



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

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**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF  
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM  
Thursday, September 19, 2013, 3:00 p.m.  
GIAA TERMINAL CONFERENCE ROOM #3**

**1. CALL TO ORDER AND ATTENDANCE**

The September 19, 2013, regular meeting of the Board of Directors of the A.B. Won Pat International Airport Authority, Guam ("GIAA") was called to order by Chairman Santos at 3:08 p.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasaheru, Tamuning, Guam 96913.

**Directors present:**

Francisco G. Santos  
Lucy M. Alcorn  
Edward G. Untalan  
P. Sonny Ada

**Offices or Positions:**

Chairman

**Directors absent:**

Jess Q. Torres (Excused)  
Linda Tolan (Excused)  
Martin Gerber (Excused)

Vice Chairman

**GIAA Officials:**

Charles H. Ada II  
Peter Roy Martinez  
Carlos P. Bordallo  
Frank R. Santos  
Jean M. Arriola  
Gerard Bautista

Executive Manager  
Deputy Executive Manager  
Acting Comptroller  
Business and Financial Consultant  
Air Services Manager  
Air Terminal Manager

Michael A. Pangelinan Esq.  
Janalynn Cruz Damian Esq.

Legal Counsel  
Legal Counsel

The Chairman welcomed the presence of Airport tenants, stakeholders, and members of the public who are noted in the sign-in sheet made an as attachment to these minutes.

**2. APPROVAL OF AGENDA**



AMERICAN ASSOCIATION  
OF AIRPORT EXECUTIVES



**NASAO**  
National Association of State Aviation Officials



The Chairman asked if there were any changes to the agenda. No changes were requested. On motion duly made by Director Ada, and seconded by Director Alcorn, the agenda was unanimously approved.

### **3. APPROVAL OF MINUTES**

The next item on the agenda was approval of the minutes of the July 25, 2013 Regular Meeting and the August 9, 2013 Special Meeting.

On motion duly made by Director Ada, seconded by Director Alcorn, the minutes of the July 25, 2013 Regular Meeting and the August 9, 2013 Special Meeting was unanimously approved, subject to corrections.

### **4. CORRESPONDENCE**

The Executive Manager informed the Board that GIAA had received two (2) correspondences. The first correspondence pertained to the Specialty Retail Concession, which the Executive Manager requested to be discussed during Executive Session because of the pending litigation.

The second correspondence was from the Guam Lions Club in reference to a request to donate a welcome to Guam sign. The Executive Manager recommended that instead of a static sign (as proposed by the Club), that the Board possibly consider an electronic or digital board. This would allow more information to be displayed, such as flight information, road closures throughout the Airport or emergency alerts, etc. This format could also possibly offer the opportunity to current or outside vendors to advertise, which could generate additional revenue for the Airport.

The Executive Manager requested additional time for Management to review the proposal from the Guam Lions Club. The Chairman requested Management present its recommendation to the Board at the next Board meeting. Director Ada requested that Management develop a signage policy for the Board's consideration, if none existed.

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

#### **A. Approval of TSA Other Transaction Agreement**

Mr. Frank Santos, Business and Financial Consultant, presented the request to approve the TSA other Transaction Agreement. Mr. Santos stated that this was a grant from TSA for the Checked Baggage Recapitalization Screening Construction Services Project (the "Project"). The Project is to relocate all of the checked baggage screening, currently located in front of the ticket counters, to the back and to integrate the system into the in-line baggage system.

Mr. Santos noted that there were two parts to the Project. The first part of the Project, called Recapitalization, will change out the security equipment that TSA uses, including the entire infrastructure that supports the equipment. The second, called Optimization is the work needed to bring in the equipment and make changes to the baggage handling system that supports the operation. Mr. Santos was happy to inform the Board that TSA will be funding 100% of the \$2,670,602 cost of the Recapitalization phase and 95% of the \$23,398,661 cost of the Optimization phase. GIAA's share of the total project cost of \$26,069,263 will be \$1,169,933.

Mr. Santos informed the Board that the GIAA had initially planned to finance the bulk of the cost of this Project through the 2013 bond financing. Now that TSA will be financing approximately 96% of the total cost, GIAA will now redirect the funds allocated to the project to other capital improvement projects on the Bond Project List. Mr. Santos stated that GIAA has been waiting for a number of years to begin this project. Its completion will provide more space in the check-in lobby for passengers to use, the queuing space for the airlines to use and ultimately improve the passenger experience. Mr. Santos, on behalf of Management, requested that the Board approve the TSA Other Transaction Agreement.

Chairman Santos called for any questions from the Board. Director Ada inquired on the location and if it included sorting equipment. Mr. Santos replied there will be changes made to the sorting equipment and there will also be a little room built above the loading dock area so that more room can be provided for the conveyer belt.

After further discussion, on motion duly made by Director Ada, and seconded by Director Alcorn, the following resolution was unanimously approved:

**Resolution**

The Board hereby approves the Transportation Security Administration Other Transaction Agreement for the Checked Baggage Recapitalization Screening Construction Services Project.

**B. Approval of Award for Money Exchange Concession Multi-Step IFB No. GIAA-02A-FY13**

The Executive Manager stated that GIAA issued the Money Exchange Concession through a multi-step bid process. The process consisted of two phases. Phase I is qualified based submission, and those deemed qualified are invited to participate in Phase II, which requires the qualified bidders to submit bids of annual percentage fees for the term of the contract. Mr. Ada reported that three (3) companies acknowledged receipt of the bid package, however, only two (2) companies submitted bid proposals before the submission deadline: Lenlyn Ltd., dba ICE Currency Services and Travelex Currency Services.

Both bidders were deemed qualified and responsible bidders and submitted bids under Phase II. Based upon review of the bids submitted, Travelex Currency Services, Inc. submitted the best annual percentage fees for the term of the contract. Accordingly, Management recommends awarding the Money Exchange Concession Agreement to Travelex Currency Services, Inc. for a period of five (5) years, effective November 1, 2013, subject to legal review of the contract.

Director Ada inquired if the current concession term was up. The Executive Manager responded yes and that the current company has been operating on a month to month basis. The Manager also stated that after the five (5) year contract the concession would be put out for competitive bid once again.

On motion duly made by Director Ada, and seconded by Director Untalan the following resolution was unanimous approved:

**Resolution**

The Board hereby approves Management's recommendation to award the Money Exchange Concession Agreement, procured under Multi-Step IFB No. GIAA-02A-FY13, to Travelex Currency Services, Inc., based upon the annual percentage fees submitted by Travelex Currency Services, Inc., for a period of five (5) years, effective November 1, 2013, subject to legal review of the Money Exchange Concession Agreement.

**C. Approval of GIAA FY2014 Insurance Program Renewal**

The Executive Manager introduced to the Board the Airport's Insurance Broker, Ms. Annmarie Muna of AM Insurance, who presented a summary of the various insurance carriers who responded to the insurance specifications for the Airport. Ms. Muna informed the Board that the renewal process was successful this year as a result of more participation from the different carriers, which means more competitive premiums. Ms. Muna went on to explain the process of renewal and referred the Board to the chart titled "FY2014 Markets & Underwriters" setting forth the quotes submitted by the various carriers for the various policies as well as the September 18, 2013 Memorandum from Iris, Ltd, GIAA's insurance consultant, recommending which quotes to accept. Based upon the quotes submitted, Management recommended that the Board approve accepting the quotes as follows:

Property Insurance – Accept Calvo's bid.  
Airport Liability – Accept Moylan's bid.  
Workers Compensation – Accept Calvo's bid.  
Directors & Officers Liability – Accept Moylan's bid.  
Commercial Auto – Accept Moylan's bid.  
Crime – Accept Moylan's bid.

Based upon the quotes submitted, Ms. Muna explained that GIAA would see a savings for FY2014 compared to FY2013 of \$217,581.00.

Director Ada inquired if the policies were single year or multiyear policies, and if this process is completed annually. Ms. Muna replied single year. Director Untalan asked if this was a better option. Director Ada explained that in some cases you will get better rates for multiyear policies. Ms. Muna responded stating that if the insurance specifications ask for multiyear policies than yes. There was a carrier that offered a three year option on their workman's compensation, but it was not considered because it was not asked for in the specifications and the carrier's workman's compensation three year option quote was subject to an annual audit at the end of the year, which resulted in an open ended quote.

Brief discussion followed relative to multiyear policies with Director Ada inquiring as to why internally GIAA does not request for multiyear policies on the specifications. Mr. Mike Moody of Iris, Ltd. responded informing the Board that GIAA certainly can request for multiyear policies however, workman's compensation policies customarily are never done on a multiyear basis without audit provisions, which results in an open ended price and a firm figure is required.

Mr. Moody went on to add that now they do request for multiyear quotes on policies such as auto, crime. Director Untalan inquired aside from the workman's compensation, did GIAA request for a multiyear policy. Director Alcorn inquired as to whether it would be more cost effective to go multiyear. Ms. Jean Arriola replied that GIAA can definitely explore that as an option next time.

Ms. Muna informed the Board that the specification can be revised next year to request that carriers provide quotes for a one (1) year and a three (3) year term and GIAA could then make a decision whether to go with one (1) year or three (3) year term.

Director Ada inquired on the Property Insurance coverage, if GIAA is following an airport standard and if FAA requires more coverage. Mr. Moody informed the board that the Bond Indenture does require GIAA to maintain insurance similar to other airports.

The Executive Manager requested that the Board accept Management's recommendation to approve the FY 2014 Insurance Program as presented.

On motion duly made by Director Alcorn, and seconded by Director Untalan, the following resolution was unanimously approved:

**Resolution**

The Board approves and accepts the following quotes for GIAA's FY2014 Insurance Program:

Property Insurance –Calvo's  
Airport Liability –Moylan's  
Workers Compensation – Calvo's  
Directors & Officers Liability – Moylan  
Commercial Auto – Moylan's  
Crime – Moylan's

**D. Ratification of Quarterly Travel**

Management presented the Travel Report for FY2013 Third Quarter (April – June 2013) for ratification by the Board.

On motion duly made by Director Untalan, and seconded by Director Alcorn, the following resolution was unanimously approved:

**Resolution**

The Board hereby ratifies and approves the expenditures for travel set forth in the Travel Report for FY2013 Third Quarter (April-June 2013) as presented to the Board.

**E. Ratification of Disbursements**

The Executive Manager presented the listing of disbursements over \$50,000 made by GIAA to various vendors during the period of July 25, 2013 – September 13, 2013. The Executive Manager noted that there was a high level of activity at the Airport during the relevant time period. Mr. Frank Santos added that the vast majority of the disbursements were for Capital Improvement Projects.

On motion duly made by Director Untalan, and seconded by Director Ada, the following resolution was unanimously approved:

**Resolution**

The Board hereby ratifies and approves the disbursements over the \$50,000.00 threshold made by GIAA to various vendors during the period of July 25 – September 13, 2013.

**6. OLD BUSINESS**

**A. Executive Manager's Report**

Before proceeding with his report, the Executive Manager informed the Board that at this time due to current weather conditions approximately nine (9) flights were diverted from Guam to the CNMI. The Executive Manager explained that more than likely the passengers will just wait it out in Saipan on the tarmac.

The Executive Manager provided updates on various matters concerning airlines and charter operations, to include Vladivostok Air announcing plans to operate direct scheduled charter flights from two (2) locations in Russia's far east, Vladivostok and Khabarovsk. Flights will operate on a bi-weekly basis from November through March 2014, serviced by a Tupolov aircraft and an A320, with both having a seat capacity of 150 per flight. The Manager stated he was very excited to welcome the Airport's new partners.

In addition to their regularly scheduled flights from Narita, Japan Airlines has announced it will be operating charters in winter from Tokushima and Takamatsu, Japan. China Airlines will operate two (2) additional flights from Kansai to Guam in October, in addition to their nine (9) roundtrip flights. Director Ada inquired if those flights would be Japanese tourists or routing Taiwan tourists. Mr. Frank Santos responded it would be a combination.

Reporting on FAA and regulatory issues, the Executive Manager stated that the FAA conducted a visual inspection of the 6L/24R ILS on Friday, August 16, 2013. Flight checks for runway 6L/24R ILS originally scheduled for August 29, 2013 were postponed until December 2013 or January 2014.

United States Customs and Border Protection (USCBP) informed airlines operating at GIAA via Memorandum on August 8, 2013 that landing rights must be made seventy-five (75) days in advance in writing to the USCBP Port Director. USCBP's response to the requesting carrier would be issued thirty (30) days prior to the effective date.

The Executive Manager informed the Board that according to an announcement last week from TSA, Guam is among the sixty (60) U.S. airports included in the expansion of TSA's expedited screening program. The program allows pre-approved airline travelers to leave on their shoes, belt and lighter outerwear, as well as keep their laptops in their cases and their regulation liquids/gels bag in their carry-on in select screening lanes. Certain passengers who are eligible for the program include U.S. citizens of frequent flyer programs who are invited by participating airlines, or who are members of USCBP Trusted Traveler program. The Executive Manager informed the Board that TSA hosted a meeting two (2) days ago in reference to the program and the process as far as specific timelines and GIAA is very excited to engage that process. Mr. Ada stated it will definitely alleviate congestion at the security check points. Brief discussion followed on the types of programs passengers would need to be registered with to be eligible.

Reporting on the financial matters to include the refinance of 2003 bonds and new revenue bonds sale, the Executive Manager informed the Board of a comment made by Citigroup that this particular bond was the most successful bond financing endeavor that Guam has ever engaged. Mr. Ada stated that the success stems from the support of GIAA's Board of Directors and the support that they offered throughout the whole

endeavor and thanked the Board for its continued support. The Executive Manager went on to add that GIAA held an employee meeting that morning, and that recognition was given to the employees. Director Alcorn also offered congratulations to Management for their efforts.

Staying with financial issues, the Executive Manager announced that Management would like the Board to consider obligating this fiscal year the meritorious bonus that were supposed to be paid to qualified employees. Mr. Ada stated that he would like to suggest to the Board that GIAA consider encumbering the funds, and that he knew there were some concerns from some of the Board members regarding the legal aspect of it, which could be addressed at a later time. The Executive Manager stated he would like the Board to at least obligate the funds necessary to pay the Merit Bonus.

Mr. Carlos Bordallo informed the Board that the Office of Public Accountability ("OPA") had asked if GIAA recognized the Merit Bonus as a liability on the books, and at the time GIAA did not have the analysis prepared, but that OPA recommended that GIAA indeed recognize the liability. In discussions with Management, he stated, if we are going to recognize the liability than he would recommend GIAA do it this year, simply because of the fact that we have the new Concession Agreement and the numbers as shown in the Comptrollers Report, the debt service ratio would be minimally effected in the recognition of this liability. Also that it is a non-recurring cost as Merit Bonuses are a onetime pay out and will not add to the salary level of the employees. Director Ada requested for clarification that Management's request is to obligate the monies now at the recommendation of the Comptroller and the Public Auditor, subject to legal review. Director Untalan stated that he does not like to use the word obligate, that reserve would be a better word, as it would need to go through legal review.

After further discussion, on motion duly made by Director Untalan, and seconded by Director Alcorn, the following resolution was unanimously approved:

**Resolution**

The Board hereby approves the reservation of funds for the Merit Bonus program and requests that legal counsel address the legal issues on GIAA's liability to pay the Merit Bonus.

The Executive Manager next informed the Board that General Services Agency has granted full delegation of procurement authority to GIAA to serve as a purchasing agency for fiscal year 2014, beginning October 1, 2013 and expiring September 30, 2014. Under the delegation, GIAA must fully comply with all provisions of the Guam Procurement Act, and agree to the periodic review of procurement activities to ascertain compliance. Director Ada inquired on the full delegation of procurement. The executive Manager responded stating yes; however GIAA is subjected to audits from GSA, the Chief Procurement Officer, and last year GIAA underwent a GSA audit. The



Executive Manager informed the Board for the benefit of the new Directors, that GIAA has its' own Procurement Department and Mr. Frank Taitano is the Procurement Administrator. Discussion followed relative to procurement audits. Director Untalan stated that the Procurement Department was very key during the Concession Agreement in insuring that nothing was violated procurement wise.

**B. Financial Report**

For the Board's information, Mr. Carlos P. Bordallo, Acting Comptroller presented the financial report as of July 31, 2013.

**C. Legal Counsel's Report**

Legal Counsel requested that a report will be made during Executive Session relative to pending litigation. Mr. Michael Pangelinan requested that the Board approve payment of their fees above the monthly \$45,000 cap for work done relating to the Bond financing. Mr. Pangelinan explained that the monthly cap for legal fees is \$45,000, and if the fees exceed that cap then the Board would need to approve payment of the excess, with the only exception being for fees relating to the Specialty Retail Litigation.

Mr. Pangelinan explained that in the month of August there was quite a bit of extra work that was required, in particular regarding the Bond financing. He went on to state that they had committed one of their attorney's, Janalynn C. Damian pretty much full time on the Bond financing especially during the trip, attending the investor meetings in a few different cities, she was requested to attend meetings with the rating agencies, weekly conference calls that lasted hours per call throughout the month, resulting in fees in excess of the monthly cap. Mr. Pangelinan added that the \$45,000 covers all matters, including the Bond financing.

Director Untalan inquired on the amount of legal fees for just the Bonds alone. Legal Counsel, Michael Pangelinan informed the Board that legal fees for the Bond matter were \$52,482.00, and the cap was exceeded by \$28,290.50. Mr. Pangelinan explained that most of the time legal fees are well below half of the cap but this month was an exceptional month that required a lot more commitment from the firm. The Comptroller suggested just absorbing the cost. Chairman Santos requested for justification. Director Untalan stated that the majority of the monthly fee is for bond related work and if the fees for the Bonds were not included, the amount would be well below the cap.

On motion duly made by Director Untalan, and seconded by Director Alcorn, the following resolution was unanimously approved:

**Resolution**

The Board hereby authorizes the payment of legal fees for legal services provided by Calvo Fisher & Jacob LLP for August 2013 in excess of the monthly cap of \$45,000.

**D. Status of Capital Improvement Programs**

Mr. Frank Santos, Business and Financial Consultant, informed the Board that there would be no report this month and the report for the next Board meeting will include all of the Bond Projects.

**7. NEW BUSINESS**

No New Business presented.

At this time Director Untalan requested that the Board address the appointment of a permanent Comptroller, which was briefly discussed at the last board meeting. Director Untalan stated that Mr. Carlos Bordallo has been in the acting position for some time now, and because of his tenure with the Government of Guam and Bureau of Budget & Management Research (BBMR) specifically, he would like to recommend that the Board appoint Mr. Bordallo as the Comptroller of the Airport. Director Untalan stated that he understands that Mr. Bordallo is set to retire, however, after speaking with Mr. Bordallo, he has committed to staying with the Authority for another two (2) years.

Discussion followed relative to legal aspects of contracting Mr. Bordallo to work for two years. Legal counsel noted that if Mr. Bordallo is to be hired as an employee of GIAA, then GIAA would not be able proceed under an employment contract. Director Untalan requested that the board discuss the Comptroller's salary and the migration under the Uniform Pay Scale that employees received earlier in the year, as well as the retroactive pay. Director Alcorn inquired if the salary amount would have to come back to the Board for approval. Ms. Janalynn Damian, Legal Counsel responded no, not if a resolution directs authorizes the Executive Manager negotiate the salary, with the Board setting any limits, if desired. Director Untalan informed the Board that he could work with the Executive Manager and negotiate with Mr. Bordallo, and noted that it is best to finalize this issue for fiscal accounting purposes before the end of the calendar year.

On motion duly made by Director Untalan, and seconded by Director Alcorn, the following resolution was unanimously approved:

**Resolution**

The Board hereby appoints Mr. Carlos Bordallo as the Comptroller for the A.B. Won Pat International Airport Authority, Guam, subject to negotiation of his salary, retroactive to October 2012. The Board authorizes the Executive Manager and Director Untalan to negotiate the Comptroller's salary with Mr. Bordallo.

The Board and Management congratulated Mr. Bordallo.

Before moving into Executive Session, Director Ada informed the Board that he would like to bring up a few issues, with the first being the Baggage Claim sign. Director Ada expressed that the sign is quite unsightly as a first impression. The second issue was the cart locations when collecting your baggage. Director Ada stated that the carts are stored far from the actual baggage claim carousels and he's witnessed passengers looking for carts. Director Ada expressed that he would like to see the carts placed closer to the carousels. The third issue was the moving sidewalks. The Executive Manager responded informing the Board that the moving sidewalks have been quite problematical; however, the moving sidewalks are part of the Bond Project List.

Chairman Santos announced to the Board and Management, that this would be his last Board meeting as he was resigning effective 5:00 p.m. on Friday. Chairman Santos expressed his gratitude to Management and GIAA employees. The Chairman called for a motion to elect a new Chairman of the Board to replace him.

On motion duly made by Director Alcorn, and seconded by Director Ada, the following resolution was unanimously approved:

**Resolution**

Director Edward Untalan is nominated and elected as Chairman of the Board, effective upon resignation of Chairman Santos.

Director Untalan, so nominated and elected, accepted his appointment.

Chairman Santos, the members, Management, staff and all who were present congratulated the new Chairman.

**8. EXECUTIVE SESSION**

Upon written recommendation of counsel, on motion duly made by Director Alcorn and seconded by Director, unanimously approved, at 4:12 p.m. the Board recessed regular session and convened executive session to discuss pending litigation.

Executive session adjourned at 4:47 p.m., at which time the Board reconvened the regular meeting.

**9. PUBLIC COMMENTS**

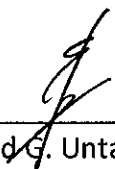
The Chairman called upon any public member wishing to make comments. There was no response.

The Board members expressed their appreciation and thanks to Chairman Santos.

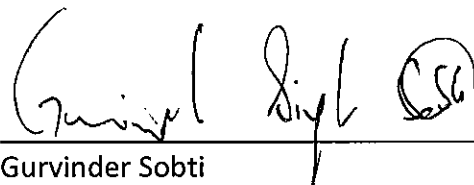
#### 10. ADJOURNMENT

There being no further discussion, on motion duly made by Director Ada and seconded by Director Untalan, unanimously approved, the meeting was adjourned at 4:50 p.m.

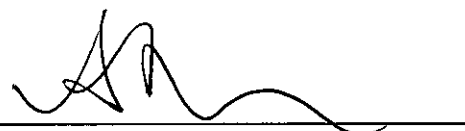
Dated this 17th, day of December, 2013.

  
\_\_\_\_\_  
Edward G. Untalan  
Chairman

Attest:

  
\_\_\_\_\_  
Gurvinder Sobti  
Secretary

Prepared and Submitted By:

  
\_\_\_\_\_  
Amanda O'Brien-Rios  
Corresponding Secretary



**A.B. WON PAT**  
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## **BOARD OF DIRECTORS REGULAR MEETING**

**3:00 p.m., Thursday, September 19, 2013**

**Terminal Conference Room No. 3**

### **AGENDA**

- 1. Call to Order and Attendance**
- 2. Approval of Agenda**
- 3. Approval of Minutes**
  - A. July 25, 2013 Regular Meeting**
  - B. August 9, 2013 Special Meeting**
- 4. Correspondence**
- 5. Matters for Board Ratification/Approval**
  - A. Approval of TSA Other Transaction Agreement**
  - B. Approval of Award for Money Exchange Concession IFB No. GIAA-02A-FY13**
  - C. Approval of GIAA FY2014 Insurance Program Renewal**
  - D. Ratification of Quarterly Travel**
  - E. 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



THE INTERNATIONAL AIR CARGO ASSOCIATION

**10. Adjournment**



A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM

BOARD OF DIRECTORS REGULAR MEETING

3:00 P.M., THURSDAY, SEPTEMBER 19, 2013

GIAA TERMINAL CONFERENCE ROOM #3

SIGN IN SHEET

<u>PRINT NAME</u>	<u>COMPANY/AGENCY</u>
1. AR ROLA, UTAH M	GIAA
2. VICTOR J. CRUZ	GIAA
3. J. G. JAVELLANA	MO
4. R. FARRAMER	GIAA Mktg
5. FRANK P. TATANO	GIAA - PROCUPEBUT
6. Michael Pangelinan	CFJ
7. Annmarie Muna	AM Ins.
8. Jackson Tai	EVA
9. BENNY BAZA	ARFF
10. Raymond Mantano	ARFF
11. Michael Moad	IRISLTD
12. Nestor Licanto	TSA
13. TRINA GRANILLO	AM Insurance
14. Aldwin Fajardo	Vanity
15. David Martin	AM Insurance
16.	
17.	
18.	
19.	

## India gang rapists could face death penalty



Indian youths protest outside the Saket Court complex in New Delhi on Sept. 10.

**NEW DELHI (AP)** — An Indian judge will Wednesday consider the sentences for four men found guilty of the brutal gang rape and murder of an Indian student on a bus, as the victim's family leads calls for them to be hanged.

A day after he handed down his verdicts over a crime that sickened India, Judge Yogesh

Khanna will consider arguments from the prosecution and defense counsels over the severity of the punishment.

The 23-year-old victim's parents have insisted the four must be executed for what the judge branded the "cold-blooded murder" last December of their daughter, who was left with grievous internal injuries.

"The manner (in which) they committed this crime and destroyed a life, they should not get anything less than the death sentence," the mother of the victim, who cannot be named for legal reasons, told NDTV television late Tuesday.

Khanna is also under immense public and political pressure to order the death sentence, which can be handed down for "the rarest of rare" crimes but is seldom carried out in practice.

The case brought simmering public anger over rape and harassment to the boil, sparking unprecedented protests, tougher new laws to tackle sex crime and a bout of introspection about India's treatment of women.

Defense lawyers, who have announced plans to appeal Tuesday's verdicts, are set to argue that death sentences are not warranted for their clients, who were migrants to New Delhi living around a southern slum.

## Filipino rebels call for international mediation



Residents, believed to be hostages, wave white cloth as they shout at troops to stop their operation in the continuing standoff with Muslim rebels on Sept. 11, in Zamboanga city, southern Philippines. AP

**ZAMBOANGA (AP)** — Muslim rebels holding scores of hostages in the southern Philippines are demanding international mediation, an official said Wednesday, as fresh rounds of gunfire broke out between government troops and the guerrillas on the third day of the standoff.

The rebels, enraged by a broken peace deal with the government, are holding the civilian hostages as human shields near the port city of Zamboanga. Troops have surrounded the Moro National Liberation Front guerrillas and their hostages in four coastal villages.

At least nine people have been killed since the standoff began Monday.

On Tuesday, the rebels fired two mortar rounds near the main port, prompting authorities to order vessels to dock elsewhere. The government rushed more troops and police to the city, and there were

sporadic exchanges of gunfire. Some houses went up in flames in rebel-held villages, forcing more residents to flee.

Zamboanga City Mayor Maria Isabelle Climaco said the rebels were demanding international mediation. She said a former governor from the rebels' stronghold of Sulu province tried to talk to the gunmen Tuesday, but "they refuse to listen to anybody locally."

The MNLF rebel group signed a peace accord brokered by a committee of the Organization of the Islamic Conference with the government in 1996, but hundreds of its fighters held on to their arms and have recently accused officials of renegeing on a promise to develop an autonomous region for minority Muslims in the southern Mindanao region. They also felt left out after a breakaway faction engaged in successful peace talks with the government brokered by Malaysia.

## UN survey reveals Asia-Pacific rape crisis

**BANGKOK (AP)** — Nearly a quarter of men surveyed in six Asia-Pacific countries admit to committing rape, often against their own partners, according to a UN report published Tuesday that exposes widespread violence against women.

Based on anonymous interviews with more than 10,000 men aged between 18 and 49 years old in Bangladesh, China, Cambodia, Indonesia, Sri Lanka and Papua New Guinea, the study is the first of its scale in the region.

"Violence against women is a harsh reality for many," Roberta Clarke, regional director of UN Women, said at the launch of the report in Bangkok.

"We must change the culture that enables men to enact power

and control over women."

The prevalence of rape varied widely between locations, the UN said, explaining that its sample areas were not representative of whole countries.

Using a definition of non-consensual, penetrative sex as a benchmark, the study said 11 percent of respondents reported having raped a woman who was not their partner.

This rose to nearly a quarter — 24 percent — when their partner was included in the question.

Of those men who said they had committed rape, just under half (45 percent) said they had raped more than one woman.

Alarmingly, of those who admitted rape, half were teenagers and 12 percent were younger than 15 years old, while the

majority of men surveyed said they had not faced any legal consequences for their actions.

The probe is not intended to be an authoritative statistical overview of rape in these six countries or of the Asia-Pacific region, say the authors.

"Violence is pervasive but it is also preventable," according to report researcher Emma Fulu of Partners for Prevention.

To break the pattern young people should be engaged with issues "around what consent means ... understanding sexuality and masculinity" within relationships, Fulu added.

The study was released on the same day that a court in India found four men guilty of gang-raping and murdering a student on a bus last December.



Sirion A. Sanchez II  
CCU Chairman

### GUAM POWER AUTHORITY

ATURIDAT ILEKTRESEDAT GUAHAN

P.O. BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

Telephone Nos. (671) 648-3054/55 or Facsimile (671) 648-3185



Joaquin C. Flores, P.E.  
General Manager

#### ADVERTISEMENT


#### INVITATION FOR BID

This notice is paid for by the GUAM POWER AUTHORITY REVENUE FUNDS


Public Law 26-12

BID NO.	PRE-BID:	TIME:	DUE DATE:	TIME:	DESCRIPTION:
GPA-074-13	09/18/2013	9:30 A.M.	09/27/2013	2:00 P.M.	GPA Engine Oxidation Catalyst Retrofits at Tenjo, Talofofo and Madenggon Diesel Power Plants (\$250.00 non-refundable fee)

Bid package may be picked up at the GPA Procurement Office, 1st Floor, GPA Central Office, 1911 Route 16, Harmon Guam 96911. Non-refundable payment must be made at our GPA Customer Services prior to issuance of documents. All interested firms should register with GPA's Procurement Division to be able to participate in the bid. Please call our office at (671) 648-3054 / 3055 to register. Registration is required to ensure that all "Amendments and Special Reminders" are communicated to all bidders throughout the bid process. Procurement instructions are posted to the Authority's web site at [http://guampowerauthority.com/gpa\\_authority/procurement/gpa\\_current\\_rfps.php](http://guampowerauthority.com/gpa_authority/procurement/gpa_current_rfps.php).



The Honorable  
**EDDIE S. 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, September 19, 2013 at 3:00 p.m.** in Terminal Conference Room No. 3. In addition to regular matters, pursuant to 5 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 642-4717118.

(This ad paid for by GIAA)



DIPPARTAMENTON I KAHAO GUINAHAN CHAMORRO  
DEPARTMENT OF CHAMORRO AFFAIRS  
Government of Guam



Edward B. Calvo  
Governor of Guam

Joseph Artero-Cameros  
President, DCA

Raymond S. Tenorio  
Lt. Governor of Guam

## PUBLIC SERVICE ANNOUNCEMENT

The Department of Chamorro Affairs Board of Trustee will hold a Regular Board Meeting on **Thursday, September 19, 2013 at 2:00 p.m.** Location: Department of Chamorro Affairs Conference Room, 194 Herman Cortez Avenue 1st Floor Tertaje Professional Building Hagatna, Guam.

Individuals requiring special accommodations may also contact the President's Office at 475-4278/9.

This advertisement was paid by the Department of Chamorro Affairs, Non-Appropriated Funds.



# Home-based hospice care can reduce healthcare cost

By Mar-Vic Cagurangan  
marvic@mvguam.com  
Variety News Staff

FOR the terminally ill patient, there is a practical aspect to getting hospice care at home besides emotional comfort, according to healthcare professionals.

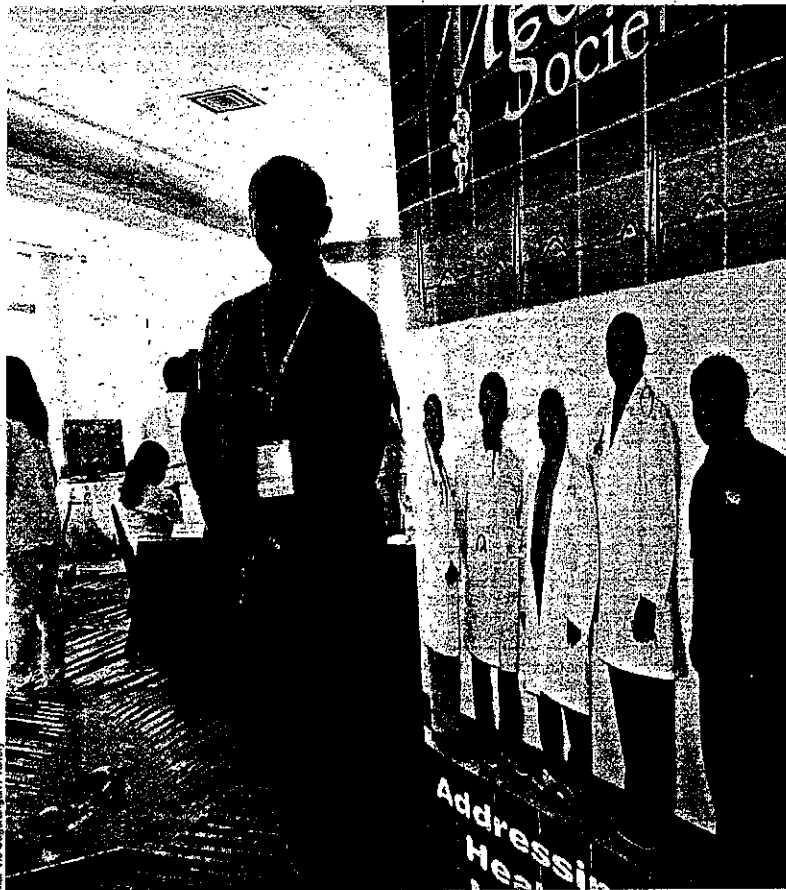
Home-based hospice care — as opposed to a prolonged treatment at the hospital setting — can contain the cost of the patient's medical care and ease the burden on the healthcare system, said Dr. John Ray Taitano, president of the Guam Medical Society.

"A lot of older patients in the end stage of their illnesses choose to die at home. They have already lived a full life and they want to be around their family. They don't want to burden their family with medical expenses," Taitano said. "People should have that option."

The medical society is urging the Legislature to enact a law that would compel local insurance providers to allow terminally ill patients to choose the home-based hospice care option.

"Hospice care means less cost for the insurance company, less cost for the caregivers and for the community. So the insurance companies save money as well. It is a win-win situation," Taitano said.

FHP Health Care Center and the Health Services of the Pacific are currently the only facilities that provide palliative and hospice care on Guam.



Guam Medical Society President Dr. John Ray Taitano stands at the receiving area to welcome participants to the 6th Micronesia Medical Symposium, which was held from Friday to Sunday at the Sheraton Laguna Resort.

The number of hospice care programs in the United States has grown to 4,700 since this treatment option was first introduced in New Haven, Conn. in 1974.

"Guam is far removed from

that," Taitano said. "For a population like ours, we should have more than two."

## Symposium

Healthcare providers gathered over the weekend at the

Sheraton Laguna Resort for the 6th Micronesia Medical Symposium, featuring a host of experts who discussed hospice and palliative care services available on Guam.

The Guam Medical Society-sponsored event tackled all aspects of end-of-life care including its challenges.

"In this symposium, we are trying to educate the community and care providers, and hopefully to start a movement to get the Legislature to pass more laws so that individuals can have that option to go to hospice care or palliative care," Taitano said.

Such an option, however, is not meant to preclude medical care for patients who choose to pursue aggressive treatment.

## Dying with dignity

"Hospice care is what we give patients in the last six months of life. These are individuals who are very sick, with end-stage cancer, end-stage kidney diseases, end-stage lung diseases and heart failures and are already difficult to manage with medication," Taitano said.

Hospice care substitutes inpatient hospital services with home-based medical services, emotional and psychological support, as well as spiritual resources for the terminally ill patient, who is surrounded by a team of palliative care providers including family members.

"In palliative care, we intensify our efforts to make sure the patient is relieved of pain, sufferings and depression," Taitano said.

"As a team, we concentrate on what we can do to make the life of the individual better, more comfortable, and to allow them to die with dignity," he added.

## PUBLICATION NOTICE

In accordance with the provisions of Guam Code Annotated, Title XI, Chapter III, Section 3315, notice is hereby given that:

**South Pacific Ales & Spirits, LLC.**

**dba: South Pacific Ales & Spirits, LLC.**

has applied for A Class: 3 Wholesaler, Alcoholic Beverage License, said premises being marked as Lot: 5223-5A-6NEW-3-1, Barrigada.



The Honorable  
**EDDIE B. CALVO**  
Governor



The Honorable  
**RAY TENORIO**  
Lt. Governor

A.B. WON PAT  
INTERNATIONAL AIRPORT AUTHORITY, GUAM

## PUBLIC NOTICE

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For special accommodations or agenda items, please call the Board Office at 642-4717118.

(This ad paid for by GIAA)

## Fake job ads for GMH abound online

By Mar-Vic Cagurangan  
marvic@mvguam.com  
Variety News Staff

FAKE job listings for Guam Memorial Hospital are posted on suspicious websites that advertise openings for a pathologist, three pediatric hospitalists, and specialty physicians.

"This ad was not authorized or placed by GMH. [The hospital's administration] has nothing to do with this ad. Our pathologist position remains filled," GMH Administrator Joseph Verga said yesterday.

The identical job listings, posted on [www.Midsearch.com](http://www.Midsearch.com) and [www.LocumTenens.com](http://www.LocumTenens.com), state, "We have decided that we need our new pathologist to be board-certified in both anatomic and clinical pathology prior to coming to Guam."

According to the ads, the new pathologist will eventu-

ally be considered for the "lab director position."

Both websites, which listed a certain "Rose Trench" as the contact person, have a separate entry for pediatric hospitalists.

"This is the first I have ever heard about it. I know nothing else. I do not know a Rose Trench," Verga said in an email to Variety, commenting on the website links sent to him.

The text on the ads further state that the hospital's administration "entered into a new era in the area of cardiology this past year. New services include thallium stress imaging, and trans-thoracic echocardiography."

Verga said GMH has not done thallium tests in a while.

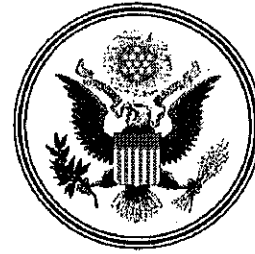
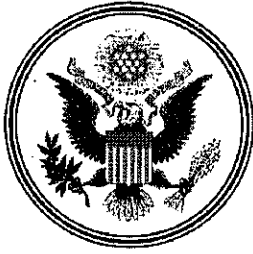
A subsequent Google search led to a link for another suspicious website, [www.physician-jobs-guam.com](http://www.physician-jobs-guam.com), which has job listings for specialty physicians.

The dubious websites describe

GMH "as a public corporation" operating as a "governmental, non-profit institution serving the people."

"With the investment and upgrading of the equipment and technology at GMH, there are numerous opportunities to attract and provide additional specialty services. Such areas include gastroenterology, urology, neurology, advance cardiology, orthopedic and gerontology services," reads the entry on [physicianjobs-guam.com](http://physicianjobs-guam.com), which provides the email address [rosentrench@cox.net](mailto:rosentrench@cox.net) for the supposed contact person.

The Guam Memorial Hospital's official website advertises job openings for 78 various positions for different support divisions, including administration and operations, professional, nursing, and medical services.



**OTHER TRANSACTION AGREEMENT**

**BETWEEN**

**DEPARTMENT OF HOMELAND SECURITY  
TRANSPORTATION SECURITY ADMINISTRATION**

**AND**

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

**RELATING TO**

**A.B. WON PAT INTERNATIONAL AIPORT  
Checked Baggage Recapitalization Screening Construction Services Project**

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**Negotiated by the TSA pursuant to  
Aviation and Transportation Security Act, Pub. L. 107-71, 115 Stat. 597  
49 U.S.C. §114(m)(1) and 106(l)(6).**

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**HSTS04-13-H-CT1145**

## ARTICLE I – PARTIES

The parties to this Other Transaction Agreement (OTA) are the U.S. Department of Homeland Security, Transportation Security Administration (TSA) and the **A.B. Won Pat International Airport Authority AIRPORT AUTHORITY (AIRPORT AUTHORITY)** as owner and operator of **A.B. Won Pat International Airport, Guam (GUM or Airport)**. The TSA and **AIRPORT AUTHORITY** agree to cooperate in good faith and to perform their respective obligations in executing the purpose of this Construction Agreement.

## ARTICLE II – LEGAL AUTHORITY

This Construction Agreement is entered into under the authority of the Aviation and Transportation Security Act, Pub. L. 107-71, 115 Stat. 597, specifically 49 U.S.C. § 114(m)(1) and 106(l)(6), which authorizes other transaction agreements.

## ARTICLE III – SCOPE

The purpose of this Agreement is to set forth the terms and conditions, as well as establish the respective cost-sharing obligations of the TSA and the **AIRPORT AUTHORITY** with respect to the design, engineering and construction-related services necessary to implement the construction of the TSA recapitalization project design submitted by the **AIRPORT AUTHORITY** and reviewed by TSA pursuant to the TSA Planning Guidelines and Design Standards (PGDS) Version 4.1 found at:

<http://www.tsa.gov/research-center/airport-checked-baggage-guidance-materials>

This Project undertaken by the **AIRPORT AUTHORITY** involves the modification to or construction of the Airport terminal building infrastructure to recapitalize the TSA EDS systems located within the Checked Baggage Inspection System. Terminal modifications include required changes to baggage conveyor components, mechanical, plumbing, electrical, structural, and telecommunications infrastructure to provide for the installation of Explosive Detection Equipment (EDS) within the baggage screening area, Explosive Trace Detection (ETD) equipment in the Checked Baggage Resolution areas, and the installation of applicable CBIS hardware and software for use with a checked baggage in-line baggage screening system. The objective of the Project is to enhance Airport security and baggage screening capabilities and throughput.

## ARTICLE IV – COST SHARING AND OTHER RESPONSIBILITIES

1. Capital Costs: The estimated cost of the Project (Total Project Cost) relates to the activities to modify the airport terminal building infrastructure and the baggage handling system (BHS) to support the installation and operation of the EDS and ETD equipment. It does not include the costs of acquisition, delivery or installation of the EDS and ETD equipment itself. TSA will be solely responsible for the acquisition, delivery, installation, and testing of the EDS and ETD equipment at the designated Project location(s). All work performed by the **AIRPORT**

**AUTHORITY** pursuant to this Agreement shall be accomplished in accordance with the TSA PGDS v. 4.1.

2. The cost of the Project has been determined to be **\$26,069,263** (Project Costs). TSA agrees to reimburse the **AIRPORT AUTHORITY** for 100% of the allowable, allocable and reasonable Project Costs, related to the **Recapitalization** scope of effort that is estimated at **\$2,670,602**. TSA agrees to reimburse the **AIRPORT AUTHORITY** for 95% of the allowable, allocable and reasonable Project Costs related to the **Optimization** scope of effort that is estimated at \$23,398,661. With the cost share ratio of 95/5 the total is **\$22,228,728**. The Project Costs include design and construction management in addition to construction costs but not to exceed a total reimbursement of **\$24,899,330** (TSA Reimbursement Limit).

3. TSA will determine allowable and allocable costs in accordance with the OMB Circular A-87 "Cost Principles for State, Local and Indian Tribal Governments" codified at 2 C.F.R. Part 225 (together with Appendices A – D) and Appendix F of the TSA PGDS. TSA will reimburse the **AIRPORT AUTHORITY** on an actual expense basis supported by one or more invoices submitted by the **AIRPORT AUTHORITY** in accordance with Article X "Payment." The parties understand and agree that all Project costs in excess of the TSA Reimbursement Limit of **\$24,899,330**, as well as any costs that are inconsistent with OMB A-87 and the guidance set forth in the TSA PGDS, shall be borne solely by the **AIRPORT AUTHORITY** unless otherwise agreed by the TSA in a written modification in accordance with this Article IV and Article XIII "Changes and/or Modifications." Should the TSA reimbursements of **\$24,899,330**, as adjusted pursuant to Article XIII, represent more than 95 percent of the final allowable and allocable, and reasonable CBIS Project Costs, the **AIRPORT AUTHORITY** will refund TSA sufficient funds such that TSA's total reimbursement will equal no more than **95%** of the final allowable, allocable and reasonable CBIS Project Costs.

4. All costs requested for reimbursement must satisfy the requirements of both TSA's PDGS v. 4.1 and OMB Circular A-87. In general, the costs for which TSA will provide reimbursement under this Agreement are limited to those costs associated with the CBIS area, the Checked Baggage Resolution Area (CBRA), and EDS network equipment room (if applicable to the CBIS Project) as defined in TSA's PDGS. Appendix F of the TSA's PDGS provides guidance regarding the reimbursable costs for TSA CBIS Projects.

A. Examples of costs commonly considered reimbursable under this Agreement include:

- Soft cost allowances consisting of Design Fees, Project Management, Construction Management, Escalation, Design Contingency and Construction Contingency
- Construction Costs:
  - Demolition (airport building or BHS components related to the CBIS area.)
  - BHS infrastructure upgrades, platforms, catwalks located within the CBIS screening area.
  - BHS: The BHS portion located within the CBIS screening area, including redesign and upgrading of conveyors to support the integration of the EDS screening system.
  - Conveyor redesign and upgrade within the CBIS screening area.
  - Build out of the EDS network equipment room
  - Acoustical treatment in the CBRA area.

- Heating, Ventilation, Air Conditioning (HVAC) to maintain equipment and employee environmental requirements for CBIS, CBRA and EDS network equipment room.
- Electrical and communications infrastructure (cabling, control panels) and basic lighting fixtures for the CBIS and CBRA.
- Telephone systems/pager systems for TSA CBIS screening area.
- Basic architectural finishes.

Identification of cost classifications herein does not create any obligation on TSA's part beyond the requirements found in OMB Circular A-87 and TSA's PDGS v. 4.1.

B. Examples of costs not considered reimbursable include, but are not limited to:

- Exterior Building Shell.
- Baggage make-up carrousel or outbound sortation systems.
- Maintenance, repair parts or spare parts (other than spare parts which are initially provided by the Original Equipment Manufacturer during the installation of new equipment) for airport terminal improvements including the baggage handling conveyor components installed under this Project.
- Manual encoding consoles or stations.
- Employee break rooms, administrative office space and restrooms not intended for the sole use of TSA staff.
- Architecturally pleasing enhancements.
- Extended warranties beyond one (1) year.

5. Change Orders shall not be considered authorization to exceed the TSA Reimbursement Limit unless the **AIRPORT AUTHORITY** submits to TSA prior written notification of the expected impact to the CBIS Project Cost and the corresponding impact to the TSA Reimbursement Limit, and the TSA agrees in writing to the proposed Change Order, including the proposed increase to the CBIS Project Cost and the TSA Reimbursement Limit. The **AIRPORT AUTHORITY** may not use the TSA contingency funds provided for the Project, as identified by TSA as part of this Agreement, without prior TSA written approval.

## ARTICLE V: PROJECT RESPONSIBILITIES

The primary Project responsibilities of the TSA and the **AIRPORT AUTHORITY** are outlined below. In addition to primary Project Responsibilities, specific technical responsibilities for the two parties are contained in Appendix C, "Project and Acceptance Testing Requirements", attached hereto and incorporated by reference into this Agreement. The Project will be overseen by the **AIRPORT AUTHORITY**, except for those portions of the Project that are TSA's sole responsibility as set forth in this Agreement.

### A. TSA Responsibilities

1. Provide the TSA's PGDS, as well as the EDS equipment specification upon request from the Airport.

2. Advise as to the type of EDS equipment to be provided at each Project design phase submission.
3. Furnish, deliver, install and test the EDS and ETD equipment.
4. Provide EDS Original Equipment Manufacturer Technical Support Advisory Services to the Airport regarding installation, integration and networking of the EDS units into the BHS.
5. Provide the CBIS System Specific Test Plan (SSTP) to the Airport for the commissioning, coordination and testing of the CBIS. See Appendix D for testing details. See Appendix B for further specifics relating to the TSA testing portion of the Project.
6. Establish and conduct the Integrated Site Acceptance Testing (ISAT) for the in-line CBIS performance capabilities with joint support from the Airport.
7. Review and approve ISAT results before the in-line CBIS is certified as ready for operational use.
8. Provide training for Transportation Security Officer personnel on the EDS equipment.
9. Evaluate the in-line CBIS in operation for 30 days after substantial use begins.
10. Review and consider requested changes submitted by the Airport to the CBIS design. Any changes in scope or associated costs must be approved in accordance with Article XIII "Changes and/or Modifications".
11. Provide maintenance, repair, and refurbishment to all TSA EDS and ETD equipment throughout its life cycle at no cost to the **AIRPORT AUTHORITY**.

## **B. AIRPORT AUTHORITY/GUM Responsibilities**

1. Except for the responsibilities of the TSA, as outlined above, the CBIS Project will be managed and overseen by the **AIRPORT AUTHORITY**. The **AIRPORT AUTHORITY**, acting through such contractors as it may engage, will provide the engineering and design services, as well as the associated construction and baggage handling system contractors, necessary for successful completion of the Project. The **AIRPORT AUTHORITY** will provide oversight of such contractor(s) to ensure the Project conforms to the TSA endorsed design, PGDS criteria and is completed within the prescribed costs and schedule identified and incorporated herein as Appendix B.
2. CBIS designs should be OSHA compliant; adhere to the applicable EDS and ETD installation and integration guide specifications; and should comply with all applicable Federal, State, and local building regulations. Provisions will be made in the CBIS design that will allow TSA and its contractors full ingress to and egress from the CBIS area for the installation, operation, testing, maintenance, and repair of the EDS and ETD equipment.
3. Obtain all necessary construction licenses, insurance permits and approvals.
4. The **AIRPORT AUTHORITY** shall deliver a firm EDS delivery schedule requirement date to TSA no later than 60 days after construction contract award. This schedule will be reviewed and approved by TSA based on OEM EDS delivery schedules. If project cannot meet the acceptance date, the **AIRPORT AUTHORITY** will be responsible for the safekeeping of the EDS in a secure and climate controlled environment until such time the system(s) can be installed at the agreed upon site. The **AIRPORT AUTHORITY** will be solely responsible for any damages and or extra startup costs associated with or that occur during this delay.

5. Ensure the Project site will be ready to accommodate the installation of the EDS units when delivered. Project site preparation includes, but is not limited to, BHS modifications, mechanical, heating, electrical site preparation, including infrastructure to protect electrical or fiber optic cables, environmental controls, and any other airport terminal infrastructure work required to support the operational environment of the EDS and ETD units.
6. Facilitate the installation of the EDS units by providing a clear path during rigging and EDS installation, and provide sufficient space to allow for initial deployment activities (such as uncrating the device).
7. Provide three (3) feet of maintenance access space around the equipment so that spare parts may be removed and replaced.
8. Once installed, provide reasonable measures to protect the EDS and ETD equipment from harm, theft, and water intrusion in the screening area.
9. Prior to TSA ISAT Testing, it shall be the **AIRPORT AUTHORITY /GUM** responsibility to exercise due diligence to protect and insure the EDS equipment from damage due to ongoing construction or weather.
10. The **AIRPORT AUTHORITY** shall provide for personnel, assistance, equipment and support services to jointly execute the Test Readiness Review (TRR) and ISAT leading to the commissioning and acceptance of the CBIS. Support will include but not be limited to:
  - a. Test bag laydown and storage areas secure and protected from the elements.
  - b. Baggage handlers for test bag staging, induction and retrieval during testing and commissioning including personnel and equipment necessary to move test bags between staging and ISAT areas.
  - c. Ensure representatives of the Baggage Handling System Contractor (BHSC), and System Programmer(s) are on site to run the CBIS during ISAT and resolve deficiencies found during testing.
  - d. Airport badging required for TSA contractor ISAT team members shall be executed in a timely manner such that no greater than two (2) trips to the airport are necessary to complete all badging requirements to be issued and receive an airport badge. Should this requirement not be met, the Airport/ILDT shall provide all escorts necessary to allow the TSA ISAT Team to conduct the ISAT and follow-on live operations run-in observation.
  - e. Provide TSA and their Contractors full and complete most recent documentation of the project to include "approved for Construction" sets of the mechanical, electrical and controls drawings and control descriptions, see Appendix B for details.
11. Perform and bear all cost of the operation, maintenance and repairs for the airport terminal installed property such as the baggage handling conveyor system, including the conveyors in the baggage screening matrix, heating, air conditioning, electrical and mechanical infrastructure in support of this Project.
12. Submit monthly milestone and project progress status reports by the 10<sup>th</sup> of each month to the TSA Regional Deployment Coordinator (RDC), TSA Site Lead Contractor and TSA Contracting Officer. Specific requirements for the content of the monthly project status report are identified in Appendix D.
13. CBIS designs and construction shall meet all requirements of the TSA Security Technology Integrated Program (STIP) Data Requirements for Checked Baggage.

Systems as shown in Appendix E. The Airport shall provide all deliverables required in the STIP Data Requirements to the TSA RDC.

For additional clarification regarding roles and responsibilities see Appendix B.

### **C. Operation and Maintenance Costs**

It is understood and agreed that the EDS and ETD security screening equipment are and will at all times remain the property of the TSA. TSA will maintain, repair, and refurbish the EDS and ETD units at no cost to **the AIRPORT AUTHORITY**.

Except for the EDS and ETD security screening equipment owned by the TSA and separately provided for use at the Airport, the **AIRPORT AUTHORITY** shall own and have title to all airport terminal building improvements made in accordance with this Agreement such as heating, ventilation, air conditioning, electrical and mechanical infrastructure, baggage handling conveyor systems and controls, or other assets which are acquired and installed under this Agreement in support of this Project. It will remain the responsibility of the **AIRPORT AUTHORITY**, its contractors or lessees acting through such agents as it may use, to maintain, repair and or replace such airport property to sustain the operational environment of the EDS and ETD security screening equipment. Title to all airport terminal building improvements that were purchased or reimbursed using Federal funds for this Project, shall become the property of the **AIRPORT AUTHORITY**, whether purchased with TSA, or the **AIRPORT AUTHORITY** funds.

### **D. Deliverables**

Appendix E identifies other required deliverables to be submitted by the **AIRPORT AUTHORITY** and/or **GUM**.

## **ARTICLE VI - EFFECTIVE DATE AND TERM**

### **A. CONSTRUCTION**

Project completion is currently estimated to be on or about **September 30, 2016**. The term of this Agreement shall be from the date of execution of the Agreement until **September 30, 2016**, unless earlier terminated by the parties pursuant to Article XV "Termination" as provided herein or extended by mutual agreement pursuant to Article XIII "Changes and/or Modifications", in order to allow the **AIRPORT AUTHORITY** time to submit a final invoice, close out the Project, and address any other issues. The **AIRPORT AUTHORITY** agrees to work with TSA to close this OTA within six (6) months of completion of the Project including successful ISAT acceptance testing and operational run-in of the in-line CBIS.

The **AIRPORT AUTHORITY** will establish and provide same to the TSA Regional Deployment Coordinator (RDC) and TSA CO within 30 days of execution of this Agreement, Project Milestones that allow objective measurement of progress toward completion. TSA maintains the right to identify any additional Project Milestones to be tracked by the **AIRPORT AUTHORITY**.



## ARTICLE VII - ACCEPTANCE AND TESTING

TSA will deem the Design Project complete upon review and concurrency of the 100% design submittal package for GUM. The 100% design submittal package must conform to the TSA PGDS Version 4.1, where feasible.

TSA will deem the CBIS-related portion of the Project complete upon successful results of the TSA ISAT (Integrated Site Acceptance Test) as conducted by the TSA independent Acceptance Test Contractor and successful completion of the 30-day Operational Run-In period. TSA ISAT will evaluate the CBIS against the TSA PGDS version stated in this Agreement as well as assess and comment on functional and performance differences to the most current version of the PGDS version published at the time of ISAT.

Successful completion of Project requires the correction of CBIS deficiencies identified during the TSA ISAT as documented in the Quick Look Report (QLR) and as followed up at the end of the Operational Run-In period in the Test Summary Report (TSR). TSA will release the funds retained pursuant to Article X only after the CBIS has passed the ISAT test and Operational Run-In period and the deficiencies have been corrected. Additional details are contained in Appendix C, "Project and Acceptance Testing Requirements"

## ARTICLE VIII - AUTHORIZED REPRESENTATIVES

The authorized representative for each party shall act on behalf of that party for all matters related to this Construction Agreement. Each party's authorized representative may appoint one or more personnel to act as an authorized representative for any administrative purpose related to this Construction Agreement, provided written notice of such appointment is made to the other party to this Construction Agreement. The authorized representatives for the parties are as follows:

- A. TSA Points of Contact:  
 Regional Deployment Coordinator/Contracting Officer's Representative:  
 Shahzan Akber  
 Mail Stop TSIF #32  
 Transportation Security Administration  
 1 Post Office Road  
 Washington, DC 20528-6032  
 Phone: 571-227-5645  
 E-Mail: shahzan.akber@dhs.gov  
  
 Contracting Officer:  
 William Melanson  
 701 South 12<sup>th</sup> Street  
 Arlington, Va. 20598  
 Phone: 571-227-3266  
 E-Mail: william.melanson@dhs.gov

Only the TSA Contracting Officer (CO) shall have the authority to bind the Federal government with respect to scope of work, funding and liability. The TSA Regional Deployment

Coordinator (RDC) is also the TSA Contracting Officer Representative (COR) and is responsible for the technical administration of this Construction Agreement and technical liaison with the **AIRPORT AUTHORITY**. The TSA COR is not authorized to change the scope of work, to make any commitment or otherwise obligate the TSA, or authorize any changes which affect the liability of the TSA such as amount or level of funding.

The **AIRPORT AUTHORITY** must notify the TSA CO and COR in the event that any TSA employee or TSA contracted agent takes any action that may be interpreted by the **AIRPORT AUTHORITY** as direction which could increase the Construction Project costs and could cause the **AIRPORT AUTHORITY** to seek reimbursement from TSA in excess of the TSA's total reimbursement liability as defined in Articles IV and IX of this Construction Agreement.

**B. Airport Authority's Points of Contact:**

The A.B. Won Pat International Airport Authority Point of Contact for all correspondence is:

**Charles H. Ada II**

P.O. Box 8770

Tamuning, Guam 96931

## **ARTICLE IX - FUNDING AND LIMITATIONS**

TSA will provide funding to the **AIRPORT AUTHORITY** in an amount not to exceed **\$24,899,330** (TSA Reimbursement Limit). Funds in the amount of **\$24,899,330** are hereby obligated and made available for payment for performance of this Agreement. Expenses incurred in executing the work identified herein are chargeable to:

PR: 2113203CT1145

Accounting Line: 5CF10XB010D2013SWE044GE013723006200622CTO-5903001505010000-251B-TSA DIRECT-DEF. TASK-D

Amount: **\$24,899,330**

In the event of termination or expiration of this Agreement, any TSA funds that have not been spent or incurred for allowable expenses prior to the date of termination and are not reasonably necessary to cover allowable and allocable costs as of the date of termination will be returned and/or de-obligated from this Agreement. TSA's liability to make payments to the **AIRPORT AUTHORITY** is limited to the funds obligated and available for payment hereunder, including written modifications to this Agreement.

Under no circumstances will TSA be responsible to reimburse the **AIRPORT AUTHORITY** for profit or the general costs of government. The **AIRPORT AUTHORITY** may recover the allowable direct costs of the **AIRPORT AUTHORITY** personnel performing work necessary under this Agreement, as well as the allowable and allocable costs of the contractors hired by the **AIRPORT AUTHORITY** to perform the necessary work under this Agreement. Profit and overhead costs for the **AIRPORT AUTHORITY** contractors performing work on the Project are allowable costs. Submission of a cost allocation plan is required to address any indirect

costs, to include the **AIRPORT AUTHORITY** employees, who work on multiple activities that will result in a request for reimbursement under this Agreement. TSA will not be responsible for costs incurred by the **AIRPORT AUTHORITY**, its contractors or agents to perform work not in compliance with the TSA requirements in this Agreement. The TSA CO has the right to recoup any payments made to the **AIRPORT AUTHORITY** if the TSA CO determines that the invoices exceed the actual costs incurred, or if the work substantially deviates from the TSA approved CBIS design requirements for the Project pursuant to this Agreement.

TSA will reimburse only for allowable, allocable and reasonable costs in accordance with the OMB Circular No. A-87 in effect on the Effective Date of the Agreement (codified at 2 C.F.R. Part 225) and the allowable/not-allowable costs identified in Appendix F of TSA's PGDS v 4.1.

## **ARTICLE X – PAYMENT**

The United States Coast Guard Finance Center performs the payment function on behalf of the TSA. For purposes of submission to the Coast Guard Finance Center, the **AIRPORT AUTHORITY** must submit a completed Summary Invoice. Registration in the System for Award Management (SAM) is mandatory for invoice payment. To obtain information regarding SAM, please refer to <https://www.sam.gov/portal/public/SAM/>.

Invoices for expenses may be submitted every thirty (30) days, as expenses are incurred. For periods in which the **AIRPORT AUTHORITY** has not incurred a reimbursable expense, an invoice is not required. Expenses are considered to accrue on the date that the **AIRPORT AUTHORITY** is invoiced from a contractor, sub-contractor, supplier, or provider of services. Reimbursement by TSA is conditioned upon submission to TSA of an invoice identifying the Project costs that have been incurred and paid. In limited situations, costs incurred but not yet paid may be reimbursed only with prior Contracting Officer authorization provided the **AIRPORT AUTHORITY** can demonstrate that it is in the best interest of the government. The TSA intends to make payment to the **AIRPORT AUTHORITY** within 30 days from receipt of each properly prepared invoice for reimbursement of incurred Project costs.

Ten percent (10%) of all submitted costs identified by TSA as allowable, allocable and reasonable shall be retained by TSA until completion of the Project, and shall only be reimbursed to the **AIRPORT AUTHORITY** upon successful completion of all of its obligations under this Agreement, including, completed system documentation submitted to TSA and successful completion of all testing as required in Article VII of this Agreement.

In the event that an invoice for reimbursable expenses is not received by the TSA within a twelve (12) month period, the TSA reserves the right to terminate the Construction Agreement per Article XV "Termination."

The TSA reimbursement process consists of two steps.

Step 1 – Summary Invoice Submittal to the U.S. Coast Guard Finance Center for Payment, and at a minimum should contain the following information:

- (1) Construction Agreement Number: **HSTS04-13-H-CT1145**
- (2) Invoice Number and Invoice Date

- (3) Complete Business Name and Remittance Address
- (4) Point of Contact with address, telephone, fax and e-mail address
- (5) Tax Identification Number and DUN's Number
- (6) Dollar Amount of Reimbursement requested
- (7) Signature of the **AIRPORT AUTHORITY** authorized representative and the following certification language: *"This is to certify that the services set forth herein were performed during the period stated and that the incurred costs billed were actually expended for the Project."*

The Summary Invoice may be submitted by standard mail or by electronic transmission to the following address(s):

Mailing Address: TSA Commercial Invoices  
 USCG Finance Center  
 P.O. Box 4111  
 Chesapeake, VA 23327

Email: FIN-SMB-TSAINVOICES@uscg.mil

## Step 2 – Submission of Summary Invoice and Supporting Documentation Submittal to TSA for Approval of Payment:

The TSA CO and the COR are required to review and the TSA CO will approve all invoices prior to payment. To aid in this review, the **AIRPORT AUTHORITY** shall provide a copy of the Summary Invoice along with all receipts, contractor pay requests and other supporting information which specify the vendor, services provided, and products delivered as well as the appropriate documentation that the **AIRPORT AUTHORITY** has paid these obligations. The **AIRPORT AUTHORITY** should provide this supporting information simultaneously with Step 1 to expedite the payment process.

The Support Documentation should contain the following items:

- Summary Invoice from Step 1
- An executive summary project overview with the first invoice
- A summary spreadsheet providing a categorized breakdown of the amount invoiced
- Signed, approved and legible copies of each individual contractor's invoice to include schedules of values scope of work
  - Copies of contracts and change orders that provide support for the actual work being invoiced
  - Vendor and subcontractor invoices with specific details about services provided
  - Rationale for all allocations or unusual calculations or assumptions

- Copies of subcontractor's invoices if listed on a prime contractor's invoice as a single amount (copies of timesheets and detailed backup not required if descriptions are clear and specific)
- Proof of payment by the **AIRPORT AUTHORITY** for each invoice in the form of copies of check/warrants, bank wire transfers, or accounting systems transactions

The Summary Invoice and supporting documentation may be submitted by email or mail via CD or paper documents to the below addresses. The final closeout invoice should include proof that all required deliverables have been provided.

Shahzan Akber  
Mail Stop TSA TSIF - #32  
Transportation Security Administration  
1 Post Office Way  
Washington, D.C. 20528-6032  
Email: OSTCBD @tsa.dhs.gov

William Melanson, TSA Contracting Officer  
C/O Mr. Henry Edquist  
Faithful+Gould  
2318 Mill Road, Suite 1410  
Alexandria, VA 22314  
Phone: 571-403-8773  
Email: Henry.Edquist@fgould.com

Upon completion of the review of the supporting documentation for the Summary Invoice, the TSA CO and the TSA RDC/COR will advise the Coast Guard Finance Center regarding payment of the Summary Invoice.

TSA may pay any charges due under this Agreement by electronic funds transfer, check, or other means. Any charges due under this Agreement shall be due in arrears and, to the extent appropriated funds are available, shall be paid within 120 days of TSA's receipt of a proper invoice from the **AIRPORT AUTHORITY**. The Prompt Payment Act, 31 U.S.C. §§ 3901-06, as implemented at 5 CFR 1315, applies to payments made under this Agreement. The Government will compute the interest penalty in accordance the Office of Management and Budget prompt payment regulations at 5 CFR Part 1315.

## ARTICLE XI - AUDITS

The Federal Government, including the Comptroller General of the United States, has the right to examine or audit relevant financial records for a period not to exceed three (3) years after expiration of the terms of this Construction Agreement. The **AIRPORT AUTHORITY** and its contractors must maintain an established accounting system that complies with generally accepted accounting principles. Records related to disputes arising out of this Construction Agreement shall be maintained and made available until such disputes have been resolved. As used in this paragraph, "records" includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form related to this Construction Agreement.

The **AIRPORT AUTHORITY** shall maintain all records and other evidence sufficient to reflect costs claimed to have been incurred or anticipated to be incurred directly or indirectly in performance of this Construction Agreement. The TSA CO or the authorized representative of

the TSA CO shall have the right to examine and audit those records at any time, or from time to time. The right of examination shall include inspection at all reasonable times at the offices of the **AIRPORT AUTHORITY** or at the offices of the **AIRPORT AUTHORITY**'s contractor(s) responsible for the Construction Project. The **AIRPORT AUTHORITY** will be required to submit cost or pricing data and supporting information in connection with any invoice relating to this Construction Agreement if requested by the TSA CO.

This Article XI shall not be construed to require the **AIRPORT AUTHORITY** or its contractors or subcontractors to create or maintain any record that they do not maintain in the ordinary course of business pursuant to a provision of law, provided that those entities maintain records which conform to generally accepted accounting practices.

The **AIRPORT AUTHORITY** shall insert a clause containing the terms of Article XI – Audits in all of its contracts and subcontracts under this Construction Agreement that exceed \$100,000.00 (One Hundred Thousand Dollars).

## **ARTICLE XII – REQUIRED FEDERAL PROCUREMENT PROVISIONS**

Competition in the award of contracts or procurements resulting from this Construction Project is strongly encouraged and the **AIRPORT AUTHORITY** should promote competition to the maximum extent practicable. The **AIRPORT AUTHORITY** may follow its local procurement requirements for this Construction Agreement. The **AIRPORT AUTHORITY** agrees to include in its contract(s) a provision that **GUM**'s designs for this Construction Project are required to comply with the TSA's PGDS Version 4.1, where feasible.

## **ARTICLE XIII – CHANGES AND/OR MODIFICATIONS**

Changes and modifications to this Construction Agreement shall be in writing and signed by the TSA CO and duly executed by the authorized representative of **AIRPORT AUTHORITY**. Any modification shall cite to this Construction Agreement and shall state the exact nature of the change and/or modification. No oral statement by any person shall be interpreted as modifying or otherwise affecting the terms of this Construction Agreement. The properly signed written modification shall be attached to this Construction Agreement and thereby becomes a part of this Construction Agreement.

## **ARTICLE XIV – DISPUTES**

When possible, disputes will be resolved by informal discussion between the parties. All disputes arising under or related to this Construction Agreement shall be resolved under this Article. Disputes, as used in this Construction Agreement, mean a written demand or written assertion by one of the parties seeking, as a matter of right, the adjustment or interpretation of Construction Agreement terms, or other relief arising under this Construction Agreement. The dispute shall be made in writing and signed by a duly authorized representative of **AIRPORT AUTHORITY** or the TSA. At a minimum, a dispute under this Construction Agreement shall include a statement of facts, adequate supporting data and a request for relief. In the event that the parties are unable to resolve any disagreement through good faith negotiations, the dispute will be reviewed and adjudicated by the TSA Assistant Secretary or his or her designee. If a party disagrees with the decision of the TSA Assistant Secretary or his or her designee, they may

pursue other available legal remedies.

## **ARTICLE XV – TERMINATION**

In addition to any other termination rights provided by this Construction Agreement, either party may terminate this Construction Agreement at any time prior to its expiration date, with or without cause, and without incurring any liability or obligation to the terminated party (other than payment of amounts due and performance of obligations accrued, in each case on or prior to the termination date) by giving the other party at least thirty (30) days prior written notice of termination. Upon receipt of a notice of termination, the receiving party shall take immediate steps to stop the accrual of any additional obligations that might require payment.

In the event of termination or expiration of this Construction Agreement, any TSA funds that have not been spent or incurred for allowable expenses prior to the date of termination and are not reasonably necessary to cover termination expenses will be returned and/or de-obligated from this Construction Agreement.

## **ARTICLE XVI – CONSTRUCTION OF THE AGREEMENT**

This Construction Agreement is an “other transaction” issued under 49 U.S.C. § 106(l) and 114(m)(1) and is not a procurement contract, grant or cooperative agreement. Nothing in this Construction Agreement shall be construed as incorporating by reference or implication any provision of Federal acquisition law or regulation. It is not intended to be, nor shall it be construed as creation of a partnership, corporation, or other business entity between the parties.

Each party acknowledges that all parties hereto participated equally in the negotiation and drafting of this Construction Agreement and any amendments thereto, and that, accordingly, this Design/Construction Agreement shall not be construed more stringently against one party than against the other.

This Construction Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties.

In the event that any Article and/or parts of this Construction Agreement are determined to be void or otherwise invalid or unenforceable, such Article or portions thereof shall lapse. No such lapse will affect the rights, responsibilities, and obligations of the parties under this Construction Agreement, except as provided therein. If either party determines that such lapse has or may have a material effect on the performance of the Construction Agreement, such party shall promptly notify the other party, and shall negotiate in good faith a mutually acceptable amendment to the Construction Agreement if appropriate to address the effect of the lapse.

## **ARTICLE XVII - PROTECTION OF INFORMATION**

The parties agree that they shall take appropriate measures to protect all proprietary, privileged, confidential, or otherwise Sensitive Security Information (SSI) that may come into their possession as a result of this Construction Agreement.

**A. RELEASE OF TECHNICAL DATA**

No Sensitive Security Information (SSI), as defined in 49 CFR Parts 15 and 1520, concerning the scope of this Construction Agreement, shall be published or released to the public without prior written approval of the TSA Assistant Secretary or his or her designee. Guidance regarding SSI may be found in Appendix G, "Checked Baggage Screening Equipment Sensitive Security Information Identification Guide", of the TSA PGDS.

**B. RECORDS AND RELEASE OF INFORMATION**

All Sensitive Security Information (SSI), as defined in 49 CFR Part 1520, shall be handled in accordance with TSA policies and regulations. All employees, contractors, and subcontractors assigned to work under this Construction Agreement are subject to the provisions of 49 CFR Part 1520, Protection of Sensitive Security Information, because they act for, or carry out duties for, or on behalf of the TSA. SSI may not be disclosed except in accordance with the provisions of that rule or where TSA otherwise approves.

**C. MEDIA**

Neither the **AIRPORT AUTHORITY** nor its contractors shall include in its publicity or public affairs activities related to the subject matter of this Construction Agreement any SSI unless written approval has been received from the TSA Office of Security Capabilities or the TSA Office of Strategic Communication and Public Affairs. The purpose of this provision is to preclude the inadvertent release of SSI to the general public.

**ARTICLE XVIII - SURVIVAL OF PROVISIONS**

The following provision of this Construction Agreement shall survive the termination of this Construction Agreement: Article IV – Cost Sharing and Other Responsibilities; Article IX – Funding and Limitations; Article XI – Audits; Article XII – Required Federal Procurement Provisions; Article XIV – Disputes, Article XVII – Protection of Information and Article XVIII – Survival of Provisions.

**IN WITNESS WHEREOF**, the Parties have entered into this Construction Agreement by their duly authorized officers this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

**U. S. Department of Homeland Security  
Transportation Security Administration**

**A.B. Won Pat International  
Airport Authority, Guam**

\_\_\_\_\_  
**William Melanson  
TSA Contracting Officer**

\_\_\_\_\_  
**Charles H. Ada II  
Executive Manager**



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**Date**

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**Date**

**Attest:**

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**Approved as to Form:**

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**Appendix A**  
**TSA Planning Guidelines and Design Standards**  
**Design Deliverables Checklist**

Figure 2-4  
**DELIVERABLES CHECKLIST**

PROJECT PHASE DELIVERABLES	SECTION	Completed		PROJECT PHASE DELIVERABLES	SECTION	Completed	
		Yes	No			Yes	No
<b>Pre-Design Phase</b>	<b>2.2.1</b>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Detailed Design Phase (continued)</b>		<input type="checkbox"/>	<input type="checkbox"/>
Preliminary Alternatives Analysis Report		<input type="checkbox"/>	<input type="checkbox"/>	<b>70% Design Submittals (continued)</b>		<input type="checkbox"/>	<input type="checkbox"/>
Preferred Alternatives Analysis Report		<input type="checkbox"/>	<input type="checkbox"/>	Description of Operations		<input type="checkbox"/>	<input type="checkbox"/>
<b>Schematic Design Phase</b>		<input type="checkbox"/>	<input type="checkbox"/>	Preliminary Contingency Plan		<input type="checkbox"/>	<input type="checkbox"/>
Basis of Design Report	<b>2.2.2</b>	<input type="checkbox"/>	<input type="checkbox"/>	70% Specifications		<input type="checkbox"/>	<input type="checkbox"/>
Detailed Program Requirements		<input type="checkbox"/>	<input type="checkbox"/>	Draft Site Specific Configuration Management Plan		<input type="checkbox"/>	<input type="checkbox"/>
High-Level Flow-Based Modeling Assumptions and Results		<input type="checkbox"/>	<input type="checkbox"/>	Stakeholder Review and Approval Documentation		<input type="checkbox"/>	<input type="checkbox"/>
Preliminary Concept Plans		<input type="checkbox"/>	<input type="checkbox"/>	70% Estimate of Probable Construction and O&M Costs		<input type="checkbox"/>	<input type="checkbox"/>
Phasing and Constructability Technical Memoranda		<input type="checkbox"/>	<input type="checkbox"/>	Phasing Schedule		<input type="checkbox"/>	<input type="checkbox"/>
ROM Estimate of Probable Construction and O&M Costs		<input type="checkbox"/>	<input type="checkbox"/>	Conveyor Manifest		<input type="checkbox"/>	<input type="checkbox"/>
Stakeholder Review and Approval Documentation		<input type="checkbox"/>	<input type="checkbox"/>	Updated EDS Equipment List		<input type="checkbox"/>	<input type="checkbox"/>
Preliminary Project Schedule		<input type="checkbox"/>	<input type="checkbox"/>	<b>100% Design Submittals</b>	<b>2.2.3.3</b>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Detailed Design Phase</b>	<b>2.2.2</b>	<input type="checkbox"/>	<input type="checkbox"/>	Bid Documents		<input type="checkbox"/>	<input type="checkbox"/>
<b>30% Design Submittals</b>	<b>2.2.3.1</b>	<input type="checkbox"/>	<input type="checkbox"/>	Final Description of Operations		<input type="checkbox"/>	<input type="checkbox"/>
Updated Basis of Design Report		<input type="checkbox"/>	<input type="checkbox"/>	Contingency Plans		<input type="checkbox"/>	<input type="checkbox"/>
Operational Standards Assessment		<input type="checkbox"/>	<input type="checkbox"/>	Project Specifications		<input type="checkbox"/>	<input type="checkbox"/>
Preliminary Plans		<input type="checkbox"/>	<input type="checkbox"/>	Final Site Specific Configuration Management Plan		<input type="checkbox"/>	<input type="checkbox"/>
Cross Sections		<input type="checkbox"/>	<input type="checkbox"/>	Stakeholder Review and Approval Documentation		<input type="checkbox"/>	<input type="checkbox"/>
Description of Operations		<input type="checkbox"/>	<input type="checkbox"/>	Final Estimate of Probable Construction and O&M Costs		<input type="checkbox"/>	<input type="checkbox"/>
Baggage and Data Flow Charts		<input type="checkbox"/>	<input type="checkbox"/>	Final Phasing Schedule		<input type="checkbox"/>	<input type="checkbox"/>
Table of Contents for CHS		<input type="checkbox"/>	<input type="checkbox"/>	Updated EDS Equipment List		<input type="checkbox"/>	<input type="checkbox"/>
Screening Equipment Installation Guidelines		<input type="checkbox"/>	<input type="checkbox"/>	Operations Training Materials and Documentation		<input type="checkbox"/>	<input type="checkbox"/>
Outline of Reporting Capabilities		<input type="checkbox"/>	<input type="checkbox"/>	<b>Construction Phase</b>	<b>2.2.4</b>	<input type="checkbox"/>	<input type="checkbox"/>
Stakeholder Review and Approval Documentation		<input type="checkbox"/>	<input type="checkbox"/>	Changes to Approved 100% Design Submittals		<input type="checkbox"/>	<input type="checkbox"/>
30% Estimate of Probable Construction and O&M Costs		<input type="checkbox"/>	<input type="checkbox"/>	Construction Schedule		<input type="checkbox"/>	<input type="checkbox"/>
Preliminary Phasing Schedule		<input type="checkbox"/>	<input type="checkbox"/>	Courtesy Copies of Shop and Installation Drawings		<input type="checkbox"/>	<input type="checkbox"/>
Conveyor Manifest		<input type="checkbox"/>	<input type="checkbox"/>	<b>Testing and Commissioning Phase</b>	<b>2.2.5</b>	<input type="checkbox"/>	<input type="checkbox"/>
EDS Equipment List		<input type="checkbox"/>	<input type="checkbox"/>	Pre-ISAT Documentation		<input type="checkbox"/>	<input type="checkbox"/>
<b>70% Design Submittals</b>	<b>2.2.3.2</b>	<input type="checkbox"/>	<input type="checkbox"/>	ISAT Documentation		<input type="checkbox"/>	<input type="checkbox"/>
Updated Basis of Design Report		<input type="checkbox"/>	<input type="checkbox"/>	<b>Project Closeout Phase</b>	<b>2.2.6</b>	<input type="checkbox"/>	<input type="checkbox"/>
Updated Operational Standards Assessment		<input type="checkbox"/>	<input type="checkbox"/>	As-built CHS Documentation Submittal		<input type="checkbox"/>	<input type="checkbox"/>
70% Design Drawings		<input type="checkbox"/>	<input type="checkbox"/>	Final Copy of the PLC Program with Drawings		<input type="checkbox"/>	<input type="checkbox"/>
Cross Sections		<input type="checkbox"/>	<input type="checkbox"/>	Final Copy of Disaster Recovery Procedures		<input type="checkbox"/>	<input type="checkbox"/>



## **Appendix B**

### **Project and Acceptance Testing Requirements**

**Scope:** TSA support for the in-line Checked Baggage Inspection System (CBIS) solution at the **A.B. Won Pat International Airport, Guam** will encompass design, construction and commissioning to support the in-line CBIS.

**A. TSA responsibilities with regard to the Project are listed below in sections 1.1 to 1.7 . Many responsibilities are delegated to TSA contractors such as the EDS Original Equipment (OEM) Manufacturer, TSA Site Lead Contractor, and TSA Acceptance Test Contractor but ultimate responsibility resides with TSA.**

#### **1.1 EDS PLACEMENT**

If applicable, TSA will ship, rig and install EDS machines and associated EDS screening equipment, to include any necessary ETD screening equipment, in their respective operational locations within the CBIS Project location. TSA, through the EDS OEM or other TSA contractors, shall be responsible for coordinating and integrating activities regarding placement of EDS equipment with the local TSA Point of Contact and Airport Point of Contact.

#### **1.2 INSTALLATION SUPPORT**

##### **1.2.1 Project Management**

As applicable, the TSA Site Lead Contractor and the EDS OEM shall be responsible for providing technical support throughout the entire period of performance during the installation Project. The OEM shall be responsible for all labor, materials, equipment, and support services required for planning, managing, and supervising all items related to the installation of the EDS units and associated ancillary equipment.

##### **1.2.2 Technical Support**

TSA will provide technical support to the Project through existing TSA contracts with the EDS OEM, TSA Site Lead Contractor, and TSA Acceptance Testing Contractor.

- The identified TSA Site Lead Contractor should be included in all relevant CBIS planning/project meetings relevant to TSA contributions to the Project. Project schedules and updates should be provided to the TSA Site Lead Contractor to ensure TSA has timely and sufficient notice of deliverable dates. The TSA Site Lead Contractor will assess the project progress against the project schedule and approved design to advise TSA of issues related to cost, schedule and/or performance impacts to the in-line project.
- The EDS OEM shall provide technical consultations to the TSA Regional Deployment Coordinator (RDC), TSA Site Lead Contractor, TSA Acceptance Test Lead, TSA Acceptance Testing Contractor and Airport regarding Project efforts that may include, but are not limited to: teleconferences; reviews of drawings and specifications; and exchanges of technical documentation such as specifications, manuals, and guides.

- TSA Acceptance Testing Contractor shall support ISAT of the CBIS (the EDS units, BHS and the integration between them) and will develop relevant CBIS test plans and reports that will be shared with the Airport.
- Support for the development and execution of the TSA Other Transaction Agreement in place between TSA and the **AIRPORT AUTHORITY** will be provided by TSA Office of Acquisition.
- Oversight and coordination of technical aspects of the Project will be provided by the TSA Regional Deployment Coordinator.
- Local TSA personnel shall support coordination of issues between TSA Regional Deployment Coordinator (RDC) and the Airport as directed by the Federal Security Director (FSD).

Title	Name	Contact Information
TSA Regional Deployment Coordinator	Shahzan Akber	Shahzan.akber@dhs.gov 571-227-1465

### 1.2.3 Commissioning Services

TSA, through the EDS OEM and its other TSA contractors, shall be responsible for all labor, materials, equipment, and support services needed to assemble, power up, configure, and install the EDS machines into the required operational condition. The EDS OEM shall provide technical support, documentation, and installation of the EDS units and the associated local Baggage Viewing Stations (BVS) after confirmation that all pre-installation requirements have been met. The EDS OEM shall coordinate with the TSA RDC, TSA Site Lead Contractor, TSA Acceptance Test Lead, and the Airport to perform system testing.

### 1.3 Acceptance Testing

Mandatory testing for this system includes Site Acceptance Testing (SAT) for the EDS units following installation; pre-Integrated Site Acceptance Testing following the integration of the EDS units with the BHS is affirmed through a Test Readiness Review (TRR) and Test Readiness Notice (TRN); and Integrated Site Acceptance Testing (ISAT) is conducted prior to TSA acceptance of the CBIS system for operational use. TSA may elect to oversee BHS pre-ISAT conduct to confirm readiness of the system and conduct the TRR within the timeline of the ISAT to reduce the overall testing timeline. See the following table for minimum lead time requirements for testing activities.

Table 1. ISAT Timeline

<b>Lead Times for ISAT (Days Prior to projected test date)</b>	<b>Activity</b>	<b>Responsible Parties</b>
Site Initiation or $\geq 180$ days from ISAT	Site Survey Data Collection Checklist provided to the ILDT to complete to support the ISAT Site Specific Test Plan (SSTP) development.	TSA RDC, TSA Site Lead Contractor
$\geq 120$ days	<p>Completed Site Survey Data Collection Checklist and supporting site documentation received by TSA Acceptance Test Contractor from TSA Site Lead Contractor, to include:</p> <ul style="list-style-type: none"> <li>• Any and All Approved Request for Variance (RFV)</li> <li>• Basis of Design Report</li> <li>• Sample BHS &amp; CBIS Reports for all PGDS required Reports</li> <li>• BHS &amp; EDS Network Diagrams and Server Architecture</li> <li>• Local Procedures for Fail-Safe, E-Stop, Jam Clearing and IQ Test Conduct</li> <li>• Airport/Airline Bag Induction/Hygiene Procedures</li> <li>• BHS Specifications</li> <li>• Controls Description and/or Description of Operation (if both exist then provide both)</li> <li>• Fail-safe and/or E-Stop Zone Drawings</li> <li>• BHS Mechanical Plan and Elevation Drawings from Natural Induction Locations to &amp; through the CBIS, CBRA and Make-up Locations with Conveyors labeled, Plan View Drawings and Electrical Drawings of the BHS/CBIS with Control Station &amp; Photoeye Locations and labeling. All drawings will be "Approved for Construction" by the Airport and not Pre-Bid or Bid Use Only versions.</li> <li>• At least 1 Plan/OverView Drawing that shows the entire CBIS in a single view</li> </ul>	ILDT, TSA Site Lead Contractor

	<ul style="list-style-type: none"> <li>Conveyor Motor Manifest to include not less than (Conveyor Name, Phase, Conveyor Type, Degree of Turn, Degree of Incline/Decline, Length, Speed in FPM, Motor HP, Control Type (VFD yes/no), Brake Type, Motor Type, drive Type, FLA Rating).</li> <li>Installation &amp; Commissioning Phasing Plan Narrative and Phasing Plan Drawings</li> <li>Construction and Testing Schedule(s)</li> </ul>	
≥90 days	On-site Site Survey Meeting held, to conduct initial test coordination and review the draft SSTP. This visit will allow the TSA Acceptance Test Contractor to tour the site, review the draft SSTP with the ILDT, coordinate logistics and manpower and initiate the SIDA badge application process, if required. TSA Site Lead Contractor coordinates schedule with the ILDT and TSA's Acceptance Test Contractor.	ILDT, TSA RDC, TSA Site Lead Contractor, TSA Acceptance Test Contractor
≥45 days	Final SSTP Review Meeting between the TSA Acceptance Test Contractor and the ILDT to review the final SSTP, include any other approved RFV, verify logistics & manpower, and review specific tests to be performed. <u>Any requests for variance from the SSTP testing requirements must be delivered in writing to the TSA RDC prior to this meeting for review and response.</u> This is the last chance for the ILDT to disclose any test standards that cannot be met in writing and formally justify exemption from test criteria. Any final revisions to the SSTP will be made and distributed to the ILDT and RDC prior to test execution.	ILDT, TSA Site Lead Contractor, TSA Acceptance Test Contractor, TSA RDC
Typically 14 days to 1 day	TSA Acceptance Test Contractor will ship test articles to the ILDT. The ILDT receives the test articles and stores in a secure and weather protected laydown area as agreed to by the ILDT and TSA Acceptance Testing Contractor in the Final SSTP Review Meeting.	ILDT, TSA Acceptance Test Contractor
≥11 business days	CBIS pre-testing - The ILDT conducts pre-testing. The TSA Site Lead contractor will	ILDT, TSA Site Lead Contractor

	<p>provide oversight of CBIS pre-testing to validate the Test Readiness Notification (TRN) to the TSA RDC and Acceptance Test Team. The ILDT delivers internal pre-ISAT test results to the TSA Site Lead Contractor and the Site and TRR readiness confirmation letter to the TSA RDC and Acceptance Test Team. Upon successful review, the TSA Site Lead Contractor is deployed to the site within 7 days.</p> <p>Note: TSA may combine TRN with CBIS pre-testing and/or conduct TRR as a subset of ISAT</p>	
≥7 business days	<p>TSA Acceptance Testing Contractor or Site Lead Contractor initiates &amp; performs the TRR.</p> <p>Note: TRR Performance by Acceptance Testing Contractor will be a subset of overall ISAT duration and permit passed tests to be credited toward ISAT completion. TRR failure will result in 2 week moratorium.</p>	ILDT, TSA Site Lead Contractor
≥3 business days	<p>When notice of successful TRR is completed and delivered to the TSA Acceptance Testing Contractor via a TRN no later than COB Wednesday (5:00 p.m. EST), ISAT deployment will occur the following Monday. If delivered any time Thursday through Sunday, the TSA Test Team deployment will occur on the second Monday.</p>	TSA Site Lead Contractor, TSA Acceptance Test Contractor
1 business days	<p>TSA Acceptance Test Contractor travel day (normally Monday)</p>	TSA Acceptance Test Contractor
Test start	<p>TSA Acceptance Test Contractor travel day (normally Monday) with mobilization activities and an in-brief meeting with ILDT on the next business day. Prior to start of testing, TSA Acceptance Test Contractor will accept PLC code from TSA Site Lead Contractor or ILDT prior to the start of testing. TSA Acceptance Test Contractor and ILDT will work together to perform ISAT and collect BHS and EDS performance documentation. Prior to departing the site, an Out-brief meeting will be held for all site stakeholders.</p>	ILDT, TSA Acceptance Test Contractor, TSA Site Lead Contractor

≤2 business days after ISAT complete	QLR is submitted by the TSA Test Acceptance Contractor to the TSA Acceptance Test Lead and RDC for review and approval	TSA Acceptance Test Contractor, TSA Acceptance Test Lead, TSA RDC
X business days after QLR receipt	TSA conducts ISAT review board based on QLR results to determine readiness of CBIS to enter Live Operations and Bag Screening or whether to return CBIS to ILDT for correction of deficiencies prior to Live Operations	TSA RDC, TSA Acceptance Test Lead,
5 business days after ISAT review board decision	QLR is distributed by the TSA Deployment RDC	TSA RDC
For 30+ days from start of substantial use	The TSA Acceptance Test Contractor remotely monitors system performance during live operations run-in period and observes system on-site for 3+ days	ILDT, TSA Acceptance Test Contractor, TSA Test Lead
5 business days following completion of data collection and onsite observation for run-in	The TSA Acceptance Test Contractor provides a Test Summary Report (TSR) to the TSA Acceptance Test Lead and RDC for review and approval.	TSA Acceptance Test Contractor, TSA RDC, TSA Acceptance Test Lead
5 business days	RDC distributes TSA approved TSR to ILDT	ILDT, TSA RDC

### 1.3.1. Site Acceptance Testing (SAT)

The EDS OEM shall coordinate and conduct SAT testing on the EDS machines in the presence of a TSA designated government witness. The EDS OEM shall implement and coordinate testing by issuing a Test Readiness Notification (TRN) at least 7 days prior to the scheduled Acceptance testing. Passing SAT results are required prior to final integration of EDS to the BHS and to certify equipment readiness for operational use in screening baggage. In the event that the TSA supplied EDS units cannot meet SAT test requirements, TSA will ensure that any EDS machine defects are corrected or that the EDS unit is replaced.

### 1.3.2. Site Specific Test Plan Development (SSTP)

TSA has arranged for its Acceptance Test Contractor to develop a SSTP based on testing criteria outlined in the TSA PGDS Appendix D. The Draft SSTP will be based on the Airport's responses to a Site Planning Checklist to be completed ≥120 days in advance of ISAT. The Final SSTP shall be delivered to the Airport between 60 and 30 days in advance of projected ISAT start-up. The ILDT and TSA Acceptance Testing Contractor will conduct review meetings of the Draft SSTP and Final SSTP per schedule in Table 1, Section 1.3 of this OTA prior to ISAT. Any requests for deviation from the SSTP testing requirements must be delivered in writing through a RFV to the TSA RDC and Acceptance Test Lead prior to this Final SSTP meeting for review and response.



The TSA RDC and TSA Acceptance Test Lead will review/evaluate any requests for phased testing (e.g. non-consecutive testing activities requiring multiple TSA Test Team trips). Such requests must be supported by compelling justification and submitted in writing through a RFV to the TSA RDC and TSA Acceptance Test Lead during the design process and well in advance of SSTP development. Programming or mechanical changes made before ISAT (typically during Contractor pre-testing) must be documented and provided to the TSA RDC and TSA Acceptance Testing Contractor. Once a system enters TRR, no variances will be permitted to the testing criteria.

### **1.3.3. Integrated Site Acceptance Testing (ISAT)**

**Scheduling and Coordination:** Construction schedule including the ISAT start date(s) and duration(s) shall be shared with the TSA Site Lead Contractor, TSA RDC, TSA Acceptance Test Lead and TSA Acceptance Test Contractor through weekly and monthly meetings and reports upon submission of the SSTP checklist to ensure all stakeholders maintain schedule awareness. This schedule shall be distributed each time changes are made to the ISAT start date and/or duration. Changes made to the schedule within two weeks of the planned ISAT start date may relieve the TSA of the obligation to begin testing within three business days of the TRR. In this situation, the ISAT start date could depend on TSA's testing workload and resource allocation.

### **Test Results and Reports:**

Testing results will be shared in hard copy format with the Airport from the RDC through the local TSA Point of Contact. Test results will identify security, efficiency and safety concerns. There are four (4) possible test outcomes:

- **Meets PGDS Criteria** – The system under test meets CBIS design and PGDS criteria.
- **Minor Defects Found** – The system under test had no security failures and performance deficiencies would not impede system performance and staffing levels.
- **Major Defects Found** – The system under test had no security failures but performance deficiencies would be detrimental to system performance and/or staffing levels.
- **Fail** – The system under test produced security failures and/or deficiencies that would be excessively detrimental to system performance and staffing levels.

In the event of a failed ISAT result, TSA reserves the right to defer any subsequent re-tests for a period of at least 30 days.

## **1.4 INTEGRATION SERVICES**

### **1.4.1. BHS Support**

The EDS OEM shall assist the **AIRPORT AUTHORITY's** contractor to establish digital and serial communication for the EDS units. Once communication between devices has been established, the EDS OEM shall provide the following support and integration services.

- Assist the BHS contractor to obtain efficient EDS operation.
- Provide on-site Integration Engineer Support Services to facilitate the entire integration effort with the BHS.
- Be available to support system testing and validation conducted by internal or external organizations including the Integrated Site Acceptance Test (ISAT) and pre-ISAT Project

testing and throughout the planning phases including the issuance of the ISAT TRN and TRR.

- During initial Live Operations Run-In , provide system performance documentation and technical assistance as requested by TSA, TSA Acceptance Testing Contractor and/or the ILDT.

#### **1.4.2. Software and Hardware**

Following SAT and throughout the integration effort, the EDS OEM shall install and test the required software and hardware to allow for digital and serial communication between the EDS and the BHS PLC if required. Functionality of the EDS BHS interface hardware and software shall be verified by the EDS OEM at the interface box prior to working with the Airport BHS contractor to ensure a proper operating PLC interface and to avoid delays.

### **1.5 SYSTEM NETWORKING**

#### **1.5.1 Network Infrastructure**

The EDS OEM shall provide required patch cables and miscellaneous hardware to interface between network patch panel and EDS OEM supplied networking components.

#### **1.5.2 Network Services**

The EDS OEM shall provide: training for TSA staff; coordination and support for TSA and testing certification; and resources to conduct installation, testing, and initial operational support for networking. No other network may interface with the networked airport screening solution. The implemented assigned network for operation shall be an isolated, stand-alone network.

### **1.6. TRAINING**

TSA will provide training for TSA screening staff on the operation of the EDS and ETD equipment.

### **1.7. MAINTENANCE**

Upon successful completion of SAT testing for each unit, TSA will maintain and repair the EDS and ETD units throughout their lifecycles.

**B. The AIRPORT AUTHORITY's RESPONSIBILITIES with regard to the Project are listed below in sections 2.1 to 2.5 listed below.**

## **2.0 DESIGN**

The **AIRPORT AUTHORITY** will undertake design of a baggage screening system in accordance with the TSA PGDS to meet the needs of the Airport and TSA FSD. The **AIRPORT AUTHORITY** shall submit all applicable design requirements to the TSA RDC for review and as further defined in Chapter 2 of PGDS Version 4.1. The **AIRPORT AUTHORITY** shall respond to TSA design review comments promptly and in writing prior to the start of the next design phase for the CBIS Project.

## **2.1 EDS PLACEMENT**

If applicable, the **AIRPORT AUTHORITY** shall ensure that the Project site will be ready to accommodate the installation of the EDS and associated equipment. The **AIRPORT AUTHORITY** shall provide adequate protection to the EDS machines and to the airport infrastructure during any and all EDS movements. The **AIRPORT AUTHORITY** shall coordinate with the EM to integrate all activities regarding placement of EDS equipment. The **AIRPORT AUTHORITY** shall provide reasonable measures to protect the EDS and ETD equipment from damage in the screening area.

### **2.1.1 Site Readiness and Storage**

The **AIRPORT AUTHORITY** shall confirm site readiness to receive EDS units to the TSA Site Lead Contractor no later than 10 business days prior to requested delivery date. Site readiness shall address availability of temporary or permanent power; removal of obstacles to the rigging path; and adequacy of physical environmental conditions within the delivery area that meet EDS OEM standards for protecting the EDS units. The **AIRPORT AUTHORITY** shall provide secure storage for the EDS units and any ancillary screening equipment if site conditions at the time of delivery do not provide adequate protection. The **AIRPORT AUTHORITY** shall provide secure storage space for hardware associated with EDS integration and multiplexing until it can be installed by EDS OEM Integration Support Staff. Failure to meet these minimum requirements may result in reallocation of equipment to other sites, thus affecting the airport's overall project schedule.

### **2.1.2 Rigging Services**

The **AIRPORT AUTHORITY** will be responsible for providing rigging path verification, ingress path, and/or structural analysis. If required, the Airport will remove and replace any walls, windows, glass, doors, or other physical barriers in support of rigging activities.

## **2.2 INSTALLATION SUPPORT**

### **2.2.1 Power Requirements**

The **AIRPORT AUTHORITY** will provide terminations to the EDS for electrical power. The **AIRPORT AUTHORITY** will be responsible for providing all infrastructure power requirements including separate metering. If applicable, the **AIRPORT AUTHORITY** will design and install all power requirements to terminal locations within the Checked Baggage Resolution Areas and at EDS locations. The **AIRPORT AUTHORITY** will provide cabling from terminations to EDS equipment. The **AIRPORT AUTHORITY** shall attest to the availability of power supply to adequately support the EDS and associated equipment in accordance with OEM specifications and be liable for damage to this equipment resulting from intentional deviations to accepted power supply conditions.

### **2.2.2 Commissioning Services**

The **AIRPORT AUTHORITY** will be responsible for obtaining all other infrastructures not mentioned in Section 2.2.1 to support EDS operations and maintenance.

## **2.3 INTEGRATION SERVICES**

The **AIRPORT AUTHORITY** shall ensure that the BHS Contractor coordinates with EDS OEM in support of integration activities (e.g. installation and testing the required software and hardware to allow for digital and serial communication between the EDS and the BHS PLC) as needed. Terminations to the EDS for BHS PLC communication shall be performed by the **AIRPORT AUTHORITY**.

## **2.4 NETWORKING**

### **2.4.1. Network Infrastructure**

The **AIRPORT AUTHORITY** will design and install all communication conduit, fiber, etc. as required by the EDS OEM's design criteria for the EDS and EDS networking system, including but not limited to connectivity of Checked Baggage Resolution Areas, TSA network control room, and BHS Control Room as required. Exact parameters will be reviewed at Project start-up by TSA.

The **AIRPORT AUTHORITY** will provide cabling and network patch panels in TSA control rooms, ETD search areas, and the TSA network room as determined by the network design conducted in conjunction with the **AIRPORT AUTHORITY**. The EDS OEM shall provide required patch cables and miscellaneous hardware to interface between network patch panel and EDS OEM-supplied networking components. The **AIRPORT AUTHORITY** will provide all electrical outlets to support installation and operation of a fully multiplexed explosive detection system.

### **2.4.2. Network Services**

No other network may interface with the networked airport screening solution. The implemented assigned network for operation shall be an isolated, stand-alone network.

## **2.5. ACCEPTANCE - TESTING SUPPORT**

The Project schedule shall allow for sufficient time to conduct mandatory testing of the EDS units after installation and integration. The Project schedule shall also factor in minimum lead times for notification of readiness for testing (7 days for SAT; 3 days for TRR; and at least 3 business days for ISAT). The **AIRPORT AUTHORITY** shall identify operational windows in time in which testing activities can be accomplished. Testing activities will be scheduled for normal 8-hour business days (Monday-Friday) and should not include holidays.

Testing activities shall also be scheduled such that test articles shall not be comingled either physically with Live Passenger Bags on existing or new screening systems or their electronic screening images shall not appear on consoles being used for Live Passenger Bag screening. Use of temporary networks or phased testing to accommodate the separation of Live Bags and Test Articles must be approved in writing through a RFV in advance of TRR/ISAT by the TSA RDC and TSA Acceptance Test Lead.

Requests for overtime or multiple shifts are discouraged and will only be considered based on compelling justification. The TSA RDC and TSA Acceptance Test Lead will review/evaluate any requests for phased testing (e.g. non-consecutive testing activities requiring multiple test team trips). Such requests must be in writing supported by compelling justification and submitted to the TSA RDC well in advance of SSTP development. Programming or mechanical changes made before ISAT (typically during Contractor pre-testing or TRR) must be documented and provided to the TSA RDC and Acceptance Test Contractor.

### **2.5.1 Site Specific Test Plan (SSTP)**

The **AIRPORT AUTHORITY** shall ensure that information needed to develop an accurate SSTP is provided to TSA Test Acceptance Lead at the earliest opportunity, but no later than 120 days prior to the requested testing date. Required documentation includes:

- Completed Site Survey Data Collection Checklist
- Any and All Approved Request for Variance (RFV)
- Basis of Design Report
- Sample BHS & CBIS Reports for all PGDS required Reports
- BHS & EDS Network Diagrams and Server Architecture
- Local Procedures for Fail-Safe, E-Stop, Jam Clearing and IQ Test Conduct
- Airport/Airline Bag Induction/Hygiene Procedures
- BHS Specifications
- Controls Description and/or Description of Operation (if both exist then provide both)
- Fail-safe and/or E-Stop Zone Drawings
- BHS Mechanical Plan and Elevation Drawings from Natural Induction Locations to & through the CBIS, CBRA and Make-up Locations with Conveyors labeled Plan View Drawings and Electrical Drawings of the BHS/CBIS with Control Station & Photoeye Locations and labeling. All drawings will be "Approved for Construction" by the Airport and not Pre-Bid or Bid Use Only versions.
- At least 1 Plan/Overview Drawing that shows the entire CBIS in a single view
  - Conveyor Motor Manifest to include not less than (Conveyor Name, Phase, Conveyor Type, Degree of Turn, Degree of Incline/Decline, Length, Speed in FPM, Motor HP, Control Type (VFD yes/no), Brake Type, Motor Type, drive Type, FLA Rating).
  - Installation & Commissioning Phasing Plan Narrative and Phasing Plan Drawings
- Construction and Testing Schedules provided through weekly and monthly meetings and reports prior to ISAT.

All drawings shall be clearly visible and readable when plotted on Arch D Size Stock. All documents shall be submitted electronically (e.g. text documents in MS Word or PDF and drawings in AutoCAD [.dwg] or PDF.)

Any system constraints that will prevent compliance with TSA testing and performance criteria must be disclosed in writing to TSA as far in advance as possible to allow for evaluation of applicable waivers. Any restrictions on system availability and accessibility for testing shall be disclosed. Cutover plans including any phasing plans that will affect the TSA Acceptance Test Contractor's ability to test the full system from ticket counters and curbside inductions (if applicable) through the outbound/sortation system shall also be disclosed to allow for the development of an accurate SSTP. Cutover plans that will result in multiple testing phases shall

also be presented to the TSA RDC in writing for review and approval prior to the Test Coordination Meeting and no later than 30 days prior to ISAT.

The **AIRPORT AUTHORITY** will have the opportunity to review and comment on SSTP in advance of testing. Comments and/or questions should be directed to the TSA RDC and the TSA Site Lead Contractor.

### 2.5.2. Test Readiness Report (TRR)

This pre-ISAT activity is conducted by TSA Site Lead Contractor in coordination with the **AIRPORT AUTHORITY** (typically the BHS Contractor.) The purpose of this testing activity is to assure TSA of site readiness for ISAT and is a precursor for TSA authorization for TSA Acceptance Test Contractor to deploy. The **AIRPORT AUTHORITY** will be provided TRR data sheets by the TSA Site Lead Contractor. BHS/CBIS configuration and operation shall be in final form intended for bag screening operations. Unless mutually agreed to, changes/improvements to BHS/CBIS between TRR and ISAT are not authorized. The **AIRPORT AUTHORITY** must address security and efficiency defects found during TRR and be prepared to implement mutually agreed upon corrective actions prior to ISAT.

Required input from the Project Team will include:

**Functional Testing Documentation:** Testing authentication must be clearly reported and show every test with bag ID and declared status on printed EDS FDRS (Field Data Reports) and on the printed Critical Tracking PEC Report (as required in PGDS Section 7.2.14) resulting bag destination. Ledger forms should show test date, type of test, identification of bag destination location, and ID number of the bags arriving at that location. These reports should be organized and indexed in an electronic media/file or loose-leaf binder(s)

- Each test shall conclude with an indication of successfully passing the required criteria of BHS specification and testing criteria and if conflict or failure exists, then so indicate with an explanation.
- Presentation of completed testing and TRR required documentation to TSA Site Lead not less than 7 business days prior to anticipated Pre-ISAT date is required.

**System Mixed Bag Test and System Throughput Test Observation:** Sufficient numbers of test bags (no less than 100 test bags per EDS) will be utilized to “stress” the BHS/CBIS as would occur during peak operating times. Test bag set profile should be similar to the TSA Acceptance Test Contractor’s test bag profile.

- A real-time observation by TSA Site Lead Contractor of a global BHS/CBIS System Mixed Bag Test and System Throughput Test using clear and suspect bags is required.
- All EDS equipment must be operational.
- All baggage entry points must be utilized.

The TSA Site Lead Contractor or Acceptance Testing Contractor performs the TRR. If successful, a Test Readiness Notice is issued to the TSA RDC and the TSA Acceptance Test Contractor for ISAT deployment. If delivered by COB Monday through Wednesday (5:00 p.m. EST), ISAT deployment will occur the following Monday. If delivered any time Thursday through Sunday, ISAT deployment will occur on the second Monday. If changes are made to the

system following TRR without prior coordination with TSA, ISAT testing shall be postponed pending submission of documentation for review and evaluation by TSA and its Acceptance Test Contractor (see paragraph 2.5.7)

**2.5.3. Logistical Support Needs:** The **AIRPORT AUTHORITY** shall identify and provide any logistical or support needs that will impact TRR and ISAT testing, to include:

- any process needed to obtain sufficient baggage tags should the system use IATA baggage tracking mechanisms, pier tags should the system use pier tags, or blank bag tags if the system does not use IATA baggage tracking mechanisms; Quantities of tags needed will be coordinated during the Site Survey Meeting and the SSTP review Meetings
- any process needed to obtain sufficient baggage tubs/totes (typically 20 per installed EDS)
- any process needed to obtain sufficient bag transportation devices (tugs, totes, carts, etc.) needed to move test articles in and around the CBIS, CBRA, laydown area and sort/claim devices
- any process needed to obtain safety training and/or General Contractor access for TSA Acceptance Test Contractor, as required"
- any process needed to obtain airport badges/access for TSA Acceptance Test Contractor personnel; and/or personnel escorts. Airport SIDA Badging Process shall not require more than 2 trips of test team personnel to the site, 1 work week maximum duration each, to obtain SIDA badges including fingerprinting, SIDA Training, testing, issuing and pickup.
- availability of BHSC and BHS Programmer to operate BHS during ISAT and provide support for ISAT Testing and diagnostic activities (BHS reports, investigations, and explanations to questions from the TSA Acceptance Test Contractor)
- provide baggage handling support for testing activities including bag loading, unloading, transport, fault recovery, during ISAT and TRR including movement between test and laydown/storage areas; and
- availability of support for delivery and secure and weather protected storage of TSA Acceptance Contractor test bags for ISAT (100 bags per EDS contained in 2 LD3s per 100 bags.)

**2.5.4. ISAT Testing:** The TSA Acceptance Test Contractor will meet with the **AIRPORT AUTHORITY** between 30 and 45 days prior to testing to coordinate the conduct of ISAT testing. The TSA Acceptance Test Lead and the **AIRPORT AUTHORITY** will finalize details relating to the scheduling and duration of the testing. (Generally allow one day of travel for ISAT Testing Team in and out; one day for Site Mobilization; one day per EDS Spur Line; one day per System Level Test (Dieback, Mixed Bag Sortation and Throughput; one day for demobilization and cleanup). It is recommended to schedule one to two additional days for unforeseen testing delays or contingences.

### **2.5.5. Test Results and Reports**

The Airport shall report corrective actions to be applied and the timeline associated with deficiency corrections. Corrective actions shall address all defects identified in the TRR/TRN (pre-ISAT) or QLR (ISAT). TSA is not obligated to accept or operate a baggage screening system that does not meet the minimum test standards.

### **2.5.6. Operational Run-In**

The Run-In period will extend for a minimum of 30 days from the start of substantial operations with cutover of substantial input and output lines. This period of time shall be discussed and agreed to by all parties during the SSTP development process, and reconfirmed at the completion of the ISAT. Substantial Operations shall normally be defined as when the CBIS is processing 85% or greater of its normal (not peak) operational daily load of “checked bags or luggage” for the time period at hand (i.e. not based on future dates of operation). This period shall also be dependent on resolution of deficiencies found during testing and Run-In. Once a week during the Run-In period, the Airport or their authorized representatives shall forward electronic versions of all CBIS Reports required by PGDS Chapter 7, Section 7.2.14. to the TSA Acceptance Testing Contractor. After receipt, review and analysis of at least 21 days of performance data, TSA and their Acceptance Test Contractor will deploy to the site in either the 4<sup>th</sup> or 5<sup>th</sup> week of Substantial Live Operations to physically verify closure of open deficiencies, and assess observe system operation against the data reported. The ILDT or their Contractors will also pull and provide the PLC Code for the same PLCs as provided at ISAT start. Based on the data analysis and physical observations, a recommendation will be made to TSA via a Test Summary Report (TSR) to end the Run-In period, extend the Run-In period, and/or change the operational status of the CBIS.

### **2.5.7. Post Commissioning Activities:**

The TSA Site Lead Contractor will conduct 30-day operational run-in observations of the system following successful ISAT testing.

The Airport shall provide the TSA RDC a written response outlining corrective actions that will be taken due to outstanding deficiencies, issues, and action items identified in the Quick Look Report (QLR) and Test Summary Report within two (2) weeks of receipt of the QLR or TSR.

For the continued and secure operation of the CBIS, all changes to the BHS system that impact the CBIS operation during and after its initial commissioning must be reviewed, evaluated, and endorsed by TSA before they are implemented by the Airport. The Post-ISAT changes procedure must be provided in accordance with PGDS Appendix D. The procedure is to be followed for all changes to CBIS systems other than those required for normal routine and periodic maintenance/repairs to the BHS system. The Airport responsible for the BHS system shall assemble an information package for submittal to TSA RDC which includes the following minimum information.

- Written description of all proposed physical and programming changes to the BHS and CBIS system(s)
- Reason for proposed change(s)
- Anticipated impact to system operation (e.g. increased throughput, lowered tracking losses, elimination of bag jams)
- Drawings showing affected areas
- Any potential security, tracking or efficiency impacts, including impacts on TSA manpower or operations
- Testing procedures
- Proposed date of changes



A CBIS Configuration Change Request Form will be provided by TSA. This package shall be delivered to the local TSA FSD who shall review the package. The local TSA FSD shall add any comments he/she may have and forward the form to the following email address: OSTCBD@dhs.gov.

The TSA will review and analyze the efficacy and impact of these changes to determine if it may be necessary for TSA to re-certify the CBIS system(s). Once the review has been completed, TSA shall notify the local TSA FSD and the Airport with the TSA recommendation and testing requirements for the system changes.

#### APPENDIX C Construction Milestone Schedule

<b>Design &amp; Construction Services Milestones</b>	<b>[Dates to be included]</b>
Project Validated / Notice to Proceed (NTP)	
Design OTA Awarded	
Facility Modification OTA Awarded	
Pre-Design Deliverables Submitted	
Pre-Design Deliverables Approved	
Schematic Design Deliverables Submitted	

Schematic Design Deliverables Approved	
30% TSA Design Deliverables Submitted	
30% TSA Design Deliverables Approved	
70% TSA Design Deliverables Submitted	
70% TSA Design Deliverables Approved	
100% TSA Design Deliverables Submitted	
Final Construction Drawings Approved	
Facility Modification NTP (if applicable)	
Facility Modification Progress Meetings (reoccurring)	
Facility Modification Substantially Complete (if applicable)	
Site Assessment and Survey Report Submitted	
Site Installation Plan (SIP) Submitted	
SIP Approved	
EDS Delivered and Placed	
Site Acceptance Test (SAT) Passed	
Integrated Site Acceptance Test (iSAT) Test Readiness Review Complete (if applicable)	
iSAT Passed (if applicable)	
EDS Installation/Networking Start	
EDS Installation/Networking Finish	
EDS Decommissioned (if applicable)	
EDS Removal Start (if applicable)	
EDS Removal Finish (if applicable)	
Live Bag Screening (LBS) Start	
Record Dwgs / CAD As-Built Submitted	
TSA Final Sign-off of Project	
Final Invoice Submitted	
Project Completion Notification Submitted	
Project Finish / Contract Closeout	

## APPENDIX D, SCHEDULE OF CONSTRUCTION DELIVERABLES

The following deliverables are required to be submitted by the **AIRPORT AUTHORITY**:

Item	Submitted To:	Frequency or Due Date
Design: pre-design, schematic, 30%, 100% to include detailed construction cost estimate	TSA Regional Deployment Coordinator	In accordance with the TSA PGDS, version.4.1
EDS Delivery Schedule	TSA Regional Deployment Coordinator	NLT 30 Days after Construction Contract Award
Schedule of Values (Design, Construction, Baggage Handling Contracts)	TSA Regional Deployment Coordinator TSA Contracting Officer	Within 30 days after execution of the TSA Agreement or upon issuing Notice to Proceed to Contractor. To be updated on a monthly basis and submitted with the monthly report.
Copies of the Design and related Construction Contracts and Change Orders	TSA Regional Deployment Coordinator TSA Contracting Officer	Upon contract award. Change Orders affecting the CBIS Project require advance TSA approval.
Monthly Milestone and Project Status Report	TSA Regional Deployment Coordinator TSA Contracting Officer TSA Site Lead Contractor	By the 10 <sup>th</sup> of each month. Electronic submission is requested if feasible.
Quarterly Project Financial Statement	TSA Regional Deployment Coordinator TSA Contracting Officer FinanceConfirm@tsa.dhs.gov	Quarterly upon execution of the OTA.
Summary report of Small Business/Disadvantage Business Enterprises utilization Report	TSA Contracting Officer	By September 30 <sup>th</sup> each year and upon completion of the Project via email
<b>CONSTRUCTION PHASE</b>		
Mechanical and Electrical Shop Drawings	TSA Regional Deployment Coordinator TSA Site Lead Contractor	Upon completion by the <b>AIRPORT AUTHORITY</b> .
Close Out Process		
Close Out Process – Correction of testing deficiencies	Close Out Report submitted to TSA Regional Deployment Coordinator and TSA Site Lead Contractor	Airport responses within (2) weeks of receipt of QLR and TSR to address noted CBIS
Final Copy of PLC program and software disaster recovery	TSA Regional Deployment Coordinator	No later than 30 days after commissioning of system(s)

procedure in electronic format.		
As Built Drawings in electronic format, .dwg (AutoCAD) or comparable format to include final description of operations; mechanical layouts, including belt speeds in CAD and PDF file format.	TSA Regional Deployment Coordinator	No later than 30 days after 30-day operational run-in period
Overview of drawings of the Matrix/Node, Resolution Room, OSR Room as applicable. dwg (AutoCAD) or comparable format	TSA Regional Deployment Coordinator	30 days after 30-day operational run-in period
Final Invoice	TSA Regional Deployment Coordinator TSA CO	No later than 90 days after final sign-off of system by TSA Deployment Manager, following successful operational run-in period and start of live bag screening
<b>POST COMMISSIONING CHANGES</b>		
CBIS Changes after Commissioning	OSTCBD@dhs.gov	See Post Commissioning Requirements, Appendix A, paragraph 2.5.7

The Monthly Milestone and Project Report are to be submitted by the 10<sup>th</sup> of each month. A draft Monthly report template will be submitted via separate correspondence. The Monthly Milestone and Project Report shall address the following:

- a. Actual start and/or finish dates for updated/completed activities.
- b. Remaining duration, required to complete each activity started, or scheduled to start, but not completed
- c. The Project's progress to include Project Percent Completion; cost incurred and invoiced to date; a forecast the Project completion date and final costs; as well as monthly schedule and budget variances throughout the Project.
- d. Percentage for completed and partially completed activities.
- e. Any CO approved changes including but not limited to new activities, deleted activities, activity duration changes, and change in logic relationships between activities.
- f. Status date for the schedule update.
- g. A statement that identifies and describes any current or anticipated delays that includes the following information: identification of the delayed activity by description and activity code; type of delay; cause of the delay; effect of the delay on other activities, milestones, and completion dates; identification of actions needed to avoid or mitigate the delay.
- h. Summary of cost incurred and invoiced to date.

- i. Description of lessons learned
- j. Construction Schedule in both PDF and “live”/usable format to depict the critical path, baseline and actual date information; predecessors/successors and shall be broken down to a minimum of three (3) WBS levels where applicable.

The construction schedule will be used for all planned TSA activities (delivery of equipment, scheduling of testing, etc).

## **APPENDIX E**

### **STIP DATA REQUIREMENTS FOR CHECKED BAGGAGE SYSTEMS**

The TSA HQ Office of Information Technology (OIT) and Security Technology Integrated Program (STIP) require STIP-enabled transportation security equipment (TSE) to have specific connections to securely and reliably network the equipment. Multiple parties play a role in this portion of Checked Baggage Inspection System (CBIS) specification and execution.

#### **Roles and Responsibilities for Implementing STIP**

As CBISs are recapitalized or optimized, the project owner's contractor will provide new telecommunications outlets and cables as needed to support new technology. If a CBIS reconfiguration is initiated as part of a recapitalization/optimization, safety effort, new technology deployment or any other CBIS redesign initiative, the CBIS contractor will be responsible for restoring the previous state of connectivity ("make whole"), including development of the scope of work (SOW). Implementation in the field will occur via the CBIS contractor. A working group, or Integrated Local Design Team (ILDIT) must be formed consisting of representatives from the Airport Authority, FSD staff, OSC, OIT and STIP. The group should meet immediately via conference call once it has been determined that a CBIS is going to be recapitalized or optimized. This action will ensure that ALL aspects of the CBIS redesign have been identified and assigned to a specific group for action and funding. The ILDIT will organize the working group members, develop, review and approve the SOW. The OIT Field Regional Manager (FRM) shall always be consulted when a CBIS redesign is initiated and will provide the necessary routing information to ensure the checked baggage systems are appropriately cabled to a networked TSA IT cabinet.

#### **The IMAC Process**

The IMAC Process is the mechanism by which TSA OIT will procure and install IT hardware (e.g. network switch) following the IT infrastructure build-out of a CBIS contractor. The OSC Regional Deployment Manager (RDM) shall be responsible for engaging OIT at project initiation and including the respective regional Field Relations Manager (FRM) throughout the construction process.

The IMAC process takes between 30 and 45 days and needs to be initiated to complete the following tasks:

- Procurement, configuration and shipment of IT hardware
- Installation of IT hardware
- Patch cabling of checked baggage equipment
- Validation of network connectivity for checked baggage equipment
- Validations of STIP EM sever registration for checked baggage equipment.

It is imperative to engage each team member as early as possible in order to avoid any gaps in IT services.

### **Specific Design Standards and Requirements**

Two modular jacks consisting of a flush-mounted telecommunications outlet box plus/minus 10 feet from the equipment are required. Even though one is redundant, both terminations should be connected using Cat5e or Cat6 4-pair 100 ohm unshielded twisted pair (UTP) or screened twisted pair (ScTP) cable and terminated on the patch panel in the closest TSA IT cabinet. The data cable type should be based on the existing conditions at the Checked Baggage Inspection System (CBIS). The purpose of this connectivity is so that TSA HQ can review statistical data over the network from screening equipment for a particular airport and time period without having to go to the site.

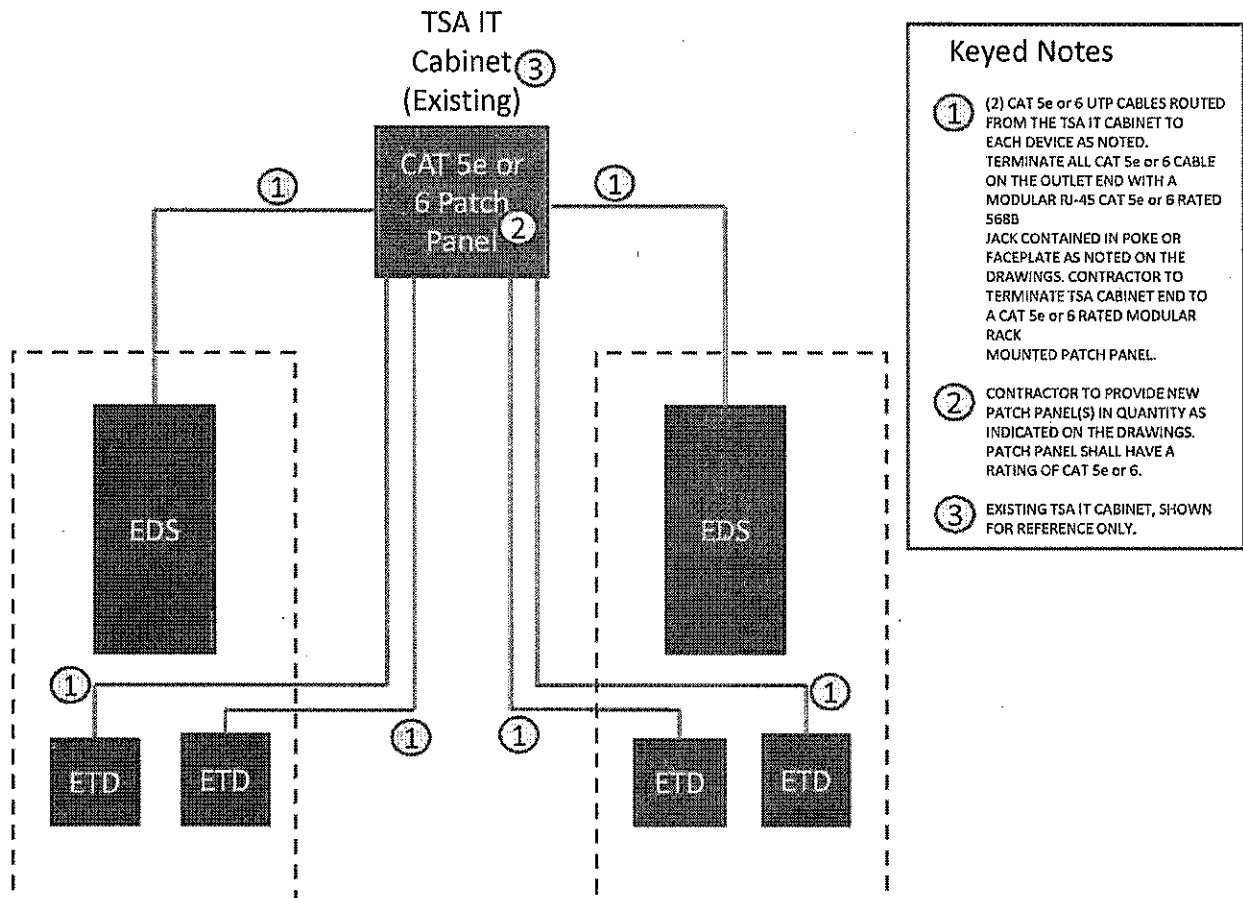
Installation and/or relocation of Cat5e/Cat6 data cabling will meet or exceed the specifications listed in the TSA Structured Cabling System Guidelines dated July 2012 [Attached]. This document will be provided by the TSA to the ILDT.

In addition, the following requirements should be met:

- All ETDs and stand-alone EDSs will have 1 “dual telecommunications outlet”.
- It is assumed that when a multiplex server is present, connectivity to TSANet will terminate at the multiplex server cabinet, therefore connectivity to TSANet for each EDS is not required.
- All core drilling will support a minimum of 4 “modular jacks”.
- All new fiber installations will be multimode fibers, either multimode fiber, either 50/125 or 62.5/125 micron fibers or 50/125 or 62.5/125 micron fibers, six-strand bundles enclosed in inner duct.
- All cabinet installations require 2 110v 20A service.
- All cabinet installations will meet the local seismic rating requirements and can be floor/bracket mounted.
- All cabling outside of TSA controlled space must be in Rigid Metal Tubing (RMT) conduit. Any deviance will must be approved through existing RFV procedures.
- All newly installed and existing data jacks and associated patch panels must comply with TSA’s approved scheme [see provided TSA Structured Cabling System Guidelines dated July 2012].
- Provide TSA completed Data Capture Sheet [Attached] and cable certification paperwork prior to established I-Sat date.

**Figure 1** illustrates all of the equipment that must be connected to the Main Distribution Frame (MDF)/Intermediate Distribution Frame (IDF) IT cabinet for a stand-alone CBIS configuration. When the EDS are in a stand-alone configuration, each EDS must be connected to the patch panel.

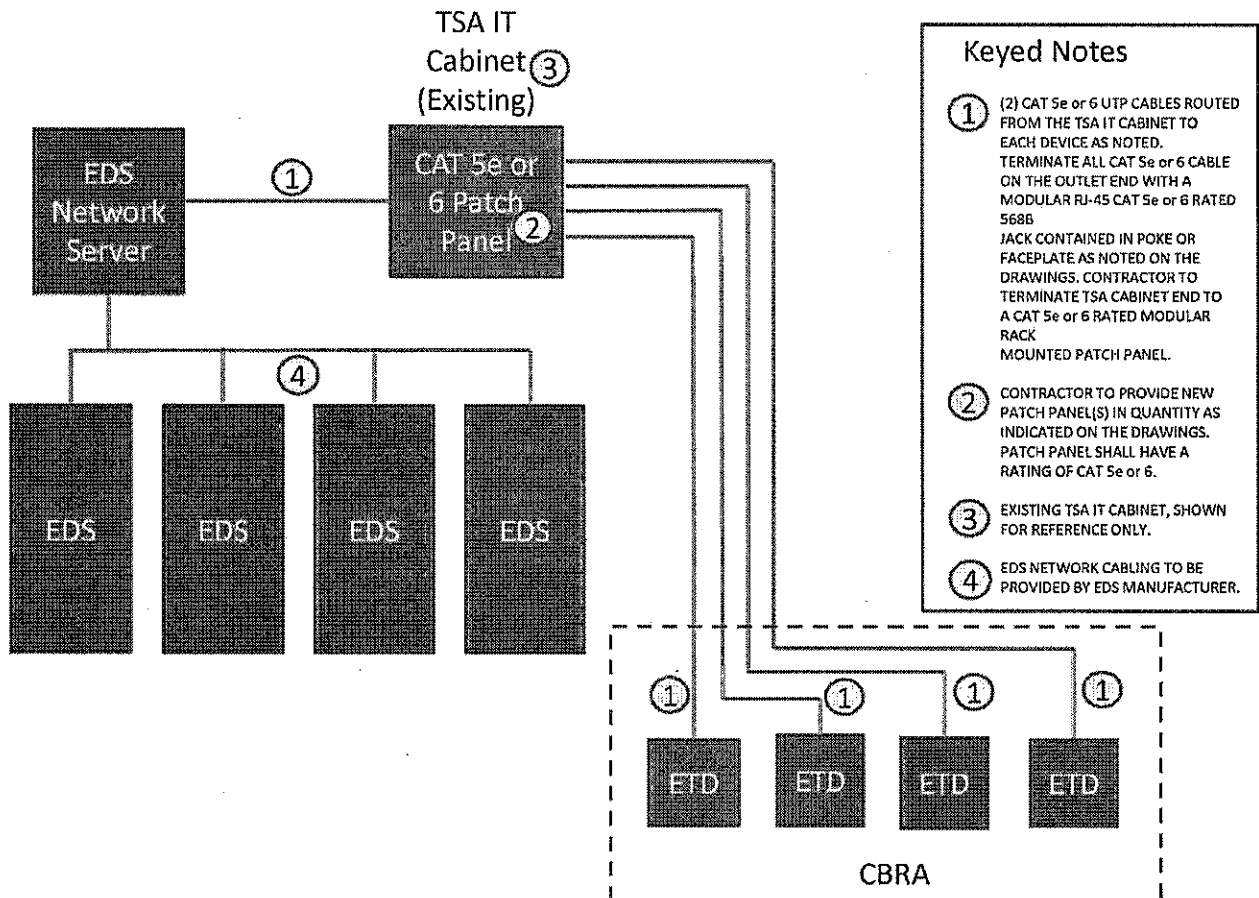
**Figure 1**  
STAND-ALONE CBIS CONFIGURATION





**Figure 2** illustrates all of the equipment that must be connected to the IDF IT cabinet for a CBIS where the EDS machines are already networked together. When the EDS machines are networked together (i.e., MUX, NEDS, etc.), the connection only needs to be made to the EDS Network Server(s).

**Figure 2**  
NETWORKED CBIS CONFIGURATION



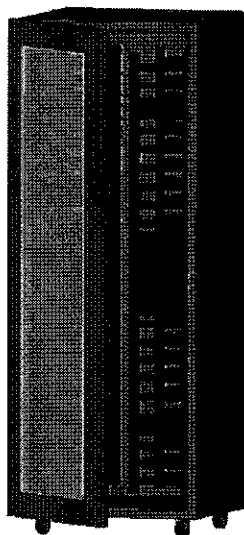
At a minimum, the following guidelines should be considered when designing a new CBIS or reconfiguring an existing CBIS.

- If an existing TSA IT cabinet is within 295 feet of the CBIS:
  - Verify that the existing switches have sufficient open ports to accommodate the required number of drops
  - Notify TSA OIT FRM if the existing switch capacity will not accommodate the required number of drops so that additional equipment can be procured.
  - Punch down cabling from the individual CBIS devices in the patch panel of the IT cabinet

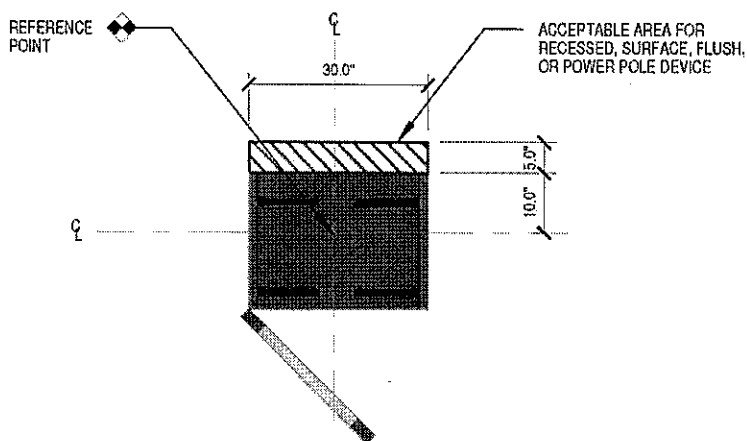
- If there is no IT cabinet within 295 feet of the CBIS:
  - Install an appropriate IT cabinet. Refer to **Figure 3** for the IT cabinet specifications
  - Run fiber optic cable from the IT cabinet to an existing TSA IT cabinet
  - Notify TSA OIT FRM so that additional equipment can be procured.
  - Punch down cabling from the individual CBIS devices in the patch panel of the IT cabinet
  - Initiate IMAC group to install jumper cables from the patch panel to the switch and activate port

**Figure 3**  
**IT CABINET**

IT Cabinet	Size	Checkpoints	Power Requirements	Installation	Additional Info
IT Cabinet	Size 24H 24.0"H x 27.3"W x 30.0"D Weight: 97 lbs	1 or more per checkpoint depending on size	For 24H, 36H and 48H: • Dedicated • 30A, 125V, 3KVA/Cabinet • 2 Pole, 3-Wire Grounding • NEMA 15-30R Receptacle • 3KVA UPS • 6' power cord from the IT cabinet to the receptacle	<ul style="list-style-type: none"><li>Size patch panels to accommodate all TSA data outlets at the checkpoint plus 100% spares, minimum.</li><li>Size patch bit network switch to accommodate all data outlets in checkpoint plus 10%.</li><li>Provide a minimum of four pair single mode fiber optic cable from IT cabinet to the TSA main distribution frame.</li></ul>	<ul style="list-style-type: none"><li>30" front and rear access is required.</li><li>These cabinets will receive all data communication lines from the SSCP, so the cabinet should be located as close to the SSCP as possible, but in a secure location. Careful consideration needs to be given to the IT cabinet location because the exhaust fan for cooling can be loud when located in a confined space with TSA or airport personnel.</li><li>Equipment racks can be loaded into the cabinet from the front or the back at the location where the cabinet is installed. Although not required, side access would improve rack accessibility and TSA personnel mobility around the cabinet.</li><li>Refer to Program of Requirements dated July 2005, Section III-D for labeling, cable management and administration of IT cabinet.</li><li>Refer to Program of Requirements dated July 2005, Section III-D for acceptance testing of IT circuits.</li><li>Wall-mounted cabinets are an option in some instances, but must adhere to all applicable local codes and standards. Recommend consultation with the Field Regional Manager (FRM) when considering a wall-mounted alternative.</li></ul>
	Size 36H 36.0"H x 27.3"W x 30.0"D Weight: 124 lbs				
	Size 48H 48.0"H x 27.3"W x 30.0"D Weight: 151 lbs				
	Size 60H 60.0"H x 27.3"W x 30.0"D Weight: 246 lbs				
	Size 72H 72.0"H x 27.3"W x 30.0"D Weight: 274 lbs		For 60H and 72H: • Dedicated • 30A, 208V, 6KVA/Cabinet • 2 Pole, 3-Wire Grounding • NEMA 16-30R Receptacle • 6KVA UPS • 8' power cord from the IT cabinet to the receptacle		



Isometric View



**PLAN VIEW**

**A.B. Won Pat International Airport Authority  
Board of Directors Regular Meeting - September 19, 2013**

***EXECUTIVE SUMMARY***

**Money Exchange Concession  
(Multi-Step Sealed Bid No. GIAA-02A-FY13)**

**PURPOSE**

Board action is requested to award the exclusive Money Exchange Concession Bid to Travelex Currency Services, Inc. for a period of five (5) years.

**BACKGROUND**

As a service to the traveling public, GIAA desires to contract a concession for the exclusive management and operation of the money exchange services for the convenience of the passengers and enhance GIAA revenues.

The Foreign Exchange Concession at A.B. Won Pat International Airport Terminal is currently operated by Lenlyn Ltd., dba ICE Currency Services at three locations (two in the concourse and one in the arrivals lobby). The current concession fees are Minimum Annual Guarantee (MAG) of \$180,000.00 for the 1st year; or a percentage rent of 5.58% of gross turnover, whichever is greater. MAG payments for the subsequent years changed to an amount equal to 85% of the total rent paid for the previous year, but shall not be less than the 1st year MAG. In Fiscal Year 2012, ICE has generated \$6.7M in gross turnover. In this same period, GIAA generated \$379,211.31 in minimum annual guaranteed rent which represents 5.58% of gross turnover, plus space rent based on the Airport Tariff Schedule, subject to change annually.

**PROCUREMENT BACKGROUND**

GIAA issued the Money Exchange Concession thru a Multi-Step Sealed Bid No. GIAA-02A-FY13 on August 12, 2013. The bid closing date was September 17, 2013. The bid process is comprised of two phases. Phase I is a qualifications based submission, and those who are deemed qualified based on the results of the evaluations, are invited to participate on the second phase of the bid process. Phase II requires the bidders to submit bids of annual percentage fees for the term of the contract.

A total of three companies acknowledged receipt of the bid package, however only two (2) companies, Lenlyn Ltd., dba ICE Currency Services and Travelex Currency Services submitted bid proposals, and both were deemed qualified to submit priced bids under Phase II of this bid solicitation.

## **LEGAL REVIEW**

A draft Money Exchange Concession Agreement was provided to Legal Counsel for review and approval.

## **FINANCIAL REVIEW**

The bids submitted by Lenlyn Ltd., dba ICE Currency Services and Travelex Currency Services, Inc. consists of the following:

- MAG rent of \$250,000.00 per year; or percentage of gross turnover; whichever is greater;
- Main Terminal Space Rent for 361 square feet or \$22,974.04 per annum, subject to change annually.

<b>BIDDER'S NAME</b>	<b>1st Year</b>	<b>2nd Year</b>	<b>3rd Year</b>	<b>4th Year</b>	<b>5th Year</b>
Lenlyn Ltd., dba ICE	6.58%	7.08%	7.58%	8.08%	8.58%
Travelex Currency Services	8.76%	8.76%	8.76%	8.76%	8.76%

As reflected on the attached and based on turnover sales projections, GIAA expects to generate over the term of the contract approximately \$3M in concession rent.

## **RECOMMENDATION**

It is recommended that the GIAA Board of Directors award the Money Exchange Concession Contract to **Travelex Currency Services, Inc.** for a period of five (5) years that may take effect on November 1, 2013, to allow for transition.

**A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM**  
**Money Exchange Concession, Multi-Step Bid - IFB No. GIAA-02A-FY13**  
**Attachment to Executive Summary - September 19, 2013**

Fiscal Year	Average Gross Turnover	Monthly MAG \$ 20,833.33	Monthly % of Turnover 8.76%	Monthly Rental 361 sqft*63.64	Total Monthly Est. Revenue	Annual MAG	Annual % of Turnover	Annual Space Rent	Annual Est. Rev.
FY12	\$ 6,544,288.54	\$ 20,833.33	\$ 47,773.31	\$ 1,914.50	\$ 49,687.81	\$ 250,000.00	\$ 573,279.68	\$ 22,974.04	\$ 596,253.72
FY13	\$ 6,292,675.32	\$ 20,833.33	\$ 45,936.53	\$ 1,914.50	\$ 47,851.03	\$ 250,000.00	\$ 551,238.36	\$ 22,974.04	\$ 574,212.40
FY12 & FY13 Total Revenue:									\$ 1,170,466.12
FY12 & FY13 Average Revenue:									\$ 585,233.06
Estimated Revenue for Lease Term:									\$ 2,926,165.30

NOTE: Montly Rental is based on Airport Tariff Schedule, subject to change annually.



**A.B. WON PAT**  
INTERNATIONAL AIRPORT AUTHORITY, GUAM  
ATURIDAT PHEITTON BATAKUN AIREN GUAHAN EHTENASIONAT

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September 17, 2013

**MEMORANDUM**

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

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

**SUBJECT:** **Evaluation and Recommendation - Invitation For Bid**  
*Money Exchange Concession, Multi-Step Bid, IFB No. GIAA-02A-FY13*

**Background:**

The referenced Invitation For Bid refers to the solicitation of an exclusive contract to manage and operate the Money Exchange Concession at the Main Terminal Building. The bid is a multi-step process that consists of two phases. Phase I is the evaluation of the bidders' technical qualifications and those who are deemed qualified based on results of the evaluations are invited to participate on the second phase of the bid process. Phase II requires the bidders to submit bids of annual percentage fees for the term of the contract.

The contract award is based on the highest bid. The Minimum Annual Guarantee (MAG) was set at \$250,000.00 per annum or \$20,833.33 per month or the proposed percentage fee of Gross Turn-over; whichever is greater.

**Procurement Background:**

The bid announcement was advertised in the local newspaper during the month of August 2013. To ensure that the bidders are familiarized with the bid process and their responsibilities, a mandatory pre-bid conference was held on August 21 & 29, 2013.

Three (3) firms acknowledged receipt of the bid package and two (2) firms submitted the qualification proposal under Phase I before the established deadline of September 5, 2013. A committee was established for the purpose of evaluating the qualification proposals. Evaluation scores were collected and tabulated by Procurement Office. As a result of the tabulation of scores, the following bidders were invited to submit bids under the Phase II:

1. Lenlyn Ltd., dba: ICE International Currency Exchange
2. Travelex Currency Services Inc.

The Phase II submission deadline was established on September 17, 2013 at 2:00 p.m. and was publicly opened and read aloud by the Supply Management Administrator and recorded by Procurement staff.



AMERICAN ASSOCIATION  
OF AIRPORT EXECUTIVES



**NASAO**  
National Association of State Aviation Officials



THE INTERNATIONAL AIR CARGO ASSOCIATION

**Bid Analysis and Evaluation:**

As stipulated on the bid package, the bidders are required to submit necessary documents as evidence of bidder's competency and responsiveness under the Phase I process. The attached checklist highlights the complete inventory of the bidder's submittal are provided for your reference.

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

- A. MAG Rent of \$250,000.00 per year; or whichever is greater of:
- B. Percentage of Gross Turn-Over

BIDDER'S NAME	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year	5 <sup>th</sup> Year
Lenlyn Ltd.; dba: ICE	6.58%	7.08%	7.58%	8.08%	8.58%
Travelex Currency Services	8.76%	8.76%	8.76%	8.76%	8.76%

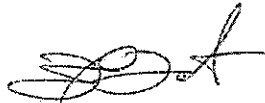
***Lenlyn Ltd.; dba: ICE:*** The bidder complied with the required submission of a proposal guaranty in the amount of \$5,000.00, reference check no. 0185401561. Under Phase II, the bidder submitted all other required documents and were complete and in conformance with the Invitation For Bid.

***Travelex Currency Services:*** The bidder complied with the required submission of a proposal guaranty in the amount of \$5,000.00, reference check no. 9430717561. Under Phase II, the bidder submitted all other required documents and were complete and in conformance with the Invitation For Bid.

**Recommendation:**

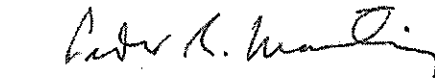
Pursuant to the guidelines in Section 11 of the Instruction to Bidders, the contract award will be awarded, if it is to be awarded, as soon as possible to the highest responsible, qualified bidder. Therefore, it is recommended that **Travelex Currency Services Inc.** be awarded the exclusive Money Exchange Concession based on the proposed bid identified above.

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

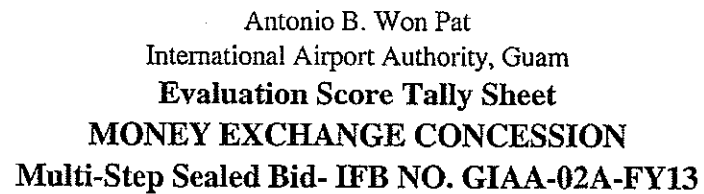


Franklin P. Taitano



APPROVED:

  
CHARLES H. ADA II  
Executive Manager

cc: Acctg/Proc/PMO

[illegible]



INVITATION NUMBER: GIAA-02A-FY13  MONEY EXCHANGE CONCESSION		 Antonio B. Won Pat International Airport Authority, Guam <b>BID ABSTRACT</b>										Page <u>1</u> of <u>1</u> pages  Opening Date: 17-Sep-13 Opening Time: 2:00 P.M.  No. of Invitation Issued: <u>2</u> No. of Bids Received: <u>2</u>			
DESCRIPTION OF SUPPLIES OR SERVICES:		Special Reminder to Prospective Bidders	BID SECURITY CC - Cashiers Check LOC - Letter of Credit DB - Bid Bond	Disclosure of Major Shareholders	Non- Collection Affidavit	Non- Gratuities Affidavit	Certificate of Good Standing with Dept. of Rev & Tax	Alternative Action Plan	ADDENDUM A B	1st Year	2nd Year	3rd Year	4th Year	5th Year	
BIDDER'S NAME															
1	ICE International Currency Exchange	✓	CC# 0185401561 \$15,000.-	✓	✓	✓	✓	✓	✓	6.58 %	7.08 %	7.58 %	8.08 %	8.58 %	
2	TRAVELER Currency Services Inc	✓	CC# 9430717561 \$15,000.-	✓	✓	✓	✓	✓	✓	8.76 %	8.76 %	8.76 %	8.76 %	8.76 %	
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.												BASIS FOR AWARD:			
TABULATED BY:  SIGNATURE												\ \ LOWEST RESPONSIVE \ \ HIGHEST RESPONSIVE \ \ OTHER AWARD		\ \ TIE BID \ \ COMBINED TOTAL \ \ ITEM PER ITEM	



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## GIAA BOARD OF DIRECTORS

Executive Summary  
Regular Board Meeting  
September 19, 2013

### GENERAL AIRPORT INSURANCE – RENEWAL FOR FISCAL YEAR 2014

#### INTRODUCTION

The A.B. Won Pat International Airport Authority, Guam as required by the GIAA Bond Indenture is required to carry on adequate amount of insurance coverage to protect the Authority, its officers and bondholders. The Airport Insurance Program, which consists of Conventional Insurance covers general airport operations and was developed by GIAA with the assistance of its Insurance Consultant. The Insurance Program includes six (6) policies, Property Insurance with Catastrophe; Airport Operators Liability, Directors & Officers Liability, Workman's Compensation, Automobile Insurance, and Crime Insurance, all of which are described in detail below.

#### CONVENTIONAL INSURANCE COVERAGE

The General Airport Insurance is provided to protect GIAA from potential losses resulting from its operations. Listed below are the types of insurance and coverage provided and described in the Premium Comparison analysis and Markets & Underwriters indications attached:

##### Property Insurance Including Catastrophe

Blanket coverage for All risks of direct and physical loss or damage to all Real and Personal Property. Renewal of coverage includes limit of \$200M with \$500,000 deductible and B&M sub-limit of \$5M.

Catastrophe insurance; Windstorm, Typhoon & Earthquake. Renewal of coverages includes sub-limit of \$5M with \$5M deductible.

##### Airport Operators Liability

Legal Liability Coverage against claims from members of the general public (third parties) arising from operations at the Airport or elsewhere in the course of the Airports business.

Renewal of coverage includes limit of \$500M with Personal Injury limit of \$25M and \$100,000 deductible for Property Damage.



Directors & Officers Liab.	<p>Coverage for GIAA's Directors &amp; Officers for loss in which the parties become legally obligate to pay for a Wrongful Act. Includes Employment Practices Liability (EPL) that provides coverage for loss in which the GIAA becomes legally obligated to pay for employee's or former employee's claim for Wrongful Termination, Unfair Dismissal, Harassment, Discrimination, Emotional Distress, Invasion of Privacy, Failure to Employ or Promote, Wrongful discipline, etc.</p> <p>Renewal of coverage includes limit of \$4M with EPL sub-limit of \$1M and no deductible.</p>
Workman's Compensation	<p>Coverage for costs and benefits for job related injuries sustained by GIAA employees. Provides Employer's Liability in the event the Authority is sued by the employee.</p> <p>Renewal of coverage includes P.L. 80 Statutory Benefits, Employers Liability limit of \$1M with no deductible.</p>
Automobile Insurance	<p>Coverage provides for bodily injury and property damage to third parties arising from the use of owned, non-owned or hired vehicles. Coverage has no Aviation Risk Exclusion clause. Coverage on comprehensive, collision &amp; typhoon on all vehicles with a current market value of \$10,000 or more.</p> <p>Renewal of coverage includes combined single limit of \$2M for bodily injury and property damage liability. Comprehensive &amp; Collision on all vehicles covers actual cash value with deductible of \$1,000.</p>
Crime Insurance	<p>Employee Dishonesty - Coverage provides indemnity to the Authority for the loss of money or other property through the fraudulent or dishonest acts committed by employees. Renewal of coverage includes limit of \$1M with \$50,000 deductible.</p> <p>Money &amp; Securities - Coverage provides indemnity for loss or destruction of money, securities or negotiable instruments inside the premises and off premises. Coverage sustained from accepting counterfeit money orders or currency.</p> <p>Renewal of coverage includes limit of \$100,000 for Loss inside of premises, \$100,000 for Loss outside premises and \$100,000 for Counterfeit Paper Currency. Deductible is \$10,000 for each occurrence for Premises, Transit, and Offices &amp; \$50,000 for Counterfeit paper.</p> <p>Depositors Forgery – Coverage provides indemnity for loss of money as a result of forgery or alteration of or in any check,</p>

draft, promissory note, bill of exchange or similar written promise made or drawn from the account.  
Renewal of coverage includes limit of \$100,000 with \$50,000 deductible.

Computer Fraud – Coverage provides loss resulting directly from fraudulent acts involving electronic data or computer systems.  
Renewal of coverage includes limit of \$100,000 with \$50,000 deductible.

#### **RECOMMENDATION**

The appended schedule illustrates the recommended program for FY2014. Management recommends the Board adopt and ratify the FY2014 insurance program as appended.

The total premium costs for all coverage including Catastrophic perils for FY2014 is **\$1,137,958** net of the broker's commissions. This represents a total savings of **\$217,581** per annum compared to FY2013 premium cost of **\$1,355,539**.

**MEMORANDUM****IRIS, Ltd.**

18 September 2013

To: Vanessa Pangindian

Copy: Jean Arriola, Joe Javellana

From: Mike Moody

Re: FY 2014 Insurance Bids  
Purchase Recommendations

This is to confirm the purchase recommendations of the Insurance Committee following a review of the bids presented by our broker AM Insurance. I concur with these recommendations.

**Property Insurance**

Accept Calvo's bid.

- Although Cassidy's was about \$700 lower, the carrier they used did not meet the Authority's financial strength ratings.

**Airport Liability**

Accept Moylan's bid.

Three bids were lower, but not acceptable.

- Calvo's bid contained a clause that would increase the premium to an undefined level in the event GIAA had a claim in excess of \$200,000.
- Great National did not disclose which carrier's figures it was presenting, nor did they provide specimen policies as required by the Bid Specifications.
- Cassidy's carrier did not meet the Authority's financial strength ratings.

**Workers Compensation**

Accept Calvo's bid.

- Their bid was \$680 lower and was for a fixed price. Moylan's bid contained an annual audit clause that would have significantly increased the annual premium.

**Directors & Officers Liability**

Accept Moylan's bid.

**Commercial Auto**

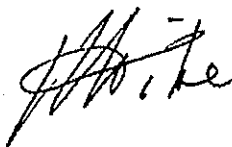
Accept Moylan's bid.

Two bids were lower but not acceptable.

- Cassidy's carrier did not meet the Authority's financial strength ratings.
- Great National did not disclose which carrier's figures it was presenting, nor did they provide specimen policies as required by the Bid Specifications.

**Crime**

Accept Moylan's bid.



**A.B. WON PAT  
GUAM INTERNATIONAL AIRPORT AUTHORITY  
PREMIUM COMPARISON  
FY2013 - FY2014**

<b>POLICY</b>	<b>FY2013</b>	<b>FY2014</b>	<b>Premium Difference</b>
Property (Including Catastrophe Cover)	\$ 716,153	\$ 564,468	\$ (151,685)
Airport Operators Liability	\$ 425,000	\$ 393,125	\$ (31,875)
Directors & Officers	\$ 90,000	\$ 75,000	\$ (15,000)
Workers Compensation	\$ 74,400	\$ 70,000	\$ (4,400)
Automobile Insurance	\$ 38,486	\$ 25,015	\$ (13,471)
Crime Insurance	\$ 11,500	\$ 10,350	\$ (1,150)
<b>Total</b>	<b>\$ 1,355,539</b>	<b>\$ 1,137,958</b>	<b>\$ (217,581)</b>

Premium Difference from Year Before:      \$      (217,581)

**A.B. Won Pat International Airport Authority, Guam  
FY2014 MARKETS & UNDERWRITERS**

GENERAL AGENT	CARRIER	BEST RATING/ FINANCIAL STRENGTH	PROPERTY	AIRPORT LIABILITY	WORKERS COMP	DIRECTORS & OFFICERS	EPL	COMMERCIAL AUTO	CRIME
AON	Century	B++ / V	Carrier did not respond to Request for Proposal.						
CALVO'S (*)	National Union	A / XV	\$564,468 <u>Terrorism</u> \$288,414	\$323,850 <u>Terrorism</u> \$22,670	\$70,000	\$78,125	Included	No Quote	\$11,458
CASSIDY'S (**)	Pacific Indemnity	A- / V	\$563,750	\$250,000	No Quote	No Quote	No Quote	\$19,727	No Quote
GNIU (***)	Not Stated on Proposal	NOT KNOWN	\$567,033	\$265,200	\$101,081.00	No Quote	No Quote	\$29,741	No Quote
MOYLAN'S(****)	Dongbu	A / XV	\$645,108	\$393,125	\$70,680	\$75,000	Included	\$34,080	\$10,350
NANBO	Tokio Marine	A+ / VII	Not able to quote, Prohibited risk	Not able to quote, Prohibited risk	Carrier will not be submitting quote.				
GUAHAN INSURANCE	NIPPON KOA	A+	Carrier did not respond to Request for Proposal.						
TAKAGI & ASSO	Aioi	A+ / XV	Carrier not able to quote due to underwriting limitations.						

14 Aug 2013-Transmitted Specs to all carriers; 13 Sept 2013-Quotes due from Carrier to AMI 17 Sept 2013-Quotes due to GIAA

**CALVO'S (\*):**

**Airport Liability - Subject to an additional premium to be charged and reviewed in the event of the claim exceeding USD \$200,000.00**

**CASSIDY'S (\*\*):**

**Does not meet rating of A- IX by AM Best**

**Auto - No Physical Damage on all vehicles 1 thru 6, 16 thru 22, 41, 45 thru 50**

**Airport Liability - Carrier is Lloyds of London (Surplus Lines Placing)**

**GREAT NATIONAL (\*\*\*):**

**No Carriers indicated on Bid Proposal and DID NOT provide Policy Specimen's.**

**MOYLAN'S(\*\*\*\*):**

**Auto - No Physical Damage on vehicles 1, 45 & 46**

**Auto Optional quote for Full Coverage for vehicles over \$10,000 in value: \$25,015.08**

**Worker's Comp - Subject to Annual Audit, not FLAT RATE Premium. Optional quote for 3 year term (Billed Annually) \$ 63,612.00**

**Crime Optional quote for 3 year Term (Bill Annually) \$9,315.00**

**A.B. WON PAT INT'L AIRPORT AUTHORITY, GUAM  
FY2014 INSURANCE QUOTES**

<b>POLICY DESCRIPTION</b>	<b>COVERAGE</b>	<b>FY2013 PREMIUM</b>	<b>MOYLAN'S</b>	<b>CALVO'S</b>	<b>GREAT NATIONAL</b>	<b>CASSIDY'S</b>
<b>PROPERTY COVERAGE</b> (All Risk incl Windstorm, Typhoon & Earthquake) FY13 Property & Equipment Value - \$410,325,478 FY14 Property & Equipment Value - \$412,020,433 Increase: \$1,694,955 Windstorm, Typhoon & Earthquake Shock (Excess of \$5,000,000):  <u>Deviations:</u> Debris Removal: Mold Coverage:  <b>DEDUCTIBLE \$500,000 each &amp; every loss</b> Including Boiler & Machinery Breakdown Business Interruption-72 Hrs.	\$200,000,000     \$5,000,000   \$1,000,000 Not Covered	\$716,153	\$645,108   Included   \$1,000,000	\$564,468   <u>Terrorism</u> \$288,414.00  Included   \$1,000,000 \$600,000	\$567,033   <b>Not Indicated</b>   <b>Not Indicated</b>	\$563,750   Included   \$4,000,000 \$550,000
<b>AIRPORT OPERATORS LIABILITY</b>  Personal Injury Limit  <b>Deductible - Property Damage</b>   <b>War &amp; Terrorism excluded</b>	\$500,000,000  \$25,000,000  \$100,000  Excluded	\$425,000	\$393,125   \$100,000   Excluded	<b>\$323,850</b> * Subject to Additional Premium  \$75,000  <u>Terrorism Risk</u> \$22,870	\$265,200   \$25,000   Excluded	<b>\$250,000.00</b>   \$25,000   Excluded
<b>DIRECTORS &amp; OFFICERS LIABILITY</b> Employment Practices Liability Sublimit	\$4,000,000 \$1,000,000 <i>Entity Coverage</i>	\$ 90,000.00	\$75,000	\$78,125	No Quote	No Quote
<b>WORKMENS COMPENSATION</b>	PL80 Stat. Benefits. \$1,000,000 E.L.	\$ 74,400.00	<b>\$70,680</b> <u>3-Year (Billed Annually)</u> <b>\$63,612.00</b>	\$70,000	\$101,081	No Quote
Coverage is extended to apply in respect of Executive Officer of the Authority						

Please Note: This is a summary only. Complete terms conditions are spelled out in the policies.



## A.B. WON PAT INT'L AIRPORT AUTHORITY, GUAM FY2014 INSURANCE QUOTES

POLICY DESCRIPTION	COVERAGE	FY2013 PREMIUM	MOYLAN'S	CALVO'S	GREAT NATIONAL	CASSIDY'S
<b>AUTOMOBILE INSURANCE</b> A. Bodily Injury & Property Damage Liability B. Comprehensive & Collision Incl Typhoon Deductible Comp, Coll & Typhoon - \$1,000 C. Medical Payments - each person FY2013: 54 Vehicles FY2014: 54 Vehicles	\$2,000,000 Actual Cash Value  \$1,000	\$ 41,016.02	<u>OPTION A:</u> \$34,080  <u>OPTION B:</u> \$25,015.08	No Quote	\$29,876	\$19,727
<b>CRIME INSURANCE</b> <u>Deductible:</u> \$50,000 each & every loss EXCEPT Premises & Transit at \$10,000 each occur. A. Aggregate B. Employee Dishonesty Coverage C. Money & Securities Loss Inside Money & Securities Loss Outside D. Money Orders and Counterfeit currency E. Depositors Forgery F. Cheque Forgery G. Third Party Computer & Funds Transfer Fraud H. Cost <b>REQUIRED CONDITIONS:</b>  Retroactive date - 10/01/2004 - Employee Dishonesty in excess of \$500,000 and 10/01/2003 - All other coverages.	\$1,000,000 \$1,000,000 \$100,000 \$100,000 \$100,000 \$100,000 \$100,000 \$100,000 \$100,000	\$ 11,500.00	\$10,350 1-Year  \$9,315 3-Year	\$11,458	No Quote	No Quote
<b>TOTAL :</b>		<b>\$ 1,317,053.00</b>				

14 Aug 2013-Transmitted Specs to all carriers; 13 Sept 2013-Quotes due from Carrier to AMI 17 Sept 2013-Quotes due to GIAA

### CALVO'S:

**Airport Liability** - Subject to an additional premium to be charged and reviewed in the event of the claim exceeding USD \$200,000.00

### CASSIDY'S:

**Does not meet rating of A- IX by AM Best**

Auto - **No Physical Damage** on all vehicles 1 thru 6, 16 thru 22, 41, 45 thru 50

**Airport Liability** - Carrier is Lloyds of London (Surplus Lines Placing)

### GREAT NATIONAL:

No Carriers indicated on Bid Proposal and **DID NOT** provide Policy Specimen's.

### MOYLAN'S:

Auto - **No Physical Damage** on vehicles 1, 45 & 46

Auto Optional quote for Full Coverage for vehicles over \$10,000 in value: **\$25,015.08**

Crime Optional quote for 3 year Term (Bill Annually) **\$9,315.00**

Worker's Comp - **Subject to Annual Audit, not FLAT RATE Premium.** Optional quote for 3 year term (Billed Annually) **\$ 63,612.00**

Please Note: This is a summary only. Complete terms conditions are spelled out in the policies.

Update: 6/30/13

**A.B. Won Pat International Airport Authority, Guam- Travel Report  
FY2013 - 3rd Quarter - April 2013 to June 2013**

TA	Name of Traveler	Cost	Dates of Travel	Purpose	Destination	TA Expense	TA Expense
13-03-38	Bordallo, Carlos Emerte Pellicani	\$4,816.46	3/6-8/13	Economic Finance Conference	Singapore	3/19/2013	3/14/2013
13-04-39A	Martinez, Pedro R.	\$5,707.87	4/22-28/13	ACI Asia Pacific/PATA Summit	Phuket/Bangkok, Thailand	5/10/2013	5/9/2013
13-04-40	Taitano, Marcia D.	\$3,424.81	4/22-25/13	ACI Asia Pacific Regional Conference	Phuket/Bangkok, Thailand	5/6/2013	5/2/2013
13-04-41	Faasumalie, Rolenda L.	\$3,424.81	4/22-25/13	ACI Asia Pacific/PATA Summit	Phuket/Bangkok, Thailand	5/6/2013	5/3/2013
13-04-43	Gerber, Martin J.	\$5,278.66	4/22-28/13	ACI Asia Pacific/PATA Summit	Phuket/Bangkok, Thailand	5/11/2013	5/9/2013
13-03-45	Stone, Daniel C.	\$872.36	3/15/2013	ARFF Live-Fire Certification	Saipan	3/25/2013	3/21/2013
13-03-46	Lujan, William E.	\$673.36	3/15/2013	ARFF Live-Fire Certification	Saipan	3/25/2013	3/21/2013
13-03-47	Taimanglo, Rudy Quinata	\$673.36	3/15/2013	ARFF Live-Fire Certification	Saipan	3/25/2013	3/21/2013
13-03-48	Sablan, Randy M.	\$673.36	3/15/2013	ARFF Live-Fire Certification	Saipan	5/27/2013	5/20/2013
13-03-49	Mantanona, Daniel A.	\$673.36	3/15/2013	ARFF Live-Fire Certification	Saipan	3/25/2013	3/21/2013
13-04-50	Muna II, Edward Albert Peraira	\$3,403.26	4/3-5/13	Airport Emergency Management Conference	Los Angeles, Ca	4/20/2013	4/15/2013
13-04-51	Muna II, Edward Albert Peraira	\$10.00	4/17-19/13	Attend th Brown Tree Snake Technical Working Group Meeting	Saipan	Cancelled	Cancelled
13-04-52	Bordallo, Jose Antonio	\$10.00	4/17-19/13	Attend th Brown Tree Snake Technical Working Group Meeting	Saipan	Cancelled	Cancelled
13-05-53	Gerard E. M. Bautista	\$4,869.61	5/19-22/13	Attend the 85th Annual AAAE Conference and Exposition	Reno, Nevada	Cancelled	Cancelled
13-05-54	Ada, Eric Joseph	\$2,987.35	5/19-22/13	Attend the 85th Annual AAAE Conference and Exposition	Reno, Nevada	Cancelled	Cancelled
13-04-55A	Camacho, Robert D.	\$3,598.26	4/3-5/13	AAAE Airport Emergency Mgmt. Conference	Los Angeles, Ca	4/20/2013	4/19/2020
13-04-56A	Tydingco, Patrick B.	\$3,598.26	4/3-5/13	AAAE Airport Emergency Mgmt. Conference	Los Angeles, Ca	4/17/2013	4/15/2013
13-05-57	Mantanona, Raymond T.	\$875.29	5/17/2013	ARFF Live-Fire Certification	Saipan	5/27/2013	5/20/2013
13-05-59	Santos, Lewis E.	\$675.29	5/17/2013	ARFF Live-Fire Certification	Saipan	5/27/2013	5/20/2013
13-05-60	Perez, Frankie B.	\$675.29	5/17/2013	ARFF Live-Fire Certification	Saipan	5/27/2013	5/20/2013
13-05-61	Neddog, Jeffrey P.	\$675.29	5/17/2013	ARFF Live-Fire Certification	Saipan	5/27/2013	5/20/2013
13-05-62	Chargualaf, Michael P.	\$675.29	5/17/2013	ARFF Live-Fire Certification	Saipan	5/27/2013	5/20/2013
13-05-63	Sanchez, Arleen T.	\$3,272.66	5/13-19/13	INSIGHT Software Training	Denver, Colorado	5/28/2013	5/22/2013
13-05-64	Dela Rosa, Josephine	\$3,272.66	5/13-19/13	INSIGHT Software Training	Denver, Colorado	5/28/2013	5/23/2013
13-06-65	Susuico, Raymond B.	\$1,867.36	6/4-7/13	ACE Training	Phonpei	6/18/2013	6/14/2013
13-06-66	Garcia, Ricky T.	\$1,867.36	6/4-7/13	ACE Training	Phonpei	6/18/2013	6/14/2013
13-06-67	Bordallo, Carlos Emerte Pellicani	\$4,521.63	6/2-4/13	AAAE/Leigh Fisher Conference	Washington, D.C.	6/15/2013	6/12/2013
13-06-68	Ada II, Charles H.	\$2,115.11	6/4-7/13	Attend the ACE Review Course	Phonpei	6/18/2013	6/14/2013
13-06-069	Bordallo, Jose Antonio	\$5,469.26	6/18-21/13	Attend American Association Airport Executive (AAAE)/Airport Certified Employee (ACE) Training Course	Alexandria, Virginia	2-Jul-13	Cancelled until further notice
13-06-70A	Martinez, Pedro R.	\$5,556.62	6/16-21/13	Standard & Poors/Moody's Presentation	San Francisco, Ca	7/2/2013	6/27/2013
13-06-71A	Bordallo Carlos Emerte Pellicani	\$5,257.26	6/16-21/13	Standard & Poors/Moody's Presentation	San Francisco, Ca	7/2/2013	6/27/2013
13-06-72A	Arriola, Jean M.	\$5,596.60	6/16-21/13	Standard & Poors/Moody's Presentation	San Francisco, Ca	7/2/2013	6/27/2013

Update: 6/30/13

**A.B. Won Pat International Airport Authority, Guam- Travel Report  
FY2013 - 3rd Quarter - April 2013 to June 2013**

[illegible]



## BOARD APPROVAL OF DISBURSEMENTS

July 25, 2013 - September 13, 2013

Ratified by the Board of Directors on  
September 19, 2013 Regular Meeting

Payee	Amount	Purpose	Date Approved
Government of Guam Retirement Fund	\$158,657.12	Payroll Employee & Employers Contribution for Retro Adjustment for 20th Market Percentile	7/25/2013
Leigh Fisher Management Consultants	\$92,330.00	Consulting Services - Bond Feasibility	7/25/2013
Guam Cleaning Masters	\$56,235.70	Custodial Services for the month of June 2013	7/25/2013
Guam Power Authority	\$556,568.22	Power	7/26/2013
Government of Guam Retirement Fund	\$158,492.32	Payroll Employee & Employers Contribution for PPE 07/27/13	7/31/2013
GMP International, LLC	\$73,667.64	CIP - AIP74 ILS6L24R	8/8/2013
GHD Inc.	\$336,920.00	CIP - AIP 76 Design Stormwater Drainage & Sanitary Sewer	8/14/2013
Lyon Associates, Inc.	\$72,344.71	CIP - CM Services Rehab Runway 6L24R AIP84	8/14/2013
Calvo Fisher & Jacob LLP	\$314,973.90	Specialty Retail Concession June 2013 Services	8/14/2013
Government of Guam Retirement Fund	157799.71	Payroll Employee & Employers Contribution for PPE 8/10/13	8/15/2013
GHD Inc.	\$65,486.00	CIP - AIP76 Design Stormwater Drainage & Sanitary Sewer	8/16/2013
BEIJESS ENTERPRISES INC. DBA: GEMCCO	\$964,340.89	CIP - AIP65 Electrical (Power Hardening Phase 2)	8/19/2013
Continental Micronesia	\$392,921.78	Loading Bridge Maintenance	8/19/2013
Aircraft Service International Group	\$107,566.71	Outbound Baggage System for July 2013	8/19/2013
Guam Cleaning Masters	\$56,235.70	Custodial Services for the month of July 2013	8/19/2013
EMPSCO Engineering Consultants	\$71,992.95	CIP - AIP65 Utility Power Hardening	8/19/2013
Hawaiian Rock Products	\$84,357.10	CIP - Rehab Runway 6L/24R AIP84	8/19/2013
JBT AeroTech	\$1,146,788.00	CIP AIP65 Electrical - 120 Ton Pre-Conditioned Air Units & 180KVA Jet Power Ground Power 400Hz Equipment	8/23/2013
Government of Guam Retirement Fund	\$165,839.93	Payroll Employee & Employers Contribution for PPE 08/24/13	8/30/2013
Guam Power Authority	\$558,128.74	Power	8/30/2013

Sirius Computer Solutions	\$64,689.99	Technical Upgrade to AS400 Iseries 520 Enterprise Edition	9/4/2013
Denovo Ventures	\$65,383.00	Technical Upgrade to JDE Edwards Systems	9/4/2013
Pac Air Properties LLC	\$88,200.00	Rental Space Lease	9/4/2013
Calvo Fisher & Jacob LLP	\$326,829.27	Specialty Retail Concession July 2013 Services	9/5/2013
Government of Guam Retirement Fund	\$162,128.07	Payroll Employee & Employers Contribution for PPE 09/07/13	9/12/2013
EMPSCO Engineering Consultants	\$65,069.90	CIP - AIP65 Utility Power Hardening	9/13/2013
BEJESS ENTERPRISES INC. DBA: GEMCCO	\$695,702.40	CIP - AIP65 Electrical (Power Hardening Phase 2)	9/13/2013
Sumitomo Mitsui Construction Co. Ltd.	\$198,032.92	CIP - AIP43/50/58 Water System	9/13/2013
<b>TOTAL:</b>	<b>\$7,257,682.67</b>		



## **Executive Manager's Report**

### **GIAA Board of Directors Meeting**

### **September 19, 2013**

#### **AIRLINE ISSUES**

##### **Vladivostok Air**

Vladivostok announced plans to operate direct, scheduled charter flights from 2 locations in Russia's far east, which are Vladivostok, and Khabarovsk. The flights will operate from November through March 2014, on a bi-weekly basis, serviced by a Tupolov aircraft and an A320, both with a seat capacity of 150 per flight.

##### **Japan Airlines**

Japan Airlines has announced it will be operating charters in Winter from Tokushima and Takamatsu, Japan, in addition to their regularly scheduled flights from Narita.

##### **China Airlines**

China Airlines will operate 2 additional flights from Kansai to Guam in October, in addition to their 9 roundtrip flights serving the TPE/GUM/TPE route. The Kansai flights will be serviced by an A330 with a capacity of 313 passengers.

#### **FAA and REGULATORY ISSUES**

##### **Runway 6L-24R Instrument Landing System Checks**

FAA conducted a visual inspection of the 6L/24R ILS on Friday, August 16, 2013. Flight checks for RWY 6L/24R ILS originally scheduled for August 29, 2013 was postponed until December 2013 or January 2014.

USCBP issued a Memorandum on August 8, 2013 to airlines operating at GIAA informing them that landing rights must be made seventy five (75) days in advance in writing to the CBP Port Director. CBPs response to requesting carrier would be issued 30 days prior to the effective date.

##### **TSA Pre-Check**

GUAM is among the 60 U.S. airports included in the expansion of the Transportation Security Administration's expedited screening program, according to an announcement last week from TSA. The program allows pre-approved airline travellers to leave on their shoes and light outerwear and belt as well as keep their laptops in their cases and their regulation liquids/gels bag in a carry-on in select screening lanes. Passengers who are eligible for the program include U.S. citizens of frequent traveller programs invited by participating airlines, or who are members of a U.S. Customs and Border Protection (CBP) Trusted Traveller program, and Canadian citizens who are members of CBP's NEXUS program. Airports frequently used by Guam passengers that currently offer pre-check lanes include Honolulu International Airport, Los Angeles International Airport, San Francisco International Airport, Seattle-Tacoma International Airport, Portland International Airport, George Bush Intercontinental Airport (Houston), Chicago O'Hare International Airport and Newark Liberty International Airport.

**Executive Manager's Report  
GIAA Board of Directors Meeting  
September 19, 2013**

**FINANCIAL ISSUES**

**Refinance of 2003 Bonds and New Revenue Bonds Sale**

The Bonds were successfully sold on August 28, 2013, EST, through an investor outreach conducted by GIAA and the Guam Economic Development Authority (GEDA). The Guam team met with over 20 institutional investors to promote the strength of the GIAA credit, and resulted in nearly \$1.7 billion in institutional orders from over 40 accounts. The response allowed the underwriting syndicate, led by Citigroup, to lower interest rates by almost 20 basis points (0.20%) throughout the 30 year debt structure.

Bonds were successfully closed and transferred on September 12, 2013 at 11:30pm. Bond counsel for the Airport, Orrick, Herrington & Sutcliffe confirmed as valid the Bond Issuance to Investors, backed by the Bond Indenture(s) for A.B. Won Pat International Airport Authority, Guam General Revenue Bonds 2013 Series A (\$14,620,000.00), 2013 Series B (33,675,000.00), and 2013 Series C (199,040,000.00).

**PROCUREMENT**

The **General Services Agency** has granted full delegation of procurement authority to GIAA to serve as a purchasing agency for Fiscal Year 2014, beginning October 1, 2013 and expiring September 30, 2014. Under the delegation, GIAA must fully comply with all provisions of the Guam Procurement Act, and agree to the periodic review of procurement activities to ascertain compliance.

**Multi- Step IFB Money Exchange Concession**

Announced August 12, 2013

Pre Bid: August 29, 2013

Submission Deadline: September 5, 2013 (Phase I)

**NSI Wildlife Hazard Management Services**

Announced: August 28, 2013

Statement of Interest Submission Deadline: September 12, 2013, 4pm



P.O. Box 8770  
Tamuning, GU 96931


Tel: (671) 646-0300  
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www.guamairport.com

September 16, 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  
July 31, 2013

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

The key operating results for 10 month(s) of FY 2013 ending July 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	\$22,617.9	\$24,086.7	6.5%	6.6%	\$28,791.0	5.4%
Total Concession Revenues	\$8,809.5	\$8,481.3	-3.7%	-2.6%	\$10,529.4	-3.0 %
Total PFC's	\$4,930.3	\$5,388.3	9.3%	9.4%	\$6,433.4	7.7%
Total Other Revenues	\$12,496.5	\$14,478.9	18.0%	3.5%	\$17,397.2	14.9%
Total Operating Revenues	\$48,854.2	\$52,705.2	7.9%	4.4%	\$63,151.0	6.5%
Total Operating Expenses	\$34,725.7	\$30,182.2	-13.1%	-17.5%	\$35,898.9	-11.2%
Net Revenues from Operations	\$14,128.5	\$22,523.0	59.4%	61.2%	\$27,252.1	44.5%
Non-Operating Expenses	\$500.0	\$367.9	-26.4%	-60.9%	\$367.9	-26.4%
Other Available Moneys/other sources of funds	\$3,986.1	\$4,111.9	3.2%	2.6 %	\$4,909.1	2.6%
Net Debt Service Coverage	1.28	1.88	47.2%	49.5%	1.90	36.1%



AMERICAN ASSOCIATION  
OF AIRPORT EXECUTIVES



**NASAO**  
National Association of State Aviation Officials





Page 2 - Operating Results as of July 31, 2013

Year-to-date Total Signatory Revenues for the month ending July 31, 2013 are above Budgeted revenues by **6.5%**. 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 **-3.76%** and Passenger Facility Charges are above budget estimates by **9.3%**.

Year-to date Total Other Revenues, inclusive of non-signatory and non-airline revenues, are above the budget estimate by **18.0%**.

Year-to-date Total Operating Revenues Actual of **\$52.7M** is **7.9%** above the budget estimate of **\$48.9M**.

Year-to-date Total Operating Expenses are below budget by **-13.1%**. Components of this line item include a **-12.7%** decrease in Personnel Service, a **-15.7%** decrease in Contractual Services, a **-32.1%** 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 **\$22.5M** reflects an increase of **59.4%** over the year-to-date budgeted amount of **\$14.1M**.

Finally, our year-to-date results for Debt Service Coverage is at **1.90** 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


**CALVO FISHER & JACOB LLP**

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writer's direct e-mail:  
[jdaman@calvofisher.com](mailto:jdaman@calvofisher.com)

**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:** Janalynn Cruz Damian   
CALVO FISHER & JACOB LLP

**DATE:** September 16, 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 regularly scheduled Board meeting to discuss pending or threatened litigation to which GIAA is or may be a party.