



BOARD OF DIRECTORS REGULAR MEETING
3:00 p.m., Monday, September 28, 2015
GIAA TERMINAL CONFERENCE ROOM #3

Public Notice

First Notice:

Guam Daily Post – September 21, 2015
Notice to Media – September 21, 2015

Second Notice:

Guam Daily Post – September 24, 2015
Notice to Media – September 24, 2015

AGENDA

1. Call to Order and Attendance
2. Approval of Agenda
3. Approval of Minutes
 - A. August 27, 2015 Regular Meeting
4. Correspondence
5. Old Business

Status Updates of:

- A. Capital Improvement Projects
 - B. Air Service Development Strategy
 - C. Adoption of Determination of Need
6. New Business
 - A. Ratification of Grant Agreement - FAA AIP Grant Award No. 3-66-0001-093-2015 - Noise Program
 - B. Approval of T'Way Air's Request for Signatory Airline Status
 - C. Approval of FY16 Insurance Renewal Program
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**

**Monday, September 28, 2015, 3:00 p.m.
GIAA TERMINAL CONFERENCE ROOM #3**

1. CALL TO ORDER AND ATTENDANCE

The September 28, 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 3:11 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
Rosalinda A. Tolan

Offices or positions:

Chairman
Vice Chairman

Directors Absent:

Lucy M. Alcorn (excused, off-island)
Katherine C. Sgro (excused, off-island)

GIAA Officials:

Charles H. Ada II
Peter Roy Martinez
Jean M. Arriola
Carlos Bordallo
Benny Baza
Tony Lanioc
Daniel Stone
Joseph Calvo
Larry Rivera
Vanessa Pangindian
Elfrie Koshiba

Executive Manager (EM)
Deputy Executive Manager (DEM)
Airport Services Manager
Comptroller
ARFF Chief
Acting Engineer Supervisor
ARFF Fire Captain
Superintendent of Properties & Facilities
GIAA Business and Financial Consultant
GIAA Project Coordinator
GIAA Marketing

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 Tolan, seconded by Vice Chairman Gerber; motion unanimously passed.

3. APPROVAL OF MINUTES

A. August 27, 2015 Regular Meeting

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

Resolution No. 15-49

The Board hereby approves the minutes of the August 27, 2015 regular meeting, subject to corrections.

4. CORRESPONDENCE

EM Ada informed the Board that an invitation to attend the ribbon-cutting ceremony of the Light Aircraft Commuter Facility on October 1 at 3 p.m. was extended to the Commonwealth Ports Authority ("CPA") as well as the Mayor of Rota. Full participation was confirmed. The CPA requested permission to do a presentation to the "Elite 5" Airport employees who aided in the disaster recovery post Typhoon Soudelor, which was approved.

5. OLD BUSINESS

A. Status Updates of Capital Improvement Projects

Larry Rivera referred the Board to the handout regarding the current Airport projects and provided updates to the Board.

i. Bond Capital Projects (Series 2013 Bond projects)

- International Arrivals Corridor. Bid opening has been extended to November 4, 2015 at 2 p.m. The magnitude of the project is resulting in numerous requests for structural information.
- Integrated Passenger Loading Bridge (PLB) Replacement. Gate 21 loading bridge is currently being manufactured with a January 2016 ship date to Guam.

ii. Capital Improvement Fund

- Upgrade Public Restrooms Phase 5A. Customs arrival bathroom demolished. Contractor has ordered materials which are expected to arrive in thirty (30) days.
- Airport Facilities Upgrade. Painting is 97% complete with the loading dock area remaining. Planter boxes are 60% complete; landscaping is what remains.
- Tiyan Land Acquisition & Redevelopment. There is a \$100,000 difference between the budget and balance. Board requests Management to clarify.

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

- FY2011 Miscellaneous Airport Improvements Phase 3 & 4. Demolition project is completed; ready to be closed out.
- FY2013 Rehabilitate Runway 6L/24R Phase 3. There has been an amendment to the grant amount of \$281,547.00, Amendment No. 1 to AIP 86.
- FY2014 Rehabilitate Runway 6L/24R Phase 4. There has been an amendment to the grant amount of \$442,641.00, Amendment No. 1 to AIP 89.
- FY2015 grants total \$7,648,167 for the Aircraft Rescue & Fire Fighting Vehicle, Rehabilitate Runway 6L/24R, and Noise Mitigation Measures for Residences within 65-69 DNL.

B. Air Service Development Strategy

Since the August 27, 2015 meeting, there has been subsequent meetings with GVB and GEDA. Long-haul strategy expected by next meeting.

C. Adoption of Determination of Need

GIAA Management has proposed to the Board the adoption of a Determination of Need (“DON”) justifying a lease term in excess of five (5) years for Airport property, pursuant to 5 GCA §5127. An outline of the requirements of Section 5127 was provided to the Board.

Chairman Untalan requested that the DON reflect that longer-term leases provide borrowers/developers easier access to capital financing; normally, bank loans would be half the term of the lease.

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

Resolution 15-50

The Board hereby approves and adopts the Determination of Need as presented by GIAA Management, with the modifications noted during discussions.

6. NEW BUSINESS

- A. Ratification of Grant Agreement - FAA AIP Grant Award No. 3-66-0001-093-2015-Noise Mitigation Measures for Residences within 65-69 DNL**

The Board was informed about this grant during the August 27, 2015 meeting. The grant amount is \$2M. Management requests for ratification of the action taken.

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

Resolution No. 15-51

The Board hereby ratifies Management's acceptance of the Grant Agreement for FAA AIP Grant Award No. 3-66-0001-093-2015 - Noise Mitigation Measures for Residences within 65-69 DNL.

- B. Approval of T'way Air's Request for Signatory Airline Status**

T'Way Air Co., Ltd., formerly known as Hansung Airlines Co., Ltd. is requesting signatory airline status. Founded in 2003 and headquartered in Seoul, it is a subsidiary of YeaRimDang Publishing Co., Ltd. Inaugural daily flight route Incheon/Guam/Incheon commenced September 24, 2015 with three (3) weekly routes planned for October 2015.

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

Resolution No. 15-52

The Board hereby approves T'Way Air Co., Ltd.'s request for signatory airline status.

- C. Approval of FY16 Insurance Renewal Program**

AM Insurance ("AM") representative Trish Granillo presented FY2016 insurance quotes. Nine (9) companies were approached to offer quotes, with only two (2) submitting. Specifications were provided on August 26, 2015 with a submittal deadline of September 18, 2015.

Following are the types of insurance included for FY2016: Property Insurance including Catastrophe, Airport Operators Liability, Directors and Officers Liability, Workman's Compensation, Automobile Insurance, and Crime Insurance.

The total premium costs for all coverage including catastrophic perils for FY2016 is \$760,364.00. Approximately \$130,899.00 was saved compared to last Fiscal Year. GIAA Management recommends that the Board approve the FY2016 insurance program as presented by AM.

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

Resolution No. 15-53

The Board hereby approves the Insurance Program for Fiscal Year 2016, as presented, in the total amount of \$760,364.00.

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

Comptroller Bordallo reported on the revenues and expenses of the Authority as of **August 31, 2015**. Mr. Bordallo reported that year-to-date Total Signatory Revenues are below budgeted revenues by **-1.7%**, year-to-date Total Concession Revenues and Passenger Facility Charges are under budget by **0.6%** and **-4.3%**, respectively. Year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues are above the budget estimate by **14.8%**. Year-to-date Total Operating Revenues Actual of **\$64.8M** is **2.3%** above the budget estimate of **\$63.4M**. Year-to-date Total Operating Expenses are below budget by **-12.9%**. Components of this line item include a **-8.3%** decrease in Personnel Service, a **-12.9%** decrease in Contractual Services, a **-53.8%** 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 **\$30.5M** reflects an increase of **27.3%** over the year-to-date budgeted amount of **\$24M**. Mr. Bordallo reported that the year-to-date Debt Service Coverage is at **1.56** versus the requirement of **1.25**.

Chairman Untalan informed the Board that the Authority will be working on an updated strategic plan as the last one was done in 2012. The Authority will be assisted by Leigh Fisher.

The Board then discussed transferring savings from FY2015 into the risk and loss management reserve.

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

Resolution No. 15-54

The Board hereby approves the transfer of \$250,000.00 from FY2015 savings to the risk & loss management reserve.

9. PUBLIC COMMENTS

There were no public comments.

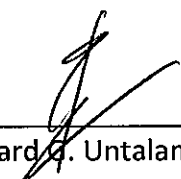
10. EXECUTIVE SESSION

No executive session held.

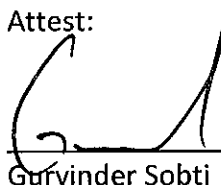
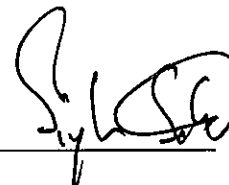
11. ADJOURNMENT

Motion to adjourn duly made by Director Sobti, seconded by Director Tolan; motion unanimously passed. The meeting was adjourned at 4:20 p.m.

Dated this 29th, day of October, 2015.




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. Monday, September 28, 2015
GIAA Terminal Conference Room #3

SIGN IN SHEET

	<u>PRINT NAME</u>	<u>COMPANY/AGENCY</u>
1.	Jean Ann	GIAA
2.	CHUCK ADA	GIAA
3.	TRICIA GRANILLO	AM INS.
4.	LARRY RIVERA	TMG
5.	TONY LONIGOT	LG
6.	Carlos Bernaldo	
7.	J. CALW	
8.	Peter Tran	ofc of Sen. Tom Adg
9.	Moana Lute	LG
10.	Benny PAZA	ARFF
11.	DANIEL SPONE	ARFF
12.	ETHEL KOSHIBA	GIAA - MKTG
13.		
14.		
15.		
16.		
17.		