwide, 77.8 million consumers saved \$3.4 billion upfront on their premiums as insurance companies operated more efficiently. AP

# Guam residents to benefit from \$2 million in insurance rebates

(HHS) — A total of 49,160 Guam residents stand to receive an average of \$2,615 per family from the \$2 million in rebates that insurance companies are required to distribute under the Affordable Care Act, Health and Human Services Secretary Kathleen Sebelius announced Friday.

Nationwide, 77.8 million consumers saved \$3.4 billion upfront on their premiums as insurance companies operated more efficiently.

Additionally, consumers nationwide will save \$500 million in rebates, with 8.5 million enrollees due to receive an average rebate of around \$100 per family. Created under the Affordable Care Act, the Medical Loss Ratio standard (aka the "80/20 rule") requires insurers to spend at least 80 cents of every premium dollar on patient care and quality improvement. If they spend an excessive amount on profits and red tape, they owe rebates back

for the difference no later than Aug. 1.

"This new standard is increasing transparency and accountability, promoting better business practices and competition among insurance companies, and ensuring consumers receive value for their premium dollars," Sebelius said. "Today's announcement shows that more Guamanians are benefiting from the tools created under the Affordable Care Act to keep consumer costs down."

The law has motivated many plans to lower prices or improve their coverage to meet the standard. Other Guamanians will see their value reflected through rebates later this summer.


Guamanians who are owed a rebate will see their value reflected in one of the following: rebate check in the mail, a lump sum reimbursement to the same account that they used to pay the premium if by credit card or debit card, a reduction in their premi-

ums, and their employer using rebates to improve their health coverage.


"Insurance companies that do not meet the standard will send consumers a notice informing them of the rule. The notice will also let consumers know how much the insurer did or did not spend on patient care or quality improvement, and how much of that difference will be returned as a rebate.

The "80/20 rule" works, along with the required review of proposed double-digit premium increases, to stabilize and moderate premium rates.

In addition, with new market reforms including the guaranteed availability protections and prohibition of the use of factors such as health status, medical history, gender and industry of employment to set premiums rates, this policy helps ensure every American has access to quality, affordable health insurance.



**The Honorable  
EDDIE B. CALVO**  
Governor




**The Honorable  
RAY TENORIO**  
Lt. Governor

**A.B. WON PAT**  
INTERNATIONAL AIRPORT AUTHORITY, GUAM

## PUBLIC NOTICE

The Board of Directors of the A.B. Won Pat International Airport Authority, Guam (GIAA) will convene its Regular Board meeting on Thursday, June 27, 2013 at 3:00 p.m. in Terminal Conference Room No. 3. In addition to regular matters, pursuant to 5 G.C.A. §811(c)(2), Executive Session will be held to discuss pending litigation to which GIAA is a party. Parking is available in the Public Parking Lot.

For special accommodations or agenda items, please call the Board Office at 642-4717/18.  
(This ad paid for by GIAA)



**JUDICIARY OF GUAM**  
Guam Judicial Center  
120 West O'Brien Drive, Hagatna, Guam 96910 • www.guamcourts.org

### Request For Health Proposal (RFHP) No. 13-01

The Judiciary of Guam is accepting proposals from qualified firms to provide Group Health Insurance for the Judiciary of Guam.

Interested and qualified interested and qualified firms may pick up copies of the RFHP at the Procurement Office located in the Guam Judicial Center, 1st floor, 120 West O'Brien Drive in Hagatna beginning Friday, June 14, 2013 (Guam Time) from 8:00 a.m. to 5:00 p.m. except holidays or visit the Judiciary's Website: <http://www.guamcourts.org/information/proc.html> to obtain an electronic copy of the RFHP and for any periodic updates.

All proposals must be submitted to the Procurement Office no later than 2:00 p.m. (Guam Time), July 5, 2013. Late proposals will not be considered.

For more information, please contact Mr. Raymond L.G. Taimanglo, Procurement & Facilities Mgt. Administrator at 475-3175/3141/3212 or email [rtaimanglo@guamcourts.org](mailto:rtaimanglo@guamcourts.org) and/or [mantonio@guamcourts.org](mailto:mantonio@guamcourts.org).

**/s/ PERRY C. TAITANO**  
Administrator of the Court

**MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING**  
**3:00 p.m., Thursday, May 30, 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) regular meeting to order at 3:10 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 Pedro P. Ada III. 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, 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.

**2. APPROVAL OF AGENDA**

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

**3. APPROVAL OF MINUTES**

**A. April 25, 2013 Board Regular Meeting**

Director Ada made motion to approve the minutes, subject to correction, seconded by Vice Chair Torres; motion carried.

Before moving on with Correspondence the Executive Manager introduced to the Board representatives from Supreme, Darril Dela Paz, General Manager and Karlo Terz, Director of Operations.

**4. CORRESPONDENCE**

The Executive Manager informed the Board that a letter was received from the Oversight Chairman, Senator San Nicolas relative to Public Law 32-031, which mandates that Boards and Commissions have an educational curriculum established for Board members within 90 days of the Public Law. The Manager stated that GIAA is in the

process of developing such a curriculum which will be completed within the compliance time line set forth.

## **5. MATTERS FOR BOARD RATIFICATION/APPROVAL**

### **A. Ratification of Disbursements**

Director Ada made a motion to ratify payments above the \$50,000.00 threshold made to vendors for the period of April 24, 2013 – May 24, 2013, seconded by Director Gerber; motion carried.

## **6. OLD BUSINESS**

### **A. Executive Manager's Report**

The Executive Manager presented brief reports on various issues and announcements relating to Airline issues, to include Starflyer, a Kitakyushu Airport based air operator, operating thirteen (13) charter flights between Kitakyushu and Guam in August, 2013; first of which is scheduled for August 1, 2013 and will continue through August 26, 2013.

May 20, 2013 Management met with the Signatory Airline partners to discuss items such as, FY2013 budget, new operator of the fuel system, Tiyan Parkway and Central Avenue closure, various legislative issues, and the bond refunding and capital improvement projects.

Regarding Regulatory issues, U.S. Customs and Border Protection (USCBP) announced the implantation of the paperless I-94. USCBP has developed an electronic version of the Arrival/Departure Record and will be in effect on Guam and the Commonwealth of the Northern Mariana Islands on May 14, 2013. Some traveler's will still need to complete a paper CBP Form I-94, including those applying for admission under the Guam-CNMI Visa Waiver Program or those entering the United States under a paroled status without a valid U.S. visa. Congresswoman, Madeleine Bordallo announced that in the Fiscal 2014 Homeland Security Appropriations Bill, language on expanding the Guam-CNMI Visa Waiver Program was inserted instructing the Department of Homeland Security (DHS) to finalize deliberations on the expansion of the program on Guam.

Not currently on Guam, the TSA pre-screening program, TSA Precheck is in place for eligible United Airlines passengers. Customers who are eligible will begin to see the TSA Precheck indicator on mobile boarding passes or those they have printed at home or a kiosk at some airports. This will allow customers to route themselves effectively to available TSA Precheck lanes. The program is available at all eight (8) United's domestic hubs and a total of twenty-nine (29) airports.

The Executive Manager reported that the Fiscal Year 2014 Budget preparation is in progress; with Division heads working within timelines to meet budget deadlines and goals.

In regard to the Specialty Retail Concession, the Manager reported that after the GIAA Board of Directors approved Management's recommendation to award the contract to Lotte Duty Free Guam, LLC; the successful negotiation of the contract concluded, and on May 18, 2013 the contract was awarded as authorized by the Board. The new Agreement increases the Airport's specialty retail concession guaranteed rental revenues from \$4.5 million under the prior contract, to \$15.4 million in minimum annual guaranteed rent to be paid by Lotte. The Airport was also able to negotiate additional revenue of 1% of all non-Airport sales made by Lotte on Guam. Under the new Agreement, no less than \$23 million will be invested by Lotte in capital improvements towards enhancing the Airport's duty free shopping experience with a unique concept which includes substantial renovations to the Airport food court and restroom facilities at no additional cost to the Airport. A Press Conference for all media was held today, showcasing Lotte Duty Free Guam's winning concept "Gateway Guam".

Reporting on Personnel issues, the executive Manager announced that through Public Law 29-94, authorization was granted to the Authority to establish pay scales for CTP positions. GIAA employed an independent study in 2008 to develop the pay scale for CTP positions. On November 23, 2010 the GIAA Board of Directors approved the migration to the 5<sup>th</sup> Market percentile, effective October 1<sup>st</sup> of that year. This is the first of a planned number of adjustments eventually achieving the 50<sup>th</sup> Market percentile or market average within the United States. Pursuant to GIAA CTP Rules and Regulations, internal equity should be reviewed annually and external competitiveness at least every three (3) years. A review conducted in 2011, assessing a series of benchmark positions with data being obtained from market research against the U.S. Airport Industry and the U.S. Bureau of Labor Statistics (BLS). Research indicated an average market movement of 8.7% for the U.S. Airport Industry over the period of 2008 – 2012. The total estimated cost to migrate to the 15<sup>th</sup> Market Percentile is \$602,640.00 with the total estimated cost to migrate to the 20<sup>th</sup> Market Percentile being \$830,000.00.

The Executive Manager informed the Board that Bill 69-32 was passed in the legislative session May 28, 2013; requiring legislative approval for lease agreements that span more than five years. Bill 125-32 was introduced in the legislative session May 23, 2013, appropriating \$500,000.00 to Department of Public Works to fund the acquisition property for the Tiyan Parkway Project.

The Manager reported that during the annual Airport Certification Inspection by the Federal Aviation Administration (FAA) on May 3, 2013, GIAA received excellent inspection results. Airport Certification Inspector, Juan S. Reyes of the FAA Airport



District office out of Honolulu commented on the great conditions at GIAA, and had only one recommendation to update the Airport's Wildlife Management Program.

Before ending the report, the Executive Manager introduced representatives from Citigroup, and the new General Manager of DFS Guam, June Guzman. Director Untalan at this time reminded the Board of the Bond Refinancing and commended the Executive Manager and staff for successful negotiations of the Specialty Retail Concession contract. He stated that with the new contract there will be a significant increase in annual revenue that the Airport will receive with the Concession itself, and that it's a very appropriate time as GIAA are going before rating agencies to show the improvements that are being made to the Airport.

At this time Director Ada thanked the Executive Manager for the recent tour of the facility. Director Ada stated that he had a number of requests for Management, including a report on the efforts being made to remove old debris on Airport property, and, what effort is being made to reduce the cost of power. The Executive Manager responded, informing Director Ada and the Board that GIAA has undertaken an eleven (11) million dollar energy performance project a little over a year ago which is expected to be completed this summer, and a two (2) million dollar energy savings per year is to be expected, which is quite significant. Chairman Santos stated that he has noticed a significant decrease in power cost in the past year.

Vice Chair Torres inquired on the \$830,000 to get to the 20<sup>th</sup> Market Percentile, and asked if GIAA has that amount available. Director Untalan replied that the item was going to be brought to the Board for consideration next Board meeting. Director Untalan informed the Board that \$830,000 is the maximum amount on an annual basis; the team has done an excellent job in controlling costs and revenues have increased. Chairman Santos inquired on when the Bond negotiations are going to start. The Executive Manager responded, informing the Board that a GIAA team is scheduled to be in San Francisco June 18 to 19 to engage Standard & Poor's. Chairman Santos made a recommendation for Director Untalan to join the team traveling to San Francisco. Chairman Santos called for any other comments. Mr. Frank Santos replied with a response regarding the 20<sup>th</sup> Percentile, stating that since a feasibility analysis is being done for the Bond, if the Board can authorize Management to utilize the higher amount for the compensation as part of our going forth planning in terms of what the debt service ratios would be and use the higher number, that way it could go down, but at least we planned for it; stating it's just a planning document. Director Tolan asked how high. Vice Chair Torres replied, to the 20<sup>th</sup> Percentile. Vice Chair Torres made motion to authorize Management to move to the 20<sup>th</sup> Market Percentile, seconded by Director Tolan; motion carried.

## **B. Financial Report**

For the Board's information, Carlos P. Bordallo, Acting Comptroller presented the financial report as of April 30, 2013. In finishing his report, Mr. Bordallo replied to Vice Chair Torres's question asked earlier relative to the 20<sup>th</sup> percentile, stating yes that GIAA would be able to absorb the 20<sup>th</sup> Percentile, at \$830,000.

**C. Legal Counsel's Report**

Legal Counsel indicated that a report regarding pending and threatened litigation matters would be provided during Executive Session. The Board had no objection.

**D. Status of Capital Improvement Programs**

Mr. Frank Santos presented the UDO analysis and informed the Board that this is a continuation of the existing projects that we have and a summary showing ninety-seven (97) million dollars in federal funding, which GIAA has already spent seventy-six (76) million. Reporting on those projects that are pending or are in progress, Mr. Santos informed the Board that the Instrument Landing System (ILS) for Runway Left is essentially complete, but due to scheduling problems, FAA will not be able to bring their aircraft for a 'flight check' until August 2013, with the publication in December 2013. At which time that runway is available for arrivals, which also means that Central Avenue may have to close on those days. Mr. Santos reported on various other projects in progress and went on to say that next month is 'grant season' month, GIAA is expecting to receive seven hundred (700) million dollars from the FAA for work that will be announced at a later time once the Board of Directors approves the grants.

**7. NEW BUSINESS**

No New Business presented.

**8. NEW BUSINESS**

The Chairman announced that upon the recommendation of legal counsel the Board will recess and convene Executive Session after the recess. Vice Chair Torres made motion to recess and convene Executive Session after the recess, seconded by Director Tolan; motion carried. The Board recessed at 3:42 p.m.

Chairman Santos called Executive Session to order at 3:52 p.m. (*At this time Chairman Santos and Director Tolan exit the conference room*). Executive Session adjourned at 5:06 p.m., at which time the Board reconvened the regular meeting.

Director Untalan suggested before moving to Public Comments that he would like to make a motion relating to legal fees on the Specialty Retail Concession matter. As a result of the potential litigation and ongoing protest which require Legal Counsel to

devote an extraordinary amount of resources and personnel of its law firm and which is not economically feasible for legal counsel under its current contract rates and monthly fee cap, Director Untalan moved to adjust the hourly rates of Legal Counsel specifically for the matters relating to the Specialty Retail Concession to \$325.00 per hour for San Francisco-based litigation partners, \$225.00 per hour for all other attorneys, and \$75.00 per hour for legal assistants, and to remove the cap of \$45,000 per month for services rendered in matters relating to the Specialty Retail Concession. Director Untalan stated that the existing contractual hourly rates and cap of \$45,000 per month would still remain for all other matters; however this specific matter will require a lot more man power and expertise. Director Untalan made motion to adjust the compensation for Legal Counsel as indicated, and to lift the cap of \$45,000 per month. Chairman Santos handed the item over to Vice Chairman Torres to chair as the issue pertains to the Specialty Retail Concession in which Chairman Santos has abstained from participating. Director Ada seconded the motion made by Director Untalan; and clarified for the Board, stating that the \$45,000 cap and fee structure remains the same for any and all other matters, and that the new fee structure with no cap applies only to the Specialty Retail Concession matter. Director Untalan requested that the billings related to this issue be separated. Motion duly carried.

#### **9. PUBLIC COMMENTS**

The Chairman called upon any public member wishing to make comments. There was no response.

#### **10. ADJOURNMENT**

Vice Chair Torres made a motion to adjourn the meeting, seconded by Director Tolan; motion carried. The meeting adjourned at 5:10 p.m.

Respectfully submitted,

Amanda O'Brien-Rios  
Board Secretary

APPROVED:

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FRANCISCO G. SANTOS  
Chairman of the Board

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Date

Attachment

## **MINUTES OF THE BOARD OF DIRECTORS SPECIAL MEETING**

**3:00 p.m., Tuesday, June 11, 2013**

**GIAA TERMINAL CONFERENCE ROOM #3**

### **1. CALL TO ORDER AND ATTENDANCE**

Acting Chairman Jesus Q. Torres called the A.B. Won Pat International Airport Authority, Guam (GIAA) special meeting to order at 3:10 p.m. The presence of Directors is noted as follows: Martin J. Gerber; Edward G. Untalan, and Pedro P. Ada III. 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, 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.

### **2. APPROVAL OF AGENDA**

Director Ada made motion to approve the agenda as presented, seconded by Director Gerber; motion carried.

### **3. SPECIALTY RETAIL CONSESSION AGREEMENT, CLAIMS, PROTESTS, LITIGATION, AND RELATED MATTERS**

The Executive Manager announced that due to ongoing litigation, he would like to recommend that Item 3 be discussed in Executive Session and requested for the Airport Services Manager, Ms. Jean Arriola to be invited into the session. Acting Chairman Torres called for any comments. Legal Counsel Michael Pangelinan responded, stating that is also recommendation of Legal Counsel.

### **4. EXECUTIVE SESSION**

Acting Chairman Torres announced that the Board will recess and convene Executive Session after the recess. Director Ada made motion to recess and convene Executive Session after the recess, seconded by Director Untalan; motion carried. The Board recessed at 3:15 p.m.

Acting Chairman Torres called Executive Session to order at 3:25 p.m. Executive Session adjourned at 4:54 p.m., at which time the Board reconvened the special meeting.

Director Untalan made motion to approve the recommendation and report of Legal Counsel presented during Executive Session and to approve and confirm all prior actions taken by Management pertaining to the Specialty Retail Concession Agreement, seconded by Director Ada. The Acting Chairman called for votes on the motion, and was unanimously carried.

Director Untalan made motion to approve the Legal Counsel's expenses exceeding the fee cap for April as it relates to the Specialty Retail Concession Agreement and litigation, seconded by Director Ada; motion carried.

Director Untalan made motion to authorize Management to proceed with handling all of the matters related to the litigation involving the Specialty Retail Concession Agreement. Director Ada seconded the motion and stated that the Board is basically reaffirming what they had instructed Management to do; motion duly carried.

## **5. ADJOURNMENT**

Director Ada made a motion to adjourn the meeting, seconded by Director Gerber; motion carried. The meeting adjourned at 4:57 p.m.

Respectfully submitted,

Amanda O'Brien-Rios  
Board Secretary

APPROVED:

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FRANCISCO G. SANTOS  
Chairman of the Board

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Date

Attachment

**ANTONIO B. WON PAT  
INTERNATIONAL AIRPORT AUTHORITY, GUAM  
BOARD OF DIRECTORS  
EXECUTIVE SUMMARY**

**INVITATION FOR BID  
CUSTODIAL SERVICES FOR  
TSA OFFICES AND FACILITIES  
IFB NO. GIAA-003-FY13**

June 27, 2013

**Purpose**

Board action is requested to approve the bid award of the above project under the Invitation For Bid No. GIAA-003-FY13.

**Background**

The project is to provide custodial services at the TSA offices and facilities inclusive of all labor, materials, supplies and equipment to main terminal building.

The bid award provides a contract term of three (3) years. The contract may be renewed annually at GIAA's sole option for additional one-year period(s), not to exceed the total contract term of five (5) years.

**Procurement Background**

The solicitation announcement was advertised through the local newspapers during the month of May 2013. The bid submission deadline and bid opening took place on May 23, 2013.

Thirteen (13) firms/individuals purchased bid package and eight (8) firms submitted bid proposal before the submission deadline. All eight (8) firms were evaluated and determined that seven (7) firms to be acceptable. As required by the Procurement Rules and Regulations, the bids were publicly opened and read aloud in the presence of the bidders.

The submitted bids are presented below:

Bidder/Firm's Name	Item 1 Total Price
GUAM CLEANING MASTERS	\$62,266.56
UNLIMITED SERVICE GROUP LLC	\$60,576.00
SERVICE MASTER GUAM INC.	\$119,400.00

K CLEANING SERVICES	\$57,688.00
ADVANCE MANAGEMENT INC.	\$181,371.24
ABLE INDUSTRIES OF THE PACIFIC	\$43,117.68
MTO MAINTANACE	\$54,000.00
JJ GLOBAL	\$47,400.00

#### **Legal Review**

Upon approval of award, the contract will be processed through issuance of a Purchase Order in conformance with the Government of Guam Procurement Regulations.

#### **Financial Review**

The total contract award for this bid is \$47,400.00. Funding for this bid is available under the FY2013 O&M budget.

#### **Recommendation**

Management recommends the contract award of **\$47,400.00** to **JJ Global**, who has been determined to have met the standards of responsibility and responsiveness outlined in Guam Procurement Regulation.



**A.B. WON PAT**  
INTERNATIONAL AIRPORT AUTHORITY, GUAM  
ATUNDI TRUFTON SAIKON AIRPORT GUAM ENTEMANCHAT

P.O. Box 8770  
Tamuning, GU 96931

Tel (671) 646-0300  
Fax (671) 646-8823

www.guamairport.com

May 28, 2013

**MEMORANDUM**

**TO:** Charles H. Ada II, Executive Manager

**FROM:** Franklin P. Taitano, Supply Management Administrator

**SUBJECT:** Bid Evaluation and Recommendation "Invitation For Bid"  
Custodial Services for TSA Offices and Facilities  
IFB No. GIAA-003-FY13

**Procurement Background:**

The above referenced Invitation For Bid was publicly announced through the local newspaper on the month of May 2013. The bid submission deadline and bid opening took place on May 23, 2013 at 2:00 p.m.

Thirteen (13) firms/individuals purchased the bid package and eight (8) firms submitted bids before the bid submission deadline. The bid submittal was opened in the presence of the bidders, members of the public and several GIAA representatives. The bid offer was read aloud by the Supply Management Administrator and tabulated by a Procurement staff.

The results of the bid price submittals are as follows in the order they were received and opened:

Bidder/Firm's Name	Item 1 Total Price
GUAM CLEANING MASTERS	\$62,266.56
UNLIMITED SERVICE GROUP LLC	\$60,576.00
SERVICE MASTER GUAM INC.	\$119,400.00
K CLEANING SERVICES	\$57,688.00
ADVANCE MANAGEMENT INC.	\$181,371.24
ABLE INDUSTRIES OF THE PACIFIC	\$43,117.68
MTO MAINTANACE	\$54,000.00
JJ GLOBAL	\$47,400.00





Pursuant to Section 8 of the Instructions to Bidders, the contract is to be awarded to the lowest responsible, responsive bidder, provided his bid is reasonable and it is in the best interest of the GIAA to accept it. To determine the responsibility of bidders, the bid package specified the required documents that bidders must submit with their bid packages. The attached abstract illustrates the inventory of required documents and bidders' submittal.

***Guam Cleaning Masters:*** The firm submitted a bid for Item 1 in the amount of \$62,266.56 respectively. All other documents were complete and in conformance with the Invitation For Bid.

***Unlimited Service Group LLC:*** The firm submitted a bid for Item 1 in the amount of \$60,576.00 respectively. All other documents were complete and in conformance with the Invitation For Bid.

***Service Master Guam Inc.:*** The firm submitted a bid for Item 1 in the amount of \$119,400.00 respectively. All other documents were complete and in conformance with the Invitation For Bid.

***K Cleaning Services:*** The firm submitted a bid for Item 1 in the amount of \$57,688.00 respectively. All other documents were complete and in conformance with the Invitation For Bid.

***Advance Management Inc.:*** The firm submitted a bid for Item 1 in the amount of \$181,371.24 respectively. All other documents were complete and in conformance with the Invitation For Bid.

***Able Industries of the Pacific:*** The firm submitted a bid for Item 1 in the amount of \$43,117.68 respectively. The firm did not submit Required Bid Forms, Bid Security, and Bonding Capability as required. As a result, the firm has been determined to be non-responsive and responsible, therefore the firms bid is rejected.

***MTO Maintenance:*** The firm submitted a bid for Item 1 in the amount of \$54,000.00 respectively. All other documents were complete and in conformance with the Invitation For Bid.

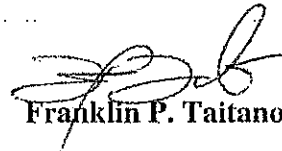
***JJ Global:*** The firm submitted a bid for Item 1 in the amount of \$47,400.00 respectively. All other documents were complete and in conformance with the Invitation For Bid.

**Recommendation:**

Pursuant to the guidelines in Item 8 of the Instruction to Bidders, the award of contract will be made to the lowest responsible, responsive bidder, provided his bid is reasonable and in the best interest of GIAA.

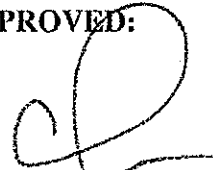
JJ Global has been determined to have met the standards of responsibility and responsiveness outlined in the Guam Procurement Regulation. Therefore, it is recommended that the contract award be made according to JJ Global for the amount of \$47,400.00 per year.

Should you have any questions or concerns, I am available at your request.



Franklin P. Taitano

APPROVED:



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CHARLES H. ADA II  
Executive Manager

Attachment

cc: Acctg/Proc/ATM/P&F 

INVITATION NUMBER: G1AA-001-FY13			Antonio B. Was Pat International Airport Authority, Guam BID ABSTRACT											Page 1 of 1 pages		
PROJECT TITLE:														Opening Date: 23-May-13		
CUSTODIAL SERVICES FOR TSA OFFICES AND FACILITIES														Opening Time: 2:00 P.M.		
DESCRIPTION OF SUPPLIES OR SERVICES:			COMPETENCY OF BIDDER'S REQUIREMENTS											ITEM NO. 1.B TOTAL PRICE		
BIDDER'S NAME			Special Reminder to Prospective Bidders	BID SECURITY CC - Cashier Check LOC - Letter of Credit IB - IB Bond	Disclosure of Major Shareholders	New-Collaboration Affiliate	Standard DOT Grant Assurance Form	Business or Contractors License	Project Listing (Past/Present)	Equipment (Inventory List)	Diligence Record, References	Resumes of Personnel	Bonding Capability	Financial Statements	ADDENDUMS A	ITEM NO. 1.B TOTAL PRICE
1	Guam Cleaning Masters	✓	BB # K2 131118 15%	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	* 102,214.50 original 5,188.88 Monthly
2	(USA) Unlimited Service Exp	✓	BB # K12 13118B 15%	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	* 60,576.10
3	ServiceMasters Guam Inc	✓	BB # AGA 2005B 15%	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	* 119,400.00
4	K Cleaning Services	✓	BB CK1 130030APB 15,000.00	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	* 57,688.00
5	Advance Management Inc.	✓	BB BD6VW 2013104P 30,000.00	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	* 181,371.24
6	Able Industries of the Pacific	✓	X	X	X	X	X	X	X	X	X	X	X	X	X	* 43,117.68
7	MTO Maintenance	✓	BB CK1 130031APB 34,000.00	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	* 54,000.00
8	JJGLOBAL	✓	BB 052213 15%	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	* 47,400.00
9																
10																

I hereby certify that all bids received in response to this invitation were opened under my personal supervision, and that the names of all bidders have been entered herein.

PREPARED BY: [Signature] DATE: 5/23/13

SIGNATURE

BASIS FOR AWARD:

1. LOWEST RESPONSIVE BIDDER	1. TIE BID
2. HIGHEST RESPONSIVE BIDDER	2. COMBINED TOTAL
3. OTHER AWARD	3. ITEM PER ITEM



**AFFIDAVIT DISCLOSING OWNERSHIP and COMMISSIONS**

CITY OF \_\_\_\_\_ )

) ss.

ISLAND OF GUAM \_\_\_\_\_ )

A. I, the undersigned, being first duly sworn, depose and say that I am an authorized representative of the offeror and that *[please check only one]*:

- ☐ The offeror is an individual or sole proprietor and owns the entire (100%) interest in the offering business.
- ☐ The offeror is a corporation, partnership, joint venture, or association known as *[please state name of offeror company]*, and the persons, companies, partners, or joint venturers who have held more than 10% of the shares or interest in the offering business during the 365 days immediately preceding the submission date of the proposal are as follows *[if none, please so state]*:

<u>Name</u>	<u>Address</u>	<u>% of Interest</u>
<u>LUIS E. Bustamante</u>	<u>5081A San Antonio</u> <u>PLAZA Tamuning</u>	<u>100%</u>

B. Further, I say that the persons who have received or are entitled to receive a commission, gratuity or other compensation for procuring or assisting in obtaining business related to the bid or proposal for which this affidavit is submitted are as follows *[if none, please so state]*:

<u>Name</u>	<u>Address</u>	<u>Compensation</u>
-------------	----------------	---------------------

C. If the ownership of the offering business should change between the time this affidavit is made and the time an award is made or a contract is entered into, then I promise personally to update the disclosure required by 5 GCA §5233 by delivering another affidavit to the government.

Luis E. Bustamante

Signature of one of the following:

Offeror, if the offeror is an individual: Partner, if the offeror is a partnership; Officer, if the offeror is a corporation.

Subscribed and sworn to before me this day of May, 2013.

Virginia I. Solidum

NOTARY PUBLIC  
My commission expires \_\_\_\_\_

**VIRGINIA I. SOLIDUM**  
NOTARY PUBLIC  
In and for Guam, U.S.A.  
My Commission Expires: **Dec. 03, 2015**  
P.O. Box 3743 Hagatna, Guam 96932

**ANTONIO B. WON PAT  
INTERNATIONAL AIRPORT AUTHORITY, GUAM  
BOARD OF DIRECTORS  
EXECUTIVE SUMMARY**

**INVITATION FOR BID  
REHABILITATE RUNWAY 6L-24R, PHASE 1I  
IFB NO. GIAA-C01-FY13  
PROJECT NO. GIAA-FY10-04-2; AIP NO. 3-66-0001-84**

June 27, 2013

**Purpose**

Board action is requested to approve the bid award of the above project under the Invitation For Bid No. GIAA-C01-FY13.

**Background**

The project is to provide construction and renovation work inclusive of all labor, materials, supplies and equipment to rehabilitate runway 6L-24R, Phase 1I.

**Procurement Background**

The solicitation announcement was advertised through the local newspapers during the month of May 2013. The bid submission deadline and bid opening took place on June 17, 2013.

Six (6) firms/individuals purchased bid package and two (2) firms submitted bid proposal before the submission deadline. The firms were evaluated and determined to be acceptable. As required by the Procurement Rules and Regulations, the bids were publicly opened and read aloud in the presence of the bidders.

The submitted bids are presented below:

<b>BIDDER'S NAME</b>	<b>AMOUNT</b>
Nippo USA, Inc.	\$6,896,871.09
Hawaiian Rock Products Corp.	\$8,136,599.82

**Legal Review**

Upon receipt of the required Performance and Payment Bonds, contract documents will be forwarded to legal counsel for review prior to execution and issuance of Notice to Proceed.

### **Financial Review**

The lowest responsive, responsible total bid amount received is \$6,896,871.09 or 50% below government estimate of \$13,000,000.00. Funding for this project is available under the AIP grant no. 3-66-0001-84.

### **Recommendation**

Management recommends the contract award of **\$6,896,871.09** to **Nippo USA, Inc.**, who has been determined to have met the standards of responsibility and responsiveness outlined in Guam Procurement Regulation.



**A.B. WON PAT**  
INTERNATIONAL AIRPORT AUTHORITY, GUAM  
A. B. WON PAT TITTOH PATTON A. B. WON PAT GUAM AIRPORT AUTHORITY

P.O. Box 8770  
Tamuning, GU 96931

Tel (671) 646-0300  
Fax (671) 646-8823

[www.guamairport.com](http://www.guamairport.com)

June 21, 2013

**MEMORANDUM**

**TO:** Charles H. Ada II, Executive Manager

**FROM:** Franklin P. Taitano, Supply Management Administrator  
Victor J. Cruz, Chief Engineer

**SUBJECT:** Bid Evaluation and Recommendation "Invitation For Bid"  
For Rehabilitate Runway 6L-24R, Phase II  
IFB No. GIAA-C01-FY13  
Project No. GIAA-FY10-04-2 AIP No. 3-66-0001-84

**Procurement Background:**

The above referenced Invitation For Bid was publicly announced through the local newspaper during the month of May 2013. A pre-bid conference was held on May 16, 2013 at the Terminal Conference Room. The bid submission deadline and bid opening took place on June 17, 2013.

Six (6) firms/individuals purchased the bid package and two (2) firms submitted proposal before the bid submission deadline. The bid submittals were opened in the presence of the bidders, members of the public and several GIAA representatives. The bid offer was read aloud by the Buyer Supervisor I and tabulated by a Procurement staff.

The results of the bid price submittals are as follows in the order they were received and opened:

BIDDER'S NAME	AMOUNT
Nippo USA, Inc.	\$6,896,871.09
Hawaiian Rock Products Corp.	\$8,136,599.82

**Bid Analysis and Evaluation:**

Pursuant to Section 8.1 of the Instructions to Bidders, the contract is to be awarded, if it is to be awarded, as soon as possible to the lowest responsible, responsive bidder. To determine the responsibility of bidders, the bid package specified the required documents that bidders must submit with their bid packages. The attached abstract illustrates the inventory of required documents and bidders submittal.

**Nippo USA, Inc.:** The firm has submitted a total bid price of \$6,896,871.09. The submitted Statement of Bidders Experience form included lists of projects from 2003-2012 with resumes. The bidder submitted a copy of their current Guam Contractors License #0263, #0733. All other required documents are complete and in conformance with the Invitation For Bid.



AMERICAN ASSOCIATION  
OF AIRPORT EXECUTIVES



**NASAO**  
National Association of State Aviation Officials



THE INTERNATIONAL AIR CARGO ASSOCIATION

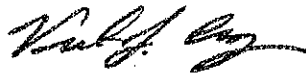
**Hawaiian Rock Products Corp.:** The firm has submitted a total bid price of \$8,136,599.82. The submitted Statement of Bidders Experience form included lists of projects from 2003-2013 with resumes. The bidder submitted a copy of their current Guam Contractors License #1092, #1522, #7547, #1146. All other required documents are complete and in conformance with the Invitation For Bid.

**Recommendation:**

Pursuant to the guidelines in Item 8.1 of the Instruction to Bidders, the award of contract will be made to the **lowest responsible, responsive bidder**. Nippo USA, Inc. has been determined to have met the standards of responsibility and responsiveness outlined in the Guam Procurement Regulations and has deemed to be the lowest responsible, responsive bidder.

Therefore, it is recommended that **Nippo USA, Inc.** be awarded the contract in the amount of **\$6,896,871.09** for this project.

Should you have any questions or concerns, please call our office at your convenience.

  
Victor Cruz

  
Franklin P. Taitano

APPROVED:


  
\_\_\_\_\_  
**CHARLES H. ADA II**  
Executive Manager

3f

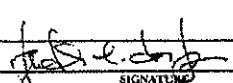
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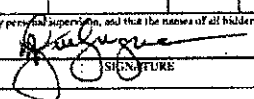
cc: Admin/Proc/Eng/Expansion



INVITATION NUMBER: GLAA-C91-FY13 PROJECT NO: GLAA-FY10-04-2; A/P NO. 3-66-0001-84 REHABILITATE RUNWAY 6L-24R, PHASE II		 <div style="text-align: center;">           Antonio B. Won Pat            Guam International Airport Authority  <b>BID ABSTRACT</b> </div>														Page 1 of 1 pages No. of Invitation Issued: 0 No. of Bids Received: 2				
SUMMARY OF SCOPE OF WORK:		Special Transmittal to Prospective Bidders	BID GUARANTEE Cashier's Check Letter of Credit Bid Bond	Disclosure of Major Subcontractors	Non-Collusion Affidavit	Statement of Previous Contracts Subject to FBO	Certification of Non- Segregated Facilities	Designation of Sub- contractors	Statement of Experience of Bidders with Revenues	Certificate Concerning Foreign Involvement	CFR 49 Part 29 Req for Solicitation	Certification Contracts, Grants, Loans, & Coop Agreement	Certification of Bidders Regarding FEO	Buy American Certificate	Standard Clause for DBE	Business or Contractors License	ADDENDUMS			TOTAL BID PRICE
																	A	B	C	
1	Nippo USA, Inc.	✓	BB 406083-2 15%	✓	✓	✓	✓	(A) ✓	(B) ✓	✓	✓	✓	✓	✓	✓	(C) ✓	✓	✓	✓	6,896,877.09
2	Haw'n Rock Products	✓	BB 054 15%	✓	✓	✓	✓	(A) ✓	(B) ✓	✓	✓	✓	✓	✓	✓	(C) ✓	✓	✓	✓	8,136,599.82
3																				
4																				
5																				
6																				
7																				
8																				
9																				
10																				

I hereby certify that all bids received in response to this invitation were opened under my personal supervision, and that the names of all bidders have been entered herein.

TABULATED BY:  SIGNATURE


SIGNATURE:  SIGNATURE

Date: 6-17-13

BASIS FOR AWARD:

1. LOWEST RESPONSIVE & RESPONSIBLE BIDDER	1. THE BID
2. HIGHEST RESPONSIVE & RESPONSIBLE BIDDER	2. UNBIDDED TOTAL
3. OTHER AWARD	3. ITEM PER ITEM

# 13,033,366.95  
Govt. Est.

INVITATION NUMBER: GIAA-C01-FY13 PROJECT NO: GIAA-FY10-042; AIP NO. J-66-0901-84 REHABILITATE RUNWAY 6L-14R, PHASE II			Antonio B. Won Pat International Airport Authority, Guam <b>NOTES/REMARKS FOR BID ABSTRACT</b>
Vendor No.	COMMENTS		
1	(A) DESIGNATES "JMC EQUIPMENT" FOR HAULING & DISPOSAL / "KORANDO CORP." FOR CLEARING, GRUBBING & SURFACE PREPARATION / "POLYPHASE INC." FOR ELECTRICAL (B) PROJ. LIST 2003-2012, W/RESUMES (C) GCL #02143, #0733 FOR REQUIRED C-3, C-13, C-17.		
2	(A) DESIGNATES "CARDINAL/INTL GROOVING & GRINDING, LLC" FOR GROOVING WORK / "SUMITOMO" FOR ELECTRICAL / "ROAD RULE SAFETY" FOR PAVEMENT MARKING (B) PROJ. LIST 2003-2013, W/RESUMES (C) GCL #1092, #1622, #7547, #1146 FOR REQUIRED C-3, C-13, C-17.		
3			
4			
5			
6			
7			
8			
9			
10			
Prepared By: _____ SIGNATURE			

**MAJOR SHAREHOLDERS DISCLOSURE AFFIDAVIT**

CITY OF Tamuning )  
 ) ss.  
 ISLAND OF GUAM )

A. I, the undersigned, being first duly sworn, depose and say that I am an authorized representative of the offeror and that *[please check only one]*:

☐ The offeror is an individual or sole proprietor and owns the entire (100%) interest in the offering business.

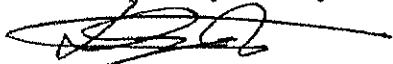
☒ The offeror is a corporation, partnership, joint venture, or association known as *NIPPO USA, INC.* *[please state name of offeror company]*, and the persons, companies, partners, or joint venturers who have held more than 10% of the shares or interest in the offering business during the 365 days immediately preceding the submission date of the proposal are as follows *[if none, please so state]*:

<u>Name</u>	<u>Address</u>	<u>% of Interest</u>
Nippo Corporation	1-9-11 Kyobashi Chuo-ku, Tokyo 104-8380 Japan	100%
_____	_____	_____
_____	_____	_____

B. Further, I say that the persons who have received or are entitled to receive a commission, gratuity or other compensation for procuring or assisting in obtaining business related to the bid or proposal for which this affidavit is submitted are as follows *[if none, please so state]*:

<u>Name</u>	<u>Address</u>	<u>% of Interest</u>
NONE	N/A	N/A
_____	_____	_____
_____	_____	_____

C. If the ownership of the offering business should change between the time this affidavit is made and the time an award is made or a contract is entered into, then I promise personally to update the disclosure required by 5 GCA §5233 by delivering another affidavit to the government.

  
 DAIJIRO MEGURO, Officer of the Offeror

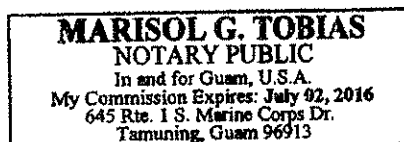
Signature of one of the following:

Offeror, if the offeror is an individual; Partner, if the offeror is a partnership; Officer, if the offeror is a corporation.

Subscribed and sworn to before me this  
4th day of June, 20 13.

  
 NOTARY PUBLIC

My commission expires: 7/2/16





**Nippo USA, Inc.**

290 Chalan Padiron Haya Route 15  
Yigo, Guam 96929  
Phone No. (671) 653-7077 Fax No. (671) 653-7707

June 21, 2013

**MR. CHARLES H. ADA II**

Executive Manager  
A.B. Won Pat International Airport Authority  
355 Chalan Pasaheru  
Tamuning, Guam 96913

**Reference:** Rehabilitate Runway 6L-24R, Phase II

**Subject:** Bid For Project No. GIAA-FY10-04-2

Dear Mr. Ada,

In referenced to the above mentioned project and as verbally requested, we are pleased to confirm herewith our total bid in the amount of **Six Million Eight Hundred Ninety Six Thousand Eight Hundred Seventy One Dollars and Nine Cents (\$ 6,896,871.09).**

This is also to confirm that we will fully comply with the Code of Federal Regulations and Aviation Safety and Capacity Expansion Act with regard to Buy American requirements as it applies to steel and iron products and their coatings. All in accordance to Special Provisions for FAA Reimbursement Project Item 6, Source of Supply and Quality Requirements.

If you have any questions or need additional information, please contact us.

Sincerely yours,

A handwritten signature in black ink, appearing to read "DAIJIRO MEGURO", with a long horizontal line extending to the right.

**DAIJIRO MEGURO**  
General Manager



# **BOARD APPROVAL OF DISBURSEMENTS**

**May 29, 2013 - June 21, 2013**

**Ratified by the Board of Directors on  
June 27, 2013 Regular Meeting**

<b>Payee</b>	<b>Amount</b>	<b>Purpose</b>	<b>Date Approved</b>
Guam Power Authority	\$556,442.60	Power	5/29/2013
Continental Micronesia	\$171,961.13	Loading Bridge Maintenance	5/29/2013
Government of Guam Retirement Fund	\$150,315.79	Payroll Employee & Employers Contribution for PPE 06/01/13	6/5/2013
Continental Micronesia	\$152,744.11	Loading Bridge Maintenance	6/6/2013
MJM International Corporation	\$57,876.00	Removal & Installation of Three 3-Ton PCU, Parts and Supplies	6/7/2013
Propacific Builder Corporation	\$159,722.89	CIP - AIP65 Replace/Upgrade Apron Area Ramp Light System	6/7/2013
AECOM Technical Services Inc.	\$419,652.00	CIP - Airport Geographic Information System AIP77	6/7/2013
PCR Environmental Inc.	\$103,356.48	CIP - Sound Insulation Phase 2	6/10/2013
GMP International, LLC	\$70,356.69	CIP - AIP74 ILS6L24R	6/10/2013
Lyon Associates, Inc.	\$89,085.80	CIP - CM Services Rehab Runway 6L24R AIP84	6/11/2013
BEJJESS ENTERPRISES INC. DBA: GEMCCO	\$139,362.49	CIP - AIP65 Electrical (Power Hardening Phase 2)	6/11/2013
Industrial Television Services	\$74,956.00	CIP - FIDS	6/13/2013
Aircraft Service International Group	\$93,264.60	Outbound Baggage System for May 2013	6/13/2013
J.J. Global Services	\$83,169.68	Janitorial Services for the month of May 2013	6/13/2013
Hawaiian Rock Products	\$595,066.23	CIP - Rehab Runway 6L/24R AIP84	6/21/2013
Lyon Associates, Inc.	\$63,248.40	CIP - CM Services Rehab Runway 6L24R AIP84	6/21/2013
EMPSCO Engineering Consultants	\$126,695.66	CIP - AIP65 Ramp Lights & Utility Power Hardening, Facility Upgrade	6/21/2013
DB's Builders	\$56,793.82	Terminal Water Distribution System	6/21/2013
Propacific Builder Corporation	\$102,102.71	CIP - AIP65 Replace/Upgrade Apron Area Ramp Light System	6/21/2013
Government of Guam Retirement Fund	\$149,035.95	Payroll Employee & Employers Contribution for PPE 06/15/13	6/21/2013
<b>TOTAL:</b>	<b>\$3,415,209.03</b>		



## Executive Manager's Report GIAA Board of Directors Meeting June 27, 2013

### AIRLINE ISSUES

The following airlines have scheduled extra sections and/or charters during Summer 2013.

- Delta Airlines is adding 60 extra sections, or one flight daily between Kansai and Guam between July 27 and September 23, 2013.
- United Airlines announced 78 extra sections between Narita and Guam daily, beginning July 14 through September 29, 2013.
- Korean Airlines has also planned 50 extra sections, daily, serving Narita/Guam from July 26 through September 13, 2013.
- EVA Air, China Air and Korean air adds to the summer peak travel with 32 charters from Japan between July and September, 2013.
- Starflyer, opens a new Japanese market with 13 scheduled charters between Kitakyushu Japan and Guam in August 2013.
- China Airlines will be operating eight extra sections between Taipei and Guam from July 3 through July 31, 2013
- Japan Airlines (JAL) have been finalizing plans for JAL flight crew training to occur on Guam. JAL pilots will be conducting touch and go and full stop landing operations utilizing B737 and B767 aircraft. Pilot training will commence in October 2013 with approximately 6 cadets on island for training. Training is expected to continue through the term ending June of 2015.

### REGULATORY ISSUES

GIAA has been working with **USCBP** in implementing an enhanced signage program in the USCBP hall. The new signage includes installation of digital signs that can customize inspection booths to identify categories ( ex: US Citizens, Non US, ESTA, Guam Visa Waiver, etc.). Lights indicating "green" for open and "red" for hold or closed will also be re-installed to eye level for customer convenience.

The new system was discussed with the Japan Guam Travel Association members, who services 70% of our arriving passenger base.

GVB has solicited comments on new **Guam Customs** arrivals forms that are less comprehensive than the 2 page Customs Arrivals form that are currently in place. The forms are still within committee, and are being worked on to resolve issues and acquire necessary information for all agencies who garner important information from the Customs forms.

**Executive Manager's Report**  
**GIAA Board of Directors Meeting**  
**June 27, 2013**

**FINANCIAL**

**Fiscal Year 2014 Budget** preparation is progressing. It is anticipated that the budget will be presented to airlines in first part of July 2013.

**Refinancing of 2003 Revenue Bonds.** A GIAA team presented an airport review to Standard & Poors and Moodys Investors the week of June 17, 2013 to refinance approximately \$125M in bonds, and new money financing structures.

**Specialty Retail Merchandise Concession.** Lotte Duty Free Guam continues to transition and work towards the July 21, 2013 occupancy and operational date of the new retail concession awarded to Lotte. Lotte held a job fair on Friday, July 21, 2013 to hire managerial, supervisory and support staff positions. They plan to phase in more personnel to an estimated 200 employees for the Airport retail concession and their off airport location.

**LEGISLATIVE ISSUES**

**Bill 69-32** which would require legislative approval for lease agreements that span more than five years passed in the May 28, 2013 legislative session, transmitted to the Governor's office, and enacted into Public Law without signature of the Governor.

**Bill No. 125-32** appropriating \$500,000 to the Department of Public Works to fund the acquisition property for the Tiyan Parkway Project passed in June 4, 2013 legislative session, transmitted to the Governor's office. This was signed into Public Law.

**PROCUREMENT**

**IFB Demolition and Remediation of Various Airport Facilities Phase I**

Announced: June 19, 2013  
Pre Bid Mtg: Tuesday, July 2, 2013 10am  
Closing: Friday, July 19, 2013 2pm


**ANNOUNCEMENTS**

- Terminal improvements are complete in the West Ticket Lobby with the construction of new ticket counters for eventual occupancy.
- The Pohnpei Ports Authority has committed to join GIAA as a partner in hosting the ACI Asia Pacific Small & Emerging Airports Conference. Additionally, Lyon & Associates and ARINC committed to sponsorship. An organizing committee has already convened to ensure all aspects of planning to actual supporting of conference activities are fully covered.
- The GIAA Employee Organization is hosting a fundraiser on June 28, 2013 from 6- 10pm at Gud Tayms Lounge at the underground Hafa Adai Exchange. Tickets are \$10, which includes a free drink and pupus. A raffle will also be conducted. All members, those interested in becoming members, and supporters are encouraged to attend.

June 24, 2013

**MEMORANDUM**

**To:** Mr. Francisco G. Santos  
Chairman  
GIAA Board of Directors

**From:** Carlos Bordallo   
Acting Comptroller

**Subject:** Operating Results - Revenues and Expenses as of  
May 31, 2013

Attached herewith is GIAA's Operating Results Report for the month ending May 31, 2013. This report summarizes the Budgeted versus Actual Revenues and Expenses for the month and year-to-date results ended May 31, 2013.

The key operating results for 8 month(s) of FY 2013 ending May 31, 2013 - (in \$000's) are:

CATEGORY	YEAR-TO-DATE				FORECAST FOR FULL YEAR-FY13	
	Budget FY 13 Y-T-D	Actual FY 13 Y-T-D	% Variance Budget vs. Actual		Actual Y-T-D + Remaining FY 13 Budget	% Variance Budget vs. Estimate for Full Year
			Y-T-D Current Month	Y-T-D Last Month		
Total Signatory Revenues	\$18,061.5	\$19,518.7	8.1%	8.8%	\$28,779.4	5.3%
Total Concession Revenues	\$7,128.1	\$4,657.7	-1.9%	-4.9%	\$10,693.2	-1.5 %
Total PFC's	\$3,943.5	\$4,338.0	10.0%	11.6%	\$6,369.8	6.7%
Total Other Revenues	\$10,347.4	\$10,479.5	1.3%	2.4%	\$15,276.8	.9%
Total Operating Revenues	\$39,480.6	\$41,299.9	4.6%	5.5%	\$61,119.3	3.1%
Total Operating Expenses	\$28,527.0	\$23,060.3	-19.2%	-18.8%	\$34,975.7	-13.5%
Net Revenues from Operations	\$10,953.6	\$18,239.6	66.5%	66.3%	\$26,143.6	38.6%
Non-Operating Expenses	\$500.0	\$226.1	-54.8%	-60.9%	\$226.1	-54.8%
Other Available Moneys/other sources of funds	\$3,113.0	\$3,212.6	3.2 %	-9.5 %	\$4,882.9	2.1%
<b>Net Debt Service Coverage</b>	<b>1.23</b>	<b>1.90</b>	<b>53.9%</b>	<b>51.8%</b>	<b>1.84</b>	<b>31.8%</b>



Page 2 - Operating Results as of May 31, 2013

Year-to-date Total Signatory Revenues for the month ending May 31, 2013 are above Budgeted revenues by **8.1%**. Signatory revenue estimates are based on projections submitted by Signatory airlines and adopted in the annual budget.

Year-to-date Total Concession Revenues are below budget estimate by **-4.9%** and Passenger Facility Charges are above budget estimates by **10.0%**.

Year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues, are above the budget estimate by **1.3%**.

Year-to-date Total Operating Revenues Actual of **\$41.3M** is **4.6%** above the budget estimate of **\$39.5M**.

Year-to-date Total Operating Expenses are below budget by **-19.2%**. Components of this line item include a **-13.2%** decrease in Personnel Service, a **-21.8%** decrease in Contractual Services, a **-35.5%** decrease in Materials & Supplies and a **-100%** decrease in Equipment/Furnishings from budgeted amounts for these respective categories.

The actual year-to-date Net Revenues from Operations of **\$18.3M** reflects an increase of **66.5%** over the year-to-date budgeted amount of **\$11.0M**.

Finally, our year-to-date results for Debt Service Coverage is at **1.84** versus the requirement of **1.25**.

Should you have any questions, please contact me at your convenience.

Attachments

cc: Board of Directors  
Executive Manager  
Deputy Executive Manager  
Frank R. Santos, Expansion  
Division Heads



Expansion Office

## GIAA Program Status and UDO Analysis on Open AIP Grants

FY	Loc ID	Description	Grant #	Grant Amount	FAA 5/3/07 Balance	UDO	Remaining Balance as of 5/31/07	UDO	Remaining Balance as of 6/8/07	UDO	Remaining Balance as of 6/15/07	UDO
2006	GUM	Noise mitigation measures for residences	3-66-0001-052-2006	\$5,000,000	\$5,000,000	100%	\$5,000,000	100%	\$5,000,000	100%	\$5,000,000	100%
2006	GUM	Extend Runway 6L/24R - Phase II	3-66-0001-055-2006	\$3,093,137	\$3,093,137	100%	\$3,093,137	100%	\$3,093,137	100%	\$3,093,137	100%
2006	GUM	Improve term. Bldg. - Seismic Zone 4 upgrd -Ph I	3-66-0001-054-2006	\$1,400,000	\$1,400,000	100%	\$1,400,000	100%	\$1,400,000	100%	\$1,400,000	100%
		Sub Total:		\$9,493,137	\$9,493,137	100%	\$9,493,137	100%	\$9,493,137	100%	\$9,493,137	100%
2005	GUM	Demolition of Naval housing units	3-66-0001-051-2005	\$2,282,589	\$2,282,589	100%	\$2,197,405	96%	\$2,197,405	96%	\$2,155,673	94%
2005	GUM	Improve water system infrastructure - Ph IV	3-66-0001-050-2005	\$1,757,000	\$1,754,440	100%	\$1,754,440	100%	\$1,754,440	100%	\$1,754,440	100%
2005	GUM	Power sweeper, rubber removal equip; friction mea.	3-66-0001-049-2005	\$375,120	\$348,681	93%	\$347,105	93%	\$347,105	93%	\$347,105	93%
2005	GUM	Seismic Zone 4 upgrd; outbound baggage system	3-66-0001-047-2005	\$3,867,500	\$3,276,225	85%	\$2,025,457	52%	\$1,981,797	51%	\$1,886,869	44%
2005	GUM	Noise mitigation measures for residences	3-66-0001-048-2005	\$1,900,000	\$1,020,403	54%	\$485,620	26%	\$485,620	26%	\$485,620	26%
		Sub Total:		\$10,182,209	\$8,682,338	85%	\$6,810,027	67%	\$6,766,367	66%	\$6,429,707	63%
2004	GUM	Improve water system infrastructure - Ph III	3-66-0001-043-2004	\$1,400,000	\$1,329,092	95%	\$1,326,532	95%	\$1,329,092	95%	\$1,329,092	95%
2004	GUM	Construct airport security/perimeter road	3-66-0001-044-2004	\$7,703,767	\$6,902,154	90%	\$6,790,462	88%	\$6,773,542	88%	\$6,773,542	88%
2004	GUM	Acquire one passenger lift device	3-66-0001-045-2004	\$100,000	\$51,894	52%	\$51,894	52%	\$51,894	52%	\$51,894	52%
2004	GUM	Conduct general aviation site selection study	3-66-0001-046-2004	\$250,000	\$9,213	4%	\$0	0%	\$0	0%	\$0	0%
		Sub Total:		\$9,453,767	\$8,292,353	88%	\$8,168,888	86%	\$8,154,528	86%	\$8,154,528	86%
2003	GUM	Improve water system infrastructure - Ph II	3-66-0001-040-2003	\$2,155,152	\$1,706,417	79%	\$1,706,417	79%	\$1,706,417	79%	\$1,706,417	79%
2003	GUM	Replace airfield signage; two loading bridges, etc.	3-66-0001-038-2003	\$16,900,000	\$11,500,791	68%	\$9,645,966	57%	\$8,535,563	51%	\$8,437,977	50%
2003	GUM	Acquire land for noise compatibility - Ph II	3-66-0001-042-2003	\$2,000,000	\$744,579	37%	\$0	0%	\$0	0%	\$0	0%
2003	GUM	Reh Rwy 6L/24R and Twy. G; repair lighting vault	3-66-0001-039-2003	\$2,095,676	\$429,512	20%	\$0	0%	\$0	0%	\$0	0%
2003	GUM	Conduct NCP Study - Phase II	3-66-0001-041-2003	\$119,354	\$4,604	4%	\$0	0%	\$0	0%	\$0	0%
		Sub Total:		\$23,270,182	\$14,385,903	62%	\$11,352,383	49%	\$10,241,980	44%	\$10,144,394	44%
2002	GUM	Improve water system infrastructure - Ph I	3-66-0001-037-2002	\$4,187,450	\$2,804,888	67%	\$1,918,411	46%	\$1,832,019	44%	\$1,832,019	44%
2002	GUM	Security enhancements - Ph I	3-66-0001-035-2002	\$5,454,744	\$3,011,859	55%	\$2,341,110	43%	\$1,939,457	36%	\$1,939,457	36%
2001	GUM	Extend and rehab Rwy. 6L/24R	3-66-0001-029-2001	\$7,155,000	\$6,104,367	85%	\$4,850,501	68%	\$4,405,550	62%	\$4,022,632	56%
2001	GUM	Acquire land for noise compatibility/relocation	3-66-0001-031-2001	\$1,296,226	\$659,765	51%	\$0	0%	\$0	0%	\$0	0%
2000	GUM	Construct parallel taxiway - Ph VI	3-66-0001-028-2000	\$5,958,210	\$2,052,720	34%	\$0	0%	\$0	0%	\$0	0%
		Sub Total:		\$24,051,630	\$14,633,599	61%	\$9,110,022	38%	\$8,177,026	34%	\$7,794,108	32%
		GRAND TOTAL:		\$76,450,925	\$55,487,330	73%	\$44,934,457	59%	\$42,833,038	56%	\$42,015,874	55%

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**RECOMMENDATION OF COUNSEL**

**TO:** Board of Directors  
ANTONIO B. WON PAT INTERNATIONAL  
AIRPORT AUTHORITY, GUAM

**CC:** Mr. Charles H. Ada II  
Executive Manager  
ANTONIO B. WON PAT INTERNATIONAL  
AIRPORT AUTHORITY, GUAM

**FROM:** Michael A. Pangelinan   
CALVO FISHER & JACOB LLP

**DATE:** June 20, 2013

**SUBJECT:** Executive Session

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Pursuant to 5 G.C.A. § 8111(c)(1), I hereby recommend that the Board of Directors of GIAA conduct an Executive Session at the next scheduled Board meeting to discuss pending or threatened litigation to which GIAA is or may be a party.