



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

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**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM  
Thursday, January 30, 2014, 3:00p.m.  
GIAA TERMINAL CONFERENCE ROOM #3**

**1. CALL TO ORDER AND ATTENDANCE**

The January 30, 2014, regular meeting of the Board of Directors of the A.B. Won Pat International Airport Authority, Guam ("GIAA" or the "Authority") was called to order by Chairman Untalan at 3:04p.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasahehu, Tamuning, Guam, 96913.

**Directors Present:**

Edward G. Untalan  
Martin Gerber  
Rosalinda A. Tolan  
Gurvinder Sobti  
Lucy M. Alcorn

**Offices or positions:**

Chairman

**Directors Absent:**

Jesus Q. Torres  
Pedro P. Ada III (Off Island)

Vice Chairman

**GIAA Officials:**

Charles H. Ada II  
Peter Roy Martinez  
Carlos Bordallo  
Frank R. Santos  
Jean M. Arriola  
Gerard Bautista  
Antonio Taitingfong  
Victor Cruz  
Edward Muna  
Franklin Taitano  
Joseph G. Javellana

Executive Manager  
Deputy Executive Manager  
Comptroller  
Business and Financial Consultant  
Air Services Manager  
Air Terminal Manager  
Assistant Chief of Police  
Engineer Supervisor  
Airport Operations Superintendent  
Procurement Supervisor  
Program Coordinator IV

Janalynn Cruz Damian, Esq.

GIAA Legal Counsel



AMERICAN ASSOCIATION  
OF AIRPORT EXECUTIVES



**NASAO**  
National Association of State Aviation Officials



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

## **2. APPROVAL OF AGENDA**

The Chairman asked if there were any changes to the agenda. On motion duly made by Director Gerber, seconded by Director Sobti, the agenda was amended as follows: To include under New Business a new item C. Approval of Estoppel Certificate from PacAir Properties.

## **3. APPROVAL OF MINUTES**

- A. November 27, 2013 Regular Meeting (*Tabled*)
- B. December 27, 2013 Regular Meeting
- C. January 15, 2014 Special Meeting

The next item on the agenda was approval of the minutes of the November 27, 2013 regular meeting; December 27, 2013 regular meeting; and January 15, 2014 special meeting.

Chairman Untalan noted that during the January 15, 2014 special meeting the award to Proposer B for the A-E Services for the Terminal Building Structural Upgrade & Concourse Isolation Design was approved, but the identity of Proposer B was not announced. Chairman Untalan requested that the name of Proposer B be stated for the record. Mr. Franklin Taitano informed the Board that Proposer B is E&A Engineers. The Chairman also mentioned that there were questions at that meeting whether it was legally permissible to use the existing RFP to select the number two (2) highest ranked proposer to conduct peer review of the number one (1) highest ranked proposer. Management informed the Board that Legal Counsel has confirmed that all procurement issues are cleared and that Management may proceed with the selection of Proposer G as the number two (2) highest ranked proposer. Mr. Franklin Taitano informed the Board that the number two (2) highest ranked proposer is Rim Architects.

Relative to the December 27, 2013 minutes, the Chairman inquired if the appraisal of the Airport property was completed by December 30, 2013 as stated. Mr. Frank Santos replied that the appraisal is done and went on to give the Board a brief update relative to the Tiyan Parkway, stating that ten (10) days ago an offer to purchase was received from Department of Public Works (DPW) for the Airport property as a perpetual easement, not a change in title, in the amount of \$3.6M.

On motion duly made by Director Gerber, seconded by Director Tolan, the minutes of the November 27, 2013 regular meeting; December 27, 2013 regular meeting; and

January 15, 2014 special meeting were unanimously approved, subject to corrections.

**4. CORRESPONDENCE**

No Correspondence presented.

**5. OLD BUSINESS**

The next item on the agenda was Old Business.

**A. Approval of GIAA FY13 Financial Audit Report by Ernst & Young**

The first matter discussed was the approval of GIAA's FY13 Financial Audit Report by Ernst & Young LLP (E&Y). Mr. James Whitt from E&Y provided a brief power point presentation to the Board. Mr. Whitt informed the Board that E&Y was able to give an unqualified opinion.

Following the presentation, the Chairman commended Management and staff for doing an outstanding job and stated that the results are a tremendous improvement. He added that while GIAA saw a net growth, the focus is going to be on continuing improvement in the revenue base. The Chairman asked the E&Y team if the Airport would be considered low-risk in two (2) years. Mr. Whitt replied yes.

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

**Resolution No. 14-24**

The Board hereby approves the GIAA FY13 Financial Audit Report as presented by Ernst & Young LLP.

Chairman Untalan noted for the record that GIAA had met with the Public Auditor during the exit interview and she had very positive things to say regarding the improvements of the Airport. The Chairman added that the Board will be working with Management to create policies and procedures. The Public Auditor also noted that the Airport is again and usually the first to release its Audit in a timely manner.

**A. Status of Capital Improvement Projects**

The second matter discussed was the Status of Capital Improvement Projects. Mr. Frank Santos informed the Board that three (3) schedules were included in their packets, the first being the Series 2013 Bond Capital Improvement Projects. Mr. Santos provided updates on the Bond projects, informing the Board that the projects identified with

'Pending IDIQ RFP Issuance' are projects that are not federally funded and are not of a large dollar value so they will be combined under a single RFP under an Indefinite Delivery Indefinite Quantity (IDIQ) concept, previously done by GIAA. Proceeding this way will allow the Airport to place all of these projects together and be able to conduct surveys and cost estimates and streamline engineering, design and construction management. Several firms will be selected that the Airport can contract to handle these projects concurrently. Mr. Santos informed that the Board that the IDIQ RFP will include all of the professional services. Discussion followed relative to the IDIQ RFP projects.

Mr. Santos went on to update the Board on the AIP Grants, informing the Board the ARFF Fire truck is out for bid.

Mr. Santos reported on the Capital Improvement Projects for Fiscal Year 2014, Funding Source. He explained that this is an amended project schedule including projects for FY14 only, and will be updated to include previously approved but pending projects from prior fiscal years, everything is subject to availability of funding. Discussion followed relative to projects identified, but pending availability of funding to include bathroom renovations. The Chairman requested for a Priority List to be presented to the Board.

Mr. Santos provided an update on the Terminal Fire Alarm and Fire Suppression System, stating that \$2.5M has been appropriated. Director Alcorn inquired on the amount to upgrade. Mr. Santos replied that a light for light replacement would be over \$400,000, to upgrade to meet the fire code is \$1.8M. Mr. Santos announced that the change does not have to be approved in the budget at this time, however it will need to be approved once the bid results come back.

**B. Procurement Approval for Gate 21 Replacement Loading Bridge**

The Executive Manager informed the Board that Management is still in the process of acquiring the data that was requested from the Board relative to the loading bridges and requested if this item be tabled until the next meeting so that the report may be completed.

**6. NEW BUSINESS**

The next item on the agenda was New Business.

**A. Approval of Award for Exterior Wall Painting/Repair of Terminal Building and Other Airport Structures – IFB No. GIAA-C02-F14**

The first matter discussed was approval of award under the Invitation for Bids for Exterior Wall Painting/Repair of the Terminal Building and Other Airport Structures, IFB No. GIAA-C02-FY14 (the "IFB"). The Executive Manager informed the Board that the IFB solicited bids from firms to provide painting/repair work inclusive of all labor, materials, supplies and equipment for painting of terminal building. Thirteen (13) firms/individuals purchased the bid package and ten (10) firms submitted bid proposals before the submission deadline. The firms were evaluated and nine (9) were determined to be acceptable. The Manager informed the Board that the lowest responsive, responsible total bid amount received is \$397,999.00, which is 53% below the government estimate of \$850,000.00. Management recommends that the Board approve the contract award of \$397,999.00 to J&B Modern Tech, who has been determined to have met the standards of responsibility and responsiveness outlined in the Guam Procurement Regulations.

Director Alcorn inquired on EONS Enterprise Corp.'s bid amount being lower than Management's recommendation. Ms. Janalynn Damian informed the Board that upon review of the bid submitted by EONS it was determined that the bid was non-responsive because EON's did not submit the proper bid form. Discussion followed relative to the bid amounts and the type of paint to be used and if it was outlined in the bid package, with the Executive Manager informing the Board that the bid package specified the type of paint to be used.

After further discussion, on motion duly made by Director Tolan, seconded by Director Gerber, the following resolution was unanimously approved:

**Resolution No. 14-25**

The Board hereby approves the contract award for Exterior Wall Painting/Repair of the Terminal Building and Other Airport Structures, IFB No. GIAA-C02-FY14 to J&B Modern Tech in the amount of \$397,999.00, and disqualification of the bid submitted by EONS Enterprise Corp. for non-responsiveness.

The Chairman inquired on when the water blasting will begin. Ms. Jean Arriola informed the Board approximately one month.

**B. Approval of Award for Design Services for GIAA Tiyan Site Development  
Access Road – RFP No. GIAA-003-FY14**

The second matter discussed was approval of award under the Request for Proposal for Design Services for GIAA Tiyan Site Development Access Road, RFP No. GIAA-003-FY14 (the "RFP"). The Executive Manager informed the Board that the RFP solicited proposals from professional firms to provide design services for the Tiyan site development access road. A total of twelve (12) firms obtained the RFP packages, however seven (7) firms

responded by submitting proposals before the established deadline. After receipt of all proposals, an Evaluation Committee was established to perform an independent evaluation of the proposals to determine the best qualified proposer. The proposals were evaluated based on the point system assigned for each criteria identified in the RFP package. As a result of the evaluation committee's tabulation, the selected firms in order of their ranking are as follows:

1. Proposer A
2. Proposer B
3. Proposer C
4. Proposer F
5. Proposer D
6. Proposer G
7. Proposer E

Management recommends the approval of the ranking results and the contract award to Proposer A, as the highest ranked proposer, subject to negotiations of fair and reasonable fees. In the event that the negotiations prove unsuccessful, GIAA Management will enter negotiations with the next highest ranked proposer.

The Chairman inquired if these firms have done work with the Airport in the past. The Executive Manager replied yes. The Chairman informed the Board that he took the opportunity to come in to review the proposals prior to the meeting and noted that the same firms are continuing to show interest in the projects. He added that one of the main reasons why Mr. Frank Santos is requesting for the IDIQ RFP process next month is to avoid having to put out individual RFP's for the smaller projects; under the one (1) RFP, a number of firms will be awarded, and will be rotated. Discussion followed relative to the IDIQ project.

Relative to the Tiyan Site Development Access Road RFP, Director Gerber inquired on the location. Mr. Santos directed the Board to a map and pointed out the location. The Executive Manager informed the Board that the Access Road would provide the Airport accessibility should anything unforeseen occur on the Tiyan Parkway. The Chairman inquired on who would have access to this road. Mr. Santos replied that it would be for Airport related use and would depend on the developers and tenants.

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

**Resolution No. 14-26**

The Board hereby approves the ranking results and contract award to Proposer A for Design Services for GIAA Tiyan Site Development Access Road, RFP No. GIAA-003-FY14,

subject to negotiation of fair and reasonable fees and legal review. If negotiations prove unsuccessful, Management can enter into negotiations with the next highest ranked proposer.

The Executive Manager announced to the Board that Proposer 'A' is Duenas & Associates.

**C. Approval of Estoppel Certificate from PacAir Properties**

The third matter discussed was the approval of the Estoppel Certificate from PacAir Properties. At this time Chairman Untalan stated for the record that he would like to recuse himself from this discussion as he is employed by First Hawaiian Bank (FHB), and that FHB provided financing to PacAir Properties, and he recommended that the Board elect an Acting Chairman for this discussion as the Vice Chairman is not present.

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

**Resolution No. 14-27**

The Board hereby approves the nomination and election of Director Gerber to Chair the discussion relative to the approval of Estoppel Certificate from PacAir Properties.

*Chairman Untalan exited the conference room.*

Acting Chairman Gerber requested that Mr. Santos to provide a brief background to the Board regarding the Estoppel Certificate.

Mr. Santos referred to the current Ground Lease Agreement between GIAA and PacAir Properties of which the Air Cargo Facility is constructed upon. PacAir Properties is requesting to increase its loan amount with FHB in the amount of \$3.9M in order to finance tenant improvements within the facility and FHB is requesting the Estoppel Certificate as part of the financing. The tenants that they now have are Social Security Administration, U.S. Citizenship & Immigration Services and National Oceanographic Atmospheric Administration. Mr. Santos informed the Board that that the Estoppel Certificate affirms that there is a Lease Agreement, and indicates that should PacAir Properties default on their loan with FHB that GIAA is permitting FHB to either make payments on the rent and continue as the Landlord for that building or substitute. Mr. Santos stated that Management recommends that the Board approve the Estoppel Certificate and it essentially amends the Estoppel previously authorized by the Board.

Director Tolan inquired if there were a negative impact for the Airport. Mr. Santos replied none that he is aware of. Acting Chairman Gerber inquired if this would be

subject to Conflicts Counsel review, and asked if Conflicts Counsel had reviewed the Estoppel Certificate. Mr. Santos replied that he believed that Conflicts Counsel had reviewed it and would have to sign off on page 3 of the Estoppel Certificate.

After further discussion, on motion duly made by Director Tolan, seconded by Director Sobti, the following resolution was unanimously approved:

**Resolution No. 14-28**

The Board hereby approves the Estoppel Certificate from PacAir Properties as presented by Management subject to review by Conflicts Counsel.

*Chairman Untalan returned to the conference room.*

**7. REPORT OF EXECUTIVE MANAGER**

The next item on the agenda was the report of the Executive Manager. The Executive Manager reported on various matters concerning airline and charter operations. He announced that beginning January 15, 2014 through the end of February, the U.S. National Science Foundation (NSF) and the U.K. Facility for Airborne Atmospheric Measurements (FAAM) will be operating at the ACI hangar to monitor tropical atmosphere and changes as a result of global warming. GIAA is partnering with NSF and FAAM with two (2) days of Community Outreach presentations on February 11 and 13, and a half day Open House on February 15, 2014 at the ACI Hangar.

Reporting on FAA issues, the Manager reported that Mr. Ron Simpson, FAA Manager out of the Honolulu District Office, met with GIAA Management and staff to discuss key items that include, Tiyan Parkway, AIP Funding, Noise Mitigation, and the FY 2013 Single Audit. The next scheduled FAA visit is in April 2014 for GIAA's annual certification inspection.

The Executive Manager reported on a number of announcements to include GIAA hosting a Route Development Strategy Workshop on January 28 and 29, 2014 at the Hyatt, Guam. The workshop was facilitated by the Authority's Air Service Consultant, with the objective to identify an overall air service development strategy for GIAA and implementation plan for the remainder of 2014 and 2015. The Guam Economic Development Authority (GEDA) and the Guam Visitors Bureau (GVB) also participated in the workshop.

GIAA has been invited to attend GVB's launching of their 2020 Vision Plan scheduled for 2:00 p.m., February 4, 2014 at the Sandcastle in Tumon. All Board members are invited to attend and support the launch, with a press conference scheduled which will be led by Governor Eddie Baza Calvo.



GIAA has been working with the Lieutenant Governor's Office on the planning of "Soaring High", an island beautification Task Force fundraiser in collaboration with Japan Airlines. The fundraiser is scheduled for March 14, 2014 and will consist of lunch on the concourse and a tour of the island on board a Japan Airlines aircraft.

The Chairman announced that he attended the Route Development Strategy Workshop and he had thought it was interesting, he inquired with Management on what was the next step, will the strategy be finalized and brought to the Board for review. The Executive Manager replied that it is in line with the release of GVB's Master Plan. Having gone through the workshop, the Manager stated now GIAA can meet with GVB and GEDA and come up with a Plan that all three (3) Boards can be presented with.

The Chairman mentioned GVB's 2020 Vision Plan, and noted the importance of the three (3) agencies working together in terms of a strategy. Discussion followed relative to GVB's 2020 Vision Plan and Marketing strategies.

## **8. REPORT OF THE COMPTROLLER**

Before moving on with the Comptroller's report, Mr. Carlos Bordallo directed the Board to a handout of proposed amendments to the budget, he explained that the numbers in the Comptroller's report are predicated upon the proposed amendments to the budget. The Comptroller informed the Board that the amendments to the budget came about as a result of the debt service level that was finalized with the Bond issuance and went on to list the amendments, stating that the revisions are simply a shift of obligations to avoid raising the Airline rates. He added that with the new First Hawaiian Bank (FHB) loan, the Debt Service Coverage ratio moved from 1.40 to 1.34, which is still above the required 1.25.

The Chairman inquired on the calculations of the Debt Service Coverage ratio amount for FY13 reported in the Ernst & Young audit report showing over 2.00. The Comptroller replied that this report showing 1.68 is from August and was not updated. The Chairman informed the Board that the objective was to revise the budget to include the Debt Service for the Bond and the Energy Efficiency loan as the numbers were off at the time the Board last reviewed the report. He added that the adjustments to the budget are being brought to the Board so that they are aware and know what to expect by the end of the year. The Chairman asked that the Comptroller explain the Amortization of Assets. The Comptroller informed the Board that it is based on GIAA recovering costs from Capital Improvement Projects through implementing tariffs, in the interest of keeping the rates the same for the Airlines, he stated that he recommended deferring the Amortization of Assets for FY14 and instead include extension of the FHB Energy Efficiency Loan. Chairman Untalan added that in July 2014 when GIAA begins negotiations with the Airlines, GIAA would incorporate back this recovery into the FY15

budget. Discussion followed relative to enplanement costs.

After further discussion, on motion duly made by Director Gerber, seconded by Director Sobti, the following resolution was unanimously approved:

**Resolution No. 14-29**

The Board hereby approves the amendment to the FY14 budget as presented to defer the Amortization of Assets for FY14 for one (1) year to incorporate the Debt Service for the Energy Efficiency Loan, at which time the budget for FY15 will be adjusted to recapture the Amortization of Assets as well as continue to incorporate the Debt Service for the Energy Efficiency Loan.

The next item on the agenda was the report of the Comptroller. Mr. Bordallo provided a report to the Board on the Revenues and Expenses of the Authority as of December 31, 2013. Mr. Bordallo reported that year-to-date Total Signatory Revenues are below budgeted revenues by -0.2%, year-to-date Total Concession Revenues and Passenger Facility Charges are above budget estimates by 1.9% and 2.8%, respectively. Further, year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues, are below the budget estimate by -4.5%. Year-to-date Total Operating Revenues Actual of \$16.2M is -0.3% below the budget estimate of \$16.3M. Year-to-date Total Operating Expenses are below budget by -15.4%. The actual year-to-date Net Revenues from Operations of \$7.64M reflects an increase of 24.5% over the year-to-date budgeted amount of \$6.14M. The Authority's year-to-date results for Debt Service Coverage is at 1.44 versus the requirement of 1.25.

Chairman Untalan inquired on the incorporation of both the Merit Bonus and Law Enforcement Pay to the FY13 budget, if those funds had been reserved. The Comptroller replied yes, out of the FY13 budget. The Chairman informed the Board that there have been discussions with Legal Counsel regarding the legality of the Merit Bonus and will be working with Management on an implementation plan.

The Chairman inquired on the cash on hand by the end of last fiscal year. The Comptroller replied the total unrestricted funds at the end of FY13 \$30.1M. Discussion followed relative to cash on hand with the Comptroller informing the Board that after calculations GIAA would have 380 days worth of cash on hand should anything unforeseen happen; 280 days after removing the one (1) time obligation cost for the Merit Bonus.

**9. EXECUTIVE SESSION**

Upon written recommendation of counsel, on motion duly made by Director Gerber and seconded by Director Alcorn, and unanimously approved, at 4:47 p.m. the Board

recessed regular session. The Board convened executive session at 4:52 p.m. to discuss pending litigation.

Executive Session adjourned at 5:00 p.m., at which time the Board reconvened the regular session.

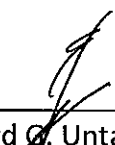
#### 10. PUBLIC COMMENTS

The next item on the agenda was Public Comments. Chairman Untalan called upon any public member wishing to make comments. There were none.

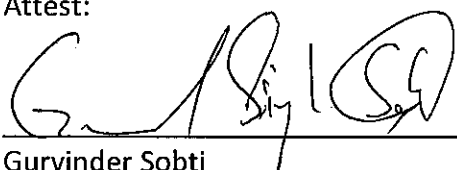
#### 11. ADJOURNMENT

There being no further business to address before the Board, on motion duly made by Director Alcorn, seconded by Director Tolan, unanimously approved, at 5:01 p.m., the meeting was adjourned.

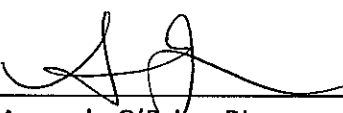
Dated this 13th, day of March, 2014.

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

Attest:

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

Prepared and Submitted By:

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



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## **BOARD OF DIRECTORS REGULAR MEETING**

**3:00 p.m., Thursday, January 30, 2014**

**GIAA TERMINAL CONFERENCE ROOM #3**

### Public Notice

#### First Notice:

Marianas Variety – January 23, 2014  
Pacific Daily News – January 23, 2014  
Notice to Media – January 23, 2014

#### Second Notice:

Marianas Variety – January 28, 2014  
Pacific Daily News – January 28, 2014  
Notice to Media – January 28, 2014

## **AGENDA**

- 1. Call to Order and Attendance**
- 2. Approval of Agenda**
- 3. Approval of Minutes**
  - A. November 27, 2013 Regular Meeting (*Tabled*)**
  - B. December 27, 2013 Regular Meeting**
  - C. January 15, 2014 Special Meeting**
- 4. Correspondence**
- 5. Old Business**
  - A. Approval of GIAA FY13 Financial Audit Report by Ernst & Young**
  - B. Status of Capital Improvement Projects**
  - C. Procurement Approval for Gate 21 Replacement Loading Bridge (*Tabled*)**
- 6. New Business**
  - A. Approval of Award for Exterior Wall Painting/Repair of Terminal Building and Other Airport Structures - IFB No. GIAA-C02-FY14**
  - B. Approval of Award for Design Services for GIAA Tiyan Site Development Access Road - RFP No. GIAA-003-FY14**
- 7. Report of Executive Manager**
- 8. Report of the Comptroller**
- 9. Executive Session**
- 10. Public Comments**
- 11. Adjournment**



AMERICAN ASSOCIATION  
OF AIRPORT EXECUTIVES



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National Association of State Aviation Officials





A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM

BOARD OF DIRECTORS SPECIAL MEETING

3:00 P.M., THURSDAY, JANUARY 30, 2014

GIAA TERMINAL CONFERENCE ROOM #3

SIGN IN SHEET

<u>PRINT NAME</u>	<u>COMPANY/AGENCY</u>
1. Gerard BANTISTA	GIAA - ATM
2. Antonio Taitingfeng	GIAA Police
3. JAMES WHITT	EY
4. RUSTICO ROSAL	EY
5. MARIA SAYO	EY
6. DEBBIE NGATA	EY
7. VICTOR J. CRUZ	GIAA
8. Carlos P. Borallo	GIAA
9. Barbara R. Limtiaco	GIAA
10. J.G. JAVELLANA	GIAA
11. CHARLES H. ADAM	GIAA
12. John Ouedera	EY
13. FRANK P. TALTANO	GIAA
14. JERMAINE ALBERTA	LEGISLATURE
15. RODALYN GERARDO	OPA
16. RACHEL FIELD	OPA
17. Jean Annick	GIAA
18. JIMMY E	GIAA
19.	

## Ichihara appeal denied

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

A MAN who was sentenced both in federal and local court for meth distribution was denied his petition for post-conviction relief, claiming judicial error.

Richard Ichihara, 41, entered guilty pleas for three separate cases filed in the Superior Court of Guam in 2000 in connection with his possession of a Schedule II controlled substance and intent to distribute methamphetamine hydrochloride, commonly known as "ice."

He was sentenced to imprisonment for a term of five years with five years' probation.

On July 3, 2013, he filed a petition for post-conviction relief. He argued that his guilty plea was involuntary and therefore unconstitutional because no record exists to show whether the court failed to elucidate the elements of his offense.

He also claimed that he received ineffective assistance of counsel when his lawyers failed to inform him of the real consequences of his plea.

Superior Court Judge James Canto, however, denied the petition, saying the convicted drug kingpin failed to show the requirements needed for post-conviction relief under the writ of error.

According to the court, Ichihara made his argument 13 years after his 2000 conviction and did not provide any reason for not attacking the conviction earlier.

With respect to ineffective

*According to the court, Ichihara made his argument 13 years after his 2000 conviction and did not provide any reason for not attacking the conviction earlier. With respect to ineffective assistance of counsel, Judge Canto ruled that the lack of aid of counsel is not a basis for relief under a writ of error.*

assistance of counsel, Judge Canto ruled that the lack of aid of counsel is not a basis for relief under a writ of error.

Ichihara was also convicted in the District Court of Guam for meth distribution and is appealing his conviction to the 9th Circuit Court of Appeals.

He was sentenced in May 2009 to 30 years in federal prison on charges of a continuing criminal enterprise, 30 years for selling, distributing or dispensing a controlled substance, and 20 years for money laundering.

Ichihara pleaded guilty to operating a continuing criminal enterprise to distribute more than 50 grams of ice, as well as money laundering and forfeiture.

Court documents stated that Ichihara was engaged in the trafficking of ice from California to Guam and was the principal organizer of a drug trafficking ring with more than five individuals on Guam distributing meth for him.

### GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Board of Commissioners Meeting

10:00 A.M., Thursday, January 30, 2014

GHURA's Main Office, 2ND Floor, Conference Room,  
117-Bjen Venida Avenue, Sinajana

#### Agenda:

- |   |                                     |
|---|-------------------------------------|
| I. ROLL CALL  | V. NEW BUSINESS                     |
| II. APPROVAL OF PREVIOUS BOARD MINUTES - January 14, 2014 | VI. GENERAL DISCUSSION/ANNOUNCEMENT |
| III. CORRESPONDENCE AND REPORTS                           | VII. EXECUTIVE SESSION              |
| IV. OLD BUSINESS  | VIII. ADJOURNMENT                   |

For special accommodation, contact Ms. Kathy Taitano  
Tele No. 475-1322 or TTY #472-3701



**The Honorable  
EDDIE B. CALVO**  
Governor



**The Honorable  
RAY TENORIO**  
Lt. Governor



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

## PUBLIC NOTICE

The Board of Directors of the A.B. Won Pat International Airport Authority, Guam (GIAA), will hold a Regular Board Meeting on Thursday, January 30, 2014 at 3:00 p.m. in GIAA 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, please call the Board Office at 642-4717/18.  
(This ad paid for by GIAA)



A tropical disturbance that moved over the island Tuesday night caused a downpour of rain that lasted well into Wednesday morning. With the rainy weather in the last few days, concerns have been raised again over the welfare of the island's farmers and possible damage to their crops. Matt Weiss / Variety

## With rain, concern for farmers anew

By Louella Losino  
louella@mvguam.com  
Variety News Staff

WITH the rainy weather in the last few days, concerns have been raised again over the welfare of the island's farmers and possible damage to their crops.

Sen. Rory Respcio, in a letter to Mariquita F. Taitague, Department of Agriculture director, said the department must be proactive in making sure the island's farmers and their crops are well taken care of.

"Our island has received significant amounts of rain in the past two days, and flooding is occurring in many areas throughout our villages. These heavy rains have a negative impact on our local farmers, many of whom are still recovering from damaging floods," the senator wrote.

Respcio has been championing the cause of farmers, especially when a spell of stormy weather hit the island last year. In a letter to Gov. Eddie Calvo at the time, Respcio said many local farmers had suffered severe losses to their crops due

to the adverse weather.

According to the senator, Guam public law has already established a program for the compensation of farmers for crop damage due to natural disasters such as typhoons, severe rain storms, floods and drought.

He said the rules and regulations authorized by 5 GCA Chapter 64A have been in place for years now, and compensation for crop damage has been dispensed previously under this authority when there has been severe damage to local farms as in the case of Typhoon Chata'an.

"But in his letter to Taitague, Respcio lamented the executive department's inaction on the matter.

"While you have made public statements about the need to amend Title 5 GCA Government Operations, Chapter 64A, Compensation to Farmers for Crop Damages, I have yet to receive your recommendations," Respcio wrote.

"Our government must be proactive on all matters affecting our people. This requires you, and others in key government positions, to carry out

your duties effectively, and, in this case, administer programs to help our farmers," he added.

Respcio is now asking the Department of Agriculture to forward its recommendations immediately.

"I do maintain, however, that Public Law 32-99 remains sufficient, and allows the governor to provide immediate relief to our farmers. I think the hiccup occurred from the inconsistent administration of the Crop Damage Compensation Program," Respcio said.

"Moreover, your initial response to my FOIA request dated Dec. 30, 2013 may have indicated that you did not even utilize the statutory Crop Damage Compensation Program. I have sent you a letter dated Jan. 13, 2014 requesting clarity regarding the authority you exercised in processing recent farmer's claims for crop damages. Regrettably, you have yet to provide me details surrounding the processing of claims pursuant to Title 5 GCA Government Operations, Chapter 64A, Compensation To Farmers For Crop Damages and Public Law 32-99," he added.

## Island gets nearly 5 inches of rain

By Jasmine Stole  
jasmine@mvguam.com  
Variety News Staff

A TROPICAL disturbance that moved over the island Tuesday night caused a downpour of rain that lasted well into Wednesday morning.

From 4 p.m. Tuesday until 4 p.m. yesterday, 4.86 inches of rain fell on the island, according to the National Weather

Service. The rain had largely stopped by noon yesterday.

The NWS issued an area flooding notice during the morning's heavy showers.

Derek Williams, a forecaster at the National Weather Service's Guam office, said today and tomorrow should be relatively clear of rain.

However, a cold front coming off Japan will affect the weather

for the weekend, Williams said. Rain caused by the cold front will most likely begin Friday night and last through Saturday.

As of 8 p.m. yesterday, the NWS office had not issued any weather-related advisories.

For current weather updates, residents can view forecasts on the NWS website at [www.prh.noaa.gov/guam](http://www.prh.noaa.gov/guam) or call 211 for a reading of forecasts.

## Thai protesters obstruct vote

**BANGKOK (AP)**—Anti-government demonstrators swarmed dozens of polling stations in Thailand on Sunday to stop advance voting for next week's general elections, chaining gates shut, threatening voters and preventing hundreds of thousands of people from casting ballots.

A protest faction leader was fatally shot in a confrontation near a voting center that also left 11 people wounded, the city's emergency services said, and isolated street brawls broke out in several parts of Bangkok.

The chaos underscored the precariousness of Thailand's fragile democracy, and the increasing weakness of Prime Minister Yingluck Shinawatra's elected administration. Yingluck had called the Feb. 2 vote in a failed bid to ease months of street protests, but police did not disperse the crowds because of longstanding orders to avert

violence, which many fear would give the all-powerful army reason to stage a coup.

"It's a sad day for democracy when the right to vote is assaulted by a political movement that claims to be striving for reform and people's empowerment," Sunai Phasuk, a senior researcher at Human Rights Watch, said of the protesters. "Everything that happened today shows they are striving for the opposite."

Although most polling stations in Bangkok and many in the opposition stronghold in the south were forced to close, voting proceeded largely unhindered in the rest of the country. Still, the upheaval proved that demonstrators struggling to overthrow Yingluck have the ability to disrupt the main vote next week, and the country's electoral commission is unlikely to stand in their way.

## Reunions proposed in Koreas

**SEOUL, South Korea (AP)**—South Korea on Monday proposed that the rival Koreas restart arranging reunions next month for families separated by the 1950 to '53 Korean War.

North Korea last week agreed to resume the reunions by letting South Korea choose dates for the humanitarian program. The move was the latest in a recent series of conciliatory gestures North Korea has taken in a sharp contrast from last spring when the country raised tensions with threats of nuclear wars.

Analysts say the North needs better ties with the outside world to help draw foreign investment and aid.

Seoul's Unification Ministry said Monday that it sent a message proposing that the reunions take place from Feb. 17 to 22 at a North Korean mountain. Seoul has proposed working-level talks on Jan. 29 to discuss details about the reunions, according to the ministry statement.

North Korea didn't immediately respond to the South Korean proposals.

Millions of Koreans have been separated since the Korean War which ended with an armistice, not a peace treaty. The two Koreas share one of the world's most heavily fortified borders and bar ordinary citizens from exchanging correspondence.

## Syria talks yield narrow deal

**GENEVA (AP)**—Two days of face-to-face peace talks yielded a narrow, tentative agreement Sunday for women and children trapped in a besieged Syrian city, and the government said President Bashar Assad had no intention of giving up "the keys to Damascus."

With little progress to show after months of international pressure for the conference in Geneva, the U.N. mediator hoping to broker an end to Syria's civil war defended their pace.

"I think being too slow is a better way than going too fast," Lakhdar Brahimi said. "If you run, you may gain one hour and lose one week."

The limited agreement to let women and children leave a blockaded part of the old city of Homs, under negotiation for at least two days, fell far short of expectations and was called into question by multiple reports of government shelling.

The talks have yet to touch upon the issue of a possible transitional government—their

purpose according to terms laid out when they were first conceived. But the government was unequivocal that Assad's future was assured in the country led by his family since 1970.

"This is a red line. If some people think we are coming here to give them the keys of Damascus they are wrong," said Deputy Foreign Minister Faisal al-Mikdad, echoing the language U.S. President Barack Obama used to describe a chemical weapons attack in Syria.

In Syria, the war continued as if there were no effort to stop it—gunfire and shelling in Homs, between Assad's forces and rebels, and between the al-Qaida-linked militants and Kurdish fighters, according to the Britain-based Syrian Observatory for Human Rights.

The blockaded districts of Homs came under intense fire that activists blamed on the government, calling into question how any deals reached in remote Switzerland could be implemented or verified in a chaotic civil war with

dozens of players that began as a largely peaceful uprising against Assad. More than 130,000 people have died in less than three years, and millions of Syrians have fled their homes.

Brahimi acknowledged that the agreement for Homs fell short of his hope to send a humanitarian aid convoy to the city. But, he said, "to bring Syria out of the ditch in which it has fallen will take time."

There have been a number of short-lived, local truces reached between opposition-held towns and government forces in recent months that, including in Moadamiyeh, a sprawling rebel-held community west of Damascus, where about 5,000 residents were allowed to evacuate in the fall.

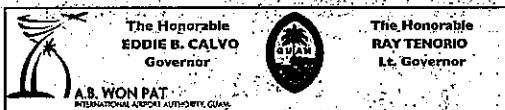
Monzer Akbik, an opposition spokesman, said the coalition was still determined to stay for the political talks set to begin Monday despite accusing the government of stalling.

Both sides claim to represent the Syrian people.

### Kumision Inangokkon Tano' Chamoru Chamorro Land Trust Commission

The Chamorro Land Trust Commission Board Meeting will be held on Thursday, January 30, 2014 at 1:00pm, Department of Land Management conference room, 3rd Flr. of the ITC Building, 590 S. Marine Corps Drive, Tamuning.

Individuals requiring special accommodations, auxiliary aids or services, may contact 649-5263 ext. 631.  
This ad paid for by Government funds.



### PUBLIC NOTICE

The Board of Directors of the A.B. Won Pat International Airport Authority, Guam (GIAA) will hold a Regular Board Meeting on Thursday, January 30, 2014 at 3:00 p.m. in GIAA 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, please call the Board Office at 642-4717/18.  
(This ad paid for by GIAA)

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**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM  
Wednesday, November 27, 2013, 3:00p.m.  
GIAA TERMINAL CONFERENCE ROOM #3**

**1. CALL TO ORDER AND ATTENDANCE**

The November 27, 2013, regular meeting of the Board of Directors of the A.B. Won Pat International Airport Authority, Guam ("GIAA" or the "Authority") was called to order by Chairman Untalan at 3:05p.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasaheru, Tamuning, Guam, 96913.

**Directors Present:**

Edward G. Untalan  
Martin Gerber  
Lucy M. Alcorn  
Rosalinda A. Tolan  
Pedro P. Ada III  
Gurvinder Sobti

**Offices or positions:**

Chairman

**Directors Absent:**

Jesus Q. Torres

Vice Chairman

**GIAA Officials:**

Charles H. Ada II  
Peter Roy Martinez  
Carlos P. Bordallo  
Frank R. Santos  
Jean M. Arriola  
Gerard Bautista  
Robert D. Camacho  
Frank P. Taitano  
Victor Cruz  
Edward Muna  
Joseph G. Javellana

Executive Manager  
Deputy Executive Manager  
Comptroller  
Business and Financial Consultant  
Air Services Manager  
Air Terminal Manager  
Chief of Police  
Procurement Administrator  
Engineer Supervisor  
Airport Operations Superintendant  
Program Coordinator IV

Janalynn Cruz Damian, Esq.  
Michael A. Pangelinan, Esq.

GIAA Legal Counsel  
GIAA Legal Counsel



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

Chairman Untalan welcomed GIAA's newly appointed Board Director, Gurvinder 'Bic' Sobti. Director Sobti thanked the Board for attending his swearing-in ceremony that morning.

## **2. APPROVAL OF AGENDA**

Chairman Untalan asked if there were any changes to the agenda. No changes were requested. On motion duly made by Director Ada, seconded by Director Gerber, the agenda as presented was unanimously approved.

## **3. APPROVAL OF MINUTES**

### **A. September 19, 2013 Regular Meeting (*Tabled*)**

The next item on the agenda was approval of the minutes of the September 19, 2013 regular meeting. Chairman Untalan informed the Board that the minutes were tabled at the last meeting to incorporate a new format. The minutes have been modified, and resolutions are included within the minutes themselves. Chairman Untalan noted that the only change he would like to add is that it be stated in the minutes that the Directors absent at that meeting due to the weather, were excused.

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

#### **Resolution No. 14-09**

The Board hereby approves the minutes of the September 19, 2013 regular meeting, subject to corrections.

### **B. October 31, 2013 Regular Meeting**

The next item on the agenda was the approval of the minutes of the October 31, 2013 regular meeting. Director Ada informed the Board that he had made a comment relative to the baggage handling system, stating that the Authority should avoid any sole source procurement; he would like to request that this comment be on the record.

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

**Resolution No. 14-10**

The Board hereby approves the minutes of the October 31, 2013 regular meeting, subject to corrections.

**4. CORRESPONDENCE**

- A. Letter from Association of Mariana Islands Mayors, Vice Mayors & Elected Municipal Council Members (AMIM) Relative to a Request to Re-Open GIAA's Commuter Terminal**

The Executive Manager presented to the Board a letter dated November 12, 2013 relative to requesting the Board of Directors re-open GIAA's commuter terminal for travel within the Marianas. The Manager stated that he was informed that there is an effort to increase air activity between Guam and the Mariana Islands with numerous daily flights.

The Manager reported that the old commuter terminal is currently being leased by United Airlines amongst others, and the Authority has long term contracts with those, and therefore would not be able to re-open that terminal for aeronautical use. He went on to add that GIAA will respond to the organization as to what was presented to the Board in reference to the letter. Director Tolan inquired on what triggered the request, and asked if it was a delay in processing. The Executive Manager responded that he believed the organization is trying to stimulate the economics within the CNMI.

**5. OLD BUSINESS**

- A. Status of Capital Improvement Projects**

The first matter discussed was the Status of Capital Improvement Projects. Mr. Frank Santos, Business and Financial Consultant, presented the UDO Analysis for the Board's information. Mr. Santos reported that the Authority already received half of the 2013 grants that were ratified at the last Board meeting. He went on to add that the demolition of the former GPD facility is expected to start next month with a ground breaking ceremony planned outside of the AOA to kick off the demolition phase and to get as much exposure as possible.

Mr. Santos provided the Board with a listing of Capital Improvement Projects, essentially projects that will be funded by Bond proceeds and federal grants. Mr. Santos also informed the Board that at the December regular meeting the report will provide a financial update as to what the draw-down is, how much money has been appropriated and how much money has been spent.

Mr. Santos reported that the RFP for the design portion of the Arrivals Corridor with seismic upgrades is out and will be brought to the Board at the next available meeting for award. He also stated that the bid solicitation is expected to begin in December for the construction portion of the Baggage Screening Relocation.

Mr. Santos then informed the Board of Management's intent to issue an Indefinite Delivery Indefinite Quantity (IDIQ) RFP for a number of small projects. Chairman Untalan inquired about the projects that would be covered under the IDIQ RFP. Mr. Santos responded that the IDIQ RFP would include the 'Priority 2' Capital Improvement Projects, such as the Enclosed Arrival Tunnel and the Terminal Flooring Replacement projects. Chairman Untalan asked whether all of the projects were funded by Bond proceeds or if there were other projects. Mr. Santos responded that there are other projects, which were approved as part of the budget, to include the exterior painting of the terminal, and the other large project being the replacement of the fire alarm system.

Relative to the fire alarm system, Mr. Santos added that Management will be coming to the Board to increase the budget and include approximately \$600,000.00 worth of replacements to the suppression system, which are the sprinklers and that the system is from 1996. Chairman Untalan inquired on how they came up with the amount of \$600,000.00, and if it meets all of the current fire code requirements. Mr. Santos responded that it was based on a review by a mechanical engineer and that it does meet the fire code requirements. Mr. Santos went on to say that the fire alarm system was removed from the Energy Management contract due to Guam Fire Department (GFD) requiring a full replacement. To replace the central lines was another \$600,000.00.

Chairman Untalan suggested that in order to keep the Board informed of those ongoing projects, to incorporate them into the report somehow. Mr. Santos responded that he will work on integrating everything into the report, as well as the financial information.

Next, Mr. Santos presented Management's request to amend the Loan Agreement with First Hawaiian Bank (FHB).

At this time Chairman Untalan stated for the record that he would like to recuse himself from this discussion as he is employed by FHB. Legal Counsel, Michael Pangelinan, recommended that the Board elect an Acting Chairman for this discussion as the Vice Chairman is not present.

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

**Resolution No. 14-11**

The Board hereby approves the nomination and election of Director Gerber to Chair the discussion relative to the amendment of the Loan Agreement with First Hawaiian Bank.

Mr. Santos provided background to the Board – the loan was for the Authority's Energy Management Program for the principal amount of \$11.9M, with a five (5) year term. Initially, GIAA intended to pay-off the loan with Bond proceeds; however, after further analysis it did not make financial sense. Mr. Santos explained that the legislation approving the bonds gave GIAA the authority to have subordinate loans for a term of ten (10) years. Currently on the loan, the Authority is paying interest on monies that have been disbursed. Director Tolan inquired on the interest rate. Carlos B. Bordallo, Comptroller, responded 3.75%. Mr. Santos stated that at this time Management is requesting that the Board approve a modification of the Loan Agreement to continue the interest only payments through January 24, 2014, at which time GIAA will have extended the \$11.9M. Mr. Santos further advised the Board that Management will be returning to the Board for approval to extend the loan term to ten (10) years, which was part of the finance plan that was presented to the Bond investors and rating agencies.

Director Ada inquired if there were any additional fees to be paid for the extension. Mr. Santos replied no; however there will be fees to refinance to the ten (10) year period, and that modification agreement should be presented to the Board at the December meeting.

Legal Counsel, Michael Pangelinan, informed the Acting Chairman that FHB has submitted a resolution relative to the amendment, and that it would be appropriate for the Board to adopt the resolution that FHB has provided. Legal Counsel, Janalynn Damian, added that in addition to approving the modification, the resolution designates authorizing signatories, and it can be made subject to conflicts counsel's review.

With regard to designating authorized signatories, the Executive Manager stated that it has been somewhat challenging to get in touch with Vice Chairman Torres at times, and requested that since Director Gerber is serving as Acting Chairman, that he also be designated as an authorized signatory for the modification. The Board had no objection. Director Ada asked that the Board move on with the meeting at this time while waiting for copies of the resolution and continue the discussion at a later time during the meeting. Chairman Untalan asked Mr. Santos if there was anything else to present before moving on. Mr. Santos replied no.

#### **B. GIAA Board Standing Committees**

The second matter discussed was the GIAA Board Standing Committees. In order to work closely with Management on various Airport issues and concerns, Chairman Untalan suggested establishing the following committees with respective Board Members as Chairperson:

- |                               |                |
|-------------------------------|----------------|
| 1. Finance/Strategic Planning | Edward Untalan |
|-------------------------------|----------------|

- |    |                                  |               |
|----|----------------------------------|---------------|
| 2. | Operations/IT                    | Jess Torres   |
| 3. | Capital Projects                 | Martin Gerber |
| 4. | Tenant Relations/Marketing       | Lucy Alcorn   |
| 5. | Personnel/Policies & Procedures  | Lynda Tolan   |
| 6. | Air Service/Property Development | Sonny Ada     |
| 7. | Legal/Legislation/Regulatory     | Open          |

It was noted that the open committee is available to be chaired by Director Sobti with Chairman Untalan clarifying that on that particular committee the legal aspect would be eliminated. Chairman Untalan added that if a Board member would like to assist another Committee or Board member they are more than welcome to do so.

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

**Resolution No. 14-12**

The Board hereby approves the suggested committees as presented by Chairman Untalan, with the respective Chairpersons, subject to change as follows:

- |    |                                  |                |
|----|----------------------------------|----------------|
| 1. | Finance/Strategic Planning       | Edward Untalan |
| 2. | Operations/IT                    | Jess Torres    |
| 3. | Capital Projects                 | Martin Gerber  |
| 4. | Tenant Relations/Marketing       | Lucy Alcorn    |
| 5. | Personnel/Policies & Procedures  | Lynda Tolan    |
| 6. | Air Service/Property Development | Sonny Ada      |
| 7. | Legislation/Regulatory           | BicSobti       |

**C. Board By-Laws**

The third matter discussed was the Board By-Laws. Legal Counsel, Janalynn Damian, presented to the Board an updated draft. She reported significant changes such as creation of a Secretary position to be elected by the Board from members of the Board for purposes of certifying the passage of resolutions and such. Keeping consistent with GIAA's enabling statute, the current Board secretary is to be labeled as the Corresponding Secretary to handle day-to-day matters. Ms. Damian noted that other sections were amended to conform to current Guam law.

Discussion followed relative to the definition and responsibilities of both secretary positions, with Director Ada inquiring that in the absence of both the Chairman and Vice Chairman, would the Secretary assume the position of chairing that meeting. Ms. Damian responded no, not automatically. The director chairing the meeting would still require Board action.

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

**Resolution No. 14-13**

The Board hereby approves the amended and restated A.B. Won Pat International Airport Authority, Guam Board By-Laws as presented by Legal Counsel.

At this time, Chairman Untalan called for nominations to elect a Board Secretary. Director Ada stated that he would like to nominate Director Sobti. Director Sobti accepted the nomination.

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

**Resolution No. 14-14**

The Board hereby approves the nomination of and elects Director Sobti to the position of Board Secretary of the A.B. Won Pat International Airport Authority, Guam Board of Directors.

At this time the Board referred back to an earlier discussion regarding the Board Resolution relative to the First Hawaiian Bank Loan.

After further discussion, on motion duly made by Director Ada, seconded by Director Alcorn, the following resolution was unanimously approved without the vote of Chairman Untalan who recused himself from this matter as earlier stated:

**Resolution No. 14-08**

**WHEREAS**, on June 27, 2012, **FIRST HAWAIIAN BANK**, a Hawaii corporation (the "Bank") agreed to lend to **ANTONIO B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM**, a public corporation and autonomous instrumentality of the Government of Guam (the "Authority"), and Authority agreed to repay to the Bank, together with the interest and charges, the principal amount of \$11,900,000.00 (the "Loan"); and

**WHEREAS**, the Loan was made pursuant to a Term Loan Agreement dated June 27, 2012 (the "Loan Agreement") and evidenced by a Promissory Note dated June 27, 2012 (the "Note"), executed by the Authority in favor of Bank; and

**WHEREAS**, the Loan Agreement was amended by an Addendum to Loan Agreement dated June 29, 2012 (the "Addendum"); and

**WHEREAS**, the Loan and the Authority's obligations under Loan Agreement and Note, as amended, are secured by a certain Security Agreement dated June 27, 2012 (the

"Security Agreement") executed by the Authority as Debtor in favor of the Bank as Lender and granting to the Bank a security interest in the Collateral as defined and described therein; and

**WHEREAS**, the obligations of the Authority under the Loan Agreement and Note, as amended, are guaranteed by the United States Department of Agriculture ("USDA"); and

**WHEREAS**, the Loan Agreement and Note were amended by a Commercial Loan Modification Agreement dated August 26, 2013 (the "First Modification") extending the period during which interest only payments are to be made under the Loan Agreement and Note to November 27, 2013; and

**WHEREAS**, the Authority has requested the Bank amend the Loan Agreement and Note to, among other things, extend further the period during which the Authority is to make interest only payments to January 24, 2014; and

**WHEREAS**, the Bank has agreed to do so pursuant to a Commercial Loan Modification Agreement (the "Second Modification") in substantially the form submitted to this meeting.

**NOW, THEREFORE, BE IT RESOLVED**, that the execution and delivery by the Authority of the Loan Agreement, the Note and the Security Agreement all dated June 27, 2012, the Addendum dated June 29, 2012, and the First Modification dated August 26, 2013 are hereby confirmed, ratified and approved in all respects; and

**FURTHER RESOLVED**, that the Authority execute and deliver to the Bank the Second Modification which is hereby approved; and

**FURTHER RESOLVED**, that Director Martin J. Gerber and the Executive Manager of the Authority be and they hereby are authorized and directed to execute, seal and deliver to the Bank, on behalf of and in the name of the Authority, the Second Modification in substantially the form hereby approved, with such changes, additions or deletions as Director Martin J. Gerber and Executive Manager may approve, subject to Conflicts Counsel review, such approval to be conclusively evidenced by their execution and delivery of the same; and

**FURTHER RESOLVED**, that Director Martin J. Gerber and the Executive Manager be and they hereby are authorized and empowered to do and perform, or cause to be done and performed, any and all such other acts, matters and things as in their judgment may be necessary, proper or convenient in order to obtain the agreement of the Bank to modify the Loan, the Loan Agreement and the Note, and

**FURTHER RESOLVED**, that these resolutions shall constitute a continuing authority and direction to Director Martin J. Gerber and Executive Manager to act on behalf of the Authority, and the several powers and authority in the foregoing paragraphs of these resolutions shall continue until revoked by the Board of Directors of the Authority and until formal written notice of such revocation shall have been given to the Bank; and

**FURTHER RESOLVED**, that these Resolutions of Board of Directors may be executed in any number of counterparts, each of which, when so executed and delivered, shall constitute one and the same document, and that facsimile signatures shall have the force and effect of original signatures.

#### **D. Signage Policy – Non-Commercial**

The fourth matter discussed was Signage Policy – Non-Commercial. The Executive Manager informed the Board that GIAA's Airport Services Manager, Ms. Jean Arriola is in communication with Legal Counsel to create a Non-Commercial Signage Policy, with a draft already completed; however there are some redlines to be adjusted before presented. The Manager stated that it would be presented at the next Board meeting.

Legal Counsel, Michael Pangelinan added that they were asked by Management to look at a Policy for Signage and after some research on airports in the United States they had found a number of airports in California that have Signage Policies, and are currently reconciling that with GIAA's existing Policy that applies to commercial advertising signage to make sure they are not in conflict because GIAA is trying to adopt something that is more geared toward non-commercial. He also informed the Board that it would be presented at the next Board meeting. Chairman Untalan noted that this item would be tabled until the next meeting.

#### **E. Authority of Executive Manager to pay Day-to-Day Operating Expenses**

The next item discussed was the authority of the Executive Manager to pay day-to-day operating expenses. Chairman Untalan referred to the discussion from last meeting relative to the number of disbursement requests and checks that he had to sign on a daily basis. In light of the controls and procedures that are already in place and that are overseen by the Comptroller and by the Board of Directors, a Board resolution has been prepared giving authority to the Executive Manager to pay the day-to-day operating expenses, provided that the controls and procedures are in place.

Legal Counsel, Janalynn Damian presented the resolution to the Board stating that it allows the Executive Manager to pay the day-to-day operating expenses to include expenses such as utilities, retirement contributions. Ms. Damian also noted, in light of the fact that there are controls and procedures in place, such as dual signatories on



disbursements and reports by the Comptroller, these payments should not have to be presented for Board approval. Chairman Untalan added that the expenses authorized for payment by the Manager must be within the approved budget.

Ms. Damian noted that the Board already has a policy in place for contracts over \$50,000.00, which have to come before the Board for approval. So once those contracts are approved by the Board, the disbursements under those contracts should not need further Board approval. Mr. Bordallo asked if there would be a limit. Ms. Damian replied that the \$50,000.00 still applies for contracts. The utilities are more than \$50,000.00 but you would not have to come to the Board for ratification of those payments as they are day-to-day operating expenses and they are presented in the Comptroller's monthly report to the Board. Discussion followed relative to the resolution that either the Executive Manager or Chairman sign for disbursements at the Chairman's discretion.

The Board then discussed the \$50,000.00 threshold for contracts, with Mr. Santos suggesting an increase to \$100,000.00, for at least capital improvement projects. Director Ada asked if that issue had to be addressed now or if the Board can put more thought into it first. Chairman Untalan stated yes, it could be brought back for discussion at the next Board meeting. Director Sobti suggested the maximum cap amount be \$100,000.00 for contracts. Chairman Untalan agreed with the suggested amount, and stated that it would need to be reported to the Board every month.

Going back to disbursements, Mr. Bordallo inquired if the threshold would also be \$100,000.00 in terms of reporting to the Board. Chairman Untalan responded that right now the report requires anything over the \$50,000.00 threshold for disbursements, and requested to leave it at that amount.

After further discussion, on motion duly made by Director Tolan, seconded by Director Gerber, the following resolution was unanimously approved:

**Resolution No. 14-15**

**WHEREAS**, the ANTONIO B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM's ("GIAA" or the "Authority") enabling statute (codified at 12 G.C.A. § 1101 et seq.) provides that the Executive Manager "shall have full charge and control of the operations and maintenance of the airports controlled by the Authority" (12 G.C.A. § 1107(a)); and

**WHEREAS**, GIAA's enabling statute further provides that the powers of the Executive Manager include "keep[ing] the Board advised on the needs of the Authority and approv[ing] demands for payment of obligations within the purposes and amounts authorized by the Board" (12 G.C.A. § 1107(b)(3)); and

**WHEREAS**, current protocols provide that all disbursements of GIAA funds are subject to dual authorizing signatures – one authorized signatory from the Accounting Department (either the Comptroller or Assistant Comptroller) and one authorized signatory from the Administration Department (either the Executive Manager, Deputy Executive Manager, or Airport Services Manager); and

**WHEREAS**, the expenses relating to the day-to-day operations of the Authority are included in the Report of the Comptroller provided to the Board of Directors at every monthly Board of Directors meeting; and

**WHEREAS**, in light of the controls and procedures already in place, the monthly reporting to the Board of Directors by the Comptroller, and the need for the Executive Manager to pay the day-to-day operating expenses of the Authority without waiting for Board approval or obtaining Board ratification, the Board of Directors has determined that it is prudent to give the Executive Manager the authority to pay the day-to-day operating expenses of the Authority without further Board approval, including, without limitation, monthly utility expenses and the Authority's share of contributions to the Government of Guam Retirement Fund.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of GIAA hereby authorizes the Executive Manager to pay all expenses relating to the day-to-day operations of the Authority without further Board approval, including, without limitation, monthly utility expenses and the Authority's share of contributions to the Government of Guam Retirement Fund.

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

**Resolution No. 14-16**

The Board hereby authorizes the Executive Manager to enter into contracts without Board approval not to exceed \$100,000.00, with the Comptroller reporting any contracts entered into up to \$100, 000.00 to the Board on a monthly basis.

**6. NEW BUSINESS**

The next item on the agenda was New Business.

- A. Approval of Award for Rental of Trash Bin Containers and Pick-up Services – IFB No. GIAA-002-FY14**

The first matter discussed was approval of the contract award for Rental of Trash Bin Containers and Pick-up Services, IFB No. GIAA-002-FY14. The Executive Manager informed the Board that an Invitation for Bid was announced to solicit bids from firms to provide rental of trash bins/containers and pick-up services in the Main Terminal building, inclusive of labor, materials, supplies and equipment. The term of the contract is for a period of three (3) years with an option for an additional one (1) year renewal period, not to exceed a total contract term of five (5) years. Four (4) firms/individuals received bid packages and four (4) firms submitted bids before the bid submission deadline. There were four different bid items, based on the size of the trash bins.

The Executive Manager requested that the Board authorize the contract award for bid items 1 & 3 of \$15,680.00 to HCP Inc. dba Lagu Sanitation and bid items 2 & 4 of \$90,383.44 to Pacific Waste Systems. It has been determined that both firms have met the standards of responsibility and responsiveness outlined in the Guam Procurement Regulations.

Chairman Untalan inquired if it is more effective to separate the bids. Mr. Franklin Taitano, Procurement Administrator, replied yes as not all firms are able to provide all of the sizes. Discussion followed relative to insurance requirements and tipping fees with Chairman Untalan noting the significant difference in bid amounts. Gerard Baustista, Air Terminal Manager, responded that he assumes that the firms assumed the risk of underbidding on the tipping fees and how they determined their estimates. Discussion moved to a firm not fulfilling their contract due to underbidding.

With the bids being under \$100,000.00, Chairman Untalan noted the fact that the Executive Manager would now be able to approve the contract without Board approval, therefore he stated moving forward, the Board will not see these small bid amounts apart from in the Comptroller's monthly report and the Executive Manager's report.

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

**Resolution No. 14-17**

The Board hereby approves the contract awards for the Rental of Trash Bins/Containers and Pick-up Services, IFB No. GIAA-002-FY14 to (1) HCP Inc. dba Lagu Sanitation in the amount of \$15,680.00 for rental of the 3 cubic yards and 10 cubic yards bins; and (2) Pacific Waste Systems in the amount of \$90,383.44 for rental of the 4 cubic yards and 24 cubic yards bins.

**7. REPORT OF EXECUTIVE MANAGER**

The next item on the agenda was the report of the Executive Manager. The Executive Manager reported on various matters concerning airline and charter operations. Reporting on the Fiscal Year 2013 financial audit, the Entrance Audit Meeting was held on November 19, 2013 with Ernst and Young, GIAA and the Office of Public Accountability, with the audit being completed before February 1, 2014, as mandated by statute.

On FAA Issues, the Manager updated the Board on the Tiyan Parkway, stating that after a meeting with Governor Calvo, the FAA and the Federal Highway Administration on November 18, 2013, FAA agreed to keep Central Avenue and Sunset Boulevard open until Phase 1 is completed.

Mr. Jose Ralls, the new TSA Regional Director, paid a courtesy visit to GIAA Management on November 18, 2013, with the main issue discussed being the additional TSA Checkpoints for transit passengers. Mr. Ralls was amenable to GIAA's requests and concerns and asked that GIAA submit them to him in writing.

The Executive Manager announced that GIAA is in the planning stages of its annual Table Top Exercise scheduled for December 4, 2013. The Exercise is a requirement for GIAA pursuant to the Code of Federal Regulations (CFR) Title 14, and Federal Aviation Regulation (FAR) 139.

On Tenant Issues, the Manager went on to report that Lotte Duty Free awarded the contract for the Retail Concession Renovations/Upgrade to Black Construction with work commencing on November 19, 2013. The project will be done in phases with final completion in the first quarter of 2014.

The contract for the GSA/TSA Renovations was awarded to BME& Sons Inc. for the renovation of additional offices for TSA and is scheduled to be completed within 90 days.

The Executive Manager attended the Japan Guam Travel Council Meeting held on November 20, 2013 with the main discussions revolving around U.S. Customs and Border Protection (USCBP) issues, processing times, and assistance from the ambassadors of the Airport Ambassador Program. USCBP advised that they are down to 62 officers from 80, and with the U.S. sequestration, USCBP does not see any respite in the near future.

The Manager announced that the 3<sup>rd</sup> year in a row GIAA received the Department of the Year Award in the Medium Sized Agency Category at the 2013 MagPro Awards. GIAA's Runway Safety Program won Program of the Year and Mr. Oscar Aflague of the Administration Division and Mr. Thomas Perez of the Properties & Facilities represented

GIAA in the Talent Competition and won first place. The following employees garnered awards in the MagPro Awards Program:

- Ricky Garcia, IACE – Airport Police Officer II, Airport Police Division  
Employee of the Year/Security & Correction
- Raymond Mantanona – Fire Captain (Airfield), ARFF Unit  
Supervisor of the Year / Public Safety
- Carl V. Cruz, A.C.E.- Airport Police Supervisor, Airport Police Division  
Supervisor of the Year/ Security & Correction
- Santiago Crisostomo – Maintenance Supervisor, Properties & Facilities Division  
Supervisor of the Year/ Labor, Grounds & Maintenance

The Executive Manager announced that the 2013 Holiday Illumination Project is underway with both the interior and the exterior of the Terminal currently being decorated with festive holiday décor and lights.

At this time Director Tolan requested that the Executive Manager give the Board an update relative to their travel to the Manila, Philippines to meet with Cebu Airlines. The Manager informed the Board that he and Director Tolan met with Cebu Airlines and were informed that they will no longer proceed under a wet lease arrangement and will wait to enter the Guam market until they are given the approval by the FAA, which they are expecting in early 2014. However, the airline did commit to starting up in the end of 2014.

Director Ada inquired on the problems that GIAA is having with Immigration, asking if there are lines for the elderly or women with infants. Mr. Gerard Bautista replied no, that it is the Airlines' responsibility to bring those people needing assistance to the front of the lines.

Chairman Untalan inquired if there is any upcoming travel to report for the next two (2) months. The Executive Manager replied yes in January. Mr. Bordallo informed Chairman Untalan of travel requests for two (2) Accounting staff to attend an Airport Finance and Administration Conference to be held in Orlando, Florida in January 2014. Chairman Untalan reminded Management to inform the Board in advance of upcoming travel.

Discussion followed relative to the Ambassador Program, with Director Alcorn noting that if there were representatives from each airline it would be more beneficial for everyone. Chairman Untalan noted that the issue would fall under Director Alcorn's Subcommittee, and went on to express the importance of the Board's Subcommittees becoming progressive.

At this time Director Ada congratulated Management on winning the MagPro Award for Department of the Year, and suggested that the Chairman write to the MagPro award winners on behalf of the Board recognizing their achievement. Chairman Untalan asked that the Board Secretary work on congratulatory letters, and suggested the Talent Show winners perform at the Employee Recognition Party on January 17, 2014.

## **8. REPORT OF THE COMPTROLLER**

The next item on the agenda was the report of the Comptroller. Mr. Bordallo provided a report to the Board on the Revenues and Expenses of the Authority as of October 31, 2013. Mr. Bordallo reported that year-to-date Total Signatory Revenues are below budgeted revenues by -4.2%, year-to-date Total Concession Revenues are above budget estimates by 1.2%, and Passenger Facility Charges below budget estimates by 5.8%. Further, year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues, are below the budget estimate by 4.2%. Year-to-date Total Operating Revenues Actual of \$5.16M is -2.87% below the budget estimate of \$5.31M. Year-to-date Total Operating Expenses are below budget by -6.8%. The actual year-to-date Net Revenues from Operations of \$2.38M reflects an increase of 2.2% over the year-to-date budgeted amount of \$2.33M. The Authority's year-to-date results for Debt Service Coverage is at 1.40 versus the requirement of 1.25.

Mr. Bordallo informed the Board that there was a slight drop in enplanements from what was budgeted and those were just based on the numbers provided by the Airlines. Chairman Untalan noted the budget does not include the FHB loan and suggested that the budget be revised to reflect the pricing of the new bonds and the loan. He then inquired if the Comptroller does a balance sheet on a monthly basis, and asked that he incorporate the day's cash on the balance sheet.

Chairman Untalan informed Mr. Bordallo that the report would be adjusted moving forward to include the disbursements.

Director Tolan inquired on Accounts Receivable, and if it was included in the report. Mr. Bordallo responded no, that Accounting's system has been updated and accounts receivable will be provided at the next meeting.

## **9. EXECUTIVE SESSION**

Upon written recommendation of counsel, on motion duly made by Director Tolan and seconded by Director Alcorn, and unanimously approved, at 5:05 p.m. the Board recessed to convene executive session to discuss pending litigation.

On motion made by Director Alcorn, seconded by Director Gerber, unanimously approved, Executive Session adjourned at 5:47 p.m., at which time the Board reconvened the regular session.

At this time Chairman Untalan asked Management to explain the Memorandum of Understanding (MOU) regarding the Tiyan Parkway that was just brought to the Board's attention. Mr. Santos informed the Board that the MOU is a replacement MOU for one that was done back in 2007, and the MOU was held up because of the issues involving the closure of Central Avenue. He went on to add that the parties involved are Department of Land Management (DLM), Department of Public Works (DPW), GIAA, and Governor Calvo; it is also concurred by the two (2) federal oversight agencies, the Federal Aviation Administration (FAA), and the Federal Highway Administration (FHA); and it has also been reviewed by the parties' respective attorneys. Mr. Santos confirmed that this MOU is acceptable to all parties, including the FAA.

Mr. Santos offered a brief report to the Board regarding the Parkway issue. He stated that Phase I properties which are going to be purchased by DPW are for a perpetual easement for the working plan of Phase I. Discussion followed relative to the appraisals, with Mr. Santos informing the Board that the FAA is satisfied with the commitment from the Government with an appropriation of \$1.8M.

Chairman Untalan inquired on the reason this is being brought to the Board. Mr. Santos responded stating that based on the changes that the Governor's Chief Policy Advisor made, they're ready to execute those changes, adding that the FAA and FHA were pushed to execute so there could be a formal sign off in Guam by the Government of Guam agencies this Friday, November 29, 2013. Chairman Untalan asked if Conflicts Counsel has been part of these developments. Mr. Santos replied yes, and directed the Board to page 4, section 2 of the MOU to see the Authority's responsibilities. Director Gerber inquired if it should be subject to FAA approval. Mr. Santos responded that the FAA has approved the MOU.

Chairman Untalan asked if there will be a cost to the Authority. Mr. Santos replied that the only area where there may be a cost to the Authority is the issue of drainage.

Mr. Santos informed the Board that Management will be presenting other documents from FAA for the use of the property, so there are going to be obligations from FAA on how the Authority proceeds.

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

**Resolution No. 14-18**

The Board hereby approves the Memorandum of Understanding by and between the A.B. Won Pat International Airport Authority, Guam, Department of Public Works, Department of Land Management, the United States Department of Transportation Federal Aviation Administration, and the United States Department of Transportation Federal Highway Administration relative to the Tiyan Parkway, as presented.

**10. PUBLIC COMMENTS**

The next item on the agenda was Public Comments. Chairman Untalan called upon any public member wishing to make comments. There were none.

**11. ADJOURNMENT**

There being no further business to address before the Board, on motion duly made by DirectorAlcorn, seconded by DirectorAda, unanimously approved, at 6:03 p.m., the meeting was adjourned.

Dated this \_\_\_\_\_, day of \_\_\_\_\_, 2014.

Attest:

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

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

Prepared and Submitted By:

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



**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM  
Friday, December 27, 2013, 3:00p.m.  
GIAA TERMINAL CONFERENCE ROOM #3**

**1. CALL TO ORDER AND ATTENDANCE**

The December 27, 2013, regular meeting of the Board of Directors of the A.B. Won Pat International Airport Authority, Guam ("GIAA" or the "Authority") was called to order by Chairman Untalan at 3:01p.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasaheru, Tamuning, Guam, 96913.

**Directors Present:**

Edward G. Untalan  
Martin Gerber  
Rosalinda A. Tolan  
Pedro P. Ada III  
Gurvinder Sobti

**Offices or positions:**

Chairman

**Directors Absent:**

Jesus Q. Torres  
Lucy M. Alcorn (Excused)

Vice Chairman

**GIAA Officials:**

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

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

Janalynn Cruz Damian, Esq.

GIAA Legal Counsel

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

## **2. APPROVAL OF AGENDA**

The Chairman asked if there were any changes to the agenda. On motion duly made by Director Ada, seconded by Director Tolan, the agenda was amended as follows: Signage Policy – Non-Commercial was requested by the Executive Manger to be tabled as a draft Policy is still being drawn up.

## **3. APPROVAL OF MINUTES**

### **A. November 27, 2013 Regular Meeting**

The next item on the agenda was approval of the minutes of the November 27, 2013 regular meeting. Chairman Untalan requested that the minutes be tabled as Legal Counsel has not had a chance to review them.

## **4. CORRESPONDENCE**

No Correspondence presented.

## **5. OLD BUSINESS**

The next item on the agenda was Old Business.

### **A. Status of Capital Improvement Projects**

The first matter discussed was the Status of Capital Improvement Projects. Mr. Frank Santos, Business and Financial Consultant informed the Board that he was deferring until next month to give his full consolidated report on federally funded projects, bond projects, and other capital improvement projects.

Mr. Santos provided a brief update on the, Arrival Corridor with Seismic Upgrades project. The Airport received eight (8) proposals in response to the design RFP, and the proposals are being evaluated. Mr. Santos added that this is a key project and Management is taking steps to ensure that cost estimates are refined and there is sufficient funding. Management requested that the Board call a Special meeting in mid-January to address the award of that RFP. At that special meeting, Mr. Santos also requested that the Board consider a time sensitive issue relative to the refinancing of the Authority's Energy Efficiency loan. At the last meeting, the Board had approved extending the interest only payments until January, with the expiring date for that being January 24, 2014.

Mr. Santos provided a brief update to the Board on other current projects to include the Airport Fire Alarm System, stating that the fire suppression system is replacement of key areas and that the project cost is estimated at \$2.4M.

Mr. Santos went on to add that next month the Indefinite Delivery Indefinite Quantity (IDIQ) RFP will be issued and with that RFP the Authority will o award a number of smaller projects,which hopefully will be awarded in February 2014.He added that in terms of getting an update on all the projects, possibly mid-January at the very least.

Discussion followed relative to regulations for calling a Special Board meeting in mid-January to address the items mentioned.

Chairman Untalan suggested an 'Industry Day' to give contractors notification of upcoming projects, which would be good for public relations.

**B. Signage Policy – Non-Commercial***Tabled*

**6. NEW BUSINESS**

The next item on the agenda was New Business.

**A. Approval of Award for Environmental Consulting Services – RFP No. GIAA-004-FY14**

The first matter discussed was approval of award of the Environmental Consulting Services contract, RFP No. GIAA-004-FY14. The Executive Manager informed the Board that a Request for Proposals was announced to solicit proposals from professional environmental consulting firms to assist GIAA in the management of its environmental programs. The preliminary scope of work includes, but is not limited to, monitoring storm water discharge in accordance to NPDES permit requirements, evaluation of existing oil/water separators, evaluation of surface drainageand detention pond system, and sampling and analyses of storm water in UIC wells.

A total of twelve (12) firms picked-up a RFP package, however, only four (4) firms submitted proposals before the established deadline. After receipt of all proposals, an Evaluation Committee was established to perform an independent evaluation of the proposals to determine the best qualified proposer based on the evaluation criteria set forth in the RFP. As a result of the evaluation committee's tabulation,the selected firms in order of their ranking are as follows:

1. Proposer A
2. Proposer D

3. Proposer C
4. Proposer B

Management recommends the approval of the ranking results and the contract award to Proposer A, as the highest ranked proposer, subject to negotiations of fair and reasonable fees. In the event that the negotiations prove unsuccessful, GIAA Management will enter negotiations with the next highest ranked proposer.

Chairman Untalan requested that the Board be given the opportunity to review the proposals submitted. Ms. Janalynn Damian, Legal Counsel explained why a letter designation was used, stating that under the Procurement Law the names of the proposers are required to be kept confidential and the non-winning proposals are never made public, so until the award is finished the names of the proposers will remain confidential.

Chairman Untalan inquired on the amount of the contract. The Executive Manager replied that the contract is not to exceed \$300,000.00 - \$400,000.00 per year for a term of five (5) years.

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

**Resolution No. 14-19**

The Board hereby approves the ranking results and contract award to Proposer A, as the highest ranked proposer for the Environmental Consulting Services, RFP No. GIAA-004-FY14, subject to negotiation of fair and reasonable fees and legal review. If negotiations prove unsuccessful, Management can enter into negotiations with the next highest ranked proposer.

Executive Manager Ada then announced that Proposer A is PCR Environmental.

Director Ada inquired if the current contractor's, PCR Environmental, prior contract was for five (5) years also. Management replied yes.

**7. REPORT OF EXECUTIVE MANAGER**

The next item on the agenda was the report of the Executive Manager. The Executive Manager reported on various matters concerning airline and charter operations, to include China Air and Dynamic Air planning to conduct charters for Chinese Winter and Chinese New Year. Eva Air, Korean Air, China Airlines and United Airlines will offer direct charter flights from Japan cities to Guam from December 27, 2013 to January 3, 2014.

Management provided the Board with a list of 2013 Accomplishments and Management's Goals and Objectives for 2014 ("Go 2014") for the Board's review and information. The Executive Manager commended all of the Authority's Managers and respective divisions on all of their efforts in achieving these accomplishments for the fiscal year. Chairman Untalan inquired on the annual evaluation of the Executive Manager and if it was due. The Executive Manager responded yes. The Chairman informed the Manager that the Board will work with Director Tolan on completing that evaluation. The Executive Manager added that Management appreciates the Board members setting higher standards, and noted the importance of forming additional subcommittees such as Legislative/Regulatory and Air Service Development, as a lot of the challenges that the Airport will be facing moving forward will fall within those subcommittees. The Executive Manager informed the Board that Director Ada has already made contact with Management for the first Air Service Development committee meeting. Chairman Untalan noted that one of the challenges the Airport will face in 2014 is that the specialty retail concession improvements will be completed by March 2014, and there needs to be a plan to bring the rest of the Airport up to par with the new renovations. Discussion followed relative to projects that the Airport is requiring, to include the Airport's Strategic Plan.

Director Tolan inquired on the status of the restroom renovations. The Executive Manager informed the Board that the Project Manager for Black Construction reported that the restrooms near Gate 9 should be completed within the first quarter. Director Tolan inquired on the number of restrooms to be renovated. The Executive Manager informed the Board that there are six (6).. The Manager expressed to the Board some of the challenges the Airport is having with regard to the cleaning of the restrooms.

Mr. Santos was asked to give an update on the Tiyan Parkway. He informed the Board of a conference call earlier that same day with FAA, DPW, Department of Land Management, the Governor's Office, and GIAA. He stated that things are moving forward; documents are being prepared for the release of the Authority's land for the Parkway. On Tuesday, January 31, 2013 at 10:00 a.m. there will be a ceremony to demolish the former GPD facility. The appraisal of the Airport property should be completed by Monday, December 30, 2013, and is estimated between \$75.00 to \$100.00 per square meter; with \$100.00 being the highest and this is for the purchase of a perpetual easement. In terms of land purchases, the Land Purchase Agreements are already being drafted by the Attorney General, the signing ceremony will be Monday, December 30, 2013.

## **8. REPORT OF THE COMPTROLLER**

The next item on the agenda was the report of the Comptroller. Ms. Ann Bautista, Assistant Comptroller, provided a report to the Board on the Revenues and Expenses of the Authority as of November 30, 2013. Ms. Bautista reported that year-to-date Total Signatory Revenues are below budgeted revenues by -1.7%, year-to-date Total Concession Revenues are above budget estimates by 1.5% and Passenger Facility Charges are below budget estimates by -1.9%. Further, year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues, are below the budget estimate by -6.0%. Year-to-date Total Operating Revenues Actual of \$10.5M is -1.8% below the budget estimate of \$10.7M. Year-to-date Total Operating Expenses are below budget by -17.6%. The actual year-to-date Net Revenues from Operations of \$4.94M reflects an increase of 25.1% over the year-to-date budgeted amount of \$3.95M. The Authority's year-to-date results for Debt Service Coverage is at 1.37 versus the requirement of 1.25.

Chairman Untalan inquired if the charter flights mentioned in the Executive Manager's Report were included in the revenue projection. Ms. Bautista replied no. Chairman Untalan inquired if the Debt Coverage Ratio is inclusive of the First Hawaiian Bank loan payment. Ms. Bautista responded yes.

Ms. Bautista referenced Accounts Receivables and Accounts Payable, stating that those over ninety (90) days are already being referred to Legal, most are current receivables therefore they are expected to be received toward the end of the month. Director Ada noted on the report there are three accounts with Legal, and asked what triggers an account being referred to Legal. Ms. Bautista replied that after Accounting has exerted their efforts, Management will assist, by referring it to Legal. Chairman Untalan asked for clarification, if a Concessionaire falls ninety (90) days past due, what is the process. Ms. Bautista replied that first a notice is given for collection, then a second notice after thirty days (30), and then Management will assist. Ms. Jean Arriola added that a courtesy reminder is given, then five (5) days' notice, followed by legal proceedings.

Director Tolan inquired on the Holiday Illumination project, asking what happens to the light fixtures. Ms. Arriola replied that the contract is for installation and removal.

Director Ada at this time informed the Board that he has been in communication with Airports Council International (ACI) relative to a Peer Review; it is a service that ACI offers, by coming to Guam, and seeing how GIAA compares to similar sized Airports. Chairman Untalan inquired if a Peer Review has ever been done before. The Executive Manager responded not that he is aware of. Director Ada added that there is an Asia-Pacific division located in Hong Kong that could assist with a peer review.

## **9. EXECUTIVE SESSION**

Upon written recommendation of counsel, on motion duly made by Director Tolan and seconded by Director Sobti, and unanimously approved, at 3:47 p.m. the Board recessed regular session. The Board convened executive session at 3:57 p.m. to discuss pending litigation.

On motion duly made by Director Ada, seconded by Director Tolan and unanimously approved, Executive Session adjourned at 4:10 p.m., at which time the Board reconvened the regular session.

## **10. PUBLIC COMMENTS**

The next item on the agenda was Public Comments. Chairman Untalan called upon any public member wishing to make comments. There were none.

At this time the Executive Manager informed the Board of an item he would like to bring to the Board's attention. He stated that in early December the Administration paid out the last two 10% salary increments of the required 40% salary increase for Law Enforcement personnel, which applies to the Airport Police and ARFF divisions. The Executive Manager informed the Board that the Authority paid out the last 10% salary increment last year. The law requires four consecutive 10% salary increments, but the Authority deferred payment on the last two increments and Management is now seeking authority to pay the retroactive payments for the deferred increments. Management is looking at the retroactive payments as an obligation for FY2014, at an estimated amount of \$700,000.00 to \$800,000.00 for the two (2) divisions.

The Chairman informed the Board that he had asked the Comptroller to update and revise the budget, to include the new Debt Service Schedule for both the Bonds and the Loan, and bringing in the revised budget to the Board for approval. The Comptroller was working on making certain adjustments to be able make the Debt Service Schedule without increasing the emplaned passenger cost, and with any additional costs outside of that it is going to adversely affect the financials of the Authority.

Ms. Arriola added that the law requires that 10% increments be implemented consecutively from 2009 to 2012. Discussion followed relative to the Authority's Law Enforcement personnel salaries compared to outside Law Enforcement.

The Chairman expressed how tight the revised budget would be after the new Debt Schedule was included. Director Ada inquired on when it was due. The Executive Manager stated that it would be a continuing liability from 2012.

Chairman Untalan informed Management that the Board would review it. If it is something that the Authority is legally bound to, they would have to find \$800,000.00 of cuts somewhere. Discussion followed relative to budget areas that could absorb the amount. The Chairman called for any comments from the Board. Director Tolan stated as long as the Authority has the funds available it should be paid. The Chairman informed the Board that he would work with Management and advise the Board accordingly.

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

**Resolution No. 14-20**

The Board hereby authorizes the Chairman of the Board to review and advise Management on how to proceed on the retroactive payments owed to GIAA's Law Enforcement divisions.

**11. ADJOURNMENT**

There being no further business to address before the Board, on motion duly made by Director Tolan, seconded by Director Sobti, unanimously approved, at 4:38 p.m., the meeting was adjourned.

Dated this \_\_\_\_\_, day of \_\_\_\_\_, 2014.

Attest:

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

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

Prepared and Submitted By:

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



**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE  
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM  
Wednesday, January 15, 2014, 3:00p.m.  
GIAA TERMINAL CONFERENCE ROOM #3**

**1. CALL TO ORDER AND ATTENDANCE**

The January 15, 2014, special meeting of the Board of Directors of the A.B. Won Pat International Airport Authority, Guam ("GIAA" or the "Authority") was called to order by Chairman Untalan at 3:06p.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasaheru, Tamuning, Guam, 96913.

**Directors Present:**

Edward G. Untalan  
Lucy M. Alcorn  
Martin Gerber  
Pedro P. Ada III  
Gurvinder Sobti

**Offices or positions:**

Chairman

**Directors Absent:**

Jesus Q. Torres  
Rosalinda A. Tolan (Excused)

Vice Chairman

**GIAA Officials:**

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

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

Janalynn Cruz Damian, Esq.  
Thomas J. Fisher Esq.

GIAA Legal Counsel  
GIAA Conflicts Counsel

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

## **2. APPROVAL OF AGENDA**

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

## **3. NEW BUSINESS**

The next item on the agenda was New Business.

### **A. Approval of Award for A-E Services for the Terminal Building Structural Upgrade & Concourse Isolation Design – RFP No. GIAA-001-FY14**

The first matter discussed was approval of award of the contract A-E Services for the Terminal Building Structural Upgrade and Concourse Isolation Design, RFP No. GIAA-001-FY14. The Executive Manager informed the Board that a Request for Proposals was issued soliciting proposals from professional firms to provide architectural and engineering services for the terminal building structural upgrade and concourse isolation design. A total of eighteen (18) firms picked-up the RFP packages, however, only eight (8) firms submitted proposals before the established deadline. After receipt of all proposals, an Evaluation Committee was established to perform an independent evaluation of the proposals to determine the best qualified proposer based on the criteria identified in the RFP package. As a result of the evaluation committee's tabulation, the selected firms in order of their ranking are as follows:

1. Proposer B
2. Proposer G
3. Proposer E
4. Proposer A
5. Proposer C
6. Proposer D
7. Proposer H
8. Proposer F

Management recommends the approval of the ranking results and the contract award to Proposer B, as the highest ranked proposer, subject to negotiations of fair and reasonable fees. In the event that the negotiations prove unsuccessful, GIAA Management will enter negotiations with the next highest ranked proposer.

Mr. Frank Santos recommended in the interest of accelerating the review process and in light of the workload and limited resources of the Authority's Engineering

Department, that the second highest ranked proposer be selected for peer and technical reviews, subject to negotiation of a fair and reasonable fee and legal review.

The Chairman informed the Board that he took the opportunity to come in and review the proposals; he noted that it is a very important project for Guam and that the RFP attracted high caliber firms. The Chairman asked that Management state for the record the criteria that these firms were ranked under. Mr. Santos responded, informing the Board that the criteria include: Plan of action, the Ability to provide the service, Personnel, Past Performance, Degree of Interest, for a total of 100 points.

Director Ada inquired if the criteria are specific to Airport work. Mr. Santos replied there is a structural engineering aspect and an architectural aspect. Director Ada inquired if all eight firms have experience in Airport development and or architectural engineering work. Mr. Santos replied yes.

Chairman Untalan inquired if all of the proposers have local offices or do they have off-island offices and are hiring local. Mr. Santos replied that he believed they all have local offices. Chairman Untalan informed the Board that he did review the proposals and that he was quite impressed.

Director Ada asked for clarification as to why Conflicts Counsel, Thomas J. Fisher Esq. was present for this item. Ms. Damian replied that Mr. Fisher was designated by the Authority for this issue.

Chairman Untalan asked for further explanation as to awarding to the top two (2) proposers, and will the Authority negotiate with both firms. Mr. Santos replied that they will first negotiate the contract for the architectural-engineering services, and once completed will go to the next highest ranked to negotiate a contract for peer review of the A-E contractor. Mr. Santos explained that at this time the Authority does not have engineering resources to conduct the peer review. Chairman asked for clarification if the Authority will select Proposer G to review Proposer B's work. Mr. Santos informed the Board that one firm will be the designer and the other will be the design reviewer, instead of an in-house review, it will be contracted out. Mr. Santos further explained that because this project is a large project, instead of taking resources from the already ongoing projects, the Authority decided, if legally permissible, to have the second highest proposer be awarded a peer review contract.

The Chairman inquired if that was stipulated in the RFP. Mr. Santos replied that it was not stated directly in the RFP, but Management would like to proceed in that manner if it was legally permissible. Director Ada expressed the down-side to the peer review. Mr. Santos responded that they are all professional and licensed in their field.

Chairman Untalan stated that before the Board is asked for consideration Legal Counsel would have to review and determine the legality of selecting the second highest proposer to perform a peer review.

Director Ada inquired if this would be an added cost to the Airport outside of the Bond proceeds for this specific project. Mr. Santos responded that it is added cost, but in order to meet the workload it would be that added cost of bringing on more engineering staff not to mention the learning curve involved to bring the engineering staff to that point of where they would be able to conduct the peer review needed for this project.

The Chairman inquired of the remaining projects, if there will be any other projects that are going to require a peer review. Mr. Santos responded no, because they are smaller and easier to manage.

Discussion followed relative to the peer review not stipulated in the RFP, with Mr. Santos informing the Board if the peer review is not legally permissible then another RFP would be issued for a peer reviewer. He added that if it is not possible from a procurement stand point, when the RFP for a construction manager is put out then it will be included. The Chairman inquired if the reviewer would need to be in place right now while the contract is being negotiated for the design. Discussion followed, with Legal Counsel, Mr. Tom Fisher, informing the Board that he would not be able to give the Board a final answer at this time as he needed to review the matter further.

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

**Resolution No. 14-21**

The Board hereby approves the ranking results and the contract award to proposer B, as the highest ranked proposer for A-E Services for the Terminal Building Structural Upgrade & Concourse Isolation Design – RFP No. GIAA-001-FY14. In addition, the Board hereby approves a contract award to the second highest ranked proposer, proposer G, to provide peer review services, subject to legal review that such award is permissible under the RFP. Both contracts are subject to negotiation of a fair and reasonable fee and legal review. In the event that negotiations prove unsuccessful, GIAA Management will enter negotiations with the next highest ranked proposer.

**A. Refinancing of the Energy Efficiency Loan**

The second matter discussed was the Refinancing of the Energy Efficiency Loan. At this time Chairman Untalan stated for the record that he would like to recuse himself from this discussion as he is employed by First Hawaiian Bank (FHB), and requested that an

Acting Chairman be nominated to Chair the discussion as the Vice Chairman was not present.

*Chairman Untalan exited the conference room.*

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

**Resolution No. 14-22**

The Board hereby approves the nomination and election of Director Gerber to Chair the discussion relative to the refinancing of the Energy Efficiency loan with First Hawaiian Bank.

Mr. Santos stated that at the November Board meeting the Board approved the amendment to the Loan Agreement with FHB to extend and continue the interest only payments up to January 24, 2014, and indicated at that time that Management would return to the Board for approval to extend the loan term to ten (10) years. Mr. Santos provided background to the Board, stating the loan was for the Authority's Energy Management Program, at a principal amount of \$11.9M, with a five (5) year term. During the Bond Financing program, GIAA intended to pay-off the loan with Bond proceeds; however, after further financial analysis it was not feasible. Mr. Santos explained that legislation, Public Law 32-62, provides authorization for the Authority to refinance the FHB Loan up to ten (10) years. The new refinanced interest rate for this ten (10) year term will be 5.75% maximum. The start date for the ten (10) term is now January 23, 2014 with the expiration date of January 22, 2024. He advised the Board that the resolution provided by FHB calls for monthly payments of principal and interest in the amount of \$130,625.37 per month. Mr. Santos informed the Board that Attorney Fisher has reviewed the resolution, and noted corrections to the note commencement date Public Law number. Discussion followed relative to interest rates and maturity date of the loan.

Attorney Fisher informed the Board that he was able to review the documents, therefore he would recommend that the Board adopt the resolution that FHB has provided.

Director Ada inquired if the refinancing was advertised or did the Authority just go with FHB. Mr. Santos informed the Board that a Request for Proposals was issued out.

Attorney Fisher added that a correction needs to be made to the proposed resolution to change the Chairman as an authorized representative of the Authority to Acting Chairman Gerber since Chairman Untalan is disqualified.

After further discussion, on motion duly made by Director Ada, seconded by Director Sobti, the following resolution was unanimously approved without the vote of Chairman Untalan who recused himself from this matter as earlier stated:

**Resolution No. 14-23**

**WHEREAS**, on June 27, 2012, **FIRST HAWAIIAN BANK**, a Hawaii corporation (the "Bank") agreed to lend to **ANTONIO B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM**, a public corporation and autonomous instrumentality of the Government of Guam (the "Authority"), and Authority agreed to repay to the Bank, together with interest and charges, the principal amount of \$11,900,000.00 (the "Loan"); and

**WHEREAS**, the Loan was made pursuant to a Term Loan Agreement dated June 27, 2012 (the "Loan Agreement") and evidenced by a Promissory Note dated June 27, 2012 (the "Note"), executed by the Authority in favor of Bank; and

**WHEREAS**, the Loan Agreement was amended by an Addendum to Loan Agreement dated June 29, 2012 (the "Addendum"); and

**WHEREAS**, the Loan Agreement and Note were amended further by a Commercial Loan Modification Agreement dated August 26, 2013 (the "First Modification") and a Commercial Loan Modification Agreement dated December 4, 2013 (the "Second Modification"); and

**WHEREAS**, the Loan and the Authority's obligations under Loan Agreement and Note, as amended, are secured by a certain Security Agreement dated June 27, 2012 (the "Security Agreement") executed by the Authority as Debtor in favor of the Bank as Lender and granting to the Bank a security interest in the Collateral as defined and described therein; and

**WHEREAS**, the obligations of the Authority under the Loan Agreement and Note, as amended, are guaranteed by the United States Department of Agriculture ("USDA"); and

**WHEREAS**, the Authority has requested that the Bank further amend the Loan Agreement and Note in various respects including, without limitation: (i) extending the term of the Loan and Note, and (ii) increasing the interest of the Loan to 5.75% per annum as authorized by Public Law Number 32-62 thereby decreasing the monthly payments of principal and interest to be made to \$130,625.37 per month commencing on February 23, 2014; and

**WHEREAS**, the Bank has agreed to do so pursuant to a Commercial Loan Modification Agreement (the "Third Modification") and an Amended and Restated Promissory Note (the "Amended Note") in substantially the form submitted to this meeting.

**NOW, THEREFORE, BE IT:**

**RESOLVED**, that the Loan Agreement, the Note and the Security Agreement all dated June 27, 2012, the Addendum dated June 29, 2012, the First Modification dated August 26, 2013 and the Second Modification dated December 4, 2013 are hereby confirmed, ratified and approved in all respects; and

**FURTHER RESOLVED**, that the Authority execute and deliver to the Bank the Third Modification and the Amended Note which are hereby approved in all respects; and

**FURTHER RESOLVED**, that either the Acting Board Chairman Martin J. Gerber or the Vice Chairman, and the Executive Manager of the Authority be and they hereby are authorized and directed to execute, seal and deliver to the Bank, on behalf of and in the name of the Authority, the Third Modification and the Amended Note in substantially the form hereby approved, with such changes, additions or deletions as such Acting Board Chairman Martin J. Gerber or Vice Chairman and Executive Manager may approve, such approval to be conclusive evidence by their execution and delivery of the same; and

**FURTHER RESOLVED**, that the Acting Board Chairman Martin J. Gerber or Vice Chairman and Executive Manager be and they hereby are authorized and empowered to do and perform, or cause to be done and performed, any and all such other acts, matters and things as in their judgment may be necessary, proper or convenient in order to obtain the agreement of the Bank to modify the Loan, the Loan Agreement and the Note as aforesaid; and

**FURTHER RESOLVED**, that these resolutions shall constitute a continuing authority and direction to the Acting Board Chairman Martin J. Gerber or Vice Chairman and Executive Manager to act on behalf of the Authority, and the several powers and authority in the foregoing paragraphs of these resolutions shall continue until revoked by the Board of Directors of the Authority and until formal written notice of such revocation shall have been given to the Bank; and

**FURTHER RESOLVED**, that this Resolutions of Board of Directors may be executed in any number of counterparts, each of which, when so executed and delivered, shall constitute one and the same document. Facsimile signatures shall have the force and effect of original signatures.

*Chairman Untalan returned to the conference room.*

**B. Procurement Approval for Gate 21 Replacement Loading Bridge**

The third matter discussed was the Procurement approval for the purchase of a Replacement Passenger Loading Bridge ("PLB") for Gate 21. Mr. Santos provided a brief background to the Board. On November 2013, the Gate 21 PLB was taken out of service for safety and operating purposes. All GIAA's PLBs are manufactured by JBT AeroTech. Mr. Santos informed the Board of a similar sole source procurement with JBT AeroTech that was approved by the Board at the July 2013 Board meeting for the 34 pre-conditioned air units and ground power units, half of those units are on Guam and are in the process of installation. Since the Gate 21 PLB was taken out of service, Management has been in communication with JBT AeroTech as to the type of PLB that should be used for the Airport as compared to the current PBLs, and JBT AeroTech identified the Hawaii-style Bridge. Mr. Santos referenced the documentation provided from JBT AeroTech including a quote. He went on to add this project was included as one of the Bond-funded projects, and approximately \$8.2M was set aside under the integrated PLB replacement project. Mr. Santos explained that since the PLB for Gate 21 is out of service, Management would like to accelerate the purchase of one of the five (5) PLBs that are slated to be replaced. Assessments are ongoing of the other PLB so that a priority list can be completed and replacement plan put in. The proposal from JBT AeroTech is in the amount of \$855,495.00.

Mr. Santos stated that he understands the concern with sole source procurement. Discussion followed relative to the changes in the bridge style. Mr. Santos informed the Board that this bridge style was not available in 2003.

Chairman Untalan inquired if GIAA will have to sole source for the other PLB replacements, and will Management have to return to the Board for approval for those also. Mr. Santos explained that the purchase of the other four (4) bridges would be by sole source procurement, and added that assessments are being done so that they can prioritize which Gates need to be done first. Based on the condition of the PLB, the remaining bridges are going to be scheduled for Capital Improvements Projects, or if all of the Priority 1 and 2 projects are completed and there is money remaining then these could be accelerated.

Chairman Untalan stated that he thought there was \$8M set aside for the integrated PLB replacement project. Mr. Santos replied that of the \$8M, \$4.6M was used for the purchase of (34) pre-conditioned air and ground power units. Chairman Untalan requested confirmation whether the Authority moves forward on the four remaining bridges will be based upon if there are any excess Bond funds. Mr. Santos responded yes, or they will be funded as part of GIAA's annual budget.



Chairman Untalan inquired on how long it will take to deliver the PLB. Mr. Santos responded that it is not indicated however based on the two previous orders, six (6) to nine (9) months. Once the order is placed, there is a waitlist. JBT AeroTech will give an official schedule once the order is placed. Chairman Untalan inquired on ordering the other five (5) bridges now. Mr. Santos replied that each PLB design is specific to each Gate and an overall assessment is necessary. Chairman Untalan inquired on who completes the assessments. Mr. Santos replied that there are three (3) assessments that occur, by JBT AeroTech, the maintenance provider; United Airlines official from off-island; and by Johnson Controls.

Director Gerber inquired on the life expectancy of this type equipment. Mr. Santos responded that PLBs usually last for ten (10) years. Discussion followed relative to the parts and management for the PLBs with Mr. Santos in forming the Board that by the February Board meeting Management should have an answer as to which four PLBs are to be replaced.

Director Ada inquired on the reason for the sole source procurement. Mr. Santos replied that all seventeen bridges are from the same manufacturer. Director Ada expressed his concerns with sole sourcing. Discussion followed relative to sole sourcing and searching for another manufacturer, with Director Ada stating that he would not be able to vote in favor of this sole source procurement, and questioned the fairness of the quote offered, and further expressed his concerns on the Authority being tied to one manufacturer. Chairman Untalan also expressed his concern with the quote offered. Mr. Santos introduced United representative, Mike Yost, who referenced the importance of the quality of the bridge products.

Director Sobti inquired on the last time a PLB was replaced. Mr. Santos replied in 2004 at the amount of \$1M. Director Gerber questioned the quote amount and suggested Management provide information to support the amount quoted by JBT AeroTech. The Chairman asked if the item can wait until the next meeting. Mr. Santos expressed the need for the bridge to be replaced.

The Chairman requested for the benefit of the Board that Management provide a summary explaining the issues that the Board is questioning and that Legal Counsel review the legality of the sole source procurement for this purchase.

The Chairman informed Management that this item would be tabled until the next Board meeting. The Chairman stated for the record that the Board is very concerned about customer service, that it is important for visitors and partners to be happy with the service provided. He added that he understands the urgency to get the project completed however he expressed the importance in making sure the Authority is not being gauged financially and that the process be completed legally.

#### 4. ADJOURNMENT

There being no further business to address before the Board, on motion duly made by Director Ada, seconded by Director Sobti, unanimously approved, at 4:05 p.m., the meeting was adjourned.

Dated this \_\_\_\_\_, day of \_\_\_\_\_, 2014.

Attest:

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

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

Prepared and Submitted By:

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



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

FY	Loc ID	Description	Grant #	Grant Amount	Balance as of 12/27/13	UDO	Balance as of 1/30/14	UDO	Comments
2009	GUM	Improve Airport Utility Infrastructure (Electrical System) - Phase 1	3-66-0001-65	\$7,000,000	\$38,983	1%	\$38,983	1%	
2009	GUM	Conduct Airport Master Plan Study Update	3-66-0001-66	\$700,000	\$51,578	7%	\$0	0%	
2009	GUM	Extend Runway 6L/24R - Phase 5	3-66-0001-67	\$744,647	\$0	0%	\$0	0%	FCO
2009	GUM	Rehabilitate Runway 6L/24R	3-66-0001-68	\$4,807,180	\$0	0%	\$0	0%	FCO
2009	GUM	Noise Mitigation Measures for Residences w/n 65-69 DNL - Phase 5	3-66-0001-69	\$2,000,000	\$265,801	13%	\$232,376	12%	
2009	GUM	Extend Runway 6L/24R - Phase 7	3-66-0001-70	\$3,294,390	\$0	0%	\$0	0%	FCO
		<i>Amendment No. 1 to AIP 70</i>	3-66-0001-70	\$494,158	\$0	0%	\$0	0%	FCO
2009	GUM	Complete Construction of Parallel Taxiway - Phase 2	3-66-0001-71	\$3,005,610	\$0	0%	\$0	0%	FCO
		<i>Amendment No. 1 to AIP 71</i>	3-66-0001-71	\$450,842	\$0	0%	\$0	0%	FCO
		<b>Sub Total:</b>		<b>\$22,496,827</b>	<b>\$356,362</b>	<b>2%</b>	<b>\$271,359</b>	<b>1%</b>	
2010	GUM	Extend Runway 6L/24R - Phase 8	3-66-0001-72	\$4,000,000	\$0	0%	\$0	0%	FCO
		<i>Amendment No. 1 to AIP 72</i>	3-66-0001-72	\$600,000	\$0	0%	\$0	0%	FCO
2010	GUM	Rehabilitate Runway 6L/24R - Phase 1 (Design only)	3-66-0001-73	\$1,500,000	\$119,105	8%	\$119,105	8%	
2010	GUM	Install Instrument Landing System (ILS) Runway 6L - Phase 1	3-66-0001-74	\$2,172,362	\$0	0%	\$0	0%	
		<i>Amendment No. 1 to AIP 74</i>	3-66-0001-74	\$325,845					
2010	GUM	Noise Mitigation Measures for Residences w/n 65-69 DNL - Phase 6	3-66-0001-75	\$2,000,000	\$1,870,978	94%	\$1,870,978	94%	
2010	GUM	Improve Airport Utility Infrastructure (Sewer & Storm Water Drainage) - Phase 1 (Design only)	3-66-0001-76	\$1,550,000	\$969,709	63%	\$969,709	63%	
2010	GUM	Collect Airport Data for the Airports Geographic Information System (AGIS)	3-66-0001-77	\$675,000	\$0	0%	\$0	0%	
2010	GUM	Install Instrument Landing System (ILS) Runway 6L - Phase 2	3-66-0001-78	\$4,827,638	\$1	0%	\$1	0%	
2010	GUM	Conduct Environmental Assessment for Sewer and Storm water Drainage	3-66-0001-79	\$700,000	\$422,184	60%	\$422,184	60%	
		<b>Sub Total:</b>		<b>\$18,350,845</b>	<b>\$3,381,977</b>	<b>18%</b>	<b>\$3,381,977</b>	<b>18%</b>	



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

FY	Loc ID	Description	Grant #	Grant Amount	Balance as of 12/27/13	UDO	Balance as of 1/30/14	UDO	Comments
2011	GUM	Extend Runway 6L/24R - Phase 9	3-66-0001-80	\$1,975,678	\$0	0%	\$0	0%	FCO
2011	GUM	Miscellaneous Airport Improvements - Phase 3	3-66-0001-81	\$2,304,801	\$2,222,129	96%	\$2,184,729	95%	
2011	GUM	Miscellaneous Airport Improvements - Phase 4	3-66-0001-82	\$1,400,000	\$1,322,609	94%	\$1,284,475	92%	
		<b>Sub Total:</b>		<b>\$5,680,479</b>	<b>\$3,544,738</b>	<b>62%</b>	<b>\$3,469,204</b>	<b>61%</b>	
2012	GUM	Extend Runway 6L/24R - Phase 10	3-66-0001-83	\$2,000,000	\$0	0%	\$0	0%	FCO
2012	GUM	Rehabilitate Runway 6L/24R - Phase 2	3-66-0001-84	\$5,441,024	\$4,268,244	78%	\$3,917,859	72%	
		<b>Sub Total:</b>		<b>\$7,441,024</b>	<b>\$4,268,244</b>	<b>57%</b>	<b>\$3,917,859</b>	<b>53%</b>	
2013	GUM	Extend Runway 06L/24R - Phase XI	3-66-0001-85	\$2,005,605	\$0	0%	\$0	0%	
2013	GUM	Rehabilitate Runway 06/24R - Phase 3	3-66-0001-86	\$1,876,981	\$1,844,663	98%	\$1,736,304	93%	
2013	GUM	Acquire one (1) 3,000-gallon Aircraft Rescue & Fire Fighting (ARFF) Vehicle	3-66-0001-87	\$1,017,000	\$1,017,000	100%	\$1,017,000	100%	
2013	GUM	Update Airport Master Plan Study	3-66-0001-88	\$500,000	\$234,072	47%	\$234,072	47%	
		<b>Sub Total:</b>		<b>\$5,399,586</b>	<b>\$3,095,735</b>	<b>57%</b>	<b>\$2,987,376</b>	<b>55%</b>	
		<b>GRAND TOTAL:</b>		<b>\$59,368,761</b>	<b>\$14,647,056</b>	<b>25%</b>	<b>\$14,027,775</b>	<b>24%</b>	

**A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM  
SERIES 2013 BOND CAPITAL IMPROVEMENT PROJECTS**

	Project Title	Total Project Cost	Federal Grants	Bond Proceeds	Balance as of 1/15/14	Purpose / Comments	Status
<b>PRIORITY 1</b>							
1	International Arrivals Corridor with Building Seismic Upgrades	\$53,900,000	\$13,200,000	\$40,700,000	40,700,000.00	Permanent solution to TSA mandate. 3rd level corridor for arrivals only with vertical circulation from gate groups. Must include seismic upgrades.	RFP to designer awarded by the Board. Fee submission by Feb 5. for review and negotiations.
2	Hold Bag Screening Relocation	\$26,069,263	\$24,899,330	\$1,169,933	25,627,649.46	In-line bag screening with BHS. Check in capacity restored. Reduced costs for TSA and airlines.	The 70% design submittal with the TSA for review. Contract executed with BHS manufacturer.
3	SSCP Improvements	\$3,100,000		\$3,100,000	3,100,000.00	Increase security screening lanes and expand queuing area.	Pending IDIQ RFP issuance in Feb 2014.
4	FIDS Replacement	\$5,000,000		\$5,000,000	4,707,315.00	Replace obsolete and non-reliable system with multimedia multipurpose software/hardware.	Prioritized upgrades in progress.
5	Integrated PLB Replacement	\$8,200,000	\$2,000,000	\$6,200,000	5,507,480.00	Replace 5 aged loading bridges and 34 power and pre-conditioned air point of use units.	Installation in progress for the 34 power and preconditioned air units. 1 replacement loading bridge for Board action.
6	Common Use Check-In Facilities	\$2,800,000		\$2,800,000	2,800,000.00	Single airline check-in program with counter modifications and expanded use of kiosks. Avoids expanded building footprint.	Common use study for airline review and comment.
7	Fuel System Improvements	\$1,000,000		\$1,000,000	1,000,000.00	Improve fire suppression system and connections.	Improvements being handled through fuel system operator.
8	Parking Expansion	\$7,400,000		\$7,400,000	7,355,296.85	Single level parking deck over commercial vehicle area to replace capacity loss from expanded access road. Improves passenger service.	Preliminary engineering in progress. Designer pending IDIQ RFP issuance.
9	Interisland Passenger Facility	\$3,000,000		\$3,000,000	3,000,000.00	Separate processing facility for domestic interisland operations. No CBP and minimal TSA inspections.	Planning session with CBP, TSA and Guam Customs followed by prospective users.
10	ARFF Facility Replacement	\$11,600,000	\$10,440,000	\$1,160,000	11,536,102.10	Replace aged Navy structure with code compliant facility meeting FAA standards.	Preliminary engineering completed. Grant application to the FAA being prepared.
11	Cargo Apron Relocation	\$7,700,000	\$6,930,000	\$770,000	\$770,000.00	New cargo only apron adjacent to integrated air cargo facility. Hydrant fuel capability.	Preliminary engineering study and FAA grant application being updated.
12	Replace Terminal Seating	\$3,500,000		\$3,500,000	\$3,500,000.00	Replace dilapidated seating and expand additional seating to other terminal areas.	Full re-upholstering of existing seating being evaluated. Architect under IDIQ RFP to determine
	<b>SUB TOTALS</b>	<b>\$133,269,263</b>	<b>\$57,469,330</b>	<b>\$75,799,933</b>	<b>\$109,603,843</b>		

**PRIORITY 2**

13	Access Control and Security Improvements	\$4,000,000		\$4,000,000	4,000,000.00	Replace security access control system with biometric system. Facility modifications as security solutions.	Pending IDIQ RFP issuance in Feb 2014.
14	Terminal Flooring Replacement	\$2,700,000		\$2,700,000	2,700,000.00	Replace deteriorating tile surface with durable non-skid material with longer life cycle.	Pending IDIQ RFP issuance in Feb 2014.
15	Upgrade Airport IT and FMS	\$2,000,000		\$2,000,000	1,688,239.86	Upgrade financial management system, add facility management GIS and improve infrastructure.	Partial upgrades completed.
16	Route 10A Landscape Component	\$1,700,000		\$1,700,000	1,700,000.00	Incorporate landscaping mediums consistent with DPW project to expand the Route 10A access roadways.	Pending IDIQ RFP issuance in Feb 2014.
17	Enclose Arrival Tunnels	\$1,200,000		\$1,200,000	1,200,000.00	Increase arrivals lobby area through enclosing arrival tunnel with climate control. Adds commercial areas.	Pending IDIQ RFP issuance in Feb 2014.
18	Replace Conveyance Systems	\$2,600,000		\$2,600,000	2,600,000.00	Replace with energy efficient equipment. Includes elevators, escalators and moving walks.	Pending IDIQ RFP issuance in Feb 2014.
19	Strengthen and Expand Curbside Canopies	\$2,800,000		\$2,800,000	2,800,000.00	Expand departures curbside canopies for extended weather protection and security reinforcement.	Pending IDIQ RFP issuance in Feb 2014.
20	1% Arts Program	\$639,000		\$639,000	639,000.00		For further discussion with the Guam Council of the Arts & Humanities.
21	Unencumbered Proceeds	\$16,271,067		\$16,271,067	16,271,067.00		
	SUB TOTALS	\$33,910,067	\$0	\$33,910,067	33,598,306.86		
	TOTALS	\$167,179,330	\$57,469,330	\$109,710,000	\$143,202,150		\$3,847,180 Expended

A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM  
CAPITAL IMPROVEMENT PROJECTS FOR FISCAL YEAR 2014  
FUNDING SOURCE

	PROJECT NAME	BUDGET	CIF	FEDERAL	BALANCE AS OF 1/30/14	DESCRIPTION AND NEED
1	Rehabilitate Runway 6L/24R, Completion	4,500,000	450,000	4,050,000		Install new overlay on runway and shoulders, RWY 24L PAPI, Central Ave. closure
2	Acquire ARFF Truck/RIV - Pkg 2	1,390,000	139,000	1,251,000		Replacement of second ARFF truck and Rapid Intervention Vehicle
3	Painting & Exterior Surface Improvements to Terminal and Other Facilities		1,250,000			Repainting and surface improvements to key airport facilities after 10 years.
4	Replace Terminal Fire Alarm & Fire Suppression System	2,500,000	2,500,000			Replace air terminal system with IBC code compliant system approved by GFD
5	Upgrades to VQ-1 Hanger	500,000	500,000			Replace hangar door and upgrade roof and floor systems
6	Airfield Support Vehicles and Equipment	400,000	400,000			Maintenance of ramp lights, electrical and airfield lighting
7	Improve GSE and Technology Buildings	500,000	500,000			Improve roof systems and overhangs
8	Airport Facilities Upgrades, Phased	450,000	450,000			Continue upgrades and improvements to all airport facilities.
<b>Totals:</b>		<b>\$ 10,440,000</b>	<b>\$ 6,389,000</b>	<b>\$ 5,301,000</b>		

Note: All projects are subject to funding availability and FAA issuance of grant agreements. Excludes bond financed projects.

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

**INVITATION FOR BID  
EXTERIOR WALL PAINTING/REPAIR OF TERMINAL &  
OTHER AIRPORT STRUCTURES  
IFB NO. GIAA-C02-FY13  
PROJECT NO. GIAA-FY13-07-1**

January 30, 2014

**Purpose**

Board action is requested to approve the bid award of the above project under the Invitation For Bid No. GIAA-C02-FY14.

**Background**

The project is to provide painting/repair work inclusive of all labor, materials, supplies and equipment to painting of terminal building.

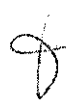
**Procurement Background**

The solicitation announcement was advertised through the local newspapers during the months of December 2013 & January 2014. The bid submission deadline and bid opening took place on January 17, 2014.

Thirteen (13) firms/individuals purchased bid package and ten (10) firms submitted bid proposal before the submission deadline. The firms were evaluated and nine (9) were determined to be acceptable. As required by the Procurement Rules and Regulations, the bids were publicly opened and read aloud in the presence of the bidders.

The submitted bids are presented below:

<b>BIDDER'S NAME</b>	<b>AMOUNT</b>
Eons Enterprise Corp. *	\$335,677.00
Z4 Corporation	\$775,531.40
Ian Corporation	\$542,157.62
P&E Construction Inc.	\$620,517.20
CWSI Chugach World Services Inc.	\$747,548.26
Inland Builders Corp.	\$752,639.90
BME & Sons Inc.	\$518,449.38
J&B Modern Tech	\$397,999.00





JJ Global	\$1,026,000.00
ProPacific Builder Corp.	\$457,888.88

\*rejected for non compliance

### **Legal Review**

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

### **Financial Review**

The lowest responsive, responsible total bid amount received is \$397,999.00 or 53% below government estimate of \$850,000.00. Funding for this project is available under the CIF.

### **Recommendation**

Management recommends the contract award of **\$397,999.00** to **J&B Modern Tech**, who has been determined to have met the standards of responsibility and responsiveness outlined in Guam Procurement Regulation.



P.O. Box 8770  
Tamuning, GU 96931

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

www.guamairport.com

January 29, 2014

**MEMORANDUM**

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

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

**SUBJECT:** Bid Evaluation and Recommendation "Invitation For Bid"  
Exterior Wall Painting/Repair of Terminal & Other Airport Structures  
IFB No. GIAA-C02-FY14  
Project No. GIAA-FY13-07-1

**Procurement Background:**

The above referenced Invitation For Bid was publicly announced through the local newspaper during the months of December 2013 & January 2014. A pre-bid conference was held on January 3, 2014 at the Terminal Conference Room. The bid submission deadline and bid opening took place on January 17, 2014.

Thirteen (13) firms/individuals purchased the bid package and ten (10) firms submitted proposal before the bid submission deadline. The bid submittals were opened in the presence of the bidders, members of the public and several GIAA representatives. The bid offer was read aloud by the Supply Management Administrator and tabulated by a Procurement staff.

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

BIDDER'S NAME	AMOUNT
Eons Enterprise Corp. *	\$335,677.00
Z4 Corporation	\$775,531.40
Ian Corporation	\$542,157.62
P&E Construction Inc.	\$620,517.20
CWSI Chugach World Services Inc.	\$747,548.26
Inland Builders Corp.	\$752,639.90
BME & Sons Inc.	\$518,449.38
J&B Modern Tech	\$397,999.00
JJ Global	\$1,026,000.00
ProPacific Builder Corp.	\$457,888.88

\*rejected for non compliance



**Bid Analysis and Evaluation:**

Pursuant to Section 9 of the Instructions to Bidders, the contract is to be awarded, if it is to be awarded, as soon as possible to the lowest responsible, responsive bidder. To determine the responsibility of bidders, the bid package specified the required documents that bidders must submit with their bid packages. The attached abstract illustrates the inventory of required documents and bidders submittal.

***Eons Enterprise Corp.:*** The firm has submitted a total bid price of **\$335,677.00**. The submitted Statement of Bidders Experience form included lists of projects from 2010-2012 with no resumes. The bidder submitted a copy of their current Guam Contractors License #1271. The bidder did not submit required forms (1.Special Reminder to Prospective Bidders, 2.Bid Form, 3. No Resumes.)

As a result of the bidder's non-submittal of the required documents. **Eons Enterprises Corp. is deemed to be non-responsive and non- responsible bidder. Therefore, the bid is rejected.**

***Z4 Corporation:*** The firm has submitted a total bid price of **\$775,531.40**. The submitted Statement of Bidders Experience form included lists of projects from 2008-2013 with resumes. The bidder submitted a copy of their current Guam Contractors License #CLB07-0241. All other required documents are complete and in conformance with the Invitation For Bid.

***Ian Corporation:*** The firm has submitted a total bid price of **\$542,157.62**. The submitted Statement of Bidders Experience form included lists of projects from 2007-2013 with resumes. The bidder submitted a copy of their current Guam Contractors License #8524. All other required documents are complete and in conformance with the Invitation For Bid.

***P&E Construction Inc.:*** The firm has submitted a total bid price of **\$620,517.20**. The submitted Statement of Bidders Experience form included lists of projects from 2004-2014 with resumes. The bidder submitted a copy of their current Guam Contractors License #R-0513-0116. All other required documents are complete and in conformance with the Invitation For Bid.

***CWSI Chugach World Services, Inc.:*** The firm has submitted a total bid price of **\$747,548.26**. The submitted Statement of Bidders Experience form included lists of projects from 2010-2013 with resumes. The bidder submitted a copy of their current Guam Contractors License #CLB11-0718. All other required documents are complete and in conformance with the Invitation For Bid.

***Inland Builders Corp.:*** The firm has submitted a total bid price of **\$752,639.90**. The submitted Statement of Bidders Experience form included lists of projects from 2006-2013 with resumes. The bidder submitted a copy of their current Guam Contractors License #1072. All other required documents are complete and in conformance with the Invitation For Bid

***BME & Sons Inc.:*** The firm has submitted a total bid price of **\$518,449.38**. The submitted Statement of Bidders Experience form included lists of projects from 2009-2012 with resumes. The bidder submitted a copy of their current Guam Contractors License #3028. All other required documents are complete and in conformance with the Invitation For Bid

***J&B Modern Tech:*** The firm has submitted a total bid price of **\$397,999.00**. The submitted Statement of Bidders Experience form included lists of projects from 2007-2013 with resumes. The bidder submitted a copy of their current Guam Contractors License #7487. All other required documents are complete and in conformance with the Invitation For Bid

**JJ Global:** The firm has submitted a total bid price of **\$1,026,000.00**. The submitted Statement of Bidders Experience form included lists of projects from 1996-2013 with no resumes. The bidder submitted a copy of their current Guam Contractors License #7995. All other required documents are complete and in conformance with the Invitation For Bid

**ProPacific Builder Corp.:** The firm has submitted a total bid price of **\$457,888.88**. The submitted Statement of Bidders Experience form included lists of projects from 2006-2013 with resumes. The bidder submitted a copy of their current Guam Contractors License #5135. All other required documents are complete and in conformance with the Invitation For Bid.

**Recommendation:**

Pursuant to the guidelines in Item 9 of the Instruction to Bidders, the award of contract will be made to the **lowest responsible, responsive bidder**. J&B Modern Tech has been determined to have met the standards of responsibility and responsiveness outlined in the Guam Procurement Regulations and has deemed to be the lowest responsible, responsive bidder.

Therefore, it is recommended that **J&B Modern Tech** be awarded the contract in the amount of **\$397,999.00** for this project.

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

  
Victor Cruz

  
Franklin P. Taitano

APPROVED:

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

attachment

cc: Admin/Proc/Eng/Expansion



**MAJOR SHAREHOLDERS DISCLOSURE AFFIDAVIT**

CITY OF DEDEDO )  
 ) ss.  
 ISLAND OF GUAM )

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

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

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

<u>Name</u>	<u>Address</u>	<u>% of Interest</u>
GENEROSO M. BANGAYAN	PO. BOX 9788 TAMUNING GUAM, 96931	50%
NELIA F. BANGAYAN	PO. BOX 9788 TAMUNING, GUAM 96931	45%

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

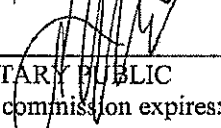
<u>Name</u>	<u>Address</u>	<u>% of Interest</u>
NONE	N/A	N/A

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

  
 Signature of one of the following:


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

Subscribed and sworn to before me this  
14 day of January, 2014.

  
 NOTARY PUBLIC

My commission expires: 2/07/2017

**LIBRADO P. SALUDO**  
**NOTARY PUBLIC**  
 In and for Guam, U.S.A.  
 My Commission Expires: Feb. 07, 2017  
 P.O. Box 10795 Tamuning, Guam 96931

INVITATION NUMBER: GIAA-C02-FY14 PROJECT NO: GIAA-FY13-07-1 EXTERIOR WALL PAINTING/REPAIR OF TERMINAL & OTHER AIRPORT STRUCTURES		<div style="text-align: center;">  <p>Antonio B. Won Pat Guam International Airport Authority <b>BID ABSTRACT</b></p> </div>														Opening Date: 17-Jan-14  Opening Time: 2:00 P.M.		Page <u>1</u> of <u>1</u> pages No. of Invitation Bids: <u>13</u> No. of Bids Received: <u>10</u>			
SUMMARY OF SCOPE OF WORK:		Special Reminder to Prospective Bidders	BID GUARANTEE Cashier's Check Letter of Credit Bid Bond	Disclosure of Major Shareholders	Non-Collusion Affidavit	Statement of Previous Contracts Subject to FEO	Certification of Non-Segregated Facilities	Declaration of Sub-contractors	Statement of Experience of Bidders with Resumes	Certificate Concerning Foreign Interest	CFR 49 Part 29 Reg for Solicitation	Certification of Contracts, Grants, Loans, & Coop. Agreements	Certification of Bidders Regarding EEO	Buy American Certificate	Standard Clause for DBR	Business or Contractors License	ADDENDUM(S)			TOTAL BID PRICE	
																	A	B	C		
1	Eons Ent. Corp.	X	BB # CK1140003A PB \$ 77,977.-	✓	✓	✓	✓	(A) ✓	(B) X	✓	✓	✓	✓	✓	✓	(C) ✓	✓	✓		\$ 335,677.-	
2	Z A Corporation	✓	BB # AEA 2131 B 15 %	✓	✓	✓	✓	(A) ✓	(B) ✓	✓	✓	✓	✓	✓	✓	(C) ✓	✓	✓	✓	\$ 775,731.40	
3	Ian Corporation	✓	BB # 0116141 15 %	✓	✓	✓	✓	(A) ✓	(B) ✓	✓	✓	✓	✓	✓	✓	(C) ✓	✓	✓	✓	\$ 542,157.62	
4	P & E Construction Inc.	✓	BB # AEA 2135 B 15 %	✓	✓	✓	✓	(A) ✓	(B) ✓	✓	✓	✓	✓	✓	✓	(C) ✓	✓	✓	✓	\$ 620,517.20	
5	CWSI Chuagach World Services, Inc.	✓	BB 15 %	✓	✓	✓	✓	(A) ✓	(B) ✓	✓	✓	✓	✓	✓	✓	(C) ✓	✓	✓		\$ 741,748.26	
6	Inland Builders Corporation	✓	BB 15 %	✓	✓	✓	✓	(A) ✓	(B) ✓	✓	✓	✓	✓	✓	✓	(C) ✓	✓	✓	✓	\$ 752,639.90	
7	BME & Sons Inc.	✓	BB # 153 15 %	✓	✓	✓	✓	(A) ✓	(B) ✓	✓	✓	✓	✓	✓	✓	(C) ✓	✓	✓	✓	\$ 518,449.38	
8	J & B Modern Tech	✓	BB # DND 2012 17A 01V 15 %	✓	✓	✓	✓	(A) ✓	(B) ✓	✓	✓	✓	✓	✓	✓	(C) ✓	✓	✓	✓	\$ 397,999.-	
9	JJ Global	✓	BB # 011614 15 %	✓	✓	✓	✓	(A) ✓	(B) ✓	✓	✓	✓	✓	✓	✓	(C) ✓	✓	✓	✓	\$ 1,026,000.-	
10	Pacific Builder Corp.	✓	BB # 16306455 \$ 68,683.33	✓	✓	✓	✓	(A) ✓	(B) ✓	✓	✓	✓	✓	✓	✓	(C) ✓	✓	✓	✓	\$ 457,888.88	
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 hereon.																	BASIS FOR AWARD: 1. LOWEST RESPONSIVE & RESPONSIBLE BIDDER 2. HIGHEST RESPONSIVE & RESPONSIBLE BIDDER 3. OTHER AWARD			1. THE BID 2. COMBINED TOTAL 3. ITEM PER ITEM	
TABULATED BY: <u>Robert E. Doyle</u> SIGNATURE																	Date: <u>1-17-14</u>				

Gov't. Est. \$ 850,000.-

INVITATION NUMBER: GIAA-C02-FY14

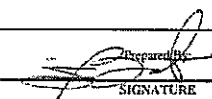


Antonio B. Won Pat

International Airport Authority, Guam

NOTES/REMARKS FOR BID ABSTRACT

EXTERIOR WALL PAINTING/REPAIR OF TERMINAL & OTHER AIRPORT  
STRUCTURES

Vendor No.	COMMENTS
1	(A) SUBCONTRACTORS "NONE" (B) PROJECT LIST 2000-2012, NO RESUMES (C) GCL # 1271 (D) NOTE: SPECIAL REMINDER TO PROSPECTIVE BIDDERS "NONE" BID FORM "NONE"
2	(A) SUBCONTRACTORS "NONE" (B) PROJECT LIST 2008-2013, w/RESUMES (C) GCL # CLB07-0241
3	(A) SUBCONTRACTORS "NONE" (B) PROJECT LIST 2007-2013, w/RESUMES (C) GCL # 8524
4	(A) SUBCONTRACTORS "NONE" (B) PROJECT LIST 2004-2014, w/RESUMES (C) GCL # R-0513-D116
5	(A) SUBCONTRACTORS "NONE" (B) PROJECT LIST 2010-2013, w/RESUMES (C) GCL # CLB11-0718
6	(A) SUBCONTRACTORS "NONE" (B) PROJECT LIST 2006-2013, w/RESUMES (C) GCL # 1072
7	(A) SUBCONTRACTORS "NONE" (B) PROJECT LIST 1993-2010, w/RESUMES (C) GCL # 3028
8	(A) SUBCONTRACTORS "NONE" (B) PROJECT LIST 2007-2013, w/RESUMES (C) GCL # 7487
9	(A) DESIGNATES "PAINTING DYNAMICS" FOR PAINTING WORK (B) PROJECT LIST <del>1996</del> 2013, NO RESUMES (C) GCL # 7495
10	(A) SUBCONTRACTORS "NONE" (B) PROJECT LIST 2000-2013, w/RESUMES (C) GCL # 5135
 Prepared By: _____ SIGNATURE	



## **J&B MODERN TECH**

### **ACR EQUIPMENT AND SUPPLIES**

P.O. BOX 9788 TAMUNING, GUAM, U.S.A. 96931

TELEPHONE : (671) 646-0588 / 646-3346 / 646-4435

FAX: (671) 646-0589

Franklin P. Taitano

A.B.Won Pat International Airport Authority

P.O.Box 8770 Tamuning, Guam 96931

Phone Number (671) 646-0300/02

Fax Number (671) 646-2048/646-8823

Dear Sir,

We are confirming our bid in the amount of \$397,999.00 for IFB-No.GIAA-C02-FY14-Project No.GIAA-FY13-07-1 EXTERIOR WALL PAINTING/REPAIR OF TERMINAL AND OTHER AIRPORT STRUCTURES.

Ricardo G.Sison  
Project Engineer

J&B Modern Tech.



**Antonio B. WonPat**  
**INTERNATIONAL AIRPORT AUTHORITY, GUAM**  
**BOARD OF DIRECTORS**  
**EXECUTIVE SUMMARY**

**REQUEST FOR PROPOSALS, RFP NO. GIAA-003-FY14**  
**DESIGN SERVICES FOR GIAA TIYAN SITE**  
**DEVELOPMENT ACCESS ROAD**

January 30, 2014

**Purpose**

Board action is requested to approve the ranking results based on the evaluation process performed through the Request For Proposals (RFP) No. GIAA-003-FY14 for Design Services for GIAA Tiyan Site Development Access Road.

**Background**

The referenced RFP solicits proposals from professional firms to provide design services for the tiyan site development access road.

**Procurement Background**

The above referenced RFP was advertised in the local newspapers throughout the months of November & December 2013. The established deadline to submit the proposals was on December 27, 2013.

A total of twelve (12) firms showed their interest by obtaining the RFP package; however, seven (7) firms responded by submitting their proposals before the established deadline.

After receipt of all proposals, an Evaluation Committee was established to perform an independent evaluation of the proposals to determine the best qualified proposer. The proposals were evaluated based on the point system assigned for each criteria identified in the RFP package.

The Evaluation Committee has completed their evaluations and the scores sheets were gathered and tabulated by Procurement Office. As a result, the selected firms in the order of their ranking are as follows:

1. Proposer A
2. Proposer B
3. Proposer C
4. Proposer F
5. Proposer D
6. Proposer G
7. Proposer E

### **Legal Review**

Upon Board approval, a standard professional services contract will be forwarded to Legal Counsel for review and approval as to form.

### **Financial Review**

The Design Services for GIAA Tiyan Site Development Access Road Agreement funding for this project is available under the CIF.

### **Recommendation**

Management recommends the approval of the ranking results and the contract award to **Proposer A**, as the highest ranked proposer for the Design Services for GIAA Tiyan Site Development Access Road subject to negotiations of fair and reasonable fees. And in the event that the negotiations prove unsuccessful, GIAA Management will enter negotiations with the next highest ranked proposer.





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Tamuning, GU 96931

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Fax (671) 646-8823

www.guamairport.com

January 30, 2014

## **MEMORANDUM**

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

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

**SUBJECT:** **Evaluation and Recommendation - Request For Proposal (RFP)**  
**Design Services for GIAA Tiyan Site Development Access Road**  
**RFP No. GIAA-003-FY14; Project No. GIAA-FY14-01-1**

The referenced Request for Proposal (RFP) solicits interests from firms or individuals to provide professional services for the Design Services for GIAA Tiyan Site Development Access Road. The advertisement for this RFP was published in the local newspaper for the months of November & December 2013. The deadline to submit the proposals was on December 27, 2013.

Twelve (12) firms/individuals acknowledged receipt of the package and seven (7) firms submitted qualification documents before the submission deadline.

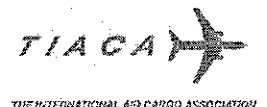
### **Evaluation and Selection**

Pursuant to Section IX of the package, after receipt of all proposals, the GIAA Evaluation Committee conducted an independent evaluation for the purpose of selecting the most responsive and responsible offeror based on the evaluation criteria. The committee which Management established to evaluate the firms' qualifications included the following:

- a. Victor Cruz, Engineering Supervisor
- b. Gerard Bautista, Air Terminal Manager
- c. Ike Tambora, Engineering Office
- d. Patrick Duffie, Expansion Office
- e. Larry Flores, Expansion Office

The committee completed their evaluation and the scores were tabulated as reflected on the attached summary worksheet. As a result of our tabulation, the firms selected in the order of their ranking are as follows:

- 1. Proposer A
- 2. Proposer B
- 3. Proposer C
- 4. Proposer F
- 5. Proposer D
- 6. Proposer G
- 7. Proposer E

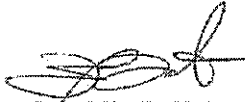


### Recommendation

Based on the tabulation of the proposers ranking, it is determined that **Proposer A** ranked number one and the best qualified firm to perform the required services in accordance with the criteria set forth in the RFP. Also, as a result of our review of the submitted required documents, the firm has been deemed to have met the standards of responsibility and responsiveness outlined in the Guam Procurement Regulations.

Therefore, management recommends the approval of the ranking results and the contract award to **Proposer A**, as the highest ranked proposer for the Design Services for GIAA Tiyan Site Development Access Road subject to negotiations of fair and reasonable fees. In the event that the aforementioned negotiations prove unsuccessful, the GIAA may enter negotiations with the next highest ranked proposer.

Should you have any questions or need to discuss this matter further, I am available at your request.



Franklin P. Taitano

APPROVED:



---

CHARLES H. ADA II  
Executive Manager

Attachments

cc: Evaluation Committee  
Procurement File





Antonio B. Won Pat  
International Airport Authority, Guam  
**Evaluation Score Tally Sheet**

**DESIGN SERVICES FOR GIAA TIYAN SITE DEVELOPMENT ACCESS ROAD**  
**RFP NO. GIAA-003-FY14; PROJECT NO. GIAA-14-02-5**

NAME OF FIRM/PROPOSER	Evaluator 1		Evaluator 2		Evaluator 3		Evaluator 4		Evaluator 5		AVERAGE
	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Rank
Proposer B	87	2	85	4	87	4	79	2	91	3	2
Proposer C	85	4	83	6	82	7	83	1	94	1	3.5
Proposer F	78	6	90	1	89	2	56	6	88	4	3.5
Proposer E	79	5	82	7	83	6	65	5	87	5	7
Proposer A	90	1	84	5	91	1	77	3	93	2	1
Proposer G	77	7	88	2	85	5	71	4	82	7	6
Proposer D	86	3	87	3	88	3	53	7	86	6	5

Evaluators	
No. 1:	Victor Cruz
No. 2:	Gerard Bautista
No. 3:	Ike Tambora
No. 4:	Patrick Duffy
No. 5:	Larry Flores



January 15, 2014

Mr. Charles H. Ada, II  
Executive Manager  
**GUAM INTERNATIONAL AIRPORT AUTHORITY**  
P.O. Box 8770  
Tamuning, Guam 96913

Dear Mr. Ada:

Subject: Estoppel Certificate

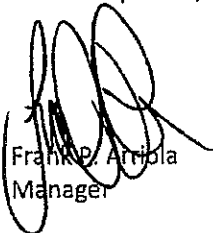
Kindly consider this letter as our request for your good office to execute the enclosed Estoppel Certificate and provide same to our Lender, First Hawaiian Bank.

The purpose of the USD \$3.9 Million in additional mortgage loan is to finance the tenant improvements of the three (3) Federal Offices (Social Security Administration, U.S. Citizenship & Immigration Services and National Oceanographic Atmospheric Administration) in our Integrated Air Cargo Facility at the Guam International Airport.

Thank you in advance for your usual support on this matter.

Sincerely,

Pacair Properties, LLC



Frank P. Arriola  
Manager

RECORDING REQUESTED BY: )  
FIRST HAWAIIAN BANK. )  
AFTER RECORDATION, )  
DELIVER COPIES TO: )  
FIRST HAWAIIAN BANK )  
400 ROUTE 8, MONGMONG, )  
GUAM 96910. THE REAL )  
PROPERTY AFFECTED BY )  
THIS INSTRUMENT IS )  
REGISTERED LAND. )  
THE NAME OF THE LAST )  
REGISTERED OWNER BEING: )  
SEE ATTACHED EXHIBIT A; )  
AND THE CERTIFICATE OF )  
LAST REGISTRATION BEING: )  
SEE ATTACHED EXHIBIT A. )

473718.3

(SPACE ABOVE LINE FOR RECORDER'S USE ONLY)

**LESSOR'S CONSENT TO  
ADDITIONAL CHARGE MORTGAGE AND  
ESTOPPEL CERTIFICATE**

KNOW ALL MEN BY THESE PRESENTS THAT:

**WHEREAS**, ANTONIO B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM, whose address is 770 East Sunset Blvd., Suite 227, Tiyan, Barrigada, Guam 96913 (the "Lessor" or "GIAA"), the Lessor named in that certain First Amended and Restated Ground Lease Agreement (the "Lease") executed by the Lessor on November 13, 2008, and by PACAIR PROPERTIES, LLC, a limited liability company, duly organized, validly existing and in good standing under Guam law, (the "Lessee" or "Mortgagor") on November 14, 2008, a memorandum of which is recorded on December 9, 2008 at the Records Division, Department of Land Management, Government of Guam, under Document Number 783313;

**WHEREAS**, pursuant to that certain Lessor's Consent to Mortgage and Estoppel Certificate dated May 14, 2009, executed by the Lessor, recorded on May 14, 2009 at said Records Division under Document Number 790074, the Lessor consented to the mortgage of the Lessee's interest in the Lease pursuant to that certain Real Property Mortgage and Financing Statement with Power of Sale dated May 14, 2009, recorded on May 14, 2009 at said Records Division under Document Number 790070;

**WHEREAS**, pursuant to that certain Lessor's Consent to Mortgages and Estoppel Certificate dated May 5, 2012, executed by the Lessor, recorded on June 12, 2012 at said Records Division under Document No. 837775, the Lessor consent to two mortgages of the Lessee's interest in the Lease pursuant to (i) that certain Additional Charge Mortgage and Assignment of

Rents recorded on June 12, 2012, under Document No. 837773, and (ii) that certain Additional Charge Mortgage and Assignment of Rents recorded on June 12, 2012, under Document No. 837743; and

WHEREAS, the Lessee has requested a new loan (the "Loan") in the principal amount of \$3,900,000.00 from First Hawaiian Bank, a Hawaii corporation (the "Mortgagee") and the Mortgagee has agreed to make the \$3,900,000 Loan subject to among other things, the Lessee providing an additional mortgage of its interest in the Lease;

WHEREAS, pursuant to a motion which passed at the regular meeting of the Board of Lessor, duly and lawfully called, and held on January 30, 2014, at which a quorum was present and voting throughout, the Board granted consent to Lessee to additionally mortgage its interest in the Lease as collateral for the Loan;

WHEREAS, such consent was conditioned upon the review of the final loan documents by Legal Counsel to the Board, and the written Board approval of the final loan documents.

NOW, THEREFOR, the Lessor

A. Consent. DOES HEREBY CONSENT to an Additional Charge Mortgage and Assignment of Rent (the "Additional Charge Mortgage") of the Lease by the Lessee-Mortgagor to the Mortgagee, dated Nov 12, 2013 and recorded in said Records Division under Document Number 858382, and the Mortgagee shall be entitled to the provisions of Section 15 of the Lease. This consent is expressly conditioned upon the Additional Charge Mortgage being subject and subordinate to Lessor's bond indentures and the rights of the bond holders.

B. Estoppel Certificate. The Lessor hereby certifies to the Mortgagee that (1) the Lease is in full force and effect and unmodified by any instruments, except as hereinabove provided, and will not be further modified or amended without the Mortgagee's written consent, so long as the Additional Charge Mortgage remains in effect; (2) the Lessee-Mortgagor is not in default in the payment of rent under the Lease or in the performance or observance of any covenant or condition to be performed or observed by the Lessee thereunder; (3) no event has occurred which authorizes, or with the lapse of time will authorize, the Lessor to terminate the Lease; (4) the execution and delivery by the Lessee-Mortgagor of the Additional Charge Mortgage will constitute neither a breach of the Lessee-Mortgagor's obligations as Lessee under the Lease, nor an event of default thereunder; (5) a copy of any notice to be sent by the Lessor to the Lessee-Mortgagor pursuant to the Lease shall be sent by the Lessor to the Mortgagee; (6) the Lessee-Mortgagor has paid to the Lessor, and the Lessor holds a security deposit in the amount of Forty Three Thousand Two Hundred Dollars (\$43,200.00); (7) upon the Lessor's receipt of a true copy of the Additional Charge Mortgage, the Mortgagee shall be entitled to all the benefits of the provisions set forth in the Lease, including in particular, Section Fifteen thereof.

As used herein, the terms "Lessor", "Lessee-Mortgagor", "Mortgagee" and "Mortgagee" shall mean and include the lessor, the lessee-mortgagor and the mortgagee named above and their respective heirs, executors, administrators, successors, successors in trust and assigns. Where



there is more than one Lessor, Lessee-Mortgagor or Mortgagee, the use of the singular shall be construed to include the plural wherever the context shall so require. The use of any gender herein shall include all genders.

IN WITNESS WHEREOF, the Lessor has executed these presents this \_\_\_\_ day of \_\_\_\_\_, 2014.

LESSOR:

**ANTONIO B. WON PAT INTERNATIONAL  
AIRPORT AUTHORITY GUAM**

By: \_\_\_\_\_  
Name:  
Its:

**REVIEWED AND APPROVED AS TO FORM:**

By \_\_\_\_\_

GIAA Legal Counsel

Date: \_\_\_\_\_

## ACKNOWLEDGEMENT

ISLAND OF GUAM )  
 ) SS:  
CITY OF \_\_\_\_\_ )

ON THIS \_\_\_\_ day of \_\_\_\_\_, 2014, before me, a notary public in and for Guam, personally appeared \_\_\_\_\_, to me personally known, who, being by me duly sworn or affirmed, did say that such person(s) executed the foregoing instrument as the free act and deed of such person(s), and, if applicable, in the capacity shown, having been duly authorized to execute such instrument in such capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(Official signature and seal of notary)



## **Executive Manager's Report GIAA Board of Directors Meeting January 30, 2013**

### **AIRLINE ISSUES**

#### **Chinese New Year Charters**

Guam will receive charters from 4 Chinese cities during the Chinese New Year season:

Beijing (North China):	2 flights serviced by United, with seat capacity of 151 each
	2 flights serviced by Dynamic Airways with seat capacity of 218
Chengdu (Southwest China):	1 flight serviced by Dynamic Airways, with seat capacity of 218 on B767
Shanghai (East China):	4 flights operated by United Airlines, with a seat capacity of 153
Dalian (Northeast China):	2 flights operated by Dynamic Airways, with a seat capacity of 218

**ANA** will be operating a chartered cargo flight on Jan. 29, 2014 transporting equipment for the Japanese military who will be training in Andersen Air force Base from Jan. 30 and Jan. 31, 2014.

#### **Jin Air**

Jin Air has advised that they will revert back to one flight daily, with the suspension of the evening flight LJ073/LJ074 from Seoul, effective March 24, 2014. The reason provided flights were cancelled due to hotel room shortage.

#### **Scientific Research Aircraft**

Beginning January 15, through the end of February, the US National Science Foundation (NSF) and the UK Facility for Airborne Atmospheric Measurements (FAAM) will be operating their respective aircraft, the Gulfstream V and the BAE 146 to monitor tropical atmosphere and changes as a result of global warming. The results of this project aims to a better understand the interaction between ocean biology, atmospheric composition and climate change.

GIAA is partnering with NSF and FAAM with two days of Community Outreach presentations on February 11 and 13, and a half day Open House on February 15, 2014 at the ACI Hangar. These events are a cross-promotional opportunity for NSF and FAAM to showcase their respective Gulfstream V and BAE 146 aircraft outfitted for scientific research of the earth's atmosphere, and for GIAA to provide community exposure to the variety of airport operations that take place at the Guam International Airport. According to NSF personnel, this project alone is over \$3M in costs, with 2,000 nights of hotel stay, and rental of ACI hangar space and landing and takeoff charges.

### **FAA ISSUES**

Ron Simpson, FAA Manager out of the Honolulu District Office, met with GIAA management and staff to discuss key items that include, Tiyan Parkway, AIP Funding, RSA Compliance, Storm Water EA, License Agreement, Noise Mitigation, and the FY 2013 Single Audit. Ron Simpson was also taken on an airport tour and inspection of capital improvement projects. The next scheduled FAA visit is in April 2014 for GIAA's annual certification inspection.

**Executive Manager's Report**  
**GIAA Board of Directors Meeting**  
**January 30, 2013**

**BIDS/REQUEST FOR PROPOSALS**

IFB for Purchase and Delivery of ARFF Vehicles

Announced: January 17, 2014

Pre –Bid: January 30, 2014, 10:00am

Submission Deadline: February 17, 2014, 2:00 pm


**ANNOUNCEMENTS**

- GIAA hosted a route development strategy workshop on January 28 and 29, 2014 at the Hyatt Guam. The workshop as facilitated by the Airport Authority's Air Service consultant, with the objective to identify an overall air service development strategy for GIAA and implementation plan for the remainder of 2014 and 2015. The Guam Economic Development Authority and the Guam Visitors Bureau participated in the workshop to ensure stakeholder engagement and alignment of development plans amongst the three agencies.
- The Airport and the Guam Visitors Bureau welcomed the inaugural flight of Dynamic Airways from Beijing, China on January 29, 2014 at 10:00 am. Two other inaugural greetings will be held on February 1 at 1:00am to welcome passengers from Shanghai, and February 1, 2014 at 5:00pm from Chengdu, China.
- GIAA has been invited to join in on GVB's launching of their 2020 Vision Plan scheduled for 2pm, February 4, 2014 at the Sandcastle in Tumon. All Board members are invited to attend and support the launch and press conference with will be led by Governor Eddie Baza.
- GIAA has been working with the Lt. Governor's office in the planning of "Soaring High", an Island Beautification Task Force fundraiser in collaboration with Japan Airlines scheduled for March 14, 2014. The fundraising activity consists of a lunch on the concourse and a tour of the island on board Japan Airlines aircraft.

January 29, 2014

**MEMORANDUM**

**To:** Mr. Edward G. Untalan  
Chairman  
GIAA Board of Directors

**From:** Carlos Bordallo   
Comptroller

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

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

The key operating results for 3 month(s) of FY 2014 ending December 31 2013 - (in \$000's) are:

CATEGORY	YEAR-TO-DATE				FORECAST FOR FULL YEAR- FY14	
	Budget FY 14 Y-T-D	Actual FY 14 Y-T-D	% Variance Budget vs. Actual		Actual Y-T-D + Remaining FY 14 Budget	% Variance Budget vs. Estimate for Full Year
			Y-T-D Current Month	Y-T-D Last Month		
Total Signatory Revenues	\$6,496.2	\$6,480.5	-0.2%	-1.7%	\$26,714.7	-0.1%
Total Concession Revenues	\$4,464.4	\$4,549.8	1.9%	1.5%	\$18,056.0	0.5 %
Total PFC's	\$1,550.1	\$1,593.8	2.8%	-1.9%	\$6,479.9	0.7%
Total Other Revenues	\$3,750.3	\$3,581.6	-4.5%	-6.0%	\$15,046.5	-1.1%
Total Operating Revenues	\$16,261.0	\$16,205.7	-0.3%	-1.8%	\$66,297.1	-0.1%
Total Operating Expenses	\$10,124.5	\$8,567.2	-15.4%	-17.6%	\$38,213.2	-3.9%
Net Revenues from Operations	\$6,136.5	\$7,638.5	24.5%	25.1%	\$28,083.9	5.7%
Non-Operating Expenses	\$350.0	\$0.0	-39.8%	-80.8%	\$360.7	-27.9%
Other Available Moneys/other sources of funds	\$1,706.6	\$1,592.9	-6.7%	-6.6%	\$6,669.0	-1.7%
Net Debt Service Coverage	1.22	1.67	37.2%	21.0%	1.44	7.9%

Page 2 - Operating Results as of December 31, 2013

Year-to-date Total Signatory Revenues for the month ending December 31, 2013 are below Budgeted revenues by **-.2%**. Signatory revenue estimates are based on projections submitted by Signatory airlines and adopted in the annual budget.

Year-to-date Total Concession Revenues and Passenger Facility Charges are above budget estimates by **1.9%** and **2.8%**.

Year-to date Total Other Revenues, inclusive of non-signatory and non-airline revenues, are below the budget estimate by **-4.5%**.

Year-to-date Total Operating Revenues Actual of **\$16.2M** is **-.3%** below the budget estimate of **\$16.3M**.

Year-to-date Total Operating Expenses are below budget by **-15.4%**. Components of this line item include a **-12.2%** decrease in Personnel Service, a **-16.0%** decrease in Contractual Services, a **-47.1%** decrease in Materials & Supplies and a **0%** decrease in Equipment/Furnishings from budgeted amounts for these respective categories.

The actual year-to-date Net Revenues from Operations of **\$7.64M** reflects an increase of **24.5%** over the year-to-date budgeted amount of **\$6.14M**.

Finally, our year-to-date results for Debt Service Coverage is at **1.44** 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

**GUAM INTERNATIONAL AIRPORT AUTHORITY**  
**KEY OPERATING RESULTS (\$000's)**  
As of December 31, 2013

	CURRENT MONTH				Budget Full Year	YEAR-TO-DATE				FULL YEAR FORECAST	
	Actual FY2013	Budget FY2014	Actual FY2014	%Var Bud Vs Act'l		Actual FY2013	Budget FY2014	Actual FY2014	%Var Bud Vs Act'l	Actual/Est	%Var Bud Vs Act'l
<b>I. Signatory Airline Rents &amp; Fees</b>											
Terminal Bldg Rentals	277.0	256.8	258.5	0.7%	3,082.1	831.0	770.5	775.5	0.6%	3,087.0	0.2%
Departure Fees	565.2	500.8	491.9	-1.8%	5,951.4	1,659.0	1,432.7	1,392.7	-2.8%	5,911.4	-0.7%
Arrival Fees	638.7	495.2	538.7	8.8%	5,908.9	1,786.1	1,413.7	1,469.9	4.0%	5,965.2	1.0%
Immigration Inspection Fees	236.1	172.8	201.6	16.7%	2,042.9	665.8	490.8	552.5	12.6%	2,104.6	3.0%
Loading Bridge Use Fees	400.5	513.5	496.0	-3.4%	6,045.5	1,132.4	1,476.2	1,365.7	-7.5%	5,935.0	-1.8%
Apron Use Fees	149.3	144.2	148.0	2.7%	1,532.7	400.2	378.0	382.4	1.2%	1,537.2	0.3%
Landing Fees	246.9	203.8	209.9	0.0%	2,167.0	661.7	534.4	541.8	1.4%	2,174.4	0.0%
<b>Total Signatory Revenue</b>	<b>2,513.7</b>	<b>2,287.0</b>	<b>2,344.8</b>	<b>2.5%</b>	<b>26,730.5</b>	<b>7,136.3</b>	<b>6,496.2</b>	<b>6,480.5</b>	<b>-0.2%</b>	<b>26,714.7</b>	<b>-0.1%</b>
Enplaned Signatory Pax	121,031	144,046	141,808	-1.6%	1,711,959	388,459	412,127	400,657	-2.8%	1,700,489	-0.7%
<b>Cost per Enplaned Pax</b>	<b>\$20.77</b>	<b>\$15.88</b>	<b>\$16.53</b>	<b>4.1%</b>	<b>\$15.61</b>	<b>\$18.37</b>	<b>\$15.76</b>	<b>\$16.17</b>	<b>2.6%</b>	<b>\$15.71</b>	<b>0.6%</b>
<b>Revenues from Sources other than</b>											
<b>Signatory Airlines Rents &amp; Fees</b>											
Concession Revenues											
Gen Mdse (DFS)	649.7	1,201.2	1,236.5	2.9%	14,414.9	1,913.3	3,603.7	3,699.9	2.7%	14,511.1	0.7%
In-flight Catering	61.2	66.9	75.6	12.9%	802.1	185.7	194.9	201.2	3.2%	808.3	0.8%
Food & Beverage	75.7	72.9	76.9	5.5%	942.3	221.4	214.6	222.8	3.9%	950.6	0.9%
Rental Cars	80.5	80.3	78.2	-2.6%	970.0	235.3	240.7	229.2	-4.8%	958.5	-1.2%
Other Concession Rev	65.5	70.1	65.4	-6.7%	841.3	209.8	210.4	196.7	-6.5%	827.5	-1.6%
<b>Total Concession Revenues</b>	<b>932.6</b>	<b>1,491.5</b>	<b>1,532.6</b>	<b>2.8%</b>	<b>17,970.6</b>	<b>2,765.6</b>	<b>4,464.4</b>	<b>4,549.8</b>	<b>1.9%</b>	<b>18,056.0</b>	<b>0.5%</b>
Passenger Facility Charges	541.0	541.8	604.2	11.5%	6,436.1	1,505.1	1,550.1	1,593.8	2.8%	6,479.9	0.7%
Other Revenue	1,326.8	1,261.5	1,237.2	-1.9%	15,215.1	3,838.7	3,750.3	3,581.6	-4.5%	15,046.5	-1.1%
<b>Total Operating Revenue</b>	<b>5,314.0</b>	<b>5,581.8</b>	<b>5,718.8</b>	<b>2.5%</b>	<b>66,352.4</b>	<b>15,245.6</b>	<b>16,261.0</b>	<b>16,205.7</b>	<b>-0.3%</b>	<b>66,297.1</b>	<b>-0.1%</b>
<b>II. Operating Expenses:</b>											
Personnel Services	1,151.9	1,328.4	1,377.2	3.7%	17,269.0	3,517.8	4,649.4	4,081.5	-12.2%	16,701.2	-3.3%
Contractual Services	1,522.2	1,879.2	1,539.3	-18.1%	20,824.5	4,592.8	5,104.1	4,289.4	-16.0%	20,009.8	-3.9%
Materials & Supplies	83.3	184.3	87.5	-52.6%	1,499.9	119.6	371.0	196.3	-47.1%	1,325.2	-11.6%
Equipment/Furnishings	0.0	0.0	0.0	0.0%	177.0	0.0	0.0	0.0	0.0%	177.0	0.0%
<b>Total Operating Expenses</b>	<b>2,757.4</b>	<b>3,391.9</b>	<b>3,003.9</b>	<b>-11.4%</b>	<b>39,770.5</b>	<b>8,230.2</b>	<b>10,124.5</b>	<b>8,567.2</b>	<b>-15.4%</b>	<b>38,213.2</b>	<b>-3.9%</b>
<b>Net income from Operations</b>	<b>2,556.7</b>	<b>2,189.9</b>	<b>2,714.8</b>	<b>24.0%</b>	<b>26,581.9</b>	<b>7,015.4</b>	<b>6,136.5</b>	<b>7,638.5</b>	<b>24.5%</b>	<b>28,083.9</b>	<b>5.7%</b>

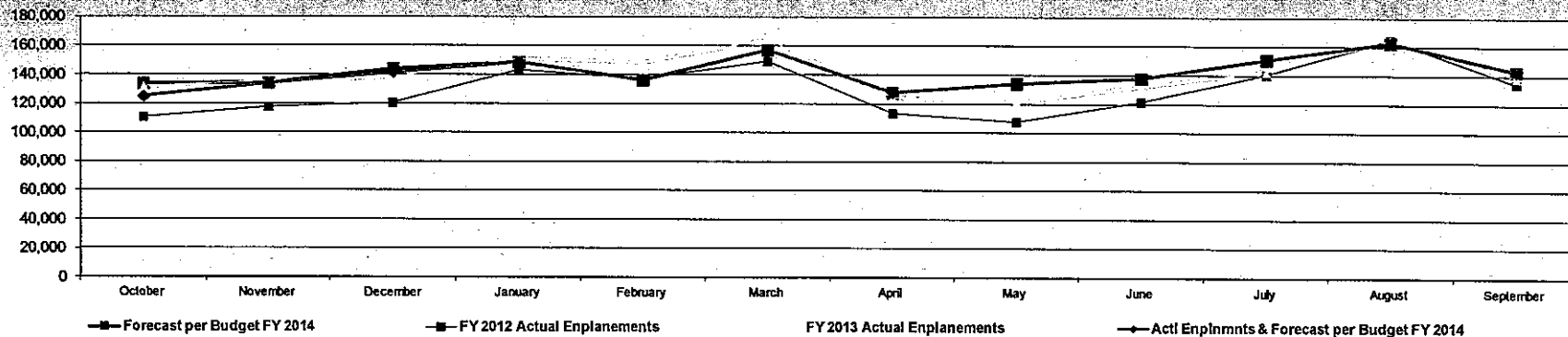
GUAM INTERNATIONAL AIRPORT AUTHORITY  
KEY OPERATING RESULTS (\$000's)  
As of December 31, 2013

	CURRENT MONTH				Budget Full Year	YEAR - TO - DATE				FULL YEAR FORECAST	
	Actual FY2013	Budget FY2014	Actual FY2014	%Var Bud Vs Act'l		Actual FY2013	Budget FY2014	Actual FY2014	%Var Bud Vs Act'l	Actual/Est	%Var Bud Vs Act'l
III. Other Revenues and Expenses											
Less: Non Operating Expense(Ret/DOI/OHS)	21.8	125.0	167.4	33.9%	500.0	151.9	350.0	210.7	-39.8%	360.7	-27.9%
Add: Interest on Investments	105.2	83.6	44.7	-46.6%	1,003.1	270.3	250.8	130.6	-47.9%	882.9	-12.0%
<b>Net Revenues</b>	<b>2,640.1</b>	<b>2,148.5</b>	<b>2,592.1</b>	<b>20.6%</b>	<b>27,085.0</b>	<b>7,133.8</b>	<b>6,037.3</b>	<b>7,558.4</b>	<b>0.2</b>	<b>28,606.1</b>	<b>5.6%</b>
Add: Other Sources of Funds	38.0	37.9	0.0	0.0%	454.8	117.5	113.7	0.0	0.6	341.1	-25.0%
Add: Other Available Moneys	360.7	527.3	527.3	0.0%	6,327.9	1,082.1	1,592.9	1,592.9	0.0%	6,327.9	0.0%
<b>Net Revenues and Other Available Moneys</b>	<b>3,038.8</b>	<b>2,713.7</b>	<b>3,119.4</b>	<b>14.9%</b>	<b>33,867.7</b>	<b>8,333.5</b>	<b>7,743.9</b>	<b>9,151.3</b>	<b>18.2%</b>	<b>35,275.1</b>	<b>4.2%</b>
Debt Service payments	1,439.1	2,109.3	1,442.8	-31.6%	25,311.4	4,324.8	6,371.6	5,487.2	-13.9%	24,427.0	-3.5%
<b>Debt Service Coverage</b>	<b>2.11</b>	<b>1.29</b>	<b>2.16</b>	<b>68.0%</b>	<b>1.34</b>	<b>1.93</b>	<b>1.22</b>	<b>1.67</b>	<b>37.2%</b>	<b>1.44</b>	<b>7.9%</b>
<b>Debt Service Requirement</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>		<b>1.25</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>		<b>1.25</b>	

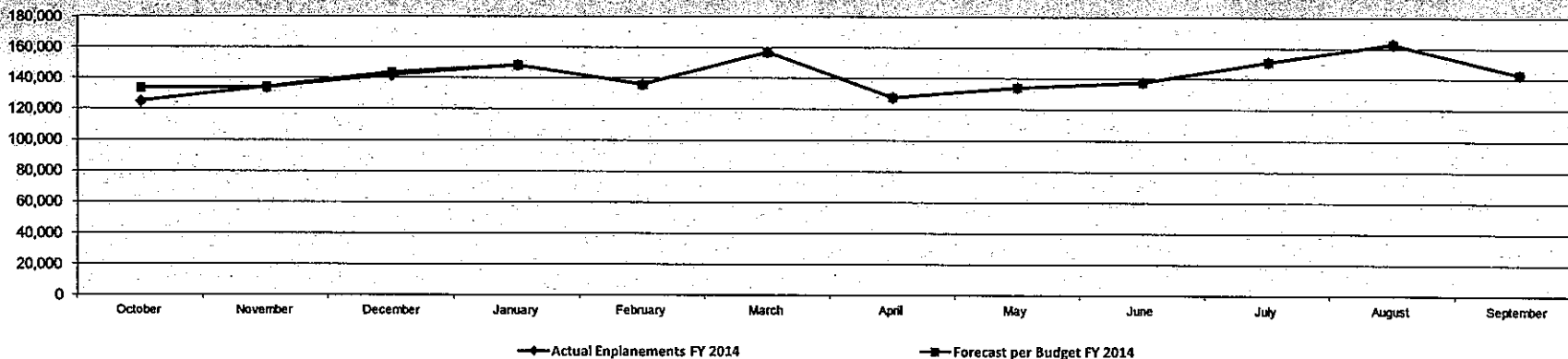


Enplanements	October	November	December	January	February	March	April	May	June	July	August	September	Total
Forecast per Budget FY 2014	133,792	134,289	144,046	148,586	136,168	157,310	127,908	134,404	137,919	151,310	163,010	143,217	1,711,959
FY 2009 Actual Enplanements	96,587	102,001	100,515	123,234	114,550	123,061	99,415	98,005	84,556	111,273	119,504	108,317	1,281,018
FY 2010 Actual Enplanements	94,630	105,230	108,410	132,016	129,523	137,257	102,312	112,910	111,671	133,353	147,419	132,165	1,446,896
FY 2011 Actual Enplanements	112,043	117,861	115,206	137,595	131,263	128,645	90,184	99,827	100,434	119,730	140,999	123,086	1,416,873
FY 2012 Actual Enplanements	110,962	118,092	121,031	143,545	137,851	149,600	113,893	107,914	122,061	141,014	165,376	135,017	1,566,356
FY 2013 Actual Enplanements	131,910	135,518	138,186	150,971	148,524	164,380	124,701	121,128	132,315	142,967	165,026	138,907	1,694,533
Actl Enplanmnts & Forecast per Budget FY 2014	124,805	134,044	141,808	148,586	136,168	157,310	127,908	134,404	137,919	151,310	163,010	143,217	1,700,489
FY 2014 versus FY 2013	-5.39%	-1.09%	2.62%	-1.58%	-8.32%	-4.30%	2.57%	10.96%	4.24%	5.84%	-1.22%	3.10%	0.35%

FY 2012 - FY 2014 Signatory Airlines Actual and Forecast of Enplanements



Fiscal Year 2014 Actual Enplanements versus Forecast



Actual versus Forecast													
Enplanements	October	November	December	January	February	March	April	May	June	July	August	September	Total
Actual Enplanements FY 2014	124,805	134,044	141,808	148,586	136,168	157,310	127,908	134,404	137,919	151,310	163,010	143,217	1,700,489
Forecast per Budget FY 2014	133,792	134,289	144,046	148,586	136,168	157,310	127,908	134,404	137,919	151,310	163,010	143,217	1,711,959
Actual Enplanements Over/(Under) Forecast	(8,987)	(245)	(2,238)	0	0	0	0	0	0	0	0	0	(11,470)
Cumulative Total	(8,987)	(9,232)	(11,470)	0	0	0	0	0	0	0	0	0	
Percentage Over/(Under) Forecast													
	October	November	December	January	February	March	April	May	June	July	August	September	
% Monthly	-6.7%	-0.2%	-1.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
% Cumulative Total	-6.7%	-0.2%	-1.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Month to Month Trend													
	October	November	December	January	February	March	April	May	June	July	August	September	
Actual Enplanements	124,805	134,044	141,808	148,586	136,168	157,310	127,908	134,404	137,919	151,310	163,010	143,217	
Month to Month Increase/(Decrease)		9,239	7,764	6,778	-12,418	21,142	-29,402	6,496	3,515	13,391	11,700	-19,793	
Month to Month Increase/(Decrease) in %		7.4%	5.8%	4.8%	-8.4%	15.5%	-18.7%	5.1%	2.6%	9.7%	7.7%	-12.1%	

**CALVO FISHER & JACOB LLP**

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**RECOMMENDATION OF COUNSEL****TO:**


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

**CC:**

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

**FROM:**

Janalynn Cruz Damiani  
**CALVO FISHER & JACOB LLP**

**DATE:**

January 22, 2014

**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.