



**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM
Thursday, August 31, 2017, 3:00 p.m.
GIAA TERMINAL CONFERENCE ROOM #3**

1. CALL TO ORDER AND ATTENDANCE

The August 31, 2017 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 Acting Chairperson Sgro at 3:02 p.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasaheru, Tamuning, Guam, 96913.

Directors Present:

Katherine C. Sgro
Gurvinder "Bic" Sobti
Martin J. Gerber
Lucy M. Alcorn
Rosalinda A. Tolan
Deedee S. Camacho

Offices or positions:

Acting Chairperson
Board Secretary

Directors Absent:

Ricardo C. Duenas (Excused)

Chairman

GIAA Officials:

Charles H. Ada II
Pedro R. Martinez
Jean M. Arriola
Gerard Bautista
Robert D. Camacho
Ray Santos
Edward Muna
Victor Cruz
Rolenda Faasuamalie
Antoinette Bautista
Joseph Javellana

Executive Manager
Deputy Executive Manager
Airport Services Manager
Air Terminal Manager
Airport Police Chief
Assistant Fire Chief, ARFF
Airport Operations Superintendent
Engineering Supervisor
Airport Marketing Administrator
General Accounting Supervisor
Program Coordinator IV

Janalynn Cruz Damian, Esq.
Frank R. Santos

GIAA Legal Counsel
GIAA Consultant

Acting Chairperson Sgro 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

Acting Chairperson Sgro announced that there had been a request to amend the Agenda to hold Executive Session following Correspondence. Motion to accept the change to the agenda duly made by Director Camacho, seconded by Director Sobti; motion unanimously passed.

3. APPROVAL OF MINUTES

- A.** July 27, 2017 Regular Meeting
- B.** August 1, 2017 Reconvened Meeting

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

Resolution No. 17-42

The Board hereby approves the minutes of the July 27, 2017 regular meeting and minutes of the August 1, 2017 reconvened meeting, subject to corrections.

4. CORRESPONDENCE

Executive Manager Ada had no Correspondence to report.

5. EXECUTIVE SESSION

The next item on the agenda was Executive Session

Upon written recommendation of counsel, on motion duly made by Director Alcorn, seconded by Director Tolan, and unanimously approved, the Board recessed to convene into Executive Session after the recess at 3:05 p.m.

The Board convened into Executive Session at 3:06 p.m. to discuss pending or threatened litigation to which GIAA is or may be a party. Attending Executive Session were Directors Sgro, Sobti, Gerber, Alcorn, Tolan and Camacho, Executive Manager Ada, and Legal Counsel, Janalynn Cruz Damian. Also present was the court reporter who will prepare a transcript of the Executive Session.

Executive Session adjourned at 3:28 p.m., at which time the Board reconvened the regular session.

At this time, due to discussions during Executive Session Acting Chairperson announced that there was a motion to be made.

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

Resolution No. 17-43

The Board hereby halts all further collection efforts in reference to the Freedom Air case.

6. OLD BUSINESS

A. Status Updates of Capital Improvement Projects("CIP")

Mr. Frank Santos, Consultant, provided highlights on Capital Improvement Projects for FY2017.

- International Arrivals Corridor with Building Seismic Upgrades: Project proceeding, the first shipment of steel is expected to be delivered in September. Installation occurring in October. Issues with regard to contractor, steel manufacturer, construction manager, and designer are being ironed out currently to ensure no delays in future phases.
- Acquire ARFF Truck/RIV - Pkg 2: Commissioning was held in August. Project is complete, the balance of \$218,000.00 to be returned to the FAA.
- Noise Mitigation Program 65 DNL & Higher: Schedule for noise measurements for homes in noise compacted area is ongoing. Mr. Santos gave a brief background on this project to the Board stating that 200 homes have already been noise and sound proofed within the general area. Brief discussion followed.
- ARFF Facility: Phase 1 bid was already awarded and approved by the Board, currently awaiting a grant from the FAA.
- SSCP Improvements: Two (2) additional lanes to be added. Design is ongoing. Anticipated completion is June 2018. This project to be funded by Airline credits.

Director Gerber inquired on the Art Program, listed as \$639,000.00. Discussion followed with the Board suggesting that the Marketing Committee meet to discuss further.

7. NEW BUSINESS

A. Approval of GIAA Operating Budget Fiscal Year 2018

The fiscal year 2018 operating budget was presented by Ms. Antoinette Bautista. In summary, cost per enplanements (CP) was increased to \$16.87, from current CP of \$15.51. Operation and Maintenance expenses are projected to increase in FY18 by \$2.9M compared to the FY17 budget.

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

Resolution No. 17-44

The Board hereby approves the Operating Budget for fiscal year 2018 as presented, subject to adjustments.

At this time the Executive Manager asked that he may excused from the Board meeting to take care of another Airport related matter.

B. Ratification of Quarterly Travel

Deputy Executive Manager Martinez presented the quarterly travel from April 2017 to June 2017 for ratification by the Board.

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

Resolution No. 17-45

The Board hereby ratifies the FY2017 3rd quarter travel report from April 2017 to June 2017 as presented.

8. 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 Deputy Executive Manager Martinez.

9. REPORT OF THE COMPTROLLER

Ms. Antoinette Bautista reported on the revenues and expenses of the Authority as of **July 31, 2017**. Ms. Bautista reported that year-to-date Total Signatory Revenues are above budgeted revenues by **3.7%**, year-to-date Total Concession Revenues and Passenger Facility Charges are below budget by **-0.6%** and above budget by **2.6%**, respectively. Year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues are above the budget estimate by **26.9%**. Year-to-date Total Operating Revenues Actual of **\$64.6M** is **7.5%** above the budget estimate of **\$60.1M**. Year-to-date Total Operating Expenses are below budget by **-2.7%**. Components of this line item include a **-0.6%** decrease in Personnel Service, a **-0.3%** decrease in Contractual Services, a **-50.7%** decrease in Materials & Supplies and a **-11.1%** decrease in Equipment/Furnishings from budgeted amounts for these respective categories. The actual year-to-date Net Revenues from Operations of **\$27.8M** reflects an increase of **24.7%** over the year-to-date budgeted amount of **\$22.3**. Ms. Bautista reported that the year-to-date Debt Service Coverage is at **1.58** versus the requirement of **1.25**.

10. PUBLIC COMMENTS

There were no public comments.

11. ADJOURNMENT

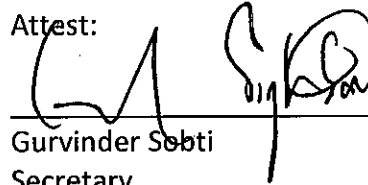
Motion to adjourn duly made by Director Alcorn, seconded by Director Camacho; motion unanimously passed. The meeting adjourned at 4:13 p.m.

Dated this 26th, day of September, 2017.



Ricardo C. Duenas
Chairman

Attest:



Gurvinder Sebt
Secretary

Prepared and Submitted By:



Amanda O'Brien-Rios
Corresponding Secretary

BOARD OF DIRECTORS REGULAR MEETING
3:00 p.m., Thursday, August 31, 2017
GIAA TERMINAL CONFERENCE ROOM #3

Public Notice

First Notice:

Guam Daily Post – August 24, 2017

Notice to Media – August 24, 2017

Second Notice:

Guam Daily Post – August 29, 2017

Notice to Media – August 29, 2017

AGENDA

1. Call to Order and Attendance
2. Approval of Agenda
3. Approval of Minutes
 - A. July 27, 2017 Regular Meeting
 - B. August 1, 2017 Reconvened Meeting
4. Correspondence
5. Old Business
 - A. Status Updates of Capital Improvement Projects
6. New Business
 - A. Approval of GIAA Operating Budget Fiscal Year 2018
 - B. Ratification of Quarterly Travel
7. Report of Executive Manager
8. Report of the Comptroller
9. Executive Session
10. Public Comments
11. Adjournment

A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM

Board of Directors Regular Meeting

3:00 p.m., Thursday, August 31, 2017

GIAA Terminal Conference Room #3

SIGN-IN SHEET

	<u>PRINT NAME</u>	<u>COMPANY/AGENCY</u>
1.	JEAN PEREIRA	
2.	ANN BAUTISTA	GIAA
3.	RAY SANTOS	GIAA ARIF
4.	Z Fausanle	GIAA Mktg
5.	CHUCK ADA	GIAA
6.	Letitia Law-Byerly	Lotte Duty Free
7.	VICTOR J. CRUZ	GIAA
8.	J. G. Javellane	GIAA
9.	Gerard BAUTISTA	GIAA
10.	FRANK SANTOS	TMG
11.	REYBORT CANTALAN	AID
12.	EDWARD MUNA	GIAA
13.		
14.		
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Source: Navy to relieve 7th Fleet commander after collisions

WASHINGTON/TOKYO (Reuters) – The U.S. Navy will relieve Seventh Fleet Commander Vice Adm. Joseph Aucoin after a series of collisions involving its warships in Asia, a U.S. official told Reuters, as the search goes on for 10 sailors missing since the latest mishap.

The move to replace Aucoin comes days after a pre-dawn collision between a guided-missile destroyer and a merchant vessel east of Singapore and Malaysia on Monday, the fourth major incident in the U.S. Pacific Fleet this year.

"An expedited change in leadership was needed," the official said in Washington on Tuesday of the decision to relieve Aucoin of his command.

The Navy declined to comment on any plans to relieve Aucoin, which was first reported by the Wall Street Journal.

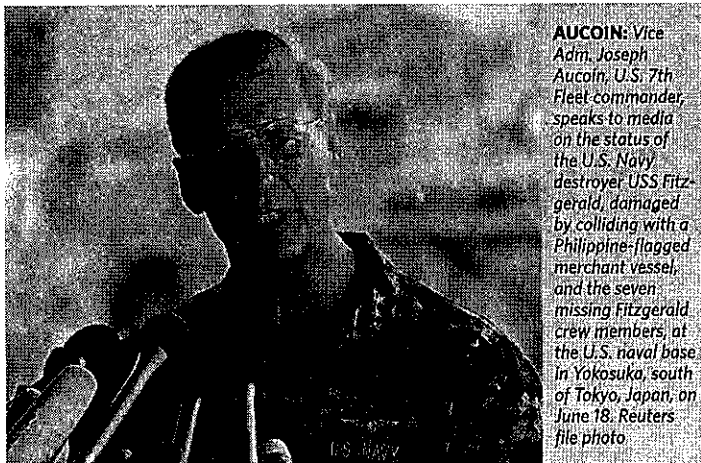
The official told Reuters that Adm. Scott Swift, the commander of the U.S. Pacific Fleet, would relieve Aucoin, a three-star admiral, when the two meet in Japan later on Wednesday.

It was not clear when the formal announcement would be made.

Aucoin was due to step down next month, with Phillip Sawyer, deputy commander of the Pacific Fleet and a submariner by trade, slated to succeed him. Aucoin came up through the Navy's air wing as an F-14 navigator.

The 7th Fleet, headquartered in Japan, operates as many as 70 ships, including the U.S. Navy's only forward-deployed aircraft carrier, and has around 140 aircraft and 20,000 sailors.

It operates over an area of 48 million square miles from bases in Japan, South



AUCOIN: Vice Adm. Joseph Aucoin, U.S. 7th Fleet commander, speaks to media on the status of the U.S. Navy destroyer USS Fitzgerald, damaged by colliding with a Philippine-flagged merchant vessel, and the seven missing Fitzgerald crew members, at the U.S. naval base in Yokosuka, south of Tokyo, Japan, on June 18. Reuters file photo

Korea and Singapore.

Tense times

The accident involving the USS John S. McCain and the tanker Alnic MC in the Singapore Strait came at a tense time for the U.S. Navy in Asia.

This month, the John S. McCain sailed within 12 nautical miles of an artificial island built by China in the disputed South China Sea, the latest "freedom of navigation" operation to counter what the United States sees as China's efforts to control the contested waters.

An official Chinese newspaper said on Tuesday the U.S. Navy's latest collision shows it is becoming an increasing risk to shipping in Asia despite its claims of helping to protect freedom of navigation.

Also this month, North Korea threatened to fire ballistic missiles toward

the U.S. Pacific territory of Guam in a standoff over its nuclear and missile programs.

"Losing another ship now is bad timing. It may raise concern over America's defensive capabilities and it could send the wrong signal to North Korea and China," a senior Japanese Maritime Self-Defense Force officer said, asking not to be identified because he is not authorized to talk to the media.

An international search-and-rescue operation involving aircraft, divers and vessels from the United States, Singapore, Malaysia, Indonesia and Australia is looking for the 10 U.S. sailors missing since Monday's collision.

Remains found after collision

On Tuesday, U.S. Navy and Marine Divers found human remains inside sealed sections of the damaged hull

“Losing another ship now is bad timing. It may raise concern over America's defensive capabilities and it could send the wrong signal to North Korea and China.”


– Senior Japanese Maritime Self-Defense Force officer

of the USS John S. McCain, which is moored at Singapore's Changi Naval Base. The Navy has not yet announced the identities of the bodies discovered.


The U.S. Navy is also working to identify a body found by the Malaysian navy about 8 nautical miles northwest of the collision site. Photos posted on the Twitter account of a Malaysian navy frigate on Wednesday showed crew carrying what appeared to be a body to a U.S. Navy helicopter.

The latest collision has already prompted a fleet-wide investigation and plans for temporary halts in U.S. Navy operations.

The John S. McCain's sister ship, the USS Fitzgerald, almost sank off the coast of Japan after colliding with a Philippine container ship on June 17. The bodies of seven U.S. sailors were found in a flooded berthing area after that collision.



**The Honorable
EDDIE B. CALVO
Governor**




**The Honorable
RAY TENORIO
Lt. Governor**

PUBLIC NOTICE


The Board of Directors of the A.B. Won Pat International Airport Authority, Guam (GIAA) will convene its Regular Board meeting on Thursday, August 31, 2017 at 3:00 p.m. in Terminal Conference Room No. 3. In addition to regular matters, pursuant to 5 G.C.A. §8111(c)(2), Executive Session will be held to discuss pending litigation to which GIAA is a party. Parking is available in the Public Parking Lot.

For special accommodations or agenda items, please call the Board Office at 642-4717/18.

(This ad paid for by GIAA)



**GUAM PEACE OFFICER STANDARDS
AND TRAINING (P.O.S.T.)
COMMISSION MEETING**



GUAM COMMUNITY COLLEGE

9:00 a.m., Thurs., August 31, 2017
Guam Community College, Mangilao, Guam
Learning Resource Center Room 112
(GCC LIBRARY - Bldg. 4000)

Individuals requiring special accommodations, auxiliary aids, or services should contact 735-5597.

(Advertisement paid for with government funds)

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THE GUAM DAILY POST

Call (671) 649-1924
Fax: (671) 648-2007
Email: admin@postguam.com

PUBLICATION NOTICE

In accordance with the provisions of Guam Code Annotated, Title XI, Chapter III, Section 3315, notice is hereby given that:

SAI ENTERPRISES, INC.
dba: Grab & Go

has applied for a Class: 5 Off Sale Beer Alcoholic Beverage License said premises being marked as Lot: 2023, 910 S Marine Corps Dr., Tamuning

Get results in our **CLASSIFIEDS**

THE GUAM DAILY POST

Call: (671) 649-1924
Fax: (671) 648-2007
Email: advertise@postguam.com

Duterte to cops: Kill 'idiots' who resist arrest

MANILA (Reuters) - Philippine President Rodrigo Duterte told police on Monday they could kill "idiots" who violently resist arrest, two days after hundreds of people turned the funeral of a slain teenager into a protest against his deadly war on drugs.

Duterte met the parents of the schoolboy, 17-year-old Kian Loyd delos Santos, at the presidential palace in Manila on Monday, officials said. Details of the meeting were not immediately available.

Earlier, Duterte broke off midway through a prepared speech at the Hero's Cemetery on the outskirts of Manila and addressed impromptu comments to Jovie Espenido, the police chief of a town in the south where the mayor was killed in an anti-drugs raid.

"Your duty requires you to overcome the resistance of the person you are arresting... (if) he resists, and it is a violent one... you are free to kill the idiots, that is my order to you," Duterte told the police officer.



STRONG WORDS: Philippine President Rodrigo Duterte is interviewed by reporters after the handover of a draft law of the Bangsamoro Basic Law (BBL) in a ceremony at the Malacanang presidential palace in metro Manila, Philippines July 17.

Romeo Ranoco/Reuters file photo

Duterte added that "murder and homicide and unlawful killings" were not allowed and that police had to uphold the rule of law while carrying out their duties.

Duterte unleashed the anti-drugs war after taking office in June last year following an election campaign in which he vowed to use deadly force to wipe out crime and drugs.

Thousands of people have been killed and the violence has been criticized by much of the international community.

Domestic opposition has been largely muted but the killing of delos Santos by anti-drugs officers on Aug 16 has sparked rare public outrage.

More than 1,000 people, including nuns, priests and hundreds of children, joined his funeral procession on Saturday, turning the march into one of the biggest protests yet against Duterte's anti-drugs campaign.

Delos Santos was dragged by plainclothes policemen to a dark, trash-filled alley in northern Manila before he was shot in the head and left next to a pigsty, according to witnesses whose accounts appeared to be backed up by CCTV footage.

Police say they acted in self defense after delos Santos opened fire on them, and Duterte's spokesman and the justice minister have described the killing of the teenager as an "isolated" case.

Divers find remains of all missing McCain sailors

SINGAPORE (AP) - Divers have recovered the remains of all 10 sailors who went missing after the USS John S. McCain and an oil tanker collided near Singapore last week, the U.S. Navy said Monday.

Navy and Marine Corps divers had been searching in flooded compartments of the destroyer for days after the damaged ship docked in Singapore. The cause of the Aug. 21 collision is under investigation.

The crash ripped a gash in the McCain's hull, flooding crew berths and machinery and communications rooms.

The commander of the Navy's Japan-based 7th Fleet was fired last week after a series of accidents this year raised questions about its operations. The firing of Vice Adm. Joseph Aucoin, a three-star admiral, was a rare dismissal of a high-ranking officer for operational reasons.

The Navy also ordered an operational pause for its fleets worldwide to make sure all steps are being taken to ensure safe and effective operations. The Pacific Fleet will also carry out a ship-by-ship review of its vessels, looking



COLLISION: In this Aug. 21 photo, provided by the U.S. Navy, the guided-missile destroyer USS John S. McCain (DDG 56) steers towards the Changi Naval Base, Singapore, following a collision with the merchant vessel Alnic MC while underway east of the Straits of Malacca and Singapore. Navy and Marine Corps divers will enter flooded compartments on the USS John S. McCain to search for 10 sailors missing after the destroyer and an oil tanker collided in Southeast Asian waters, the 7th Fleet said Tuesday, Aug. 22. Mass Communication Specialist 2nd Class Joshua Fulton/U.S. Navy via AP

ing at navigation, mechanical systems, bridge resource management and training.

The victims ranged in age from 20 to 39 years old and came from eight U.S. states:

- Charles Nathan Findley, 31, Electronics Technician 1st Class, from Amazonia, Missouri
- Abraham Lopez, 39, Interior Communications Electrician 1st Class, from El Paso, Texas
- Kevin Sayer Bushell, 26, Electronics Technician 2nd Class, from Gaithersburg, Maryland
- Jacob Daniel Drake, 21, Electronics

Technician 2nd Class, from Cable, Ohio

- Timothy Thomas Eckels Jr., 23, Information Systems Technician 2nd Class, from Manchester, Maryland

- Corey George Ingram, 28, Information Systems Technician 2nd Class, from Poughkeepsie, New York

- Dustin Louis Doyon, 26, Electronics Technician 3rd Class, from Suffield, Connecticut

- John Henry Hoagland III, 20, Electronics Technician 3rd Class, from Killeen, Texas

- Logan Stephen Palmer, 23, Interior Communications Electrician 3rd Class, from Decatur, Illinois

- Kenneth Aaron Smith, 22, Electronics Technician 3rd Class, from Cherry Hill, New Jersey

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Board of Commissioners' August 24th Meeting is postponed until
Thursday, August 31st
12:00 p.m.

GHURA Main Office
1st Floor Conference Room
117 Blen Venida Avenue, Sinajana

Agenda

- I. ROLL CALL
- II. APPROVAL OF PREVIOUS BOARD MINUTES - August 11, 2017
- III. NEW BUSINESS
 1. FY2018 Budget
- IV. GENERAL DISCUSSION/ANNOUNCEMENT
- V. ADJOURNMENT

For special accommodation, contact Ms. Kathy Taltano
Tele No. 475-1322 or TTY #472-3701



The Honorable
EDDIE B. CALVO
Governor



The Honorable
RAY TENORIO
Lt. Governor

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(Advertisement paid for with government funds)

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Thursday, July 27, 2017, 3:00 p.m.
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1. CALL TO ORDER AND ATTENDANCE

The July 27, 2017 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 Duenas at 3:03 p.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasaheru, Tamuning, Guam, 96913.

Directors Present:

Ricardo C. Duenas
Katherine C. Sgro*
Gurvinder "Bic" Sobti
Martin J. Gerber
Lucy M. Alcorn
Rosalinda A. Tolan
Deedee S. Camacho

Offices or positions:

Chairman
Vice Chairperson
Board Secretary

Directors Absent:

None

GIAA Officials:

Charles H. Ada II	Executive Manager
Pedro R. Martinez	Deputy Executive Manager
John A. Rios	Comptroller
Jean M. Arriola	Airport Services Manager
Gerard Bautista	Air Terminal Manager
Antonio Taitingfong	Airport Police Assistant Chief
Edward Muna	Airport Operations Superintendent
Victor Cruz	Engineering Supervisor
Franklin P. Taitano	Supply Management Administrator

Janalynn Cruz Damian, Esq.
Frank R. Santos

GIAA Legal Counsel
Consultant

Chairman Duenas 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 Director Gerber; motion unanimously passed.

3. APPROVAL OF MINUTES

A. July 6, 2017 Regular Meeting

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

Resolution No. 17-37

The Board hereby approves the minutes of the July 6, 2017 regular meeting, subject to corrections.

4. CORRESPONDENCE

Executive Manager Ada had no Correspondence to report.

5. OLD BUSINESS

A. Status Updates of Capital Improvement Projects("CIP")

Mr. Frank Santos, Consultant, announced that the CIP reports include three (3) schedules, which he will give a brief summary for each.

I. Airport Capital Improvement Plan ("ACIP")

Mr. Santos informed the Board that the ACIP covers fiscal years 2018 - 2020.

- Concourse Isolation with Seismic Upgrades: Two (2) years of entitlements up to 2020.

II. Capital Improvement Projects for Fiscal Year 2018

Mr. Santos referred the Board to the 2nd schedule and informed them that it covers projects for fiscal year 2018.

- Budget meetings with airlines held earlier this week, where the CIP was introduced.
- Expand Security Screening Checkpoint: Expand checkpoint with two (2) additional screening lanes in the amount of \$1.6M. Majority of the airlines approved the intention to deduct the amount of \$1.6M from Other Available

Monies (airline credit from Airport Net Revenues at the end of the fiscal year) which is estimated at \$3M.

III. Capital Improvement Projects for Fiscal Years Through 2017

Mr. Santos referred the Board to the 3rd schedule and informed them that it includes Bond projects, FAA grants and Capital Improvement Fund projects. All projects listed have funding sources. Projects not listed have been deferred and will be addressed at a later time with the Board.

- International Arrivals Corridor with Building Seismic Upgrades: Total project cost \$110M, with a balance of \$92M to be paid.

6. NEW BUSINESS

- A. Approval of FAA Grant Agreement AIP Project No. 3-66-0001-100-2017 - Modify Terminal Building Sterile Arrival Corridors - Construction - \$4,450,500.00

The first matter discussed was the FAA Grant Agreement for the following: Modify Terminal Building Sterile Arrival Corridors - Construction project in the amount of \$4,450,500.00. Executive Manager Ada informed the Board that the deadline to accept the grant is August 30, 2017.

**Vice Chairperson Sgro arrived at the Board meeting.*

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

Resolution No. 17-38

The Board hereby approves the acceptance of the FAA Grant Agreement AIP Project No. 3-66-0001-100-2017 - Modify Terminal Building Sterile Arrival Corridors - Construction in the amount of \$4,450,500.00, and the conditions associated with the grant agreement.

- B. Approval of Award for GIAA Aircraft Rescue Fire Fighting (ARFF) Facility Phase I - Demolition, Remediation and Site Preparation - IFB No. GIAA -C02-FY17

Executive Manager Ada provided background information to the Board on the referenced IFB. Eleven (11) firms/individuals purchased bid packages and five (5) firms submitted bids before the submission deadline. The five (5) firms were evaluated and 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:

Bidder's Name	Amount
Primo's Heavy Equipment	\$1,280,000.00
Korando Corporation	\$469,000.00
Ian Corporation	\$666,077.15
Maeda Pacific Corp.	\$989,100.00
BME & Sons Inc.	\$1,618,088.00

Executive Manager Ada informed the Board that Korando Corporation has been determined to have met the standards of responsibility and responsiveness outlined in the Guam Procurement Regulations and has been deemed the lowest responsible, responsive bidder. Therefore, it is recommended that Korando Corporation be awarded the contract in the amount of \$469,000.00 for the referenced IFB.

Executive Manager Ada announced that the lowest responsive, responsible total bid amount received is 67% below the government estimate of \$1,400,000.00. Korando Corporation, in a letter dated July 26, 2017 has confirmed its bid price of \$469,000.00 and its ability to complete the project in 120 calendar days after the firm has received the notice to proceed. Executive Manager Ada added that the funding for this project is available under AIP grant funds. Management intends to reprogram the excess funds back in to the construction portion of the facility.

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

Resolution No. 17-39

The Board hereby approves the contract award for GIAA Aircraft Rescue Fire Fighting (ARFF) Facility Phase I - Demolition, Remediation and Site Preparation - IFB No. GIAA -C02-FY17 in the amount of \$469,000.00 to Korando Corporation, subject to review by legal counsel.

D. Approval of Board Resolution No. 17-40: Agreement for Legal Services

The next item discussed was the extension of the Agreement for Legal Services with Torres Law Group, conflicts counsel. Legal counsel, Janalynn Damian informed the Board that the one (1) year extension would be the second of four options to extend.

Director Sobti and Director Gerber did not participate in the discussion or vote on the referenced extension to Legal Services Agreement because of conflict of interest with Torres Law Group.

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

Resolution No. 17-40

WHEREAS, an Agreement for Legal Services - Conflicts Counsel was entered into on August 1, 2015, by and between the ANTONIO B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM ("GIAA") and Torres Law Group ("Torres") (the "Torres Agreement"); and

WHEREAS, the Torres Agreement provides for a term of one year commencing on August 1, 2015, with four (4) options to extend for a period of one (1) year each, not to exceed a total contract period of five (5) years with GIAA approval; and

WHEREAS, on June 9, 2016, by Resolution No. 16-38, the Board of Directors approved the extension of the Torres Agreement for an additional one year period (1st Option) commencing on August 1, 2016, and expiring on July 31, 2017, under the same terms and conditions as set forth in the Torres Agreement; and

WHEREAS, the Board of Directors has determined that GIAA continues to require the services of Torres and that it is in the best interests of GIAA to extend the term of the Torres Agreement for an additional one year period commencing on August 1, 2017, under the same terms and conditions as set forth in the Torres Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of GIAA hereby extends the term of the Torres Agreement for an additional one year period commencing on August 1, 2017 and expiring on July 31, 2018, under the same terms and conditions as set forth in the Torres Agreement.

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 Executive Manager Ada.

Chairman Duenas congratulated Management and Accounting staff for maintaining the Authority's rating with Standard & Poor's, stating that it is helpful to the organization. The Chairman also congratulated Management and the Airport's Marketing department on the development of the very innovative Hulo program, and added that the Block Party was impressive.

8. REPORT OF THE COMPTROLLER

Mr. John Rios reported on the revenues and expenses of the Authority as of **June 30, 2017**. Mr. Rios reported that year-to-date Total Signatory Revenues are above budgeted revenues by **4.1%**, year-to-date Total Concession Revenues and Passenger Facility Charges are below budget by **-0.7%** and above budget by **3.7%**, respectively. Year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues are above the budget estimate by **27.9%**. Year-to-date Total Operating Revenues Actual of **\$58.1M** is **8.0%** above the budget estimate of **\$53.8M**. Year-to-date Total Operating Expenses are below budget by **-5.3%**. Components of this line item include a **-2.7%** decrease in Personnel Service, a **-2.0%** decrease in Contractual Services, a-

57.5% decrease in Materials & Supplies and a **-61.5%** decrease in Equipment/Furnishings from budgeted amounts for these respective categories. The actual year-to-date Net Revenues from Operations of **\$25.5M** reflects an increase of **31.6%** over the year-to-date budgeted amount of **\$19.4**. Mr. Rios reported that the year-to-date Debt Service Coverage is at **1.59** versus the requirement of **1.25**.

9. EXECUTIVE SESSION

Chairman Duenas announced that Executive Session will be tabled.

At this time Chairman Duenas suggested that the Board adjourn the regular Board meeting and reconvene on Tuesday, August 1, 2017 at 2:00 p.m.

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

Resolution No. 17-41

The July 27, 2017 Regular Meeting of the Board of Directors of GIAA is hereby adjourned, and will reconvene on Tuesday, August 1, 2017 at 2:00 p.m. at the GIAA Conference Room 355 Chalan Pasaheru, Tamuning, Guam, 96913.

The meeting adjourned at 3:30 p.m.

Dated this _____, day of _____, 2017.

Attest:

Ricardo C. Duenas
Chairman

Gurvinder Sobti
Secretary

Prepared and Submitted By:

Amanda O'Brien-Rios
Corresponding Secretary

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM
Tuesday, August 1, 2017, 2:00 p.m. *Reconvened Meeting*
GIAA TERMINAL CONFERENCE ROOM #3**

1. CALL TO ORDER AND ATTENDANCE

The Regular meeting of the Board of Directors of the A.B. Won Pat International Airport Authority, Guam ("GIAA" or the "Authority") held on July 27, 2017, was reconvened and called to order by Chairman Duenas on August 1, 2017 at 2:21 p.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasaheru, Tamuning, Guam, 96913.

Directors Present:

Ricardo C. Duenas
Katherine C. Sgro
Martin J. Gerber
Lucy M. Alcorn

Offices or positions:

Chairman
Vice Chairperson

Directors Absent:

Gurvinder "Bic" Sobti (Excused)
Rosalinda A. Tolan (Excused)
Deedee S. Camacho (Excused)

Board Secretary

GIAA Officials:

Charles H. Ada II
Pedro R. Martinez
John A. Rios
Jean M. Arriola
Gerard Bautista
Edward Muna
Victor Cruz

Executive Manager
Deputy Executive Manager
Comptroller
Airport Services Manager
Air Terminal Manager
Operations Superintendent
Engineering Supervisor

Janalynn Cruz Damian, Esq.
Eduardo A. Calvo, Esq.
Genevieve P. Rapadas, Esq.
Frank Santos

GIAA Legal Counsel
GIAA Legal Counsel
GIAA Legal Counsel
Consultant

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

4. EXECUTIVE SESSION

The next item on the agenda was Executive Session

Upon written recommendation of counsel, on motion duly made by Vice Chairperson Sgro, seconded by Director Alcorn, and unanimously approved.

The Board convened into Executive Session at 2:22p.m. to discuss pending or threatened litigation to which GIAA is or may be a party. Attending Executive Session were Directors Duenas, Sgro, Gerber, and Alcorn, Executive Manager Ada, and Legal Counsel, Janalynn Cruz Damian, Eduardo A. Calvo, and Genevieve P. Rapadas. Also present was the court reporter who will prepare a transcript of the Executive Session.

Executive Session adjourned at 3:32p.m. On motion duly made by Director Alcorn, seconded by Director Gerber, the Board reconvened the regular session.

5. PUBLIC COMMENTS

There were no Public Comments.

6. ADJOURNMENT

Motion to adjourn duly made by Director Alcorn, seconded by Vice Chairperson Sgro; motion unanimously passed. The meeting was adjourned at 3:33 p.m.

Dated this _____, day of _____, 2017.

Attest:

Ricardo C. Duenas
Chairman

Gurvinder Sobti
Secretary

Prepared and Submitted By:

Amanda O'Brien-Rios
Corresponding Secretary

CALVO FISHER & JACOB LLP

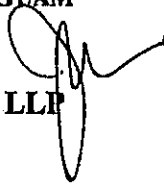
259 MARTYR STREET, SUITE 100
HAGÅTÑA, GUAM 96910
P: 671.646.9355 F: 671.646.9403
WWW.CALVOFISHER.COM

writer's direct e-mail:
jdamian@calvofisher.com

RECOMMENDATION OF COUNSEL

TO: Board of Directors
ANTONIO B. WON PAT INTERNATIONAL
AIRPORT AUTHORITY, GUAM

CC: Mr. Charles H. Ada II
Executive Manager
ANTONIO B. WON PAT INTERNATIONAL
AIRPORT AUTHORITY, GUAM

FROM: Janalynn Cruz Damian 
CALVO FISHER & JACOB LLP

DATE: August 21, 2017

SUBJECT: Executive Session

Pursuant to 5 GCA § 8111(c)(1), I hereby recommend that the Board of Directors of GIAA conduct an Executive Session at the next regularly scheduled Board meeting to discuss pending or threatened litigation to which GIAA is or may be a party.



A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM
CAPITAL IMPROVEMENT PROJECTS FOR FISCAL YEARS THROUGH 2017
as of 08/31/17

		PROJECT NAME	Bond	Federal	CIF	Total	Payment	Balance
	I. ONGOING							
1	AIP97 AIP100	Int'l Arrivals Corridor w/Bldg Seismic Upgrades	96,108,007	13,200,000	1,126,940	110,434,947	20,279,233	90,155,714
2	AIP91	Acquire ARFF Truck/RIV - Pkg 2		1,251,000	139,000	1,390,000	1,171,046	218,954
3	AIP93	Noise Mitigation Program 65 DNL & Higher - Phase		2,000,000	200,000	2,200,000	97,379	2,102,621
4	AIP94	Miscellaneous Airport Improvements - Ph 5		706,077	78,453	784,530	681,056	103,474
5	AIP95	Wildlife Management Assessment		100,000	10,000	110,000	58,530	51,470
6	AIP96	Safety Management System		150,000	30,000	180,000	37,262	142,738
7	AIP98	ARFF Facility-Design/Construction Phase 1	422,472	1,000,000	100,000	1,522,472	71,800	1,450,672
8	AIP99	Apron Rehabilitation - Design		810,000	81,000	891,000	21,984	869,016
9		Hold Bag Screening Relocation	5,369,933	24,899,330	0	30,269,263	27,714,073	2,555,190
10		Parking Expansion	1,654,912		904,881	2,559,793	1,654,912	904,881
11		Upgrade Airport IT & FMS	389,118		1,000,000	1,389,118	389,118	1,000,000
12		SSCP Improvements			1,600,000	1,600,000	-	1,600,000
13		Art Program	639,000		-	639,000	-	639,000
14		Improve Leasehold Facilities (GSE, Tech, HC-5)			2,633,886	2,633,886	1,751,415	882,471
15		Tiyan Land Acquisition & Redevelopment			787,415	787,415	703,703	83,712
16		Facilities Fire Alarm/Suppression System			3,223,301	3,223,301	3,085,022	138,279
17		Upgrades to Public Restrooms - Final Phase			2,554,910	2,554,910	2,400,449	154,461
18		Maintenance Equipment			100,000	100,000	-	100,000
19		Airport Facilities Upgrades, Phased			5,037,160	5,037,160	4,704,076	333,084
20		Painting & Exterior Surface Improvements and Replace Roofing Systems			2,509,934	2,509,934	2,431,734	78,200
		Totals:	\$ 104,583,442	\$ 44,116,407	\$ 22,116,880	\$ 170,816,729	\$ 67,252,793	\$ 103,563,936

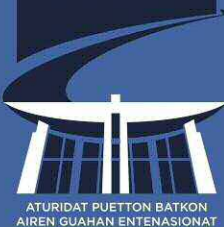
Operating Budget

FISCAL YEAR 2018



NEW 3RD FLOOR INTERNATIONAL ARRIVALS CORRIDOR

A.B. WON PAT
INTERNATIONAL
AIRPORT
GUAM



Bringing Guam to
a whole new level.

VISION
HULO'
The only direction is **UP!**

**A.B. Won Pat International Airport Authority, Guam
(GIAA)**

Fiscal Year 2018 Budget



Ricardo C. Duenas
Chairman

Charles H. Ada II
Executive Manager

➤ Assumptions and Highlights

- Strong enplanement growth in FY16 of 4.8% year over year and projected in FY17 and FY18 of 4.1% and 7.1% respectively.
- FY 18 reflects a 42 basis point increase in retirement contribution from 27.41% to 27.83%.
- Debt Service coverage in FY 16 at 1.75 times and projected in FY 17 and FY18 at 1.59 and 1.50 respectively.
- Operation & Maintenance expenses are projected to increase in FY18 by \$2.9M compared to the FY17 Budget. Contractual Services increase by \$2.2M; Materials and Supplies increase by \$246k and Personnel services by \$511k.
- Initiate only those capital projects federally funded or essential to the Airport primary functions. The Security Screening Checkpoint Improvements requested by the Airlines will commence immediately.
- Total Airport Revenues including PFC is projected to increase by 807K in FY18.
- FY18 Aeronautical revenues are estimated at 40% of Total Airport Revenues and Non-Aeronautical revenues is at 48% of GIAA Total Airport Revenues.
- Contribution to Risk and Loss Management Fund at \$250k.
- Amortization of GIAA funded assets at \$2.2 M in FY18.

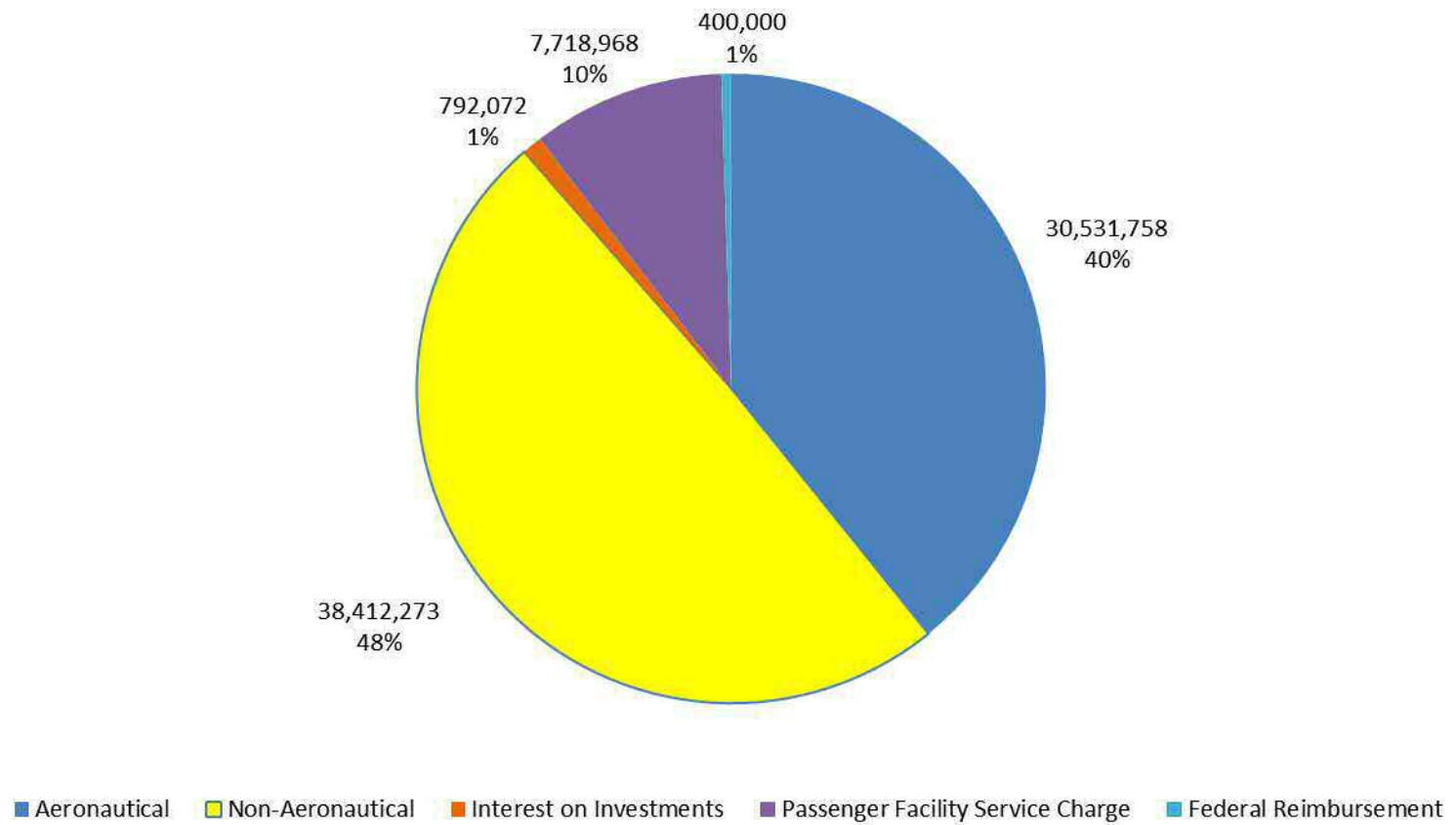


➤ Summary - FY 2018 Budget

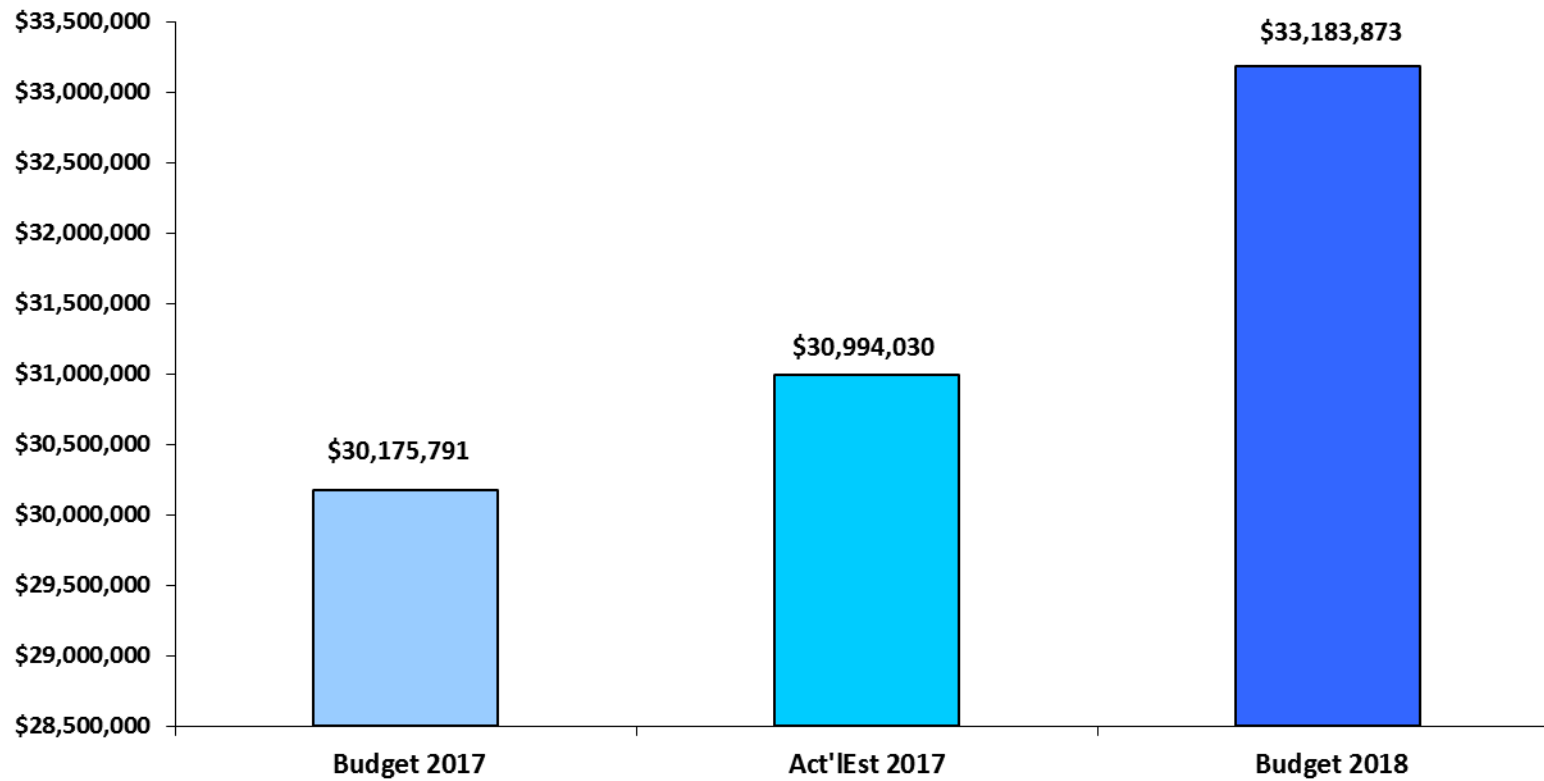
- Authority to continue and reassess and pursue revenue streams and promote air service development which may include new incentives and exploration of new markets.
- Initiate only those capital projects federally funded or essential to the Airport primary functions.
- BOD and Management to continue monitoring and implementing cost cutting measures without compromising airport safety and security.
- An adjustment to rates & tariffs if any of the following occurs:
 - 1) Landing Fees are projected to vary by more than 10% of projected total landing fees for the fiscal year (Section 7.11 Special Increases of Landing Fees - Signatory Airlines Agreement)
 - 2) At any time during the fiscal year revenues are not sufficient to pay any reasonable expense or obligation of the airport (Section 7.12 Extraordinary Adjustments of Rents and Fees - Signatory Airlines Agreement)



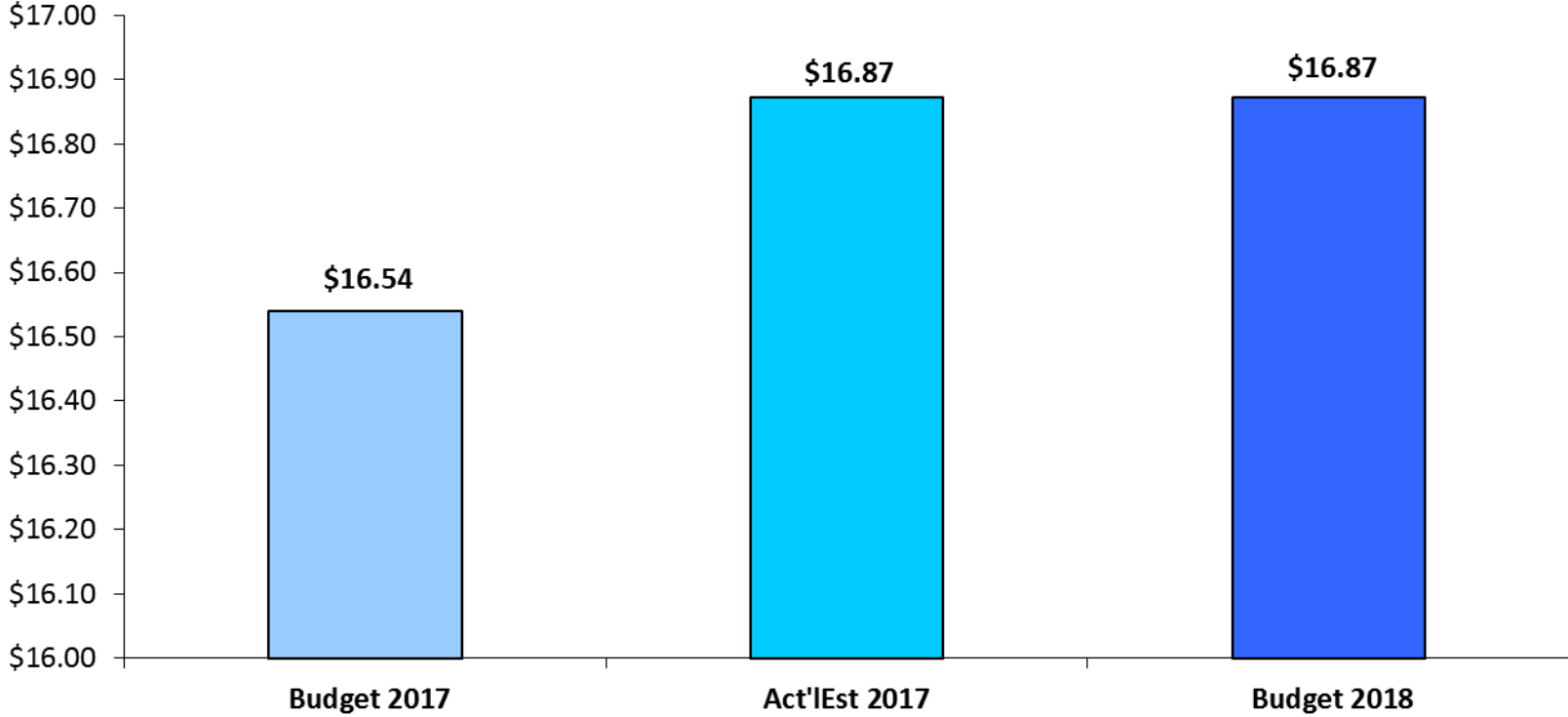
Allocation of Revenue FY 2018



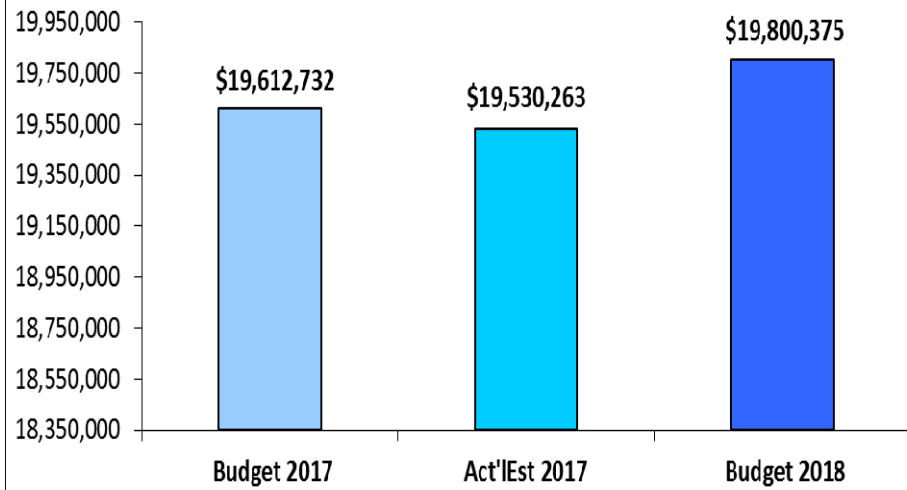
Total Signatory Airline Rents & Fees



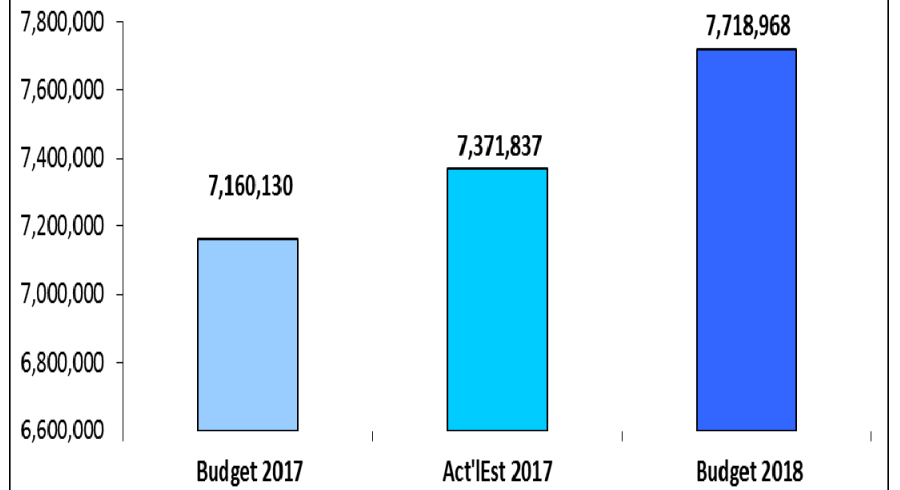
Signatory Airline Cost Per Enplaned Passengers



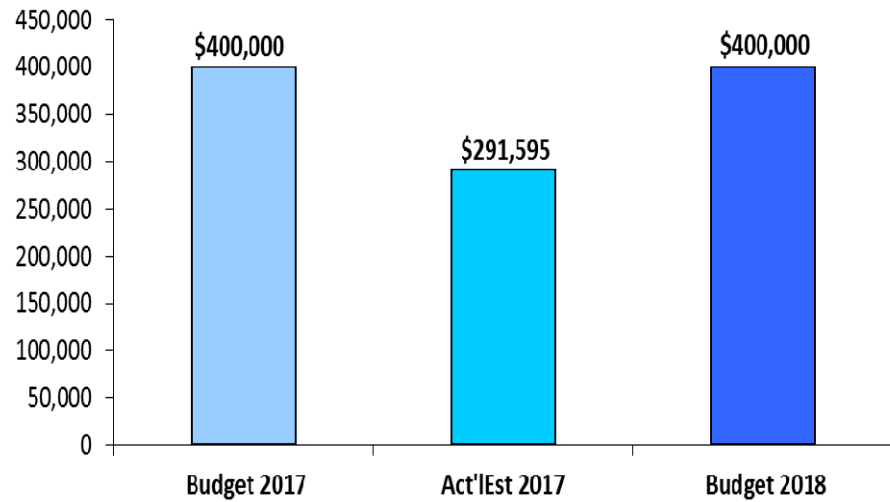
Concession Revenue



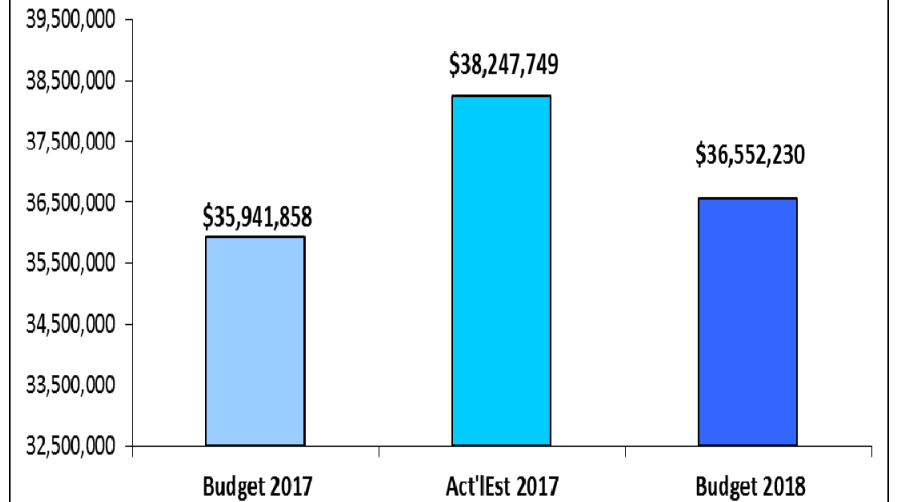
Passenger Facility Charge



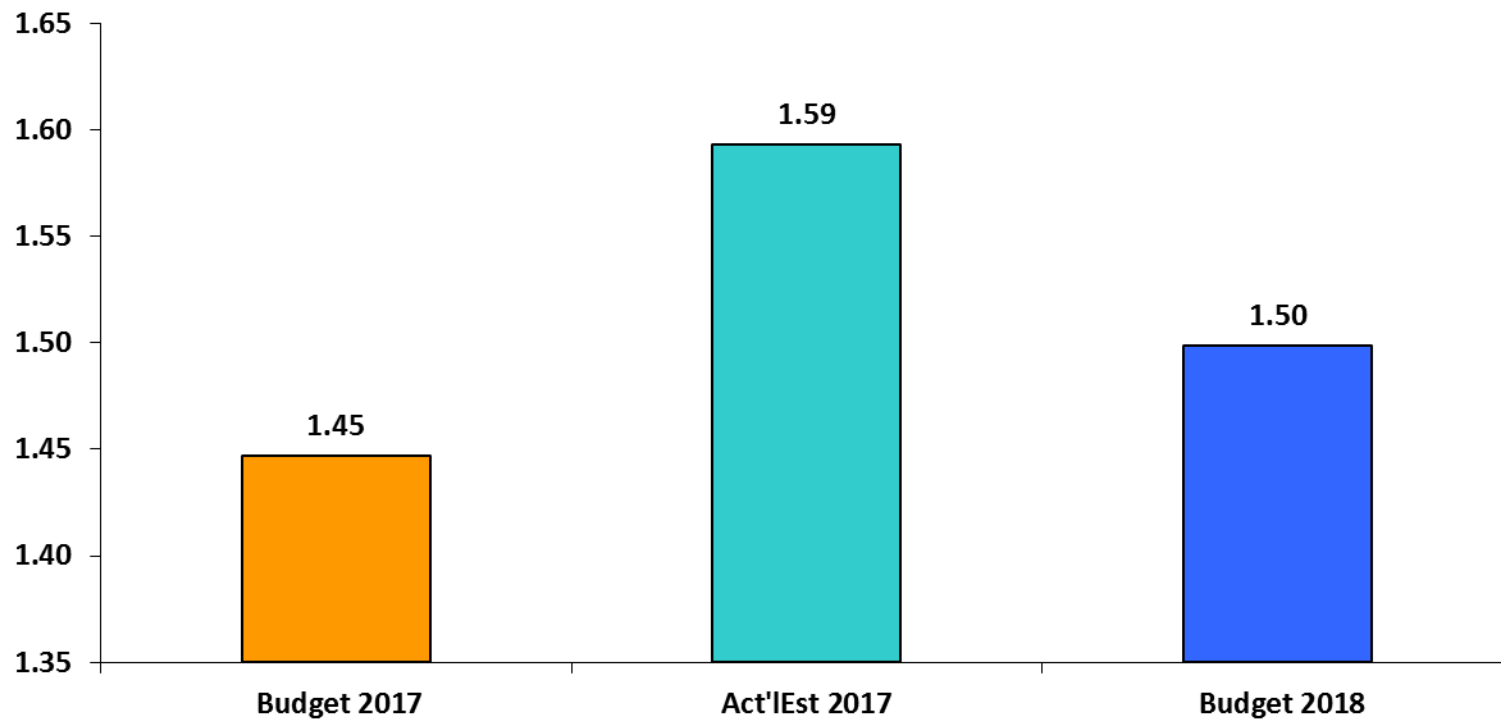
Federal Reimbursement



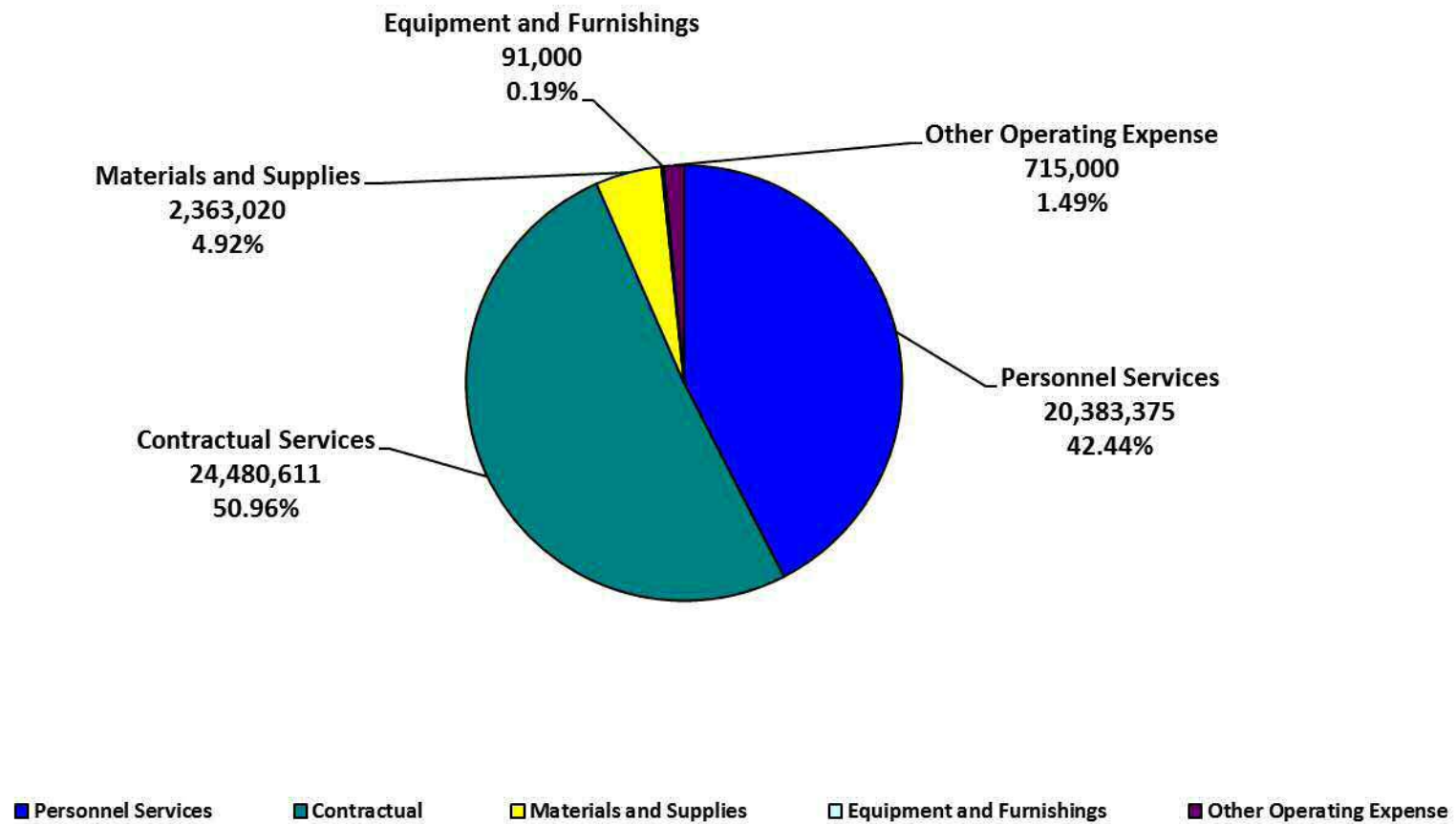
Total Other Revenue Sources



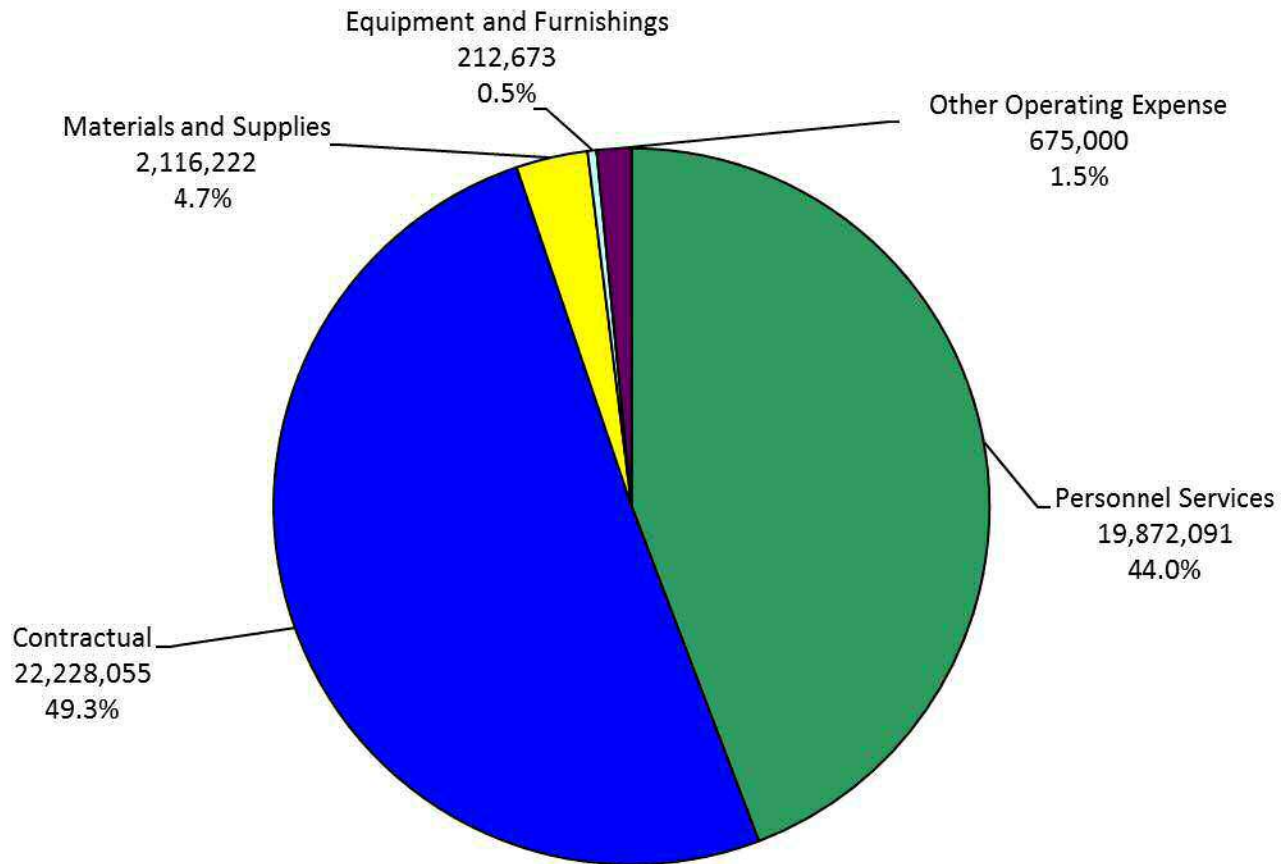
Debt Service Coverage



Operations & Maintenance Proposed Budget FY 2018



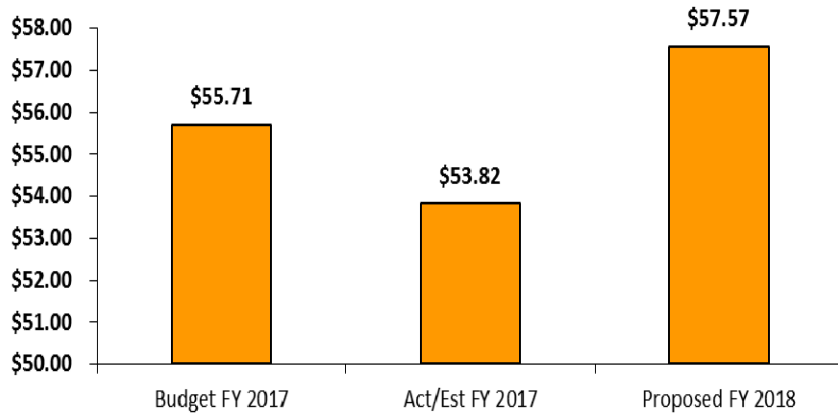
Operations Maintenance Approved Budget FY 2017



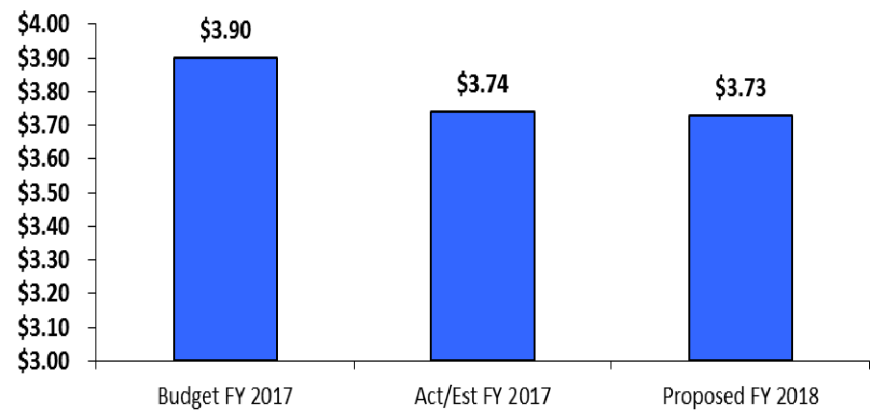
■ Personnel Services ■ Contractual ■ Materials and Supplies ■ Equipment and Furnishings ■ Other Operating Expense

RATES UNDERPAYMENT (OVERPAYMENT)

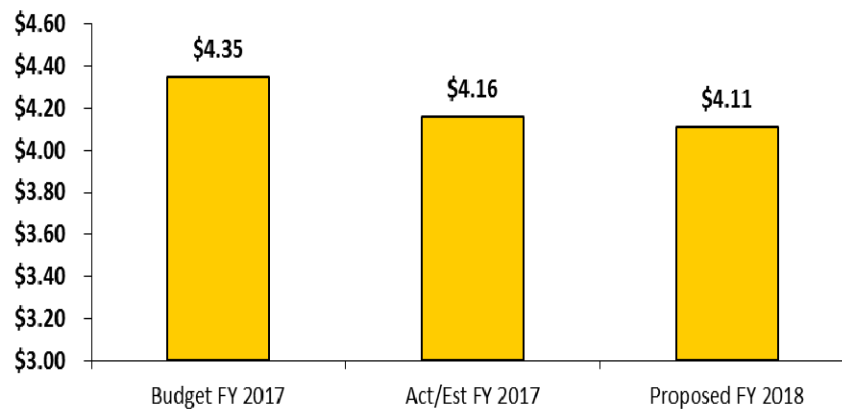
Terminal Bldg Rent



Departure Fee

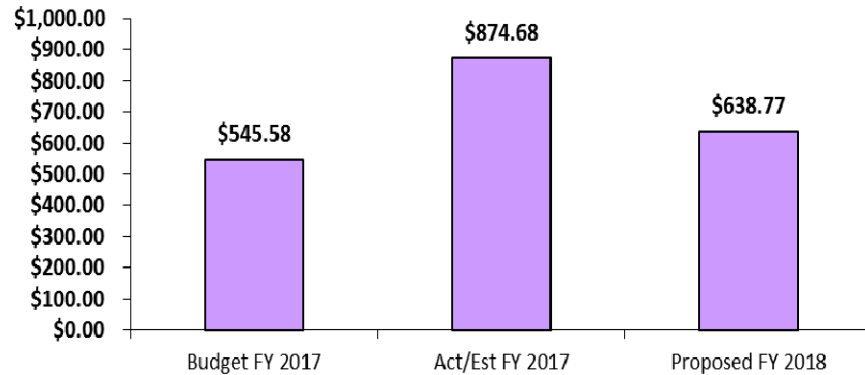


Arrival Fee

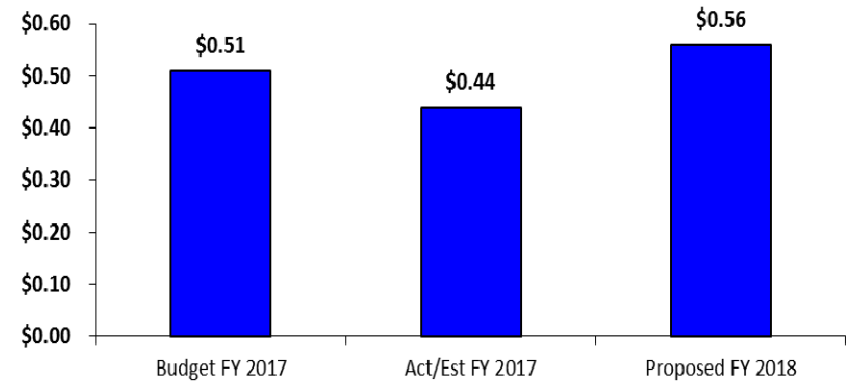


RATES UNDERPAYMENT (OVERPAYMENT)

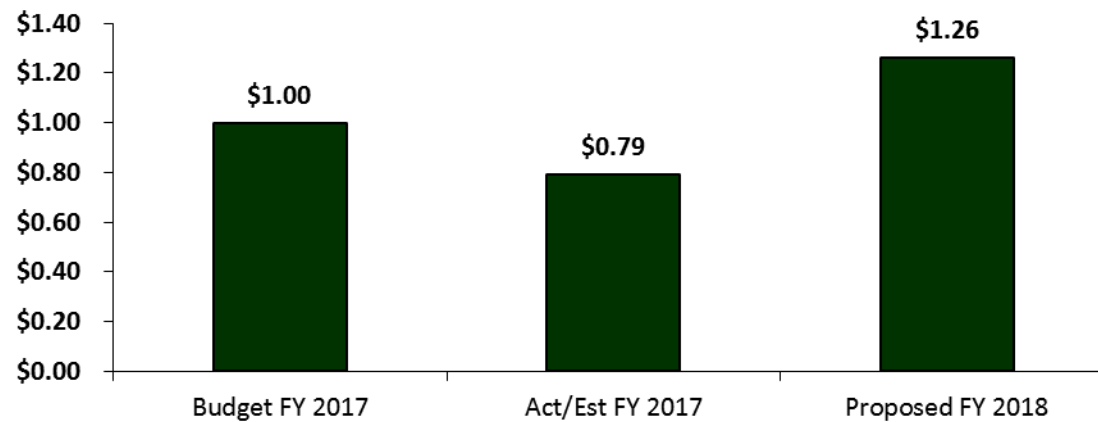
Loading Bridge Use Fee



Apron Use Fee



Landing Fee



A.B. Wonpat INTERNATIONAL AIRPORT AUTHORITY, GUAM

Fiscal Years Ending September 30

Proposed Rates and Fees

				FY 2018 RATES		
Fiscal Year 2016		Fiscal Year 2017				
Approved	Actual	Approved	Actual/Est	Sig	Non Sig/Others	CMGA (a)
Signatory Airline Rents and Fees						
Terminal Building Rentals	\$51.35	\$49.83	\$55.71	\$53.82	\$57.57	\$71.96
Departure Fees	\$3.62	\$3.60	\$3.90	\$3.74	\$3.73	\$4.66
Arrival Fees	\$4.26	\$4.02	\$4.35	\$4.17	\$4.11	\$5.14
Immigration Inspection Fees	\$1.56	\$1.42	\$1.46	\$1.48	\$1.32	\$1.65
Loading Bridge Use Fees	\$606.24	\$858.83	\$545.58	\$874.68	\$638.77	\$798.46
Apron Use Fees	\$0.32	\$0.23	\$0.51	\$0.44	\$0.56	\$0.70
Landing Fees	\$0.78	\$1.30	\$1.00	\$0.79	\$1.26	\$1.58
						(b)
Signatory Airline enplaned passengers	1809079	1764191	1824395	1837039	1966786	
Signatory Airline cost per enplaned passengers	\$15.51	\$16.30	\$16.54	\$16.87	\$16.87	
Annual debt service coverage	1.38	1.75	1.45	1.59	1.50	
Debt service coverage requirement	1.25	1.25	1.25	1.25	1.25	
Capital Improvement Fund						
Other Available Moneys Subaccount	\$688,486	\$4,022,103	\$1,375,233	\$3,151,452	\$1,550,790	
Capital Improvement Subaccount	\$688,485	\$4,022,102	\$1,375,232	\$3,151,452	\$1,550,790	
		\$2,750,465	\$6,302,904	\$3,101,580		

Note (s)

(a) CMGA = General Aviation customers.

(b) CMGA landing fee rate is per landing.

CAPITAL IMPROVEMENT PROJECTS FOR FISCAL YEAR 2018

		<u>FUNDING SOURCE</u>			<u>Cost Center</u>	<u>DESCRIPTION & NEED</u>
	<u>PROJECT NAME</u>	<u>BUDGET</u>	<u>CIF</u>	<u>FEDERAL</u>		
1	NOISE MITIGATION PROGRAM 65 DNL AND HIGHER - PHASE 5	\$ 2,222,223	\$ 222,223	\$ 2,000,000	AA	Implementation of findings under the Part 150 Noise Study (multi-year)
2	CONCOURSE ISOLATION with SEISMIC UPGRADES, DESIGN/CONSTRUCT, PH3	5,000,000	500,000	4,500,000	TB	Eliminate concourse separation with new arrivals corridor with vertical circulations pods and seismic upgrades
3	ARFF FACILITY - DESIGN/CONSTRUCT, PH2	18,718,348	1,871,835	16,846,513	AA	Replace old Navy ARFF facility with new integrated and code compliant facility that meet FAA standards
4	CARGO APRON & FUEL SYSTEM EXTENSION - DESIGN/CONSTRUCT, PH1	1,500,000	150,000	1,350,000	AA	Design and construction of new cargo aprons adjacent to integrated cargo facility with fuel hydrant pits
5	APRON REHABILITATION, PH1	5,555,555	555,555	5,000,000	AP	Assess and design rehabilitation improvements to terminal aprons
6	REHABILITATE RUNWAY 6L-24R, PH1	1,250,000	125,000	1,125,000	AA	Rehabilitate distressed areas of terminal aprons and taxiways.
7	EXPAND SECURITY SCREENING CHECKPOINT	1,600,000	1,600,000		TB	Expand checkpoint with 2 additional screening lanes
Totals:		<u>\$ 35,846,126</u>	<u>\$ 5,024,613</u>	<u>\$ 30,821,513</u>		

Note: All projects are subject to funding availability and FAA issuance of grant agreements.

FY 2017 - 3rd QUARTER TRAVEL REPORT**BOARD RATIFICATION - April - June**

TA NO.	NAME	COST	TRAVEL DATES	PURPOSE	DESTINATION	Travel/Trip Expense Report Due
17-04-63	Martinez, Pedro Roy B.	\$8,932.95	04/10-12/2017	Traveller attended the ACI Asia-Pacific World & Regional Board Meetings and attended the 12th ACI Asia-Pacific Regional Assembly Conference and Exhibition	Doha, Qatar	4/24/17
17-04-64	Gerber, Martin J.	\$7,473.90	04/10-12/2017	Traveller attended the ACI Asia-Pacific Regional Assembly	Doha, Qatar	4/28/17
17-05-78	Il Ada, Charles Herman	\$3,350.39	05/8-12/2017	Traveller will attend 2017 Pacific Aerodrome Certification & Assessment Workshop	Majuro, Republic of the Marshall Islands	5/23/2017
17-04-83	Il Ada, Charles Herman	\$601.99	4/21/2017	Traveller will be meeting with Commoweatlh Ports Authority Airport Officials	Saipan, Northern Mariana Islands	5/1/2017
17-06-87	Il Ada, Charles Herman	\$4,125.05	06/12-16/2017	Traveller participated as a Speaker for the 8th Western-Pacific Airports Conference and presented a Transportation Director's Report	Anaheim, California	6/27/2017

EXECUTIVE MANAGER'S REPORT

August 31, 2017

AIRLINE ISSUES

United Airlines

United Airlines increased its Tokyo-Guam service in August 2017, operating an extra 3 weekly flights between August 1 to August 25, 2017. As a result, overall flight frequency for this route increases from 21 to 24 weekly NRT-GUM flight, and provides an additional 1134 passenger seats for the route.

Uzbekistan Airlines

Uzbekistan Airlines have been operating Nagoya/Guam charters since July 28, 2017. The charters will continue daily until August 29, 2017, for a total of 33 round trip charters. They have been utilizing the recently designated in line CUTE counters #13 through 18, for processing their flights. Utilizing an A32-200 aircraft with 150 seats, the charters contributed 4,950 passenger seats on this route.

Air Seoul

Air Seoul will begin services to Guam from Incheon starting at 5 x weekly, with the inaugural flight on September 13, 2017. They will increase flights to daily in October 2017. Air Seoul will utilize an A321 with 195 all economy seats and will be the 6th Korean carrier to service Guam from Incheon.

Japan Airlines

To promote their pilot training program, Japan Airlines, together with the Airport, will host two events in September highlighting careers in aviation, featuring their pilots in training. On September 23, the JAL pilots will present an Introduction to Aviation seminar including service mannerisms (flight attendant training) to the Japan School of Guam students. On September 25 or 26, a media day is planned which will feature a ride on a training flight with Captain and pilot cadet. On September 30, a paper plane demonstration and flying presentation will be held in the West Ticket Lobby for the first 50 students who sign up. Airport Marketing is coordinating the events with JAL administration.

FINANCIAL ISSUES

Fiscal Year 2018 Budget

After a meeting held with signatory airlines on June 24, 2017 for review, input and comments on the preliminary budget, FY2018 budget preparation has concluded and presented for Board Action. In the preparation and streamlining of the Final budget, financial prudence was exercised and incorporated without compromise to safety and security of Airport operations.

Fiscal Year 2017 Financial Audit

As the fiscal year enters into its final month, Accounting and Procurement with the support of all divisions are preparing for end of Fiscal Year 2017. Ernst and Young will be engaged and working closely with Accounting to review reports and financial activity of the fiscal year. As required by law, the Financial Audit Report will be completed no later than January 31, 2018.



REGULATORY ISSUES

FAA Certification Inspection

The annual FAA certification inspection is scheduled for the last week of September, 2017. The new Honolulu ADO's Airport Safety Inspector, William Brown, will conduct his first inspection of the Guam Airport Facilities. All concerned are intent in ensuring that we come up with a repeat, 0 discrepancy, 100% compliance report.

FAA Grant Funding

The Airport commissioned two new firefighting vehicles on August 15, 2017, with the Governor's review and inspection. The units were manufactured by Rosenbauer America, funded by an FAA grant of \$1.25 million dollars awarded to GIAA in late 2015 and are described as The two newest ARFF Unit #6, a Rosenbauer Panther 6x6, Class 5 Rapid Intervention Vehicle and ARFF Unit #7, an Air Wolf FAA Class 3 Fire Fighting Vehicle. FAA designated Guam's Airport as an "Index E" category airport. Under that index, the Guam Airport must meet a minimum 6,000gallon water capacity by its fleet, and respond to any point in the airfield in under three minutes. The Guam Airport's ARFF fleet is now a mix of units, with four fire fighting vehicles with a combined water capacity of 12,000 gallons, 1 command vehicle, 1 equipment transport support vehicle and 1 rapid intervention vehicle.

PROCUREMENT ISSUES

IFB- Purchase and Delivery of Runway Continuous Friction Measuring Equipment (CFME)

Announced:	August 18, 2017
Pre- Bid Meeting:	August 22, 10:00am
Bid Submission Deadline:	Sept. 12, 2017, 2:00pm

ANNOUNCEMENTS

- Incheon Airport has invited Deputy Executive Manager Pedro Roy Martinez to present in and moderate a session at the 2nd World Aviation Conference scheduled for September 5 -7, 2017 in Korea. Mr. Martinez will be presenting and moderating the below session on "Building Mega Hub Airports and Roles of Stakeholders" focusing on Guam: The Regional for Micronesia. Co-speakers in this session include Hong Kong Airports Director, Department of Civil Aviation Director General in Malaysia and Airports of Thailand Deputy General Manager.
- The 2017 Labor Day Picnic will take place on Sunday, September 3 2017 @11am. Spearheaded by our Property Management and Airport Police divisions, the picnic is sure to be a great success, with GIAA and Tenant employees invited to partake in this annual event. The Airport picnic site is located on the Hilton side, next to the Main Pavillion. We look forward to seeing you there!
- Mr. Delfino Garcia, ARFF Driver Operator (Airfield), retired effective July 28, 2017 after 22 years of government service. A retirement celebration was held for him on Friday, August 18, 2017 to commend him for his years of service. We wish him well on his future endeavors.

August 25, 2017

MEMORANDUM

To: Mr. Ricardo C. Duenas
Chairman
GIAA Board of Directors

From: John A. Rios
Comptroller

Subject: Operating Results – Revenues and Expenses as of July 31, 2017

Attached herewith is GIAA's Operating Results Report for the month ending July 31, 2017. This report summarizes the Budgeted versus Actual Revenues and Expenses for the month and year-to-date results ended July 31, 2017.

The key operating results for 10 month(s) of FY2017 ending July 31, 2017 – (in \$000's) are

CATEGORY	Actual FY17 Current Month	YEAR-TO-DATE			FORECAST FOR FULL YEAR- FY17	
		Budget FY17 Y-T-D	Actual FY17 Y-T-D	% Variance Budget vs. Actual	Actual Y-T-D FY17 Budget	% Variance Budget vs. Estimate for Full Year
				Y-T-D Current Month		
Total Signatory Revenues	\$ 2,676.8	\$ 24,815.1	\$ 25,732.1	3.7%	\$ 31,092.7	3.0%
Total Concession Revenues	\$ 1,630.6	\$ 16,290.8	\$ 16,196.1	-0.6%	\$ 19,518.1	-0.5%
Total PFC's	\$ 611.0	\$ 5,871.4	\$ 6,026.0	2.6%	\$ 7,314.7	2.2%
Total Other Revenues	\$ 1,453.8	\$ 13,099.2	\$ 16,618.0	26.9%	\$ 19,319.9	22.3%
Total Operating Revenues	\$ 6,372.2	\$ 60,076.5	\$ 64,572.2	7.5%	\$ 77,245.4	6.2%
Total Operating Expenses	\$ 3,835.5	\$ 37,802.3	\$ 36,789.2	-2.7%	\$ 43,416.0	-2.3%
Net Revenues from Operations	\$ 2,536.7	\$ 22,274.2	\$ 27,783.0	24.7%	\$ 33,829.4	19.5%
Non-Operating Expenses	\$ 42.8	\$ 675.0	\$ 615.9	-8.8%	\$ 615.9	-8.8%
Other Available Moneys/other sources of funds	\$ 544.8	\$ 5,632.8	\$ 5,633.2	0.0%	\$ 6,759.8	0.0%
Net Debt Service Coverage	1.46	1.31	1.58	20.8%	1.6	16.5%

Year-to-date Total Signatory Revenues for the month ending July 31, 2017 are above Budgeted revenues by **3.7%**. Signatory revenue estimates are based on projections submitted by Signatory airlines and adopted in the annual budget.

Year-to-date Total Concession Revenues are **-0.6%** below budget while Passenger Facility Charges are above the budget estimate by **2.6%**.

Year-to-date Total Other Revenues, inclusive of non-signatory and non-airlines revenues, are above the budget estimate by **26.9%**.

Year-to-date Total Operating Revenues actual of **\$64.6M** is **7.5%** above the budget estimate of **\$60.1M**.

Year-to-date Total Operating Expenses are below budget by **-2.7%**. Components of this line item include a **-0.6%** decrease in Personnel Service, a **0.3%** increase in Contractual Services, a **-50.7%** decrease in Materials & Supplies and a **-11.1%** decrease in Equipment/Furnishings from budgeted amounts for these respective categories.

The actual year-to-date Net Revenues from Operations of **\$27.8M** represents a **24.7%** increase over the year-to-date budgeted amount of **\$22.3M**.

Finally, our year-to-date results for Debt Service Coverage is at **1.58** versus the requirement of **1.25**.

Should you have any questions, please contact me at your convenience.

Attachments

Cc: Board of Directors
Executive Manager
Deputy Executive Manager
Airport Services Manager
Airport Terminal Manager

GUAM INTERNATIONAL AIRPORT AUTHORITY
KEY OPERATING RESULTS (\$000's)
as of July 31, 2017

	CURRENT MONTH				Budget Full Year	YEAR TO DATE				FULL YEAR FORECAST	
	Actual FY2016	Budget FY2017	Actual FY2017	%Var Bud Vs Act'l		Actual FY2016	Budget FY2017	Actual FY2017	%Var Bud Vs Act'l	Actual/Est	%Var Bud Vs Act'l
I. Signatory Airline Rents & Fees											
Terminal Bldg Rentals	232,386	277,222	309,319	11.6%	3,326,667	2,561,184	2,772,222	3,126,874	12.8%	3,681,319	10.7%
Departure Fees	530,670	645,990	615,428	-4.7%	7,107,203	5,251,820	5,828,016	5,940,687	1.9%	7,219,874	1.6%
Arrival Fees	582,987	642,729	638,075	-0.7%	7,056,507	5,474,002	5,775,335	5,901,480	2.2%	7,182,652	1.8%
Immigration Inspection Fees	225,319	221,876	225,466	1.6%	2,439,597	2,137,894	1,997,315	2,096,583	5.0%	2,538,865	4.1%
Loading Bridge Use Fees	550,769	511,305	505,207	-1.2%	5,848,769	5,594,202	4,820,555	4,980,054	3.3%	6,008,269	2.7%
Apron Use Fees	75,349	127,145	125,413	-1.4%	1,484,319	783,659	1,222,574	1,229,261	0.5%	1,491,006	0.5%
Landing Fees	183,112	249,501	257,843	3.3%	2,912,728	1,907,927	2,399,098	2,457,114	2.4%	2,970,744	0.0%
Total Signatory Revenue	2,380,593	2,675,769	2,676,751	0.0%	30,175,790	23,710,689	24,815,115	25,732,054	3.7%	31,092,729	3.0%
Enplaned Signatory Pax	147,032	165,823	157,802	-4.8%	1,824,395	1,454,266	1,496,032	1,523,184	1.8%	1,851,547	1.5%
Cost per Enplaned Pax	\$16.19	\$16.14	\$16.96	5.1%	\$16.54	\$16.30	\$16.59	\$16.89	1.8%	\$16.79	1.5%
Revenues from Sources other than Signatory Airlines Rents & Fees											
Concession Revenues											
Gen Mdse	1,268,545	1,267,833	1,266,854	-0.1%	15,214,000	12,682,155	12,678,334	12,679,478	0.0%	15,215,144	0.0%
In-flight Catering	72,721	81,921	71,979	-12.1%	1,031,329	734,889	843,884	726,562	-13.9%	914,007	-11.4%
Food & Beverage	90,864	101,675	91,455	-10.1%	1,190,757	884,359	974,297	896,411	-8.0%	1,112,871	-6.5%
Rental Cars	104,260	113,968	131,153	15.1%	1,343,153	1,033,284	1,099,671	1,227,975	11.7%	1,471,458	9.6%
Others Concessions	56,540	69,457	69,181	-0.4%	833,493	616,769	694,575	665,717	-4.2%	804,635	-3.5%
Total Concession Revenues	1,592,930	1,634,854	1,630,622	-0.3%	19,612,733	15,951,456	16,290,761	16,196,143	-0.6%	19,518,115	-0.5%
Passenger Facility Charges	588,583	650,801	611,024	-6.1%	7,160,130	5,749,878	5,871,417	6,025,991	2.6%	7,314,703	2.2%
Other Revenue	1,580,625	1,276,809	1,453,775	13.9%	15,801,074	14,276,228	13,099,153	16,618,020	26.9%	19,319,941	22.3%
Total Operating Revenue	6,142,730	6,238,233	6,372,172	2.1%	72,749,727	59,688,251	60,076,447	64,572,207	7.5%	77,245,487	6.2%
II. Operating Expenses:											
Personnel Services	1,611,018	1,528,612	1,638,654	7.2%	19,872,091	16,680,041	16,814,882	16,719,559	-0.6%	19,776,768	-0.5%
Contractual Services	1,833,482	1,703,818	2,021,322	18.6%	22,314,955	15,840,368	18,979,991	19,031,665	0.3%	22,366,629	0.2%
Materials & Supplies	147,214	132,321	175,476	32.6%	2,120,995	1,037,776	1,886,418	930,383	-50.7%	1,164,960	-45.1%
Equipment/Furnishings	0	5,000	0	0.0%	121,000	0	121,000	107,616	-11.1%	107,616	-97292319.8%
Total Operating Expenses	3,591,714	3,369,751	3,835,452	13.8%	44,429,040	33,558,186	37,802,291	36,789,223	-2.7%	43,415,972	-2.3%
Net income from Operations	2,551,016	2,868,482	2,536,720	-11.6%	28,320,687	26,130,065	22,274,156	27,782,984	24.7%	33,829,516	19.5%
III. Other Revenues and Expenses											
Less: Non Operating Expense(Ret/DOI/OHS)	40,592	0	42,761	0.0%	675,000	577,090	675,000	615,900	-8.8%	615,900	-8.8%

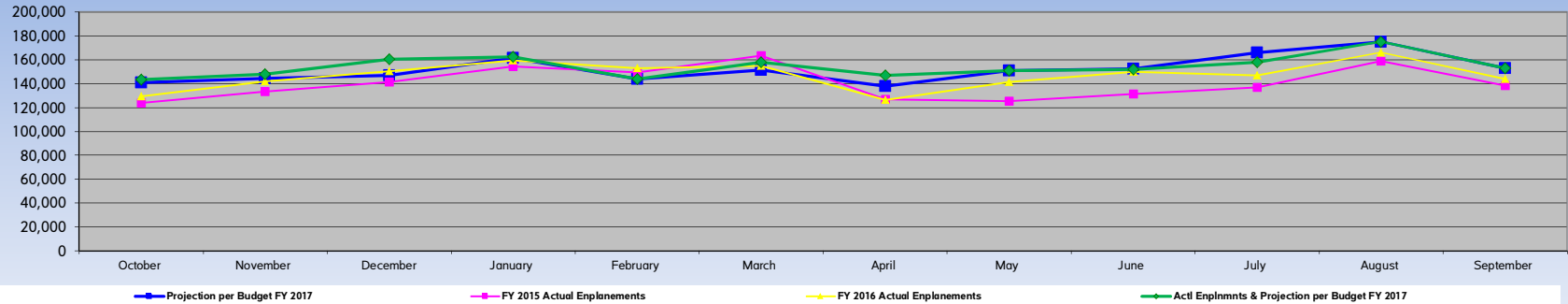
GUAM INTERNATIONAL AIRPORT AUTHORITY
KEY OPERATING RESULTS (\$000's)
as of July 31, 2017

	CURRENT MONTH				Budget Full Year	YEAR TO DATE				FULL YEAR FORECAST	
	Actual FY2016	Budget FY2017	Actual FY2017	%Var Bud Vs Act'l		Actual FY2016	Budget FY2017	Actual FY2017	%Var Bud Vs Act'l	Actual/Est	%Var Bud Vs Act'l
Add: Interest on Investments	57,710	44,004	59,043	34.2%	528,048	587,847	440,040	623,142	41.6%	711,150	34.7%
Net revenues	2,568,134	2,912,486	2,553,003	-12.3%	28,173,735	26,140,822	22,039,196	27,790,226	26.1%	33,924,766	20.4%
Other sources of funds (Federal Grants)	86,015	33,334	14,880	0.0%	400,000	315,152	333,333	333,729	0.1%	400,396	0.1%
Other available moneys	530,042	529,948	529,948	0.0%	6,359,378	5,300,419	5,299,482	5,299,482	0.0%	6,359,378	0.0%
					6,759,378		5,632,814	5,633,210	0.0%	6,759,774	0.0%
Net Revenues and Other Available Moneys	3,184,190	3,475,768	3,097,831	-10.9%	34,933,113	31,756,393	27,672,010	33,423,437	20.8%	40,684,540	16.5%
Debt Service payments	2,120,168	2,119,793	2,119,793	0.0%	25,437,513	21,201,677	21,197,928	21,197,928	0.0%	25,437,513	0.0%
Debt Service Coverage	1.50	1.64	1.46	-10.9%	1.37	1.50	1.31	1.58	20.8%	1.60	16.5%
Debt Service Requirement	1.25	1.25	1.25		1.25	1.25	1.25	1.25		1.25	

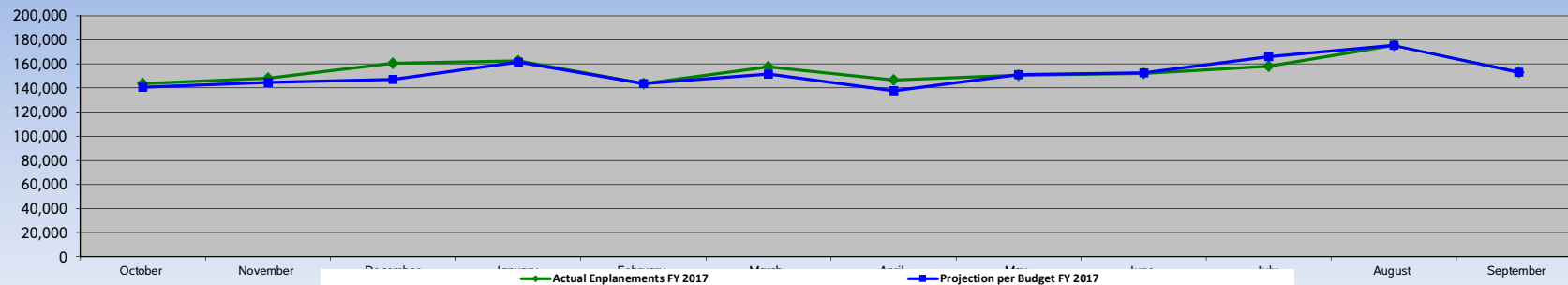
SUMMARY SIGNATORY AIRLINES

Enplanements	October	November	December	January	February	March	April	May	June	July	August	September	Total
Projection per Budget FY 2017	140,693	144,435	146,900	161,597	143,707	151,493	137,839	150,897	152,647	165,823	175,216	153,147	1,824,395
FY 2010 Actual Enplanements	94,630	105,230	108,410	132,016	129,523	137,257	102,312	112,910	111,671	133,353	147,419	132,165	1,446,896
FY 2011 Actual Enplanements	112,043	117,861	115,206	137,595	131,263	128,645	90,184	99,827	100,434	119,730	140,999	123,086	1,416,873
FY 2012 Actual Enplanements	110,962	118,092	121,031	143,545	137,851	149,600	113,893	107,914	122,061	141,014	165,376	135,017	1,566,356
FY 2013 Actual Enplanements	131,910	135,518	138,186	150,971	148,524	164,380	124,701	120,751	132,315	142,773	165,026	138,907	1,693,962
FY 2014 Actual Enplanements	124,805	134,044	141,808	151,270	141,056	157,421	128,621	123,763	136,513	138,462	165,026	130,732	1,673,521
FY 2015 Actual Enplanements	123,934	133,207	141,209	154,559	149,186	163,468	126,645	125,235	131,500	136,967	159,054	138,298	1,683,262
FY 2016 Actual Enplanements	129,352	141,778	150,587	159,545	153,030	155,032	126,400	141,568	149,942	147,032	166,085	143,840	1,764,191
FY 2017 Actual Enplanements/Projection	143,619	148,002	160,544	162,303	143,720	157,735	146,779	150,775	151,905	157,802	175,216	153,147	1,851,547
FY 2017 versus FY 2016 Monthly%	11.03%	4.39%	6.61%	1.73%	-6.08%	1.74%	16.12%	6.50%	1.31%	7.32%	5.50%	6.47%	4.95%
FY 2017 versus FY 2016 Monthly	14,267	6,224	9,957	2,758	-9,310	2,703	20,379	9,207	1,963	10,770	9,131	9,307	87,356
FY 2017 versus FY 2016 Cumulative	14,267	20,491	30,448	33,206	23,896	26,599	46,978	56,185	58,148	68,918	78,049	87,356	87,356
	11.03%	14.45%	20.22%	20.81%	15.62%	17.16%	37.17%	39.69%	38.78%	46.87%	46.99%	60.73%	4.95%

FY 2015 FY 2017 Signatory Airlines Actual and Projection of Enplanements



Fiscal Year 2017 Actual Enplanements versus Budget



Enplanements	October	November	December	January	February	March	April	May	June	July	August	September	Total
Actual Enplanements FY 2017	143,619	148,002	160,544	162,303	143,720	157,735	146,779	150,775	151,905	157,802	175,216	153,147	1,851,547
Projection per Budget FY 2017	140,693	144,435	146,900	161,597	143,707	151,493	137,839	150,897	152,647	165,823	175,216	153,147	1,824,395
Actual Enplanements Over/(Under) Projection	2,926	3,567	13,644	706	13	6,242	8,940	(122)	(742)	(8,021)	0	0	27,152
Cumulative Total	2,926	6,493	20,137	20,843	20,856	27,099	36,038	35,916	35,174	27,152	0	0	1.5%
	October	November	December	January	February	March	April	May	June	July	August	September	
% Monthly versus Projection	2.1%	2.5%	9.3%	0.4%	0.0%	4.1%	6.5%	-0.1%	-0.5%	-4.8%	0.0%	0.0%	
% Cumulative Total	2.1%	2.3%	4.7%	3.5%	2.8%	3.0%	3.5%	3.1%	2.6%	1.8%	0.0%	0.0%	
	October	November	December	January	February	March	April	May	June	July	August	September	
Month to Month Trend													
Actual Enplanements	143,619	148,002	160,544	162,303	143,720	157,735	146,779	150,775	151,905	157,802	175,216	153,147	
Month to Month Increase/(Decrease)		4,383	12,542	1,759	-18,583	14,015	-10,956	3,996	1,130	5,897	17,414	-22,069	
Month to Month Increase/(Decrease) in %		3.1%	8.5%	1.1%	-11.4%	9.8%	-6.9%	2.7%	0.7%	3.9%	11.0%	-12.6%	
CPE	October	November	December	January	February	March	April	May	June	July	August	September	Total
Forecast Per FY2017 Budget	\$ 16.80	\$ 16.67	\$ 16.90	\$ 16.43	\$ 16.91	\$ 16.81	\$ 16.88	\$ 16.39	\$ 16.07	\$ 16.14	\$ 16.11	\$ 16.58	\$ 16.54
Actual CPE	\$ 17.00	\$ 16.79	\$ 17.20	\$ 16.79	\$ 16.89	\$ 16.85	\$ 17.26	\$ 16.85	\$ 16.34	\$ 16.96	\$ -	\$ -	\$ -
Variance	\$ (0.20)	\$ (0.12)	\$ (0.30)	\$ (0.36)	\$ 0.02	\$ (0.05)	\$ (0.38)	\$ (0.46)	\$ (0.27)	\$ (0.83)	\$ 16.11	\$ 16.58	\$ 16.54