



A.B. WONPAT INTERNATIONAL AIRPORT AUTHORITY

Board of Directors Regular Board Meeting

3:00 p.m. Monday, February 23, 2015

GIAA Terminal Conference Room #3

SIGN IN SHEET

	<u>PRINT NAME</u>	<u>COMPANY/AGENCY</u>
1.	Um Arrisou	GIMA
2.	Carlos Bernaldo	GIAA
3.	BENNY BAZA	ARFF
4.	MARCIA D. TAITANO	GIAA
5.	VICTOR J. CRUZ	GIAA
6.	Justin Marion	United
7.	Kelly Lynn	ETA
8.	J. L. JAVELANA	GIAA
9.	Gerard BANTISTA	GIAA-ATM
10.	FRANK P. TAITANO	GIAA
11.	EDUARDO MUMU	
12.	ROBERTO CANSUANO	A.V.
13.	FRANK SANTOS	EPC
14.		
15.		



BOARD OF DIRECTORS REGULAR MEETING
3:00 p.m., Monday, February 23, 2015
GIAA TERMINAL CONFERENCE ROOM #3

Public Notice

First Notice:

Marianas Variety – February 16, 2015

Notice to Media – February 16, 2015

Second Notice:

Marianas Variety – February 19, 2015

Notice to Media – February 19, 2015

AGENDA

1. Call to Order and Attendance
2. Approval of Agenda
3. Approval of Minutes
 - A. January 29, 2015 Regular Meeting
4. Correspondence
5. Old Business
 - A. Status Updates of Capital Improvement Projects
6. New Business
 - A. Approval of Award - RFP No. 004 - FY15 - Legal Services
7. Report of Executive Manager
8. Report of the Comptroller
9. Executive Session
10. Public Comments
11. Adjournment



**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM
Monday, February 23, 2015, 3:00 p.m.
GIAA TERMINAL CONFERENCE ROOM #3**

1. CALL TO ORDER AND ATTENDANCE

The February 23, 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 3:08 p.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasaheru, Tamuning, Guam, 96913.

Directors Present:

Edward G. Untalan
Martin J. Gerber
Gurvinder Sobti
Rosalinda A. Tolan

Offices or positions:

Chairman

Directors Absent:

Lucy M. Alcorn (off-island)

GIAA Officials:

Peter Roy Martinez
Carlos P. Bordallo
Frank R. Santos
Gerard Bautista
Jean M. Arriola
Victor Cruz
Ed Muna
Benny Baza
Joseph Calvo
Antonio Taitingfong
Franklin Taitano
Joseph Javellana
Robert Camacho

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

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. No Changes were requested. On motion duly made by Director Tolan, seconded by Director Gerber, the agenda as presented was unanimously approved.

3. APPROVAL OF MINUTES

A. January 29, 2015 Regular Meeting

The next item on the agenda was approval of the minutes of the January 29, 2015 meeting.

On motion duly made by Director Gerber and seconded by Director Tolan, the following resolution was unanimously passed:

Resolution No. 15-16

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

4. CORRESPONDENCE

The next item on the agenda was Correspondence.

The Chairman asked Deputy Executive Manager Peter Roy Martinez if he had any correspondence to report on; he had none.

5. OLD BUSINESS

The next item on the agenda was Old Business.

A. Status Updates of Capital Improvement Projects

The first matter discussed was the Status of Capital Improvement Projects.

Mr. Frank Santos, Business and Finance Consultant, first greeted the Chairman and members of the Board, then presented three schedules; the first dealing with the FAA grants which is the UDO analysis; the second, the Capital Improvement Fund (CIP); and last, the Bond CIP Fund.

Mr. Santos began his presentation by stating that with the exception of the FY2011 projects, the Authority is doing very well in terms of the performance according to the

criteria that the FAA has set. The 2011 project dealt with the demolition of the former cargo building. The Authority is slightly delaying a fast-track demolition due to an issue regarding a residual fiber optics situation in the cargo building. Plans are being developed to ensure that when the Authority relocates the fiber optics, any potential mishaps may be avoided. The Chairman inquired as to why the fiber optics was run through the cargo building, and Mr. Santos responded that the Cargo building used to house Continental Airlines' cargo offices. Mr. Santos went on to explain that the initial plan was to cut and fuse the lines but the airline had indicated that would cause a drop in signal quality where a ten (10) gigabyte data package minimum is required. Mr. Santos explained that the few extra steps are to ensure that everyone is happy. This plan, Mr. Santos explained, is an "interim plan" and a more well-planned fiber optic network to include not only the Authority or United, but FAA and other tenants as well with a network that can be expected to run untouched for the next fifteen (15) years, away from construction. The Chairman inquired if the Authority received any Federal funding for the permanent project, and Mr. Santos responded that we may get Federal funding for the Authority's share, but profit-oriented companies such as United, for example, are not eligible.

Mr. Santos explained that the demolition is the project that has slowed down. If these were color coded, the 38% for 2011 would have been in red but everything else would have been green. At this time the Chairman inquired whether the Authority is at risk of losing any funding and Mr. Santos responded "no". Chairman Untalan inquired whether Phase 3 was referring to the cargo building and again Mr. Santos responded "no" it was just the grant phase. He indicated that at the last Board meeting, Phase 3 demolition was approved and that was for the demolition of the five (5) structures that will be part of the remnant properties that are going to be purchased in the North Tiyan near the new cargo building. The Chairman then again inquired whether the improvements of Phase 3 & 4 are just grant money and Mr. Santos responded "yes", these are just grant money. Chairman then asked what these monies are going to be used for, and Mr. Santos explained that funds are for Phase 1, which is comprised of miscellaneous structures in the air fields; Phase 2 is the cargo area, and Phase 3 are the five (5) structures in the housing areas. Mr. Santos reported that FY2012 funds have been zeroed out and the extra money, which is the amendment of \$816,000, have already been drawn down.

Notable for FY2013, is the ARFF vehicle which is being manufactured and scheduled for delivery in late May.

Mr. Santos provided information regarding the Airport GIS projects. Mr. Santos reminded the Board that the Authority is one of the few pilot projects to convert all the airfield data into GIS and further develop it into an electronic airport layout. Because this is a pilot, the FAA is also learning from all this. The Authority is one (1) of the four

(4) airports in the Western Pacific Region to receive it. Mr. Santos commented that there is education and process, in which a lot of the holdups are with the FAA.

For last year's grants, Mr. Santos reported that the Authority is way ahead of the curve, stating that the Authority has 37% of the grant funds remaining. Mr. Santos reported that he expects to draw down completely on all the 2014 grants this year. The first project, the Instrument Landing System, with which the flight check is being planned for April 2015, then certified for use. Once the Tiyan Parkway Phase I is complete, construction can proceed down Central Avenue, the runway safety area can be cleared, and the full runway will be available. Mr. Santos projected a May 2015 completion date. Once that phase is completed, and the 6L24R is open, the other runway will be closed to do the remainder of the work, which is the 6R24L Precision Approach Path Indicator (PAPI).

Chairman Untalan asked Mr. Santos if he expects the roadway project to be completed by April 2015 to which Mr. Santos replied that in the last teleconference with the FAA, Federal Highway, and Department of Public Works, the indication was that April is the projected completion date. Mr. Santos noted that the contractor is entitled to some time, due to weather or other unforeseen events. Mr. Santos went on to say that in order for the contractor to realize consensus, the contractor is still trying to meet the target date even though they have time leftover. We can see them right now over the weekend the roads keep changing and now they are down to two lanes, so they are working quickly.

On the bond capital improvement project, the international arrivals corridor with building seismic upgrades design is approaching 90%. A final presentation is scheduled in March with the Board and stakeholders CBP region is reviewing all the drawings involved with the corridor. We made a decision to include one restroom in the corridor on the west side. The Board will have the final opportunity to review the 90% design and then the project will proceed into the final kick-off. A meeting is being planned for March 19 or 20 before the Board meeting or its regular scheduled Board meeting.

Mr. Santos next reported that the hold bag screening relocation/in-line baggage screening project is proceeding as scheduled.

Mr. Santos updated the Board on the interim Inter-Island Passenger facility, which is currently out for bid, with a scheduled bid opening date of Friday, February 27, 2015. The facility is for aircraft with nine (9) passengers or less weighing less than 1500 lbs. Aircraft in this category include Star Marianas Air and Arctic Air. To expedite the procurement process, Management requests the Board to grant Management the authority to issue a Notice of Intent to Award provided that there are no complications in the procurement process. Normally, the notice of intent to award is issued after the

bids are presented to the Board. Management would like to fast-track this project to get the facility open as soon as possible in light of the accusations by Star Marianas that the Authority does not accommodate commuter airlines. Mr. Santos also noted that the facility will facility inter-island travel, especially to Rota, since there is very little air service between Guam and Rota. In addition, the Island has been faced with unreliable services being offered by the current carrier service to the CNMI market.

Mr. Santos said that the project estimate is \$300,000. Ms. Jean Arriola reiterated that Management is requesting that the Board allow Management to award to the lowest responsible bidder with the conditions that the contract price does not exceed \$300,000 and that there are no procurement issues.

Having heard the report, discussions and comments, on motion duly made by Director Gerber and seconded by Director Tolan, the following resolution was unanimously passed:

Resolution No. 15-17

The Board hereby authorizes the Executive Manager to issue the notice of intent to award to the lowest responsible bidder for the procurement of construction services for the Light Aircraft Commuter Facility, in an amount not to exceed \$300,000, with the condition that there are no procurement issues.

Next Mr. Santos reported on the upgrades to the public restrooms. Public notice of this procurement will be published on Wednesday, February 25th.

Mr. Santos next reported on the Tiyan Land Acquisition in which he stated he's still working with the Government of Guam on the severance maps and appraisals for the remnant properties and once agreed to a value, the Tiyan Land Acquisition and Redevelopment Programs would then fund the project. Once completed, Management will be submitting to the Board for documentation.

The Chairman then asked the Board if there were any other questions, there being none, he then thanked Mr. Santos.

6. NEW BUSINESS

The next item on the agenda was New Business.

A. Approval of Award - RFP No. 004 - FY15 - Legal Services

The next item discussed was approval of the contract award for Legal Services - RFP-004-FY15. Deputy Executive Manager Martinez reported the referenced RFP solicits

proposals from professional firms to provide professional expertise in all legal activities for and on behalf of GIAA Management and its Board of Directors. The RFP was advertised in the local newspapers throughout the month of January 2015, with a deadline to submit the proposals on January 22, 2015. A total of two (2) firms showed their interest by obtaining the RFP package and the two (2) 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 score sheets were gathered and tabulated by the procurement office. The evaluation results in the order of their ranking are as follows:

1. Proposer B
2. Proposer A

It is the recommendation of Management to approve the ranking results and issue contract award to Proposer B as the highest ranked proposer for Legal Services, subject to negotiations of fair and reasonable fees. In the event that the negotiations prove unsuccessful, GIAA Management will enter into negotiations with the next highest ranked proposer. The term of the contract shall be a period of one year. The agreement may be renewed annually at the sole discretion of GIAA for additional one (1) year periods, not to exceed a total contract term of five (5) years.

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

Resolution No. 15-18

The Board hereby approves the ranking results and contract award to Proposer B, as the highest ranked proposer for RFP No. 004 - FY15 - Legal Services, subject to negotiation of fair and reasonable fees and legal review. If negotiations prove unsuccessful, Management can enter into negotiations with the next highest bidder.

Deputy Executive Manager Martinez then announced that Proposer B is Calvo Fisher & Jacob.

7. REPORT OF THE EXECUTIVE MANAGER

The next item on the agenda was the report of the Executive Manager. Deputy Executive Manager Martinez began his report with two airline issues. First was T'Way Air, which he reported that they have applied for USDOT approval to provide scheduled direct services between Seoul and Guam beginning July 24, 2015. They proposed to

utilize the B737-800 aircraft with 189 seats in an all economy configuration. In addition, they are requesting for ticket counter space and planning a familiarization visit to Guam in the near future.

Mr. Martinez further reported on Jetstar Airways which has recently initiated communication with GIAA to explore opportunities to service Guam from Japan and Korea. He further stated that initial exchanges have occurred with more exploratory and detailed information forthcoming by both parties.

Regarding the 2015 Routes ASIA Networking Forum, Mr. Martinez indicated that the GIAA Board and Management representatives will be attending the Routes Asia forum which brings together airlines, airports and tourism authorities, from the whole Asian region to discuss route development and develop networks for future opportunities or potential air service. The forum will be held in Kunming, China, hosted by Yunnan Airport from March 15 through 17, 2015. Scheduled meetings with potential airlines are being secured prior to the event in consultation with our ASM, our air service development consultant. Guam Visitors Bureau management will also attend as part of a Team Guam effort.

Deputy Executive Manager Martinez moved onto regulatory issues, reporting that FAA officials from the Western Pacific out of LA and the Regional office in Honolulu will be on Guam to meet with GIAA management and key staff on March 26, 2015. Status of federally funded capital improvement projects and other issues will be discussed.

Deputy Executive Manager Martinez mentioned the U.S. Customs and Border Protection Agency (USCBP) officials are confirmed to visit Guam to explore options for pre-clearance practices for passengers, baggage and cargo for incoming aircraft in early March. The USCBP delegation will be comprised of the Senior Advisor, the Preclearance Director and Advisor to the Director. The delegation will be escorted by Jay Rojas of the Governor's Washington office who is coordinating their visit and is facilitating meetings with GIAA, GVB, Guam Customs and airline operators. The meeting is scheduled for March 4, 2015.

Deputy Executive Manager Martinez reported that there are three (3) procurement solicitations currently pending: (1) the RFP-Management & Infrastructure Support Services to GIAA's Passenger Conveyance Systems that was announced on February 17, 2015, with a submission deadline on March 4, 2015; (2) the IFB-Light Aircraft Commuter Facility that was announced on February 11, 2015, with a submission deadline on February 27, 2015; and (3) the RFP-Construction Management Services for Terminal Building Structural Upgrade & Concourse Isolation that was announced on February 10, 2015, with a submission deadline on March 12, 2015.

Deputy Executive Manager Martinez made three (3) announcements:

He announced that the Guam International Airport Authority Employees Organization (GIAAEO) held an election of officers on January 30, 2015. The new GIAAEO officers are: President Brandon Aflague from ARFF; Vice President Vanessa Pangindian from PMO; Treasurer Trini Cotelesse from PMO and Secretary Maria Sablan, GIAA Board;

He further announced and presented the graphics for the ARFF and Police patches and badges that were revised to incorporate the new refreshed logo launched in November 2014. He noted that the graphics will be applied to all uniforms, vehicles, and surfaces and documents that are used in the respective sections; and lastly

He reported that the GIAA Marketing has been coordinating with the Military Historical Tours (MHT) of Los Angeles who will be filming a documentary on the remaining U.S. veterans of the Battle of Iwo Jima. MHT will film the veterans' arrival to Guam on March 17, 2015 and their departure to Iwo Jima by charter flight on March 21, 2015. GIAA will be extending an honorary welcome to the veterans by executing a water salute on the aircraft on the morning of their arrival at 5:55 a.m.

At this time, Chairman inquired about a request from GVB for an update by the Board and tour of the Airport. Ms. Jean Arriola, Airport Services Manager, responded that a request was made for a meeting in March at the convenience of the Board. The Chairman inquired if the whole GVB Board will attend. Ms. Arriola indicated that is what was conveyed by GVB. The Chairman expressed his concerns as to what's the objective of GVB's request. Deputy Executive Manager Martinez stated that management will confer with GVB and update the Board.

Mr. Santos updated the Board that U.S. DOT has approved the application of Air Busan to operate and their target date for operation is in June, but they may schedule charters in the meantime.

Director Tolan inquired about the Asia Networking Forum as to who will be going from the Board and Management to attend. Ms. Arriola informed the Board that Director Gerber and Mr. Gerard Bautista will be attending.

At this time, Director Gerber inquired regarding staff participation in some committee they have at GVB. Ms. Arriola responded that there are two committees that GIAA is part of, one is the Infrastructure Committee and the other is the Destination Management Committee (renamed Air Service Development committee).

There being no further discussion, the Chairman then thanked the Deputy Executive Manager for his report.

8. REPORT OF THE COMPTROLLER

The next item on the agenda was the report of the Comptroller.

Mr. Bordallo presented the monthly financial report. He reported to the Board on the revenues and expenses of the Authority as of January 31, 2015. Mr. Bordallo reported that year-to-date Total Signatory Revenues are above budgeted revenues by 1.2%, year-to-date Total Concession Revenues and Passenger Facility Charges are under budget by -4.0% and -3.0%, respectively. Year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues are above the budget estimate by 1.9%. Year-to-date Total Operating Revenues Actual of \$22.6M is -.5% below the budget estimate of \$22.7M. Year-to-date Total Operating Expenses are below budget by -15.6%. Components of this line item include a -7.6% decrease in Personnel Service, a -16.9% decrease in Contractual Services, a -74.1% decrease 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 \$10.1M reflects an increase of 28.0% over the year-to-date budgeted amount of \$7.9M. Finally, Mr. Bordallo reported that the year-to-date Debt Service Coverage is at 1.39 versus the requirement of 1.25.

9. EXECUTIVE SESSION

The next item on the agenda was Executive Session.

Upon written recommendation of counsel, on motion duly made by Director Tolan, seconded by Director Gerber, and unanimously approved, the Board recessed to convene into Executive Session at 4:03 p.m.

On motion duly made by Director Gerber, seconded by Director Sobti, unanimously approved, Executive Session adjourned at 4:29 p.m., at which time the Board reconvened the regular session.

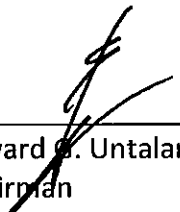
10. PUBLIC COMMENTS

The next item on the agenda was Public Comments. Chairman Untalan called upon any public member wishing to make comments. There were no comments from the public.

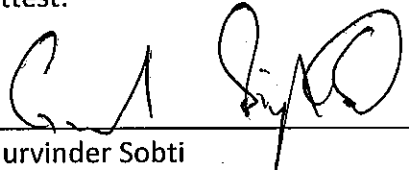
11. ADJOURNMENT

There being no further business to address before the Board, on motion duly made by Director Tolan and seconded by Director Gerber, the meeting was adjourned at 4:30 p.m.

Dated this 16th, day of April, 2015.



Edward G. Untalan
Chairman

Attest:


Gurvinder Sobti
Secretary

Prepared and Submitted By:



Florentina A. Terlaje
Corresponding Secretary