

**BOARD OF DIRECTORS REGULAR MEETING**  
**3:00 p.m., Thursday, June 25, 2015**  
**GIAA TERMINAL CONFERENCE ROOM #3**

Public Notice

First Notice:

Marianas Variety – June 18, 2015

Notice to Media – June 18, 2015

Second Notice:

Marianas Variety – June 23, 2015

Notice to Media – June 23, 2015

**AGENDA**

1. Call to Order and Attendance
2. Approval of Agenda
3. Approval of Minutes
  - A. June 4, 2015 Regular Meeting
4. Correspondence
5. Old Business
  - A. Status Updates of Capital Improvement Projects
6. New Business
  - A. Approval of Award - RFP No. RFP - 007 - FY15 - Independent Financial Auditor
  - B. Approval of Award - RFP No. RFP - 006 - FY15 - Management & Infrastructure Support Services to GIAA's Passenger Conveyance System
  - C. Approval of Board Standing Committees
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, June 25, 2015, 3:00 p.m.  
GIAA TERMINAL CONFERENCE ROOM #3**

**1. CALL TO ORDER AND ATTENDANCE**

The June 25, 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 3:06 p.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasaheru, Tamuning, Guam, 96913.

**Directors Present:**

Edward G. Untalan  
Martin J. Gerber  
Gurvinder "Bic" Sobti  
Deedee S. Camacho  
Katherine C. Sgro

**Offices or positions:**

Chairman  
Vice Chairman

**Directors Absent:**

Lucy M. Alcorn (excused, off-island)  
Rosalinda A. Tolan (excused, off-island)

**GIAA Officials:**

Charles H. Ada II	Executive Manager (EM)
Frank R. Santos	Business and Financial Consultant
Jean M. Arriola	Airport Services Manager
Gerard Bautista	Air Terminal Manager
Ann Bautista	General Accounting Supervisor
Benny Baza	ARFF Chief
Joseph Javellana	Program Coordinator IV
Edward Muna II	Airport Operations Superintendent
Franklin Taitano	Procurement Supervisor
Delbert Benlot	Acting Engineering Supervisor

Janalynn Cruz Damian, Esq.

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

Chairman Untalan requested to add the following items to Old Business – draft amendment to law on 5-year lease limit, route strategy, investment advisor, and property development.

Motion to approve the agenda with said changes duly made by Vice Chairman Gerber, seconded by Director Sgro; motion unanimously passed.

## 3. APPROVAL OF MINUTES

### A. June 4, 2015 Regular Meeting

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

#### **Resolution No. 15-33**

The Board hereby approves the minutes of the June 4, 2015 regular meeting, subject to corrections.

## 4. CORRESPONDENCE

Executive Manager Charles H. Ada II updated the Board on communications he received regarding the growing popularity of consumer drones and the need for local legislation. Mr. Frank Santos added that the FAA has issued a notice of proposed rule-making seeking public comments.

## 5. OLD BUSINESS

### A. Status Updates of Capital Improvement Projects

#### i. Bond Capital Projects (Series 2013 Bond projects)

- International Arrivals Corridor with Building Seismic Upgrades. The IFB for Terminal Building Structural Upgrade and Concourse Isolation project construction was issued with a submission deadline of August 25, 2015. Five million dollars has already been spent on design. This project covers structural upgrades to the front of the Terminal building in addition to the third floor.
- Common Use Check-In Facilities. Project for procurement of common-use equipment that will allow any airline to log in to their respective systems and communicate with the Airport's baggage handlers. The airlines expected to take advantage of this equipment are Air Busan, Cebu Pacific, T'way Air, Dynamic Air, and a Russian carrier TBA.

- Interisland Passenger Facility. Facility for aircraft less than 12,500 lbs and 9 pax or less is substantially complete with a targeted opening date of July 1, 2015. Will be staffed by Customs & Quarantine Agency. Facility offers the possibility of more carriers and the ability to be pre-cleared by US Customs and Border Protection in Rota en route to Guam.

ii. Capital Improvement Fund

- Upgrades to Public Restrooms – Phase 5A. A Pre-Notice to Proceed was issued and equipment on order. Phase I - one (1) restroom in the baggage claim area, one (1) restroom on the apron level, and one (1) restroom, public side, of the concourse level. Includes repair of wastewater line that extends from the baggage claim area. Both projects will proceed concurrently.
- Tiyan Land Acquisition and Redevelopment. Progress with the Government of Guam towards purchasing remnant properties, with appraisals of the three (3) largest remnants completed. Four (4) more properties remain which need to be purchased.

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

- Runway 6L/24R. Runway 6L/24R is scheduled to open as of 7:00 p.m., June 25, 2015 for arrivals and take offs. Runway 6L will be limited to 11,015 feet to comply with runway safety area requirements. A final flight check by the FAA on July 22, 2015 will allow the runway to be fully operational (utilizing all 12,000 feet). Runway 6R will still be in use until 6L is fully available.
- Airport Rescue & Firefighting (ARFF) Vehicle. The estimated delivery date for the ARFF rescue vehicle is July 15, 2015.
- Demolition. In regard to the demolition of the Cargo Building, asphalt has been poured on the area that has been demolished, providing parking/storage space for Ground Service Equipment and baggage containers. Phase III (demolition of the five (5) homes adjacent to the Cargo Building) is now in the process of installing a temporary perimeter fence around the area.

iv. Other Matters

- Due to a short turn around period between receipt of grant agreements and deadline for return to the FAA, Management is requesting authorization for the EM to execute grant agreements for \$6M in FAA funds, and for Legal Counsel to certify the same. Management will then report back to the Board for ratification at the next Regular

Board meeting. The grants have yet to go through Congressional review. Once reviewed, the FAA will send the agreements to the Authority. The usual turnaround time is two (2) weeks, hence the request for advance authorization to execute grants.

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

**Resolution No. 15-34**

The Board hereby authorizes the Executive Manager to execute grant agreements and for Legal Counsel to certify the same upon receipt of the agreements from the FAA. The EM shall report the same to the Board at the next regular board meeting.

**6. NEW BUSINESS**

**A. Approval of Award - RFP No. RFP-007-FY15 - Independent Financial Auditor**

EM Ada began with providing background information on the referenced RFP including the scope of services, contract term, dates of advertisement of the RFP, proposal submission deadline, and the number of interested proposers. An evaluation committee was established to evaluate the three (3) proposals timely submitted to determine the most qualified proposer. The proposals were evaluated based on a point system assigned for each criteria identified in the RFP package. The qualified firms in the order of their ranking are as follows:

1. Proposer A
2. Proposer B
3. Proposer C

The term of the contract shall be a period of one (1) year. The agreement may be renewed annually at the sole discretion of GIAA, for additional (1) year periods, not to exceed a total of four (4) years.

Management recommends approval of the rankings and the contract award to Proposer A as the highest ranked proposer for Independent Financial Auditor which is subject, by law, to approval by the Public Auditor. Management will notify the Board on the identity of Proposer A when approved by the Public Auditor.

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

**Resolution No. 15-35**

The Board hereby approves the ranking results as presented to the Board and contract award to Proposer A, for Independent Financial Auditor, RFP No. RFP-007-FY15, subject to approval by the Public Auditor and negotiation of fair and reasonable fees and legal review. If the Public Auditor does not approve Proposer A or negotiations prove unsuccessful, Management is authorized to enter into negotiations with the next highest ranked proposer.

- B. Approval of Award - RFP No. RFP-006-FY15 - Management & Infrastructure Support Services to GIAA's Passenger Conveyance System

EM Ada requested an extension to present any recommendation on this RFP as Management feels there is additional information necessary for evaluators to complete their evaluations. The matter was tabled.

- C. Approval of Board Standing Committees

EM Ada presented the June 22, 2015 memorandum from the Chairman regarding recommended Board standing committees.

Chairman Untalan asked for any comments from the Board, there were none.

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

**Resolution No. 15-36**

The Board hereby approves the Board subcommittees, chairpersons, and members:

1. Finance/Operations/Administration – Chairperson: Chairman Untalan; Member: Director Camacho.
2. Capital Improvement Projects/Property Development – Chairperson: Vice Chairman Gerber; Member: Director Sobti.
3. Tenant Relations/Air Service Development/Marketing – Chairperson: Director Sgro; Members: Directors Tolan and Alcorn.

The Chairman congratulated the new chairpersons on accepting their new roles in their respective subcommittees.

**7. REPORT OF THE EXECUTIVE MANAGER**

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

## 8. REPORT OF THE COMPTROLLER

Mrs. Ann Bautista reported on the revenues and expenses of the Authority as of **May 31, 2015**. Mrs. Bautista reported that year-to-date Total Signatory Revenues are below budgeted revenues by **-0.1%**, year-to-date Total Concession Revenues and Passenger Facility Charges are under budget by **0.6%** and **-2.4%**, respectively. Year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues are above the budget estimate by **14.2%**. Year-to-date Total Operating Revenues Actual of **\$47.0M** is **3.0%** above the budget estimate of **\$45.6**. Year-to-date Total Operating Expenses are below budget by **-15.7%**. Components of this line item include a **-10.8%** decrease in Personnel Service, a **-15.3%** decrease in Contractual Services, a **-60.0%** decrease in Materials & Supplies and **-100.0%** decrease in Equipment/Furnishings from budgeted amounts for these respective categories. The actual year-to-date New Revenues from Operations of **\$22.2** reflects an increase of **37.1%** over the year-to-date budgeted amount of **\$16.2M**. Mrs. Bautista reported that the year-to-date Debt Service Coverage is at **1.56** versus the requirement of **1.25**.

## 9. PUBLIC COMMENTS

There were no public comments. Chairman Untalan took this time to thank management for reconfiguring the parking stalls in the West parking area to better accommodate Board members.


## 10. EXECUTIVE SESSION

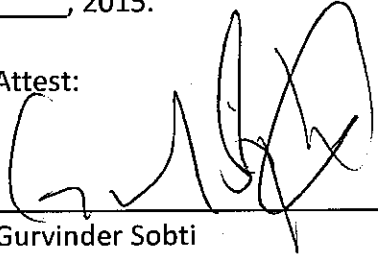
No executive session held.

## 11. ADJOURNMENT

There being no further business, motion to adjourn duly made by Vice Chairman Gerber, seconded by Director Sobti; motion unanimously passed. The meeting was adjourned at 3:57 p.m.

Dated this 4th, day of August, 2015.

  
\_\_\_\_\_  
Edward J. Untalan  
Chairman

Attest:  
  
\_\_\_\_\_  
Gurvinder Sobti  
Secretary

Prepared and Submitted By:

A handwritten signature in black ink, appearing to read 'MSablan', is written over a horizontal line. A long horizontal stroke extends to the right from the end of the signature.

Maria DeVille Sablan  
Corresponding Secretary