



BOARD OF DIRECTORS REGULAR MEETING
3:00 p.m., Thursday, December 17, 2015
GIAA TERMINAL CONFERENCE ROOM #3

Public Notice

First Notice:

Guam Daily Post – December 10, 2015
Notice to Media – December 10, 2015

Second Notice:

Guam Daily Post – December 15, 2015
Notice to Media – December 15, 2015

AGENDA

1. Call to Order and Attendance
2. Approval of Agenda
3. Approval of Minutes
 - A. October 29, 2015 Regular Meeting
4. Correspondence
5. Old Business
 - A. Status Updates of Capital Improvement Projects
 - B. Air Service Development Strategy
6. New Business
 - A. Construction Management Services for CID Project - SSFM
 - B. Grass Cutting and Herbicidal Treatment Services (Maga Haga Tiyan Highway) - IFB No. GIAA-002-FY16
7. Report of Executive Manager
8. Report of the Comptroller
9. Public Comments
10. Executive Session
11. Adjournment

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM
Thursday, December 17, 2015, 3:00 p.m.
GIAA TERMINAL CONFERENCE ROOM #3**

1. CALL TO ORDER AND ATTENDANCE

The December 17, 2015 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 3:03 p.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasaheru, Tamuning, Guam, 96913.

Directors Present:

Edward G. Untalan
Gurvinder "Bic" Sobti
Rosalinda A. Tolan
Katherine C. Sgro
Deedee S. Camacho

Offices or positions:

Chairman

Directors Absent:

Martin J. Gerber (Excused, off-island)
Lucy M. Alcorn (Excused, off-island)

Vice Chairman

GIAA Officials:

Charles H. Ada II
Peter Roy Martinez
Jean M. Arriola
Gerard Bautista
John A. Rios
Franklin Taitano
Joseph Calvo
Rolenda Faasuamalie
Victor Cruz

Executive Manager
Deputy Executive Manager
Airport Services Manager
Air Terminal Manager
Comptroller
Procurement Supervisor
Superintendent of Properties & Facilities
Airport Marketing Administrator
Engineering Supervisor

Paul Blas
Fred Tupaz
Janalynn Cruz Damian, Esq.

TMG, LLC
TMG, LLC
GIAA Legal Counsel

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

2. APPROVAL OF AGENDA

The Executive Manager requested to add item "C" under New Business - GIAA FY14-04-01 TSA Recapitalization & Optimization Project.

Ms. Janalynn Damian, Legal Counsel requested to add item "D" under New Business - Authorizing Signatories on GIAA's Bank Accounts.

Motion to accept the Executive Manager and Legal Counsel's recommendations duly made by Director Sgro, seconded by Director Camacho; motion unanimously passed.

3. APPROVAL OF MINUTES

A. October 29, 2015 Regular Meeting

No corrections or changes were recommended. On motion duly made by Director Sgro, seconded by Director Solti, the following resolution was unanimously passed:

Resolution No. 16-07

The Board hereby approves the minutes of the October 29, 2015 regular meeting, subject to corrections.

4. CORRESPONDENCE

Executive Manager Ada informed the Board of a letter received from the Northern Marianas Legislature requesting for a meeting on January 14, 2015 at 10:00 am on Guam relative to procedures affecting their revenue. The Executive Manager assured the Board that he would provide updates regarding any future correspondence.

5. OLD BUSINESS

A. Status Updates of Capital Improvement Projects

Mr. Fred Tupaz, TMG, LLC at this time introduced himself and Mr. Paul Blas to the Board. Mr. Tupaz informed the Board that he is the TMG point of contact for all Airport projects and provided the Board with a brief summary of his experience and background.

Mr. Tupaz informed the Board that TMG has identified key projects for the years of 2015 to 2018, and already secured funding of \$13.5M. Chairman Untalan commended the group stating that this brings the Board great comfort. The Chairman also announced that the group has been working closely with Vice Chairman Gerber and Director Solti on Air Service Development.

Chairman Untalan at this time announced the presence of Director Tolan.

Mr. Tupaz then referred the Board to handouts regarding the current Airport projects and provided various updates to the Board.

i. FAA AIP Grant Projects – Undistributed Obligations (UDO)

- FY2011 - Miscellaneous Airport Improvements Phase 3: Closed out December 10, 2015.
- FY2011 - Miscellaneous Airport Improvements Phase 4: This project was extended. The balance of funding (\$78,723) was redirected to the West Perimeter Fence project and has already gone out to bid. Bid opening will be on December 23, 2015.
- FY2013 - Acquire one (1) 3,000 gallon Aircraft Rescue & Fire Fighting (ARFF) Vehicle: To be closed out and remaining balance of \$129,315.00 to be de-obligated; re-directed to another eligible project.
- FY2013 – Update Airport Master Plan Study: GIS component outstanding
- FY2015 – Acquire Aircraft Rescue & Firefighting Vehicle: Bid package forwarded to FAA for approval
- FY2015 - Noise Mitigation Measures for Residences within 65 - 69 DNL: RFP is pending due to an issue downloading the Noise Exposure Maps. Once downloaded, the RFP will be submitted to FAA for review and approval.

ii. Bond Capital Improvement Projects

- International Arrivals Corridor with Building Seismic Upgrades: Bid opening extended to January 21, 2016 due to numerous requests for information (RFI's) submitted for clarification regarding structural retrofits and technical specifications.
- Hold Bag Screening Relocation: Work on this project is in progress.
- Integrated Passenger Loading Bridge Replacement: Replacement of Gate 21, installation expected in March 2016. Other upgrades are being scheduled.
- Parking Expansion: Design is on hold at 30%. Design is being coordinated with DPW with regard to Route 10A. The next Tiyan Parkway meeting is scheduled January 13, 2015.
- ARFF Facility Replacement: \$1M contract for design. This project is programmed for funding by FAA in FY2016.
- Cargo Apron Relocation: \$3.6M for design and construction. Programmed for partial funding in FY2016.
- Route 10A Landscape Component: Coordinating with DPW on design progress and schedule for roadway.

iii. Capital Improvement Fund

- Upgrades to Public Restrooms - Final Phase: Initial phase expected to be completed January 19, 2015. Customs & Quarantine bathroom renovations expected to be completed this month. Phasing plan to be coordinated with the Engineering team to minimize any operational disruption and proceed with the remaining of the bathroom renovations. Completion of project anticipated for March 2016.

- Wildlife Management Assessment: Conditional approval received. Grant application to be submitted for mid-2016 funding. Project was added by FAA.
- Apron Rehabilitation – Design: Assess and design rehabilitation improvements to terminal apron. Funding programmed for Summer 2016.
- Safety Management System: Project was added by FAA. An evolutionary program focused on policy, risk management, assurance and promotions.
- Miscellaneous Airport Improvements: Reprogrammed grant funding to cover Tiyan Parkway Fending project and demo of remaining building and miscellaneous structures.

B. Air Service Development Strategy

Mr. Tupaz presented a Route Development Strategy executive summary for the Board's consideration. In the summary, The Airport Strategy and Marketing, Ltd. ("ASM") provided six (6) different strategies, one of which is to retain United Airlines capacity, and develop new markets particularly to star hubs and where possible connecting traffic flows. Discussion followed relative to long-haul strategies and generating additional traffic beyond Guam, with Mr. Tupaz informing the Board that long-haul flights are not a viable option for Guam in the short term. Chairman Untalan inquired if GIAA is in collaboration with GVB and GEDA regarding route development. Mr. Tupaz replied yes.

With the long-haul strategy not completely addressed, the Board informed Management that they would prefer to take a better look at the Executive Summary before making a decision.

6. NEW BUSINESS

A. Construction Management Services for CID Project – SSFM International, Inc. ("SSFM")

At the April 9, 2015 Board meeting, the Board of Directors approved the selection of SSFM to provide Construction Management (CM) services for the Terminal Building Structural Upgrade and Concourse Isolation Project. As part of the RFP process, GIAA solicited and received a schedule, scope of services, and fee proposal. The GIAA negotiating team was able to negotiate additional items for the basic scope of work and a reduction of the fee proposal. A final scope of services and fee proposal was submitted November 15, 2015 for review. The Executive Manager noted that FAA had previously reviewed and approved the contract and scope of work.

The timeline for the project is 29 months, and a lump sum fee of approximately \$3.7M was proposed by SSFM.

Chairman Untalan inquired for clarification if TMG will be monitoring the performance of SSFM. Mr. Tupaz replied yes.

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

Resolution No. 16-08

The Board hereby approves the fee proposal of \$3,786,792.00 and \$500,000 estimated fee in the event special inspection work is required, submitted by SSFM International, Inc. and contract, subject to Legal Counsel's review.

**B. Grass Cutting and Herbicidal Treatment Services (Maga Haga Tiyan Highway) -
IFB No. GIAA-002-FY16**

The Executive Manager provided background information to the Board on the referenced IFB. Eighteen (18) firms/individuals purchased bid packages and six (6) firms submitted bid proposals before the submission deadline. All six (6) firms were evaluated, and all firms determined to be acceptable. As required by the Guam Procurement Regulations, the bids were publicly opened and read aloud in the presence of the bidders. The bid price submittals are as follows in the order they were received and opened:

1.	Guam Tropical Landscaping	\$58,500.00
2.	JJ Global	\$52,665.73
3.	G4S Security Solutions	\$84,198.18
4.	Guam Cleaning Masters	\$58,000.00
5.	G-Crew Maintenance	\$102,000.00
6.	Legend Pacific Corp.	\$71,100.00

The Executive Manager informed the Board that JJ Global has been determined to have met the standards and responsibility and responsiveness outlined in the Guam Procurement Regulations and has been deemed as the lowest responsible, responsive bidder. Therefore, it is recommended that JJ Global be awarded the contract in the amount of \$52,665.73 for the project in reference. Discussion followed relative to bid specifications.

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

Resolution No. 16-09

The Board hereby approves the contract award for Grass Cutting and Herbicidal Treatment Services (Maga Haga Tiyan Highway) - IFB No. GIAA-002-FY16 to JJ Global in the amount of \$52,665.73.

C. GIAA FY FY14-04-01 - TSA Recapitalization & Optimization Project

Mr. Fred Tupaz informed the Board that based on recent developments, the project's design team has identified additional work that is required to complete the Baggage Handling System (BHS). The change order submitted will significantly reduce the financial impact on the

Authority in the long run and minimize any operational disruption. Mr. Tupaz noted that the proposed schedule keeps the project in line and on track with the installation from Siemens. Therefore, Management's recommendation is that the Board approve the change order in an amount not to exceed \$650,000.00.

Chairman Untalan inquired on the funding for the change order. Mr. Tupaz replied that the funding has already been identified under the Bond proceeds. He also added that if the Authority chooses to wait, this project will not be completed until 2017, as opposed to December 2016. Mr. Gerard Bautista, Air Terminal Manager, noted that there will be a factory equipment testing in April 2016, however the actual commissioning of the equipment will be done in October/November 2016.

Chairman Untalan inquired on the breakdown of the cost proposed. Mr. Tupaz informed the Board of BME's total net additive amount: \$400,000.00; EMPSCO's additional construction inspection services: \$150,000.00; and a contingency fund amount: \$100,000.00.

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

Resolution No. 16-10

The Board hereby approves Management's recommendation to proceed with the change order as presented for an amount not to exceed \$650,000.00.

D. Authorizing Signatories on GIAA's Bank Accounts

Ms. Janalynn Damian, Legal Counsel, presented a resolution relative to authorizing signatories on GIAA's bank accounts, which includes GIAA's new Comptroller, Mr. John A. Rios as a signatory. Said resolution would designate two of the following individuals together to execute checks, drafts, or other orders for and on behalf of GIAA:

1. Charles H. Ada II, Executive Manager
2. Pedro R. Martinez, Deputy Executive Manager;
3. Edward G. Untalan, Chairman of the Board;
4. Jean M. Arriola, Airport Services Manager
5. John A. Rios, Comptroller; and
6. Antoniette L. Bautista, General Accounting Supervisor

On motion duly made by Director Sgro, seconded by Director Camacho, the following resolution was unanimously approved:

Resolution No. 16-11

WHEREAS, the ANTONIO B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM ("GIAA" or the "Authority") has several bank accounts and desires to designate the individuals authorized to execute checks, drafts, or other orders for and on behalf of GIAA.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of GIAA hereby designates two of the following individuals together to execute checks, drafts, or other orders for and on behalf of GIAA:

1. Charles H. Ada II; Executive Manager
2. Pedro R. Martinez, Deputy Executive Manager;
3. Edward G. Untalan, Chairman of the Board;
4. Jean M. Arriola, Airport Services Manager
5. John A. Rios, Comptroller; and
6. Antoniette L. Bautista, General Accounting Supervisor

BE IT RESOLVED FURTHER, that one of the two signatories must include any one of the following: the Chairman, the Executive Manager, the Deputy Executive Manager; or the Comptroller.

BE IT RESOLVED FURTHER, that the authority of the above-designated individuals to execute checks, drafts, or other orders for and on behalf of GIAA shall be limited only to authorized expenditures of GIAA and as is consistent with the execution of their respective duties, statutory or otherwise, as officers or directors of GIAA.

BE IT RESOLVED FURTHER, that the designation of the above-named individuals supersedes all prior designations by the Board of Directors of GIAA on file at all banking institutions at which GIAA maintains its accounts.

7. REPORT OF THE EXECUTIVE MANAGER

Reference is made to the Executive Manager's Report included as part of the Board's packet, which was presented by the Executive Manager.

8. REPORT OF THE COMPTROLLER

Mr. John Rios, Comptroller, reported on the revenues and expenses of the Authority as of **October 31, 2015**. Mr. Rios reported that year-to-date Total Signatory Revenues are below budgeted revenues by **-1.9%**, year-to-date Total Concession Revenues and Passenger Facility Charges are above budget by **0.1%** and **4.7%**, respectively. Year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues are above the budget estimate by **6.2%**. Year-to-date Total Operating Revenues Actual of **\$5.64M** is **1.0%** above the budget estimate of **\$5.58M**. Year-to-date Total Operating Expenses are below budget by **-25.5%**. Components of this line item include a **-35.5%** decrease in Personnel Service, a **-14.7%** decrease in Contractual Services, a **413.7%** increase in Materials & Supplies and **-100.0%** decrease in Equipment/Furnishings from budgeted amounts for these respective categories. The actual year-to-date Net Revenues from Operations of **\$2.6M** reflects an increase of **69.1%** over the year-to-date budgeted amount of **\$1.6M**. Mr. Rios reported that the year-to-date Debt Service Coverage is at **1.50** versus the requirement of **1.25**.

Discussion followed relative to accounts receivables, with Chairman Untalan requesting that Management discuss with the Auditor the implantation of policies relative to outstanding accounts.

Mr. Rios gave a brief update relative to the GIAA Strategic Plan for the Board's information.

9. PUBLIC COMMENTS

There were no public comments.

10. EXECUTIVE SESSION

No executive session was held.

Legal Counsel requested that the Board approve and authorize payment to Calvo Fisher & Jacob LLP, for October and November invoices for legal services.

On motion duly made by Director Camacho, seconded by Director Sobti, the following resolution was unanimously approved:


Resolution No. 16-12

The Board hereby authorizes the Authority to issue payment to Calvo Fisher & Jacob LLP for legal fees incurred in October and November 2015 that exceed the monthly cap, as follows: October legal fees in the amount of \$14,620.00, and November legal fees relative to the DFS arbitration, in the amount of \$63,000.00.

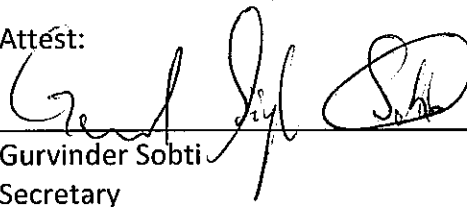
11. ADJOURNMENT

Motion to adjourn duly made by Director Sgro, seconded by Director Sobti; motion unanimously passed. The meeting was adjourned at 4:37 p.m.

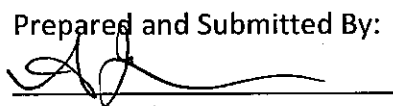
Dated this 1st, day of February, 2016.



Edward G. Untalan
Chairman

Attest:


Gurvinder Sobti
Secretary

Prepared and Submitted By:


Amanda O'Brien-Rios
Corresponding Secretary



A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM
Board of Directors Regular Board Meeting
3:00 p.m. Thursday, December 17, 2015
GIAA Terminal Conference Room #3

SIGN-IN SHEET

	<u>PRINT NAME</u>	<u>COMPANY/AGENCY</u>
1.	JEAN ARRIOLA	GIAA
2.	Paul Blas	GIAA
3.	J. GALLO	GIAA
4.	Gerard BALLETISTA	
5.	RAY SANTOS	GIAA AIRPORT
6.	FRANK P. TALTALO	GIAA -
7.	VICTOR J. CRUZ	GIAA
8.	R. Farnsworth	GIAA
9.	J. B. JAVELANA	GIAA
10.	Molina Lute	LSC
11.	EMMA	GIAA-OPS
12.	Peter Tran	Sen. Tom Ady
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