



BOARD OF DIRECTORS REGULAR MEETING
3:00 p.m., Thursday, October 29, 2015
GIAA TERMINAL CONFERENCE ROOM #3

Public Notice

First Notice:

Guam Daily Post – October 22, 2015
Notice to Media – October 22, 2015

Second Notice:

Guam Daily Post – October 27, 2015
Notice to Media – October 27, 2015

AGENDA

1. Call to Order and Attendance
2. Approval of Agenda
3. Approval of Minutes
 - A. September 28, 2015 Regular Meeting
4. Correspondence
5. Old Business
 - A. Status Updates of Capital Improvement Projects
 - B. Air Service Development Strategy
6. New Business
 - A. Ratification of Detail - Acting Comptroller (Interim)
 - B. Board Appointment - Comptroller
 - C. GIAA Strategic Plan Update
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, October 29, 2015, 3:00 p.m.
GIAA TERMINAL CONFERENCE ROOM #3**

1. CALL TO ORDER AND ATTENDANCE

The October 29, 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 3:00 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
Lucy M. Alcorn
Rosalinda A. Tolan
Katherine C. Sgro
Deedee S. Camacho

Offices or positions:

Chairman
Vice Chairman

Directors Absent:

GIAA Officials:

Peter Roy Martinez
Jean M. Arriola
Gerard Bautista
Antoinette Bautista
Joseph Javellana
Joseph Calvo
Rolenda Faasuamalie
Victor Cruz
Larry Flores

Deputy Executive Manager
Airport Services Manager
Air Terminal Manager
Acting Comptroller
Program Coordinator IV
Superintendent of Properties & Facilities
Airport Marketing Administrator
Engineering Supervisor
Expansion Office

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

Motion to approve the agenda as presented duly made by Director Alcorn, seconded by Director Sobti; motion unanimously passed.

3. APPROVAL OF MINUTES

A. September 28, 2015 Regular Meeting

Relative to the update of GIAA's strategic plan, Chairman Untalan requested that the minutes be revised to state that he had made this announcement. On motion duly made by Vice Chairman Gerber, seconded by Director Sobti, the following resolution was unanimously passed:

Resolution No. 16-01

The Board hereby approves the minutes of the September 28, 2015 regular meeting, subject to corrections.

4. CORRESPONDENCE

Deputy Executive Manager, Peter Roy Martinez stated that there were no items of correspondence to report.

5. OLD BUSINESS

A. Status Updates of Capital Improvement Projects

Larry Flores referred the Board to the handouts regarding the current Airport projects and provided updates to the Board.

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

- FY2011 - Miscellaneous Airport Improvements Phase 4. The balance remaining is \$78,723.00. These funds will be used for Tiyon Parkway fence line project.
- FY2013 - Acquire one (1) 3,000 gallon Aircraft Rescue & Fire Fighting (ARFF) Vehicle. The remaining balance of \$129,315.00 cannot be used for anything else, therefore will be returned to the FAA.
- FY2015 - Acquire Aircraft Rescue & Fire Fighting Vehicle. This IFB will be issued on November 4, 2015.
- FY2015 - Noise Mitigation Measures for Residences within 65-69 DNL. Phase 2 is completed, pending FAA's notice to proceed.

ii. Bond Capital Improvement Projects

- International Arrivals Corridor project. The bid opening has been extended to December 22, 2015 at the request of all bidders.
- Hold Bag Screening Relocation. Partial west reserve parking will re-open November 7, 2015. The full completion of the project is expected in March 2017.
- Integrated Passenger Loading Bridge (PLB) Replacement. Gate 21 loading bridge is currently being manufactured and is expected to be shipped to Guam January 2016, and installed mid-March 2016.

iii. Capital Improvement Fund

- Facilities Fire Alarm/Suppression System Replacement. Terminal assessment and design is in progress.
- Upgrades to Public Restrooms. Final phase for the Terminal restroom renovation is in progress. Completion expected in March 2016.

Relative to the International Arrivals Corridor, Vice Chairman Gerber inquired how many times have bidders requested for an extension. Ms. Jean Arriola, Airport Services Manager, replied it is the third. She added that through the course of the bid inquiries, there were changes to the specifications which prompted the requests for time to prepare for those changes.

B. Air Service Development Strategy

As requested by the Board at the September 2015 Board meeting, the Deputy Executive Manager presented a draft Long-Haul strategy and brief executive summary for the Board's information. Ms. Arriola informed the Board that at this time there is still work to be done to attract potential long-haul flights to Guam. Director Sobti inquired if United has shown interest. Ms. Arriola replied that Continental Airlines has showed interest, and discussions are ongoing.

6. NEW BUSINESS

A. Ratification of Detail - Acting Comptroller (Interim)

Chairman Untalan noted that Mr. Carlos Bordallo retired from the GIAA Comptroller position effective September 30, 2015. A detail appointment of Ms. Antoinette Bautista, General Accounting Supervisor, to the Comptroller position was approved October 16, 2015, and will take effect October 1, 2015 to November 30, 2015. However, the new Comptroller may start mid-November.

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

Resolution No. 16-02

The Board hereby ratifies the detail appointment of Ms. Antoinette Bautista, to the Comptroller position effective October 1, 2015 until the effective date of the new Comptroller's appointment.

B. Board Appointment - Comptroller

Chairman Untalan announced that the candidate identified to fill the Comptroller position is the former Director of the Bureau of Budget & Management Research (BBMR) and soon to be former Director of the Guam Economic Development Authority (GEDA), Mr. John Rios. The Chairman informed the Board that after discussions with Mr. Rios, a detailed job description was developed for the position, which was provided to the Board for their review. Chairman Untalan noted the salary negotiated is \$5,000.00 more than the salary of former Comptroller Carlos Bordallo due to additional responsibilities, to include overseeing the GIAA Strategic Plan.

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

Resolution No. 16-03

The Board hereby appoints Mr. John Rios as the Comptroller for the A.B. Won Pat International Airport Authority, Guam, effective November 16, 2015, and approves the Comptroller's annual salary of \$130,000.00.

C. GIAA Strategic Plan Update

Chairman Untalan informed the Board that he has been working with GIAA consultant LeighFisher to develop a scope of services and budget for LeighFisher to assist the Authority in updating the Authority's strategic plan. In an effort to control costs, LeighFisher proposed an ongoing partnership with the Airport as opposed to developing a one-time plan, which would prove to be more costly. At an initial expenditure of \$50,000.00, the Airport would provide much of the effort in terms of internal analysis, and LeighFisher would provide key input with regard to strategic planning framework and objectives. A copy of LeighFisher's proposal is included in the Board's packet. Ongoing initiatives would be identified under five (5) major groups - Customers, Community, Finance, Facilities and Organization. LeighFisher will work with the Authority to complete each initiative. The initiatives would be prioritized and change over time due to internal and external factors such as changes in local or global economy. The Chairman noted the flexibility of this process, stating the Airport would have the ability to re-direct emphasis and/or stop the process entirely.

Director Sgro inquired if there would be collaboration with GVB on some of the initiatives. The Chairman informed the Board that the initial meeting would lay out the framework on how to proceed, and collaboration with GVB and GEDA would be essential, particularly with air service development. The Chairman informed the Board that copies of the existing Strategic Plan will be made available to each Director.

The Chairman clarified that LeighFisher is already a consultant for the Airport on an as-needed basis, such as annual budget and management reviews. The initial payment of \$50,000.00 to begin the process for the updated Strategic Plan would be in addition to the current work provided by LeighFisher.

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

Resolution No. 16-04

The Board hereby approves the October 13, 2015 LeighFisher Proposed Work Order # 7: Assistance Strategic Planning as presented.

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 the Deputy Executive Manager.

8. REPORT OF THE COMPTROLLER

Ms. Antoinette Bautista, Acting Comptroller reported on the revenues and expenses of the Authority as of **September 30, 2015**. Ms. Bautista reported that year-to-date Total Signatory Revenues are below budgeted revenues by **-1.5%**, year-to-date Total Concession Revenues and Passenger Facility Charges are under budget by **0.6%** and **-4.7%**, 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 **\$70.6M** is **2.2%** above the budget estimate of **\$69.1M**. Year-to-date Total Operating Expenses are below budget by **-11.2%**. Components of this line item include a **-8.1%** decrease in Personnel Service, a **-10.4%** decrease in Contractual Services, a **-47.1%** 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 **\$32.9M** reflects an increase of **23.7%** over the year-to-date budgeted amount of **\$26.6M**. Mr. Bordallo reported that the year-to-date Debt Service Coverage is at **1.54** versus the requirement of **1.25**.

Chairman Untalan inquired on the seat capacity for the year from the Marketing department. Ms. Rolenda Faasumalie informed the Chairman that she would have seat capacity report available at the next Board meeting.

9. PUBLIC COMMENTS

There were no public comments.

10. EXECUTIVE SESSION

Upon written recommendation of counsel, on motion duly made by Director Tolan and seconded by Director Alcorn, and unanimously approved, the Board recessed to convene into Executive Session at 3:55 p.m. to discuss pending or threatened litigation to which GIAA is or may be a party. Attending Executive Session were members of the Board, Deputy Executive Manager Martinez, and Legal Counsel.

Executive Session adjourned at 4:21 p.m. at which time the Board reconvened regular session.

At this time, Legal Counsel announced that Board action is requested to authorize the filing of the declaratory relief action relating to the DFS Arbitration Matter.

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

Resolution No. 16-05

The Board hereby approves the filing of the declaratory relief action relating to the DFS Arbitration Matter.

Legal Counsel also announced that Board action is requested to authorize Management to proceed with handling all matters relating to the DFS arbitration.

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


Resolution No. 16-06

The Board hereby authorizes Management to proceed with handling all matters relating to the DFS Arbitration Matter.


11. ADJOURNMENT

Motion to adjourn duly made by Director Tolan, seconded by Director Alcorn; motion unanimously passed. The meeting was adjourned at 4:23 p.m.

Dated this 17th, day of December, 2015.




Edward G. Untalan
Chairman

Attest:


Gurvinder Sopti
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, October 29, 2015
GIAA Terminal Conference Room #3

SIGN-IN SHEET

	<u>PRINT NAME</u>	<u>COMPANY/AGENCY</u>
1.	JOHN BARRON	GIAA
2.	J. CALVO	GIAA
3.	VICTOR J. CRUZ	GIAA
4.	Gerard BAUTISTA	GIAA
5.	CHUCK SOUA	UA
6.	Moana lufe	LSCG
7.	PR SINGH	DENNYS
8.	R. Fraguela	GIAA Mktg
9.	ANN BAUTISTA	GIAA
10.	LARRY FIVRES	EXPANSION
11.	J. JAVELANA	GIAA
12.	DG CEPEDA	GIAA ARFF
13.	Goalews	POA
14.		
15.		
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