

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM  
Thursday, October 26, 2017, 3:00 p.m.  
GIAA TERMINAL CONFERENCE ROOM #3**

**1. CALL TO ORDER AND ATTENDANCE**

The October 26, 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 Vice Chairperson Sgro at 3:07 p.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasaheru, Tamuning, Guam, 96913.

**Directors Present:**

Katherine C. Sgro  
Gurvinder "Bic" Sobti  
Rosalinda A. Tolan  
Deedee S. Camacho

**Offices or positions:**

Vice Chairperson  
Board Secretary

**Directors Absent:**

Ricardo C. Duenas (Excused)  
Martin J. Gerber (Excused)  
Lucy M. Alcorn (Excused)

Chairman

**GIAA Officials:**

Pedro R. Martinez  
John A. Rios  
Jean M. Arriola  
Gerard Bautista  
Ray Santos  
Victor Cruz  
Rolenda Faasuamalie  
Joseph Javellana

Deputy Executive Manager  
Comptroller  
Airport Services Manager  
Air Terminal Manager  
Airport Fire Chief, Acting  
Engineering Supervisor  
Airport Marketing Administrator  
Program Coordinator IV

Janalynn C. Damian, Esq.  
Frank R. Santos

GIAA Legal Counsel  
GIAA Consultant

Vice 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**

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

**3. APPROVAL OF MINUTES**

**A. September 26, 2017 Regular Meeting**

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

**Resolution No. 18-01**

The Board hereby approves the minutes of the September 26, 2017 regular meeting, subject to corrections.

**4. CORRESPONDENCE**

Deputy Executive Manager Martinez had no Correspondence to report.

**5. OLD BUSINESS**

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

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

- International Arrivals Corridor with Building Seismic Upgrades: Sources of funding now raised to \$119M.
- ARFF Facility-Design/Construction Phase I: Additional funding located, currently at \$5.4M
- Apron Rehabilitation - Design: Currently at \$2M
- Rehabilitation Runway 6L - Design: RFP expected to be issued by mid November.

**6. NEW BUSINESS**

**A. Approval of Award for Purchase and Delivery of Runway Continuous Friction Measuring Equipment (CFME) - IFB No. GIAA-007-FY17**

Deputy Executive Manager Martinez provided background information to the Board on the referenced IFB. Ten (10) firms/individuals purchased bid packages and only one (1) firm submitted a bid before the submission deadline. The one (1) firm was evaluated and determined to be acceptable. As required by the Guam Procurement Regulations, the bid was publicly opened and read aloud in the presence of the bidder. The bid price submittal is as follows:

Bidder's Name	Item No. 1	w/Preventive Maintenance Plan (5) years
Morrigo Equipment LLC	\$101,625.00	\$12,600.00

Deputy Executive Manager Martinez informed the Board that Morrigo Equipment LLC has been determined to have met the standards of responsibility and responsiveness outlined in the Guam Procurement Regulations and has been deemed as the lowest responsible, responsive bidder. Therefore, it is recommended that the contract awards be based on the following:

Item & Description	Awarded to:	Total Amount
Item 1: Runway Friction Testing Trailer	Morrigo Equipment LLC	\$101,625.00
with Preventive Maintenance Plan		\$12,600.00
(5) Years		
<b>Total Contract Award:</b>		<b>\$114,225.00</b>

Mr. Gerard Bautista explained to the Board that the equipment tests the friction of the pavement and is able to determine whether rubber removal or contaminant removal is required for the runway. Delivery for the equipment is estimated at ninety (90) days. Employees from a number of divisions including Engineering, MIS and Properties & Facilities will be trained on the maintenance and operation of the machinery. Included in the contract is a five (5) year preventive maintenance plan. Mr. Frank Santos clarified that the funding for this IFB is under the Capital Improvement Program, and is listed under the project updates.

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

**Resolution No. 18-02**

The Board hereby approves the contract award for Purchase and Delivery of Runway Continuous Friction Measuring Equipment (CFME) - IFB No. GIAA-007-FY17 to Morrigo Equipment LLC for a total contract amount of \$114,225.00, subject to review by legal counsel.

**B. Approval of Board Resolution No. 18-03: Agreement for Legal Services**

The second item discussed was the extension of the Agreement for legal services with Fisher & Associates. The extension would be the second of four (4) options to extend.

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

**Resolution No. 18-03**

WHEREAS, an Agreement for Legal Services – Conflicts Counsel (the “Conflicts Counsel Agreement”) was entered into effective as of December 1, 2015, by and between the ANTONIO B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM (“GIAA”) and Fisher & Associates; and

WHEREAS, the Conflicts Counsel Agreement provides for a term of one (1) year 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 October 27, 2016, by Resolution No. 17-05, the Board of Directors approved the extension of the Conflicts Counsel Agreement for an additional one year period (1<sup>st</sup> Option) commencing on December 1, 2016, and expiring on November 30, 2017, under the same terms and conditions as set forth in the Conflicts Counsel Agreement; and

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

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of GIAA hereby extends the term of the Conflicts Counsel Agreement for an additional one (1) year period commencing on December 1, 2017, under the same terms and conditions as set forth in the Conflicts Counsel 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 Deputy Executive Manager Martinez.

Vice Chairperson Sgro commended Management and employees on the perfect 100% score for its annual certification inspection conducted September 25 – 29, 2017. The inspection revealed that the airport is operated in full compliance with 14 U.S. Code of Federal Regulations (CFR) Part 139, the Airport Certification Manual, and the Airport Operating Certificate.

**8. REPORT OF THE COMPTROLLER**

Mr. John Rios reported on the revenues and expenses of the Authority as of **September 30, 2017**. Mr. Rios reported that year-to-date Total Signatory Revenues are above budgeted revenues by **2.7%**, year-to-date Total Concession Revenues and Passenger Facility Charges are below budget by **-0.5%** and above budget by **1.4%**, respectively. Year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues are above the budget estimate by **24.0%**. Year-to-date Total Operating Revenues Actual of **\$77.4M** is **6.3%** above the budget estimate of **\$72.7M**. Year-to-date Total Operating Expenses are above budget by **1.5%**.

Components of this line item include a **1.0%** increase in Personnel Service, a **5.6%** increase in Contractual Services, a **-37.4%** decrease in Materials & Supplies and a **1.3%** increase in Equipment/Furnishings from budgeted amounts for these respective categories. The actual year-to-date Net Revenues from Operations of **\$32.3M** reflects an increase of **14.0%** over the year-to-date budgeted amount of **\$28.3M**. Mr. Rios reported that the year-to-date Debt Service Coverage is at **1.54** versus the requirement of **1.25**.

Vice Chairperson Sgro inquired if the Comptroller foresees any changes in numbers due to the economies downturn. The Comptroller explained that there is a projected drop in enplaned passengers, however factors such as Air Seoul projecting 60,000 passengers for FY2018 even out the numbers.

**9. EXECUTIVE SESSION**

Vice Chairperson Sgro announced that there would be no Executive Session.

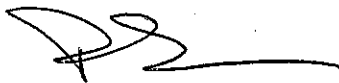
**10. PUBLIC COMMENTS**

There were no Public Comments.

**11. ADJOURNMENT**

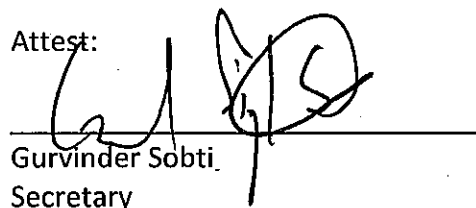
Motion to adjourn duly made by Director Camacho, seconded by Director Tolan; motion unanimously passed. The meeting adjourned at 3:37 p.m.

Dated this 1st, day of December, 2017.



Ricardo C. Duenas  
Chairman

Attest:

  
Gurvinder Sobti  
Secretary

Prepared and Submitted By:



Amanda O'Brien-Rios  
Corresponding Secretary

## BOARD OF DIRECTORS REGULAR MEETING

3:00 p.m., Thursday, October 26, 2017

GIAA TERMINAL CONFERENCE ROOM #3

### Public Notice

#### First Notice:

Guam Daily Post – October 19, 2017

Notice to Media – October 19, 2017

#### Second Notice:

Guam Daily Post – October 24, 2017

Notice to Media – October 24, 2017

## AGENDA

1. Call to Order and Attendance
2. Approval of Agenda
3. Approval of Minutes
  - A. September 26, 2017 Regular Meeting
4. Correspondence
5. Old Business
  - A. Status Updates of Capital Improvement Projects
6. New Business
  - A. Approval of Award for Purchase and Delivery of Runway Continuous Friction Measuring Equipment (CFME) - IFB No. GIAA-007-FY17
  - B. Approval of Board Resolution No. 18-03: Agreement for Legal Services
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, October 26, 2017  
GIAA Terminal Conference Room #3

SIGN-IN SHEET

	PRINT NAME	COMPANY/AGENCY
1.	MANA	GIAA
2.	Tricia Bernavente	Sen. Aguirre's office
3.	Nicole Bernavente	Glimpses of Guam
4.	VICTOR J. CRUZ	GIAA
5.	J. G. Javellana	GIAA
6.	Gerard BAPTISTA	"
7.	Polencia Farsuere	GIAA MTF
8.	RAY SANTO	GIAA ANGE
9.	LETITIA LAW-BYERLY	Lotte Duty Free
10.	EDWARD MUNA	GIAA
11.	JOS ONEDERA	GIAA ADMIN
12.		
13.		
14.		
15.		
16.		
17.		
18.		
19.		
20.		

## Sentencing delayed again for drug offender

By Louella Losinio  
louella@postguam.com

Chief Judge Frances Tydingco-Gatewood of the District Court of Guam on Wednesday postponed the sentencing of Joseph Eclavea Leon Guerrero until Monday to allow testimony from rehabilitation staff at the Salvation Army-Lighthouse Recovery Center.

The prosecution requested the continuance, which the court granted.

The court first suspended Leon Guerrero's sentencing in July with the recommendation that he be allowed to enter a 30-day inpatient treatment program for drug and substance abuse at the facility. The defendant was found eligible for the LRC's transitional residential program.

Another suspension was granted in August after Leilani Lujan, the defendant's attorney, asked the court to consider postponing the sentencing so the defendant could continue with the program.

### 2012 drug conspiracy

Leon Guerrero was just 19 when he conspired to receive more than \$900,000 in methamphetamine from California in 2012.

In October 2014, he pleaded guilty to the use of a communication facility in committing a drug trafficking offense.

At the time of the incident, Leon Guerrero, who suffers from bipolar disorder and other related illnesses, was inconsistent with taking his prescribed psychotropic medications.

Leon Guerrero could face a maximum mandatory sentence of four years in federal prison.



Joseph Leon Guerrero

By Louella Losinio  
louella@postguam.com

Firefighters not only face physical challenges as part of their public safety responsibilities but also mental stressors without much notice from those around them, Tom Jenkins, president of the International Association of Fire Chiefs, emphasized during a training forum yesterday.

Around 50 representatives gathered for the sixth annual Western Pacific Islands Association of Fire Chiefs (WPIAFC) Training Forum at the Lotte Hotel.

According to Jenkins, firefighters are at risk of post-traumatic stress disorder, depression and suicide as part of their job. He said the numbers of firefighters suffering from PTSD could go as high as 22 percent.

For depression, the numbers also show an alarming trend. "In our business, between 12 to 27 percent of firefighters distribute in what they call a range of concern. I suppose this is a psychological way of saying, 'Pay attention to them,'" Jenkins said.

"A recent survey report shows that nearly half of firefighters report having considered suicide throughout their career," Jenkins said.

A July 2017 Yellow Ribbon Report by the International Fire Chiefs Association indicated that in the fire service, suicide rates are higher. According to the report, a study of 1,027 current and retired firefighters showed ideation, planning, and attempt rates at 46.8 percent, 19.2 percent, and 15.5

percent, respectively.

"If not properly identified, if not properly treated, that can segue into very dangerous paths. Certainly, suicide is one of those options," Jenkins said.

"Again, in our jobs, we have to see firefighters as people that see the worst in humanity and report to duty the next day all the same. That is not necessarily correct. At some point, it becomes a facade," he added.

According to Jenkins, the fire department must implement action steps to assist their firefighters in dealing with these stressors. The recommendations include implementing department wellness programs and providing education and resources for behavioral health.

### Shared solutions

Joey San Nicolas, 2017 WPIAFC president, said over 50 fire service leaders, chief officers from the different fire services around the Pacific region, attended the training forum.

"Basically, we are here to share ideas, common solutions and successes. The focus this year is all about health and wellness — how to maintain and adjust and modify what we do with the new challenges of today," San Nicolas said.

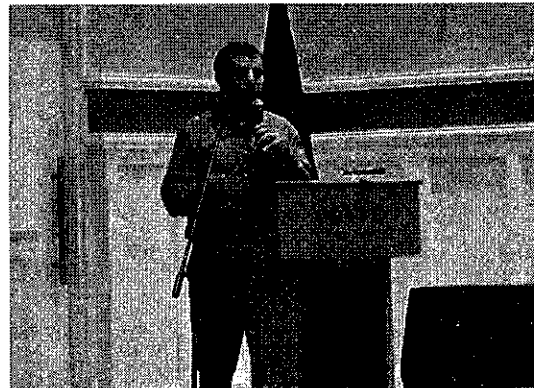
Dealing with work-related hazards is not new to the fire department, according to San Nicolas.

"We have to take those extra steps and enforce safety using respiratory protection, personal protective equipment, so forth because that is what we do. Cancer rates alone on Guam, period, alone is high enough. Then you add a hazardous job to it," he said.

Post-conference, he intends to have a more focused effort toward health and wellness.

"I think we did a pretty good job here on Guam," San Nicolas said. "We have a high percentage of firefighters who are very fit, very capable, and do take wellness and health seriously."

# Forum focuses on firefighters' health



**TRAINING:** Tom Jenkins, president of the International Association of Fire Chiefs, speaks at the sixth annual Western Pacific Islands Association of Fire Chiefs Training Forum yesterday. Louella Losinio/The Guam Daily Post

## GUAM HOUSING AND URBAN RENEWAL AUTHORITY

**Board of Commissioners Meeting**  
12:00 P.M., Thursday, October 26, 2017  
GHURA Main Office

**1<sup>st</sup> Floor Conference Room**  
**117 Bien Venida Avenue, Sinajana**

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



The Honorable  
**EDDIE B. CALVO**  
Governor



The Honorable  
**RAY TENORIO**  
Lt. Governor

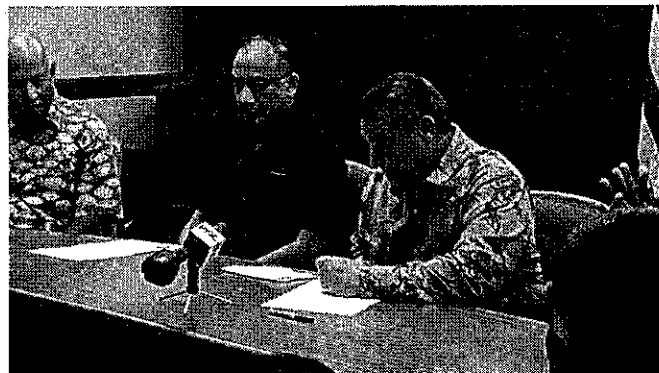
## PUBLIC NOTICE

The Board of Directors of the A.B. Won Pat International Airport Authority, Guam (GIAA) will convene its Regular Board meeting on Thursday, October 26, 2017 at 3:00 p.m. in Terminal Conference Room No. 3. In addition to regular matters, pursuant to 5 G.C.A. §811(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 641-4717/18.

(This ad paid for by GIAA)

## International Credit Union Day observed



**PROCLAMATION:** Gov. Eddie Calvo signs a proclamation declaring Oct. 18 International Credit Union Day. Joining Calvo for yesterday's signing were representatives from Coast360 Federal Credit Union, Navy Federal Credit Union, Community First Guam Federal Credit Union and Pentagon Federal Credit Union. David Castro/The Guam Daily Post



## NKorea tests altering geological structure

TOKYO (The Washington Post) - Have North Korea's nuclear tests become so big that they have altered the geological structure of the land? Some analysts now see signs that Mount Mantap, the 7,200-foot-high peak under which North Korea detonates its nuclear bombs, is suffering from "tired mountain syndrome."

The mountain visibly shifted during the last nuclear test, an enormous detonation that was recorded as a 6.3-magnitude earthquake in North Korea's northeast. Since then, the area, which is not known for natural seismic activity, has had three more quakes.

"What we are seeing from North Korea looks like some kind of stress in the ground," said Paul Richards, a seismologist at Columbia University's Lamont-Doherty Earth Observatory. "In that part of the world, there were stresses in the ground, but the explosions have shaken them up."

Chinese scientists already have warned that further nuclear tests could cause the mountain to collapse and release the radiation from the blast.

North Korea has conducted six nuclear tests since 2006, all of them in tunnels burrowed deep under Mount Mantap at a site known as the Punggye-ri Nuclear Test Facility. Intelligence analysts and experts alike use satellite imagery to keep close track of movement at the three entrances to the tunnels for signals that a test might be coming.

After the latest nuclear test, on Sept. 3, Kim Jong Un's regime claimed that it had set off a hydrogen bomb and that it had been a "perfect success."

The regime is known for brazen exaggeration, but analysts and many government officials said the size of the earthquake that the test generated suggested that North Korea had detonated a thermonuclear device at least 17 times the size of the U.S. bomb dropped on Hiroshima in 1945.

# RP troops battling final group in Marawi

MANILA, Philippines (AP) - Philippine troops on Sunday were battling a final group of about 30 pro-Islamic State group militants who were surrounded in one building with all their hostages gone as a nearly five-month siege neared its end in southern Marawi city, a military official said.

Army Col. Romeo Brawner said troops were aiming to end the crisis before midnight Sunday. He said the remaining gunmen, who include some Indonesian and Malaysian fighters, have the option of surrendering, or they can either be captured or killed.

"Our government forces will try to do everything to finish the firefight today," Brawner said in a news conference in Marawi. He said the battle area centered in a two-story building near Lake Lanao where the firefight continued to rage at noon.

"It's either they all get killed, because they're determined to die inside, or we capture them or they surrender," he said.

A gradual withdrawal of military forces was underway with the easing of the fighting, which has left at least 1,131 people dead, including 919 militants and 165 soldiers and policemen. Troops continued to ask the gunmen, who are leaderless and running low on ammunition, to surrender by using loudspeakers, Brawner said.

Military chief of staff Gen. Eduardo Ano said some of the remaining militants were "suicidal."

Hundreds of militants, many waving Islamic State group-style black flags, launched the siege on May 23 in Marawi, a bastion of Islamic faith in the south of the largely Roman Catholic Philippines, by seizing the lakeside city's central business district and outlying communities. They ransacked banks and shops, including gun stores, looted houses and smashed statues in a Roman Catholic cathedral, according to the military.

At least 1,780 of the hostages seized by the militants, including a Roman Catholic priest, were rescued, and a final group of 20 captives were freed overnight, Brawner said. That left the gunmen with none of the hostages they had used as human shields to slow the military advance for months.

The disastrous uprising, which has displaced hundreds of thousands of Marawi residents, erupted as the Philippines was hosting annual summit meetings of Southeast Asian nations and their Asian and Western counterparts, including the United States and Australia. The two governments have deployed surveillance aircraft and drones to help Filipino troops rout the Marawi militants.

The siege has sparked fears that the Islamic State group may gain a foothold in Southeast Asia by influencing and



**HOME:** Relatives welcome home troops in one of the first battalions to be deployed in the besieged city of Marawi in southern Philippines, at Villamor Air Base Friday, Oct. 20, in Pasay city, southeast of Manila, Philippines. The Philippine military has begun to scale down their forces after President Rodrigo Duterte declared the liberation of Marawi city following the killings of the militant leaders after five months of military offensive. Bullit Marquez/AP Photo

providing funds to local militants as it suffers battle defeats in Syria and Iraq.

Last Monday, troops killed the final two surviving leaders of the siege, including Isnilon Hapilon, who is listed among the FBI's most-wanted terror suspects in the world, and Omarkhayam Maute. Following their deaths, President Rodrigo Duterte traveled near the main scene of battle and declared Marawi had been essentially liberated from terrorist influence, although skirmishes with a few dozen gunmen continued.

DNA tests done in the United States requested by the Philippine military

have confirmed the death of Hapilon, according to the U.S. Embassy in Manila. Washington has offered a bounty of up to \$5 million for Hapilon, who had been blamed for kidnappings for ransom of American nationals and other terrorist attacks.

Among the foreign militants believed to be with the remaining gunmen in Marawi were Malaysian militant Amin Baco and an Indonesian known only as Qayyim. Both have plotted attacks and provided combat training to local militants for years but have eluded capture in the south.



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, October 26, 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 641-4717/18.

(This ad paid for by GIAA)



The University Of Guam Solicits Applications To Establish A List Of Eligibles For The Following Position (Tenure/Non-Tenure Track Appointment, Full/Part -Time, Subject to the availability of funds):

### #004-18 INSTRUCTOR TO ASSOCIATE PROFESSOR (POLITICAL SCIENCE)

Contact the Human Resources Office at (671)735-2350 for additional information regarding requirements, qualifications and application deadline, 8:00 a.m. to 5:00 p.m., Monday through Thursday, and 8:00 a.m. to 1:00 p.m. on Friday, except holidays. View the Human Resources Office website at <http://www.uog.edu/hro> for detailed information on the job announcement. For further information, please email Dr. Arun R. Swamy, Search Committee Chair at [arswamy@triton.uog.edu](mailto:arswamy@triton.uog.edu).

The University of Guam is a U.S. accredited institution and an Equal Opportunity Employer and Provider and complies with the Americans with Disabilities Act. For assistance, please contact the Director, EEO and Title IX/ADA Coordinator at (671) 735-2244; (671) 735-2243 (TTY).

/s/LARRY G. GAMBOA, SPHR, SHRM-SCP  
Chief Human Resources Officer

THIS AD IS PAID FOR BY UNIVERSITY OF GUAM FUNDS

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM  
Tuesday, September 26, 2017, 10:00 a.m.  
GIAA TERMINAL CONFERENCE ROOM #3**

**1. CALL TO ORDER AND ATTENDANCE**

The September 26, 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 10:06 a.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasaheru, Tamuning, Guam, 96913.

**Directors Present:**

Ricardo C. Duenas  
Gurvinder "Bic" Sobti  
Martin J. Gerber  
Rosalinda A. Tolan

**Offices or positions:**

Chairman  
Board Secretary

**Directors Absent:**

Katherine C. Sgro  
Lucy M. Alcorn  
Deedee S. Camacho

Vice-Chairperson

**GIAA Officials:**

Charles H. Ada II  
Pedro R. Martinez  
John A. Rios  
Jean M. Arriola  
Gerard Bautista  
Robert D. Camacho  
Rolenda Faasuamalie  
Joseph Javellana

Executive Manager  
Deputy Executive Manager  
Comptroller  
Airport Services Manager  
Air Terminal Manager  
Airport Police Chief  
Airport Marketing Administrator  
Program Coordinator IV

Janalynn C. Damian, Esq.  
Frank R. Santos

GIAA Legal Counsel  
GIAA 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**

Chairman Duenas announced that the agenda would be amended to cancel Executive Session. Motion to accept the change to the agenda duly made by Director Tolan, seconded by Director Sobti; motion unanimously passed.

### **3. APPROVAL OF MINUTES**

#### **A. August 31, 2017 Reconvened Meeting**

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

#### **Resolution No. 17-46**

The Board hereby approves the minutes of the August 31, 2017 regular meeting, subject to corrections.

### **4. CORRESPONDENCE**

Executive Manager Ada stated that he will discuss correspondence during his Executive Manager's Report.

### **5. 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 ongoing. The first shipment of steel is expected to arrive on Guam in October, at which time the scheduling of construction of Pod #2 will begin, as well as the seismic upgrades in Phase I. Phase I expected to be completed in early 2018.
- Acquire ARFF Truck/RIV - Pkg 2: Project completed. The balance of \$218,000.00 to be returned to the FAA by way of de-obligating.
- Noise Mitigation Program 65 DNL & Higher: Noise measurements to begin.
- Miscellaneous Airport Improvements: Additional projects, such as bus stops and old GPD buildings, to be added.
- Wildlife Management Assessment: Assessment ongoing. At the end of the study period, the assessment will determine what mitigation steps to be taken.
- ARFF Facility-Design/Construction Phase I: Pending execution of the contract for the Phase 1 Construction and Construction Management. Project anticipated to begin in October 2017.

With regard to the Art Program, Mr. Santos informed the Board that Management is working to gather the correct numbers based on the schedule of values submitted by the various contractors. Once this is compiled, it will be presented to the Marketing Sub-Committee.

## 6. NEW BUSINESS

### A. Approval of FY18 Insurance Renewal Program

AM Insurance ("AM") representative Ms. Ann Marie Muna presented the insurance quotes for FY2018. Nine (9) major insurance carriers were approached, with four (3) carriers responding with submittals.

The insurance program includes six (6) policies: Property Insurance with Catastrophe; Airport Operators Liability; Directors and Officers Liability; Workman's Compensation, Automobile Insurance; and Crime Insurance. Quotes are as follows:

Policy	Firm with Lowest Offered Premium	Amount
Property	Calvo's	\$285,000.00
Airport Operators Liability	Calvo's	\$131,580.00
Directors & Officers Liability	Calvo's	\$45,000.00
Workman's Compensation	Moylan's	\$39,512.00
Automobile Insurance	Moylan's	\$38,496.00
Crime Insurance	Calvo's	\$6,000.00
<b>TOTAL :</b>		<b>\$545,588.00</b>

The total premium costs for all coverage including catastrophic perils for FY2018 is \$545,588.00. This represents a savings of \$91,271.00 compared to FY2017 premium cost of \$636,859.00. Management recommends that the Board approve the FY2018 insurance program as presented.

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

#### **Resolution No. 17-47**

The Board hereby approves the FY2018 Insurance Renewal Program, in the total amount of \$545,588.00 as follows:

Policy	Firm with Lowest Offered Premium	Amount
Property	Calvo's	\$285,000.00
Airport Operators Liability	Calvo's	\$131,580.00

Directors & Officers Liability	Calvo's	\$45,000.00
Workman's Compensation	Moylan's	\$39,512.00
Automobile Insurance	Moylan's	\$38,496.00
Crime Insurance	Calvo's	\$6,000.00
<b>TOTAL :</b>		<b>\$545,588.00</b>

**B. Approval of Air Seoul's Request for Signatory Airline Status**

Executive Manager Ada announced that Air Seoul is requesting signatory airline status. Air Seoul is a South Korean low-cost carrier and a subsidiary of Asiana Airlines. The airline is based at Incheon International Airport in Seoul. It launched operations on July 11, 2016 and is committed to bringing the same low-fare and high quality service to Guam.

Air Seoul has committed to six (6) weekly routes from Seoul to Guam and Guam to Seoul commencing on September 12, 2017. Air Seoul's inaugural flight to Guam was September 13, 2017.

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

**Resolution No. 17-48**

The Board hereby approves Air Seoul's request for signatory airline status, effective September 13, 2017.

**C. Ratification of Grant Agreement AIP Project No. 3-66-0001-101-2017 - Construct Aircraft Rescue & Fire Fighting Building - Phase II**

The Executive Manager informed the Board that on September 8, 2017 the grant offer was received for the construction of the Aircraft Rescue & Fire Fighting Building - Phase II in the amount of \$3.5M.

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

**Resolution No. 17-49**

The Board hereby ratifies Management's acceptance of the FAA Grant Agreement AIP Project No. 3-66-0001-101-2017 - Construct Aircraft Rescue & Fire Fighting Building - Phase II.

**D. Ratification of Grant Agreement AIP Project No. 3-66-0001-102-2017 - Rehabilitate Terminal Apron - Design Phase II**

The Executive Manager was pleased to announce that the grant offer was received on September 8, 2017 for the second design phase of the Rehabilitate Terminal Apron project in the amount of \$1M.

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

**Resolution No. 17-50**

The Board hereby ratifies Management's acceptance of the FAA Grant Agreement AIP Project No. 3-66-0001-102-2017 - Rehabilitate Terminal Apron - Design Phase II.

**E. Ratification of Grant Agreement AIP Project No. 3-66-0001-103-2017  
Rehabilitate Runway 6L - Design**

The Executive Manager announced that the grant offer was received on September 8, 2017 for the design phase of the Rehabilitate Terminal Apron project in the amount of \$750,000.00.

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

**Resolution No. 17-51**

The Board hereby ratifies Management's acceptance of the FAA Grant Agreement AIP Project No. 3-66-0001-103-2017 - Rehabilitate Runway 6L - Design.

**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.

Discussion ensued relative to the discontinuation of flights from Narita provided by Delta Airlines, which is effective January 2018. The Executive Manager informed the Board of discussions with the Governor's Office on plans to recapture the loss of those seats and ways to insure current operators maintain flight activity. Management will be working to come up with an incentive program to attract low-cost carriers, and will present this to the Board upon completion of the program.

At this time, Chairman Duenas offered his condolences to the family of Airport employee, Mr. Frank Salas of the Properties & Facilities division.

Mr. Gerard Bautista briefed the Board on the crash of a small aircraft owned by Sky Dive Aviation on September 25, 2017. A fire in the cockpit is what prompted the pilot to attempt to land the plane within Airport property. Of the three (3) passengers on board, two (2) were transported to the hospital, and there were no fatalities. Mr. Bautista informed the Board that the emergency response went smoothly and that the Airport's perimeter fence contained the

crash and prevented onlookers from penetrating the site.

## **8. REPORT OF THE COMPTROLLER**

Mr. John Rios reported on the revenues and expenses of the Authority as of **August 31, 2017**. Mr. Rios reported that year-to-date Total Signatory Revenues are above budgeted revenues by **3.1%**, year-to-date Total Concession Revenues and Passenger Facility Charges are below budget by **-0.4%** and above budget by **2.5%**, respectively. Year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues are above the budget estimate by **25.7%**. Year-to-date Total Operating Revenues Actual of **\$71.3M** is **7.0%** above the budget estimate of **\$66.7M**. Year-to-date Total Operating Expenses are below budget by **-1.6%**. Components of this line item include a **-0.7%** decrease in Personnel Service, a **2.0%** increase in Contractual Services, a **46.6%** 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 **\$30.8M** reflects an increase of **21.0%** over the year-to-date budgeted amount of **\$25.5M**. Mr. Rios reported that the year-to-date Debt Service Coverage is at **1.59** versus the requirement of **1.25**.

## **9. PUBLIC COMMENTS**

There were no Public Comments.

Legal counsel, Ms. Janalynn Damian requested for the Board to approve and authorize payment to Calvo Fisher & Jacob LLP, for the month of August 2017 invoices for general matters legal services that exceed the monthly cap of \$45,000.00.

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

### **Resolution No. 17-60**

The Board hereby authorizes the Authority to issue payment to Calvo Fisher & Jacob LLP for the general matters legal fees incurred in August 2017, in the amount of \$57,891.20 that exceed the monthly cap.

## **10. ADJOURNMENT**

Motion to adjourn duly made by Director Tolan, seconded by Director Sobti; motion unanimously passed. The meeting adjourned at 10:51 a.m.

Dated this \_\_\_\_\_, day of \_\_\_\_\_, 2017.

Attest:

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Ricardo C. Duenas  
Chairman

---

Gurvinder Sobti  
Secretary

Prepared and Submitted By:

---

Amanda O'Brien-Rios  
Corresponding Secretary





**A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM**  
**CAPITAL IMPROVEMENT PROJECTS FOR FISCAL YEARS THROUGH 2017**  
as of 10/26/17

	PROJECT NAME	Bond	Federal	CIF	Total	Payment	Balance
<b>I. ONGOING</b>							
1	AIP 97 AIP 100 Int'l Arrivals Corridor w/Bldg Seismic Upgrades	96,108,007	22,200,000	1,126,940	119,434,947	21,851,097	97,583,850
2	AIP 91 Acquire ARFF Truck/RIV - Pkg 2		1,251,000	139,000	1,390,000	1,171,046	218,954
3	AIP 93 Noise Mitigation Program 65 DNL & Higher - Phase		2,000,000	200,000	2,200,000	97,379	2,102,621
4	AIP 94 Miscellaneous Airport Improvements - Ph 5		706,077	78,453	784,530	681,056	103,474
5	AIP 95 Wildlife Management Assessment		100,000	10,000	110,000	73,852	36,148
6	AIP 96 Safety Management System		150,000	30,000	180,000	37,262	142,738
7	AIP 98 AIP 101 ARFF Facility-Design/Construction Phase 1/2	422,472	4,500,000	488,889	5,411,361	154,866	5,256,495
8	AIP 99 AIP 102 Apron Rehabilitation - Design		1,810,000	192,112	2,002,112	237,429	1,764,683
9	AIP 103 Rehabilitation Runway 6L - Design		750,000	83,334	833,334		833,334
10	Hold Bag Screening Relocation	5,369,933	24,899,330	0	30,269,263	28,019,712	2,249,551
11	Parking Expansion	1,654,912		904,881	2,559,793	1,654,912	904,881
12	Upgrade Airport IT & FMS	389,118		1,000,000	1,389,118	389,118	1,000,000
13	SSCP Improvements			1,600,000	1,600,000	18,403	1,581,597
14	Art Program	639,000		-	639,000	-	639,000
15	Improve Leasehold Facilities (GSE, Tech, HC-5)			2,646,082	2,646,082	1,823,121	822,961
16	Tiyan Land Acquisition & Redevelopment			787,415	787,415	703,703	83,712
17	Facilities Fire Alarm/Suppression System			3,223,301	3,223,301	3,126,675	96,626
18	Upgrades to Public Restrooms - Final Phase			2,593,937	2,593,937	2,446,047	147,890
19	Maintenance Equipment			100,000	100,000	-	100,000
20	Airport Facilities Upgrades, Phased			4,985,936	4,985,936	4,785,866	200,070
21	Painting & Exterior Surface Improvements and Replace Roofing Systems			2,509,934	2,509,934	2,431,734	78,200
	<b>Totals:</b>	<b>\$ 104,583,442</b>	<b>\$ 58,366,407</b>	<b>\$ 22,700,215</b>	<b>\$ 185,650,064</b>	<b>\$ 69,703,280</b>	<b>\$ 115,946,784</b>

**ANTONIO B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM  
BOARD OF DIRECTORS  
EXECUTIVE SUMMARY**

**INVITATION FOR BID  
PURCHASE AND DELIVERY OF RUNWAY CONTINUOUS MEASURING  
EQUIPMENT  
IFB NO. GIAA-007-FY17**

October 23, 2017

**Purpose**

Board action is requested to approve the bid award of the Purchase and Delivery for Runway Continuous Friction Equipment under the Invitation for Bid No. GIAA-007-FY17.

**Background**

The bid is for purchase and delivery for Runway Continuous Friction Equipment to be used for airport terminal facilities.

**Procurement Background**

The solicitation announcement was advertised through the local newspapers during the month of August 14,16,22, 2017. The bid submission deadline and bid opening took place on October 03, 2017.

Ten (10) firms/individuals purchased bid package and One (1) firm submitted a bid before the submission deadline. The firm's bid was evaluated determined to be acceptable. As required by the Procurement Rules and Regulations, the bid was publicly opened and read aloud in the presence of the bidder.

The submitted bid is presented below:

<b>BIDDER'S NAME</b>	<b>ITEM NO. 1</b>	<b>w/Preventive Maintenance Plan (5) years</b>
<b>Morrico Equipment LLC</b>	<b>\$101,625.00</b>	<b>\$12,600.00</b>

**Legal Review**

Upon approval of award, the contract will be processed through issuance of Purchase Order in conformance with the Government of Guam Procurement Regulations.

**Financial Review**

The total contract awards for this bid is \$114,225.00. Funding for this bid is available under the O&M budget.

**Recommendation**

Management recommends the contract awards based on the following:

<b>Item &amp; Description</b>	<b>Awarded to:</b>	<b>Total Amount</b>
<b>Item 1: Runway Friction Testing Trailer w/Preventive Maintenance Plan (5) Years</b>	<b>Morrico Equipment LLC</b>	<b>\$101,625.00 \$12,600.00</b>
	<b>Total Contract Award:</b>	<b>\$114,225.00</b>

October 23, 2017

**MEMORANDUM**

**TO:** Charles H. Ada II, Executive Manager

**FROM:** Jose E. Onedera Buyer Supervisor 1 *JOE*

**SUBJECT:** Bid Evaluation and Recommendation "Invitation For Bid"  
Purchase and Delivery Runway Continuous Friction  
Measuring Equipment (CFME) IFB No. GIAA-007-FY17

**Procurement Background:**

The above referenced Invitation For Bid was publicly announced through the local newspaper on August 14, 16, 22, 2017. The bid submission deadline and bid opening took place on October 03, 2017 at 2:00 p.m.

Ten (10) firms/individuals purchased the bid package and One (1) firm submitted a bid on the bid submission deadline. The bid submittal was opened in the presence of the bidder, several GIAA representatives. The bid offer was read aloud by the Buyer Supervisor and tabulated by a Procurement staff.

The results of the bid price submittal is as follows in the order it was received and opened:

Bidder/Firm's Name	Item 1: Runway Friction Testing Trailer	Item 1: w/ Preventive Maintenance Plan (5) years
MORRICO EQUIPMENT LLC	\$101,625.00	\$12,600.00

**Bid Analysis and Evaluation:**

The bid is packaged to provide separate awards for each of the following items:

- Item 1 Runway Friction Testing Trailer, 1 each  
w/Preventive Maintenance Plan (5 Year Plan)

Pursuant to Section 8 of the Instructions to Bidders, the contract is to be awarded to the lowest responsible, responsive bidder, provided his bid is reasonable and it is in the best interest of the GIAA to accept it. To determine the responsibility of bidders, the bid package specified the required documents that bidders must submit with their bid packages. The attached abstract illustrates the inventory of required documents and bidders' submittal.

**Morrico Equipment LLC.:** The firm submitted a bid for Item 1a: in the amount of \$101,625.00 and Item 1b: in the amount of \$210.00. per month x 60 months = \$12,600.00. As a result, the bid for Item 1a and Item 1b: has been determined to be responsive and responsible, all other documents were complete and in conformance with the Invitation For Bid.

**Recommendation:**

Pursuant to the guidelines in Item 9 of the Instruction to Bidders, the award of contract will be made to the lowest responsible, responsive bidder for each Item Bid, provided his bid is reasonable and in the best interest of GIAA.

**Morrico Equipment LLC,** has been determined to have met the standards of responsibility and responsiveness outlined in the Guam Procurement Regulation. Therefore, it is recommended that the contract awards be made according to the following:

Item & Description	Awarded to:	Total Amount
Item 1 Runway Friction Testing Trailer w/Preventive Maintenance Plan (5yrs)	Morrico Equipment LLC Morrico Equipment LLC	\$101,625.00 \$12,600.00 (\$210.00 per month x 60 months)

Should you have any questions or concerns, I am available at your request.

**APPROVED:**

  
\_\_\_\_\_  
CHARLES H. ADA II  
Deputy Executive Manager

Attachment

cc: Acctg/Proc/ATM/P&F



**AFFIDAVIT DISCLOSING OWNERSHIP and COMMISSIONS**

CITY OF Tamuning )

) ss.

ISLAND OF GUAM )

A. I, the undersigned, being first duly sworn, depose and say that I am an authorized representative of the offeror and that *[please check only one]*:

☐ The offeror is an individual or sole proprietor and owns the entire (100%) interest in the offering business.

☒ The offeror is a corporation, partnership, joint venture, or association known as *[please state name of offeror company]*, and the persons, companies, partners, or joint ventures who have held more than 10% of the shares or interest in the offering business during the 365 days immediately preceding the submission date of the proposal are as follows *[if none, please so state]*:

<u>Name</u>	<u>Address</u>	<u>% of Interest</u>
Allan & Danette Morrison Family Trust	197 Ypao Rd. Tamuning, GU 96913	42.5 %
The Serengeti Trust	197 Ypao Rd. Tamuning, GU 96913	42.5 %
The Smith/Paulino Family Trust	197 Ypao Rd. Tamuning, GU 96913	15 %

B. Further, I say that the persons who have received or are entitled to receive a commission, gratuity or other compensation for procuring or assisting in obtaining business related to the bid or proposal for which this affidavit is submitted are as follows *[[if none, please so state]]*:

<u>Name</u>	<u>Address</u>	<u>Compensation</u>
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C. If the ownership of the offering business should change between the time this affidavit is made and the time an award is made or a contract is entered into, then I promise personally to update the disclosure required by 5 GCA §5233 by delivering another affidavit to the government.

Signature of one of the following:

Offeror, if the offeror is an individual; Partner, if the offeror is a partnership; Officer, if the offeror is a corporation.

Subscribed and sworn to before me this day  
of 3 October, 2017.

NOTARY PUBLIC

My commission expires DEC. 03, 2020.

**MARY ROSE SANTAYANA REAL**  
**NOTARY PUBLIC**  
In and for Guam, U.S.A.  
My Commission Expires: **DEC. 03, 2020**  
P.O. Box 167 Hagatna, Guam 96932

INVITATION NUMBER: GJAA-007-FY17

PURCHASE AND DELIVERY OF RUNWAY CONTINOUS FRICTION MEASURING EQUIPMENT (CFME)



Antonio B. Won Pat  
Guam International Airport Authority  
BID ABSTRACT

Opening Date:  
3-Oct-17  
  
Opening Time:  
2:00 P.M.

Page \_\_\_\_ of \_\_\_\_ pages  
No. of Invitation Issued:  
  
No. of Bids Received:

SUMMARY OF SCOPE OF WORK:		Special Reminder to Prospective Bidders	BID GUARANTEE Cashier's Check Letter of Credit Bid Bond	Disclosure of Major Shareholders	Non-Collusion Affidavit	Non-Gratuity Affidavit	Certification for Grants, Loans & Coop Agreements	Brocures or Descriptive Literatures	Business License Copy	Declaration re Compliance with U.S. DOL Wage	Grant Assurance Form	Bidders Financial Statement	Business or Contractors License	ADDENDUM(S) A,B,C,D,E,F	TOTAL UNIT PRICE ITEM 1	TOTAL UNIT PRICE ITEM 2
1	Morrice Equip.		BB+ KIC 14570-B 15%	✓	✓	✓			✓				✓	✓	\$101,625.00	\$210.- / MO \$12,600.- TH.
2																
3																
4																
5																
6																
7																
8																
9																
10																

I hereby certify that all bids received in response to this invitation were opened under my personal supervision, and that the names of all bidders have been entered hereon.

SIGNATURE

TABULATED BY:

SIGNATURE

Date: \_\_\_\_\_

- BASIS FOR AWARD:
- LOWEST RESPONSIVE & RESPONSIBLE BIDDER
  - HIGHEST RESPONSIVE & RESPONSIBLE BIDDER
  - OTHER AWARD
  - TIE BID
  - COMBINED TOTAL
  - ITEM PER ITEM

**ANTONIO B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM  
BOARD OF DIRECTORS RESOLUTION NO. 18-03**

**RELATIVE TO THE  
EXTENSION OF THE AGREEMENT FOR LEGAL SERVICES –  
CONFLICTS COUNSEL  
WITH FISHER & ASSOCIATES**

**WHEREAS**, an Agreement for Legal Services – Conflicts Counsel (the “Conflicts Counsel Agreement”) was entered into effective as of December 1, 2015, by and between the ANTONIO B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM (“GIAA”) and Fisher & Associates; and

**WHEREAS**, the Conflicts Counsel Agreement provides for a term of one (1) year 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 October 27, 2016, by Resolution No. 17-05, the Board of Directors approved the extension of the Conflicts Counsel Agreement for an additional one year period (1<sup>st</sup> Option) commencing on December 1, 2016, and expiring on November 30, 2017, under the same terms and conditions as set forth in the Conflicts Counsel Agreement; and

**WHEREAS**, the Board of Directors has determined that GIAA continues to require the services of conflicts legal counsel and that it is in the best interests of GIAA to extend the term of the Conflicts Counsel Agreement for an additional one (1) year period commencing on December 1, 2017, under the same terms and conditions as set forth in the Conflicts Counsel Agreement.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of GIAA hereby extends the term of the Conflicts Counsel Agreement for an additional one (1) year period commencing on December 1, 2017, under the same terms and conditions as set forth in the Conflicts Counsel Agreement.

**DULY AND REGULARLY ADOPTED BY THE BOARD OF DIRECTORS OF THE ANTONIO B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM AT THE OCTOBER 26, 2017 REGULAR BOARD MEETING.**

\_\_\_\_\_  
**KATHERINE C. SGRO, Vice Chairperson**

\_\_\_\_\_  
**GURVINDER S. SOBTI, Secretary**

\_\_\_\_\_  
**ROSALINDA A. TOLAN**

\_\_\_\_\_  
**DEEDEE S. CAMACHO**

**ATTEST:**

\_\_\_\_\_  
**GURVINDER S. SOBTI, Secretary**

# EXECUTIVE MANAGER'S REPORT October 26, 2017

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## **AIRLINE ISSUES**

### **UNITED AIRLINES**

United celebrated 40 years of services to Narita, Japan on October 1, 2017 with the arrival of Light 827 at 2:45 in the afternoon. Over 140 passengers were welcomed to a water salute upon arrival at the Guam International Airport with a lei greeting at the gate and Chamorro refreshments in the arrivals lobby. United Airlines also combined this event with the retirement of one of its pilots who flew the ceremonial flight.

United also announced a planned suspension of its Sapporo route in January of 2018, and decrease of services to Fukuoka and Sendai (GIAA's sister Airport) next year.

### **AIR SEOUL**

Air Seoul increased its ICN/GUM/ICN service from 5x weekly to daily beginning October 1, 2017 utilizing an A321 with 195 seats. Air Seoul inaugurated services on September 13, 2017, with five flights weekly.

### **SKY GUAM AVIATION**

A Sky Guam Aviation Cessna 172 aircraft contacted FAA Ramp Control Tower of an electrical fire onboard on September 25, 2017 at approximately 5:12 in the afternoon. The Cessna took a hard approach and landed just shy of the runway in the Runway Safety Area with three souls aboard. All responding units reported to the grassy area, with GFD reporting all three conscious, but transporting the two passengers to the hospital for observation. The pilot remained at the scene until the FAA inspection was completed that evening. The aircraft was removed by 8am the following day. There was no impact on normal operations as a result of this incident.

### **AIR SERVICE DEVELOPMENT**

#### **Round Table Discussions**

Two round table discussions were held relative to decreased and suspended air services. GIAA, along with GVB and GEDA, met with the Chamber of Commerce on October 10, 2017 to discuss status and action plans. A round table was also called by Senator Rodriguez, Chairman on Tourism, on October 20, 2017 at 1pm at the Guam Legislature. EM Ada reported on several initiatives of the Airport to provide added incentives. He also brought up restrictions in revenue development in regard to leases in excess of five years, and mandates to charge our regulatory agencies for space leases in the terminal.





## **Trade Mission**

GIAA's Chairman and Management met with China Airlines, EVA Air, and Tiger Airlines to discuss the Guam route and incentives for service as part of the Governor's trade mission in Taiwan from October 23 – 25, 2017, along with GVB and GEDA. This was timed with the Guam promotions conducted by GVB at the International Trade Fair held this week with other NTOs and Travel/Tour agencies for the Taiwan market.

## **World Routes Airline Meetings**

Guam Airport was represented by ASM, our air service consultants, who met with 16 airlines at the World Routes Forum held September 23 – 26, 2017. The summary of meetings is attached for reference.

## **FINANCIAL ISSUES**

### **Fiscal Year 2018**

Fiscal Year 2018 commenced October 1, 2017. Ernst and Young will be engaged and working closely with Accounting to review reports and financial activity of the FY2017 fiscal year. As required by law, the Financial Audit Report will be completed no later than January 31, 2018.

## **REGULATORY ISSUES**

### **FAA Certification Inspection**

For two years running, the A.B. Won Pat International Airport Authority, Guam, received a perfect 100% score for its annual certification inspection, conducted by the Federal Aviation Administration (FAA) Honolulu Airports Districts Office (ADO), Western Pacific Region. The annual inspection was conducted September 25 – 29, 2017, and revealed that the airport is operated in full compliance with 14 U.S. Code of Federal Regulations (CFR) Part 139, the Airport Certification Manual, and the Airport Operating Certificate.

### **FAA Approval of Water System Use**

FAA has approved GWA's temporary use of GIAA's water system for a period of 120 days to provide water supply for Tiyan areas, including schools during the repair and restoration of NAS Water Well 1, GWA's Tiyan water source. FAA's approval is subject to several provisions with which GWA must comply.



### **TSA Enhanced Property Search (EAPS)**

TSA Guam has commenced its rollout of TSA's new screening process Enhanced Accessible Property Search (EAPS) lane by lane. This new process will require an increased search of property. Passengers will be required to divest any electronic items larger than a cell phone for a thorough inspection process. Food items being hand carried will also undergo thorough inspection. TSA will NOT require the removal of food items, however, passengers will be encouraged to place food items in bins for inspection. Additionally, there may be instances of increased wait times. TSA is now reaching out to carriers and stakeholders to encourage passengers to arrive at the airport at minimum two and a half to three hours ahead of their departure schedule to mitigate longer lines and inspection times.

## **PROCUREMENT ISSUES**

### **Procurement Delegation**

The Authority received its Procurement Delegation for FY2018 from Chief Procurement Officer, Claudia Acfalle. The delegation allows the Authority to procure services and items, solicit for bids and request for proposals throughout the Fiscal Year.

RFP – Risk Management & Insurance Consulting Services

Announced: October 19, 2017

Submission Deadline: November 9, 2017 @4pm

## **ANNOUNCEMENTS**

GIAA took part in the Great Shakeout, the world's largest earthquake drill, on October 19, 2017. At 10:19am, GIAA employees practiced earthquake response procedures of "drop, cover and hold" in Airport offices. Tenants were invited to take part in the exercise and response was positive throughout the Terminal.

The Airport Authority, together with the Department of Public Health and Social Services, will hold a Table Top Exercise on Communicable Disease Response Plan on October 27, 2017 from 9am to 12 noon. All Airlines and Tenants are encouraged to participate. This Table Top Exercise will assist the Airport in meeting the criteria of conducting an annual tabletop exercise under FAR Part 139. The communicable disease scenario and response will be very useful in determining strengths and weaknesses for all airport operators.

ATTACHMENTS:

October 24, 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 September 30, 2017**

Attached herewith is GIAA's Operating Results Report for the month ending September 30, 2017. This report summarizes the Budgeted versus Actual Revenues and Expenses for the month and year-to-date results ended September 30, 2017.

The key operating results for 12 month(s) of FY2017 ending September 30, 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	\$ 2,506.0	\$ 30,175.8	\$ 30,997.2	2.7%	\$ 30,997.2	2.7%
Total Concession Revenues	\$ 1,605.8	\$ 19,616.7	\$ 19,511.8	-0.5%	\$ 19,511.8	-0.5%
Total PFC's	\$ 543.4	\$ 7,160.1	\$ 7,263.6	1.4%	\$ 7,263.6	1.4%
Total Other Revenues	\$ 1,365.2	\$ 15,797.1	\$ 19,586.0	24.0%	\$ 19,586.0	24.0%
Total Operating Revenues	\$ 6,020.4	\$ 72,749.7	\$ 77,358.6	6.3%	\$ 77,358.6	6.3%
Total Operating Expenses	\$ 4,359.9	\$ 44,429.0	\$ 45,081.1	1.5%	\$ 45,081.1	1.5%
Net Revenues from Operations	\$ 1,660.5	\$ 28,320.7	\$ 32,277.5	14.0%	\$ 32,277.5	14.0%
Non-Operating Expenses	\$ 46.8	\$ 675.0	\$ 705.5	4.5%	\$ 705.5	4.5%
Other Available Moneys/other sources of funds	\$ 574.6	\$ 6,759.4	\$ 6,809.9	0.7%	\$ 6,809.9	0.7%
<b>Net Debt Service Coverage</b>	<b>1.04</b>	<b>1.37</b>	<b>1.54</b>	<b>11.9%</b>	<b>1.54</b>	<b>11.9%</b>

Year-to-date Total Signatory Revenues for the month ending September 30, 2017 are above Budgeted revenues by **2.7%**. Signatory revenue estimates are based on projections submitted by Signatory airlines and adopted in the annual budget.

Year-to-date Total Concession Revenues are **-0.5%** below budget while Passenger Facility Charges are above the budget estimate by **1.4%**.

Year-to-date Total Other Revenues, inclusive of non-signatory and non-airlines revenues, are above the budget estimate by **24.0%**.

Year-to-date Total Operating Revenues actual of **\$77.4M** is **6.3%** above the budget estimate of **\$72.7M**.

Year-to-date Total Operating Expenses are above budget by **1.5%**. Components of this line item include a **1.0%** increase in Personnel Service, a **5.6%** increase in Contractual Services, a **-37.4%** decrease in Materials & Supplies and a **1.3%** increase in Equipment/Furnishings from budgeted amounts for these respective categories.

The actual year-to-date Net Revenues from Operations of **\$32.3M** represents a **14.0%** increase over the year-to-date budgeted amount of **\$28.3M**.

Finally, our year-to-date results for Debt Service Coverage is at **1.54** 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 September 30, 2017 (Unaudited)

	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
<b>I. Signatory Airline Rents &amp; Fees</b>											
Terminal Bldg Rentals	262,022	277,223	312,716	12.8%	3,326,667	3,085,729	3,326,667	3,749,573	12.7%	3,749,573	12.7%
Departure Fees	519,557	596,606	571,654	-4.2%	7,107,203	6,371,191	7,107,203	7,174,889	1.0%	7,174,889	1.0%
Arrival Fees	555,794	594,631	566,018	-4.8%	7,056,507	6,663,956	7,056,507	7,125,752	1.0%	7,125,752	1.0%
Immigration Inspection Fees	213,665	205,220	200,667	-2.2%	2,439,597	2,595,826	2,439,597	2,530,291	3.7%	2,530,291	3.7%
Loading Bridge Use Fees	559,256	492,906	481,202	-2.4%	5,848,769	6,749,696	5,848,769	5,981,739	2.3%	5,981,739	2.3%
Apron Use Fees	79,379	125,551	122,304	-2.6%	1,484,319	948,012	1,484,319	1,478,168	-0.4%	1,478,168	-0.4%
Landing Fees	204,364	246,373	251,441	2.1%	2,912,728	2,325,969	2,912,728	2,956,797	1.5%	2,956,797	0.0%
<b>Total Signatory Revenue</b>	<b>2,394,037</b>	<b>2,538,510</b>	<b>2,506,001</b>	<b>-1.3%</b>	<b>30,175,790</b>	<b>28,740,378</b>	<b>30,175,791</b>	<b>30,997,209</b>	<b>2.7%</b>	<b>30,997,209</b>	<b>2.7%</b>
Enplaned Signatory Pax	143,840	153,147	145,108	-5.2%	1,824,395	1,764,191	1,824,395	1,838,245	0.8%	1,838,245	0.8%
<b>Cost per Enplaned Pax</b>	<b>\$16.64</b>	<b>\$16.58</b>	<b>\$17.27</b>	<b>4.2%</b>	<b>\$16.54</b>	<b>\$16.29</b>	<b>\$16.54</b>	<b>\$16.86</b>	<b>1.9%</b>	<b>\$16.86</b>	<b>1.9%</b>
<b>Revenues from Sources other than Signatory Airlines Rents &amp; Fees</b>											
Concession Revenues											
Gen Mdse	1,267,961	1,267,833	1,266,156	-0.1%	15,214,000	15,218,825	15,214,000	15,262,095	0.3%	15,262,095	0.3%
In-flight Catering	73,871	84,907	67,345	-20.7%	1,031,329	893,235	1,031,329	871,110	-15.5%	871,110	-15.5%
Food & Beverage	87,968	100,061	82,623	-17.4%	1,190,757	1,074,658	1,190,757	1,076,606	-9.6%	1,076,606	-9.6%
Rental Cars	107,390	117,578	119,402	1.6%	1,343,153	1,273,662	1,347,127	1,493,833	10.9%	1,493,833	11.2%
Others Concessions	59,487	69,461	70,249	1.1%	833,493	742,388	833,493	808,143	-3.0%	808,143	-3.0%
<b>Total Concession Revenues</b>	<b>1,596,677</b>	<b>1,639,840</b>	<b>1,605,775</b>	<b>-2.1%</b>	<b>19,612,733</b>	<b>19,202,768</b>	<b>19,616,707</b>	<b>19,511,786</b>	<b>-0.5%</b>	<b>19,511,786</b>	<b>-0.5%</b>
<b>Passenger Facility Charges</b>	<b>595,984</b>	601,049	543,384	<b>-9.6%</b>	7,160,130	<b>7,058,805</b>	<b>7,160,130</b>	<b>7,263,556</b>	<b>1.4%</b>	<b>7,263,556</b>	<b>1.4%</b>
<b>Other Revenue</b>	<b>1,360,830</b>	1,315,150	1,365,193	<b>3.8%</b>	15,801,074	<b>17,322,058</b>	<b>15,797,102</b>	<b>19,585,970</b>	<b>24.0%</b>	<b>19,585,970</b>	<b>24.0%</b>
<b>Total Operating Revenue</b>	<b>5,947,529</b>	<b>6,094,548</b>	<b>6,020,353</b>	<b>-1.2%</b>	<b>72,749,727</b>	<b>72,324,009</b>	<b>72,749,729</b>	<b>77,358,521</b>	<b>6.3%</b>	<b>77,358,521</b>	<b>6.3%</b>
<b>II. Operating Expenses:</b>											
Personnel Services	-904,866	1,528,601	1,648,026	7.8%	19,872,091	17,451,222	19,872,091	20,062,174	1.0%	20,062,174	1.0%
Contractual Services	1,840,496	1,635,177	2,459,615	50.4%	22,314,955	19,497,614	22,314,955	23,567,778	5.6%	23,567,778	5.6%
Materials & Supplies	292,049	105,296	252,285	139.6%	2,120,995	1,405,950	2,120,995	1,328,653	-37.4%	1,328,653	-37.4%
Equipment/Furnishings	304,923	0	0	0.0%	121,000	304,923	121,000	122,526	0.0%	122,526	0.0%
<b>Total Operating Expenses</b>	<b>1,532,603</b>	<b>3,269,074</b>	<b>4,359,926</b>	<b>33.4%</b>	<b>44,429,041</b>	<b>38,659,708</b>	<b>44,429,041</b>	<b>45,081,131</b>	<b>1.5%</b>	<b>45,081,130</b>	<b>1.5%</b>
<b>Net income from Operations</b>	<b>4,414,926</b>	<b>2,825,474</b>	<b>1,660,427</b>	<b>-41.2%</b>	<b>28,320,687</b>	<b>33,664,301</b>	<b>28,320,688</b>	<b>32,277,390</b>	<b>14.0%</b>	<b>32,277,391</b>	<b>14.0%</b>

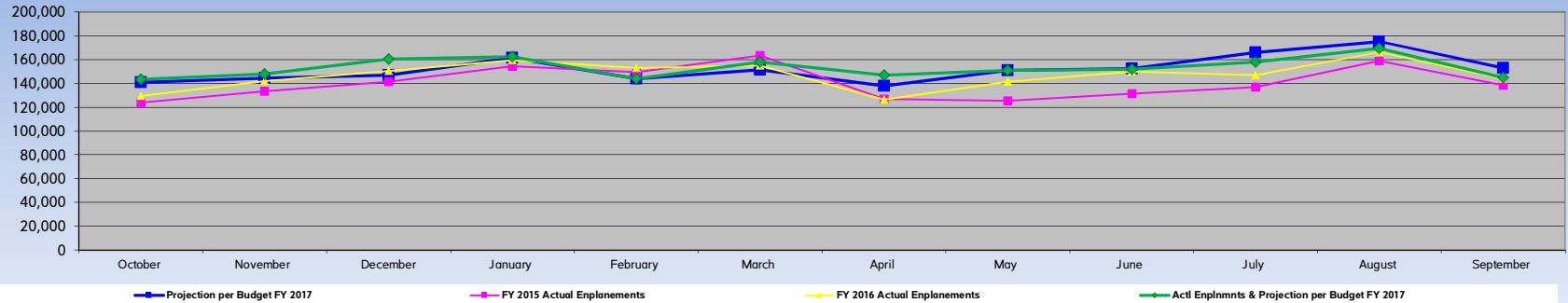
**GUAM INTERNATIONAL AIRPORT AUTHORITY**  
**KEY OPERATING RESULTS (\$000's)**  
as of September 30, 2017 (Unaudited)

	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
III. Other Revenues and Expenses											
Less: Non Operating Expense(Ret/DOI/OHS)	41,200	0	46,845	0.0%	675,000	658,882	675,000	705,505	4.5%	705,505	4.5%
Add: Interest on Investments	52,401	44,004	11,585	-73.7%	528,048	691,155	528,048	691,817	31.0%	691,817	31.0%
<b>Net revenues</b>	<b>4,426,127</b>	<b>2,869,478</b>	<b>1,625,167</b>	<b>-43.4%</b>	<b>28,173,735</b>	<b>33,696,574</b>	<b>28,173,736</b>	<b>32,263,702</b>	<b>14.5%</b>	<b>32,263,703</b>	<b>14.5%</b>
Other sources of funds (Federal Grants)	66,139	33,334	44,687	0.0%	400,000	414,495	400,000	450,548	12.6%	450,548	12.6%
Other available moneys	530,042	529,948	529,948	0.0%	6,359,378	6,360,503	6,359,378	6,359,378	0.0%	6,359,378	0.0%
<b>Net Revenues and Other Available Moneys</b>	<b>5,022,308</b>	<b>3,432,759</b>	<b>2,199,802</b>	<b>-35.9%</b>	<b>34,933,112</b>	<b>40,471,572</b>	<b>34,933,114</b>	<b>39,073,629</b>	<b>11.9%</b>	<b>39,073,629</b>	<b>11.9%</b>
Debt Service payments	2,120,168	2,119,793	2,119,793	0.0%	25,437,513	25,442,012	25,437,513	25,437,513	0.0%	25,437,513	0.0%
<b>Debt Service Coverage</b>	<b>2.37</b>	<b>1.62</b>	<b>1.04</b>	<b>-35.9%</b>	<b>1.37</b>	<b>1.59</b>	<b>1.37</b>	<b>1.54</b>	<b>11.9%</b>	<b>1.54</b>	<b>11.9%</b>
<b>Debt Service Requirement</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>		<b>1.25</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>		<b>1.25</b>	

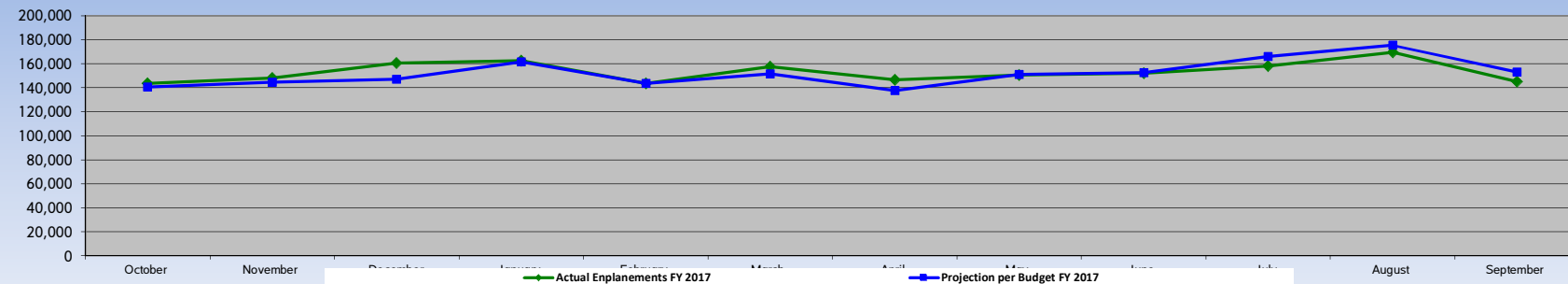
# SUMMARY SIGNATORY AIRLINES

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	151,974	158,139	169,547	145,108	1,838,245
FY 2017 versus FY 2016 Monthly%	11.03%	4.39%	6.61%	1.73%	-6.08%	1.74%	16.12%	6.50%	1.36%	7.55%	2.08%	0.88%	4.20%
FY 2017 versus FY 2016 Monthly	14,267	6,224	9,957	2,758	-9,310	2,703	20,379	9,207	2,032	11,107	3,462	1,268	74,054
FY 2017 versus FY 2016 Cumulative	14,267	20,491	30,448	33,206	23,896	26,599	46,978	56,185	58,217	69,324	72,786	74,054	74,054
	11.03%	14.45%	20.22%	20.81%	15.62%	17.16%	37.17%	39.69%	38.83%	47.15%	43.82%	51.48%	4.20%

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	151,974	158,139	169,547	145,108	1,838,245
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)	(673)	(7,684)	(5,669)	(8,039)	13,850
Cumulative Total	2,926	6,493	20,137	20,843	20,856	27,099	36,038	35,916	35,243	27,558	21,889	13,850	0.8%
Percentage Over/(Under) Forecast	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%	-0.4%	-4.6%	-3.2%	-5.2%	
% Cumulative Total	2.1%	2.3%	4.7%	3.5%	2.8%	3.0%	3.5%	3.1%	2.6%	1.8%	1.3%	0.8%	
Month to Month Trend	October	November	December	January	February	March	April	May	June	July	August	September	
Actual Enplanements	143,619	148,002	160,544	162,303	143,720	157,735	146,779	150,775	151,974	158,139	169,547	145,108	
Month to Month Increase/(Decrease)		4,383	12,542	1,759	-18,583	14,015	-10,956	3,996	1,199	6,165	11,408	-24,439	
Month to Month Increase/(Decrease) in %		3.1%	8.5%	1.1%	-11.4%	9.8%	-6.9%	2.7%	0.8%	4.1%	7.2%	-14.4%	
Cost Per Enplanement FY2017 Actual versus Projected	October	November	December	January	February	March	April	May	June	July	August	September	CPE FY17
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	\$ 16.93	\$ 16.27	\$ 17.27	\$ 16.86
Variance	\$ (0.20)	\$ (0.12)	\$ (0.30)	\$ (0.36)	\$ 0.02	\$ (0.05)	\$ (0.38)	\$ (0.46)	\$ (0.27)	\$ (0.80)	\$ (0.16)	\$ (0.69)	\$ (0.32)

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CALVO FISHER & JACOB LLP

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**A.B. WON PAT**

INTERNATIONAL AIRPORT AUTHORITY GUAM

OCT 16 2017

TIME:

REC'D BY:

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:** October 16, 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.