

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM  
Thursday, March 22, 2018, 3:00 p.m.  
GIAA TERMINAL CONFERENCE ROOM #3**

**1. CALL TO ORDER AND ATTENDANCE**

The March 22, 2018 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 3:00 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  
Pedro R. Martinez  
John A. Rios  
Jean M. Arriola  
Gerard Bautista  
Daniel Stone  
Edward Muna  
Victor Cruz  
Ann Bautista  
Joseph Javellana

Executive Manager  
Deputy Executive Manager  
Comptroller  
Airport Services Manager  
Air Terminal Manager  
Airport Fire Chief  
Superintendent of Operations  
Engineering Supervisor  
General Accounting Supervisor  
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**

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

## **3. APPROVAL OF MINUTES**

### **A. February 22, 2018 Regular Meeting**

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

#### **Resolution No. 18-22**

The Board hereby approves the minutes of the February 22, 2018 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, provided brief highlights on Capital Improvement Projects for FY2017.

- SSCP Improvements: Transportation Security Administration (TSA) representatives from Washington, D.C. are expected to be on Guam in April to finalize the design for the security screening checkpoint expansion. Security screening lanes will potentially expand from five (5) lanes to seven (7), and each lane will be optimized, to ensure a faster process.
- ARFF Facility-Design/Construction Phase 1/2: Demolition of VQ5 hangar will proceed based on conditional building permit from State Historic Preservation Office (SHPO). Project fencing and any environmental mitigation required for the hangar are ongoing. With regard to Phase 2 for project construction, 60% of design of the new building has been completed and sent to FAA for review and comment. Bid advertisement is expected in April 2018, with a May 2018 bid opening.
- International Arrivals Corridor with Building Seismic Upgrades: Panels are being installed on Pod 2. Work is being completed on the corridor from Gate 5 to Gate 6, including the extension of the corridor to Gate 8, as well as the structural upgrades to the columns in those areas. GIAA is working closely with the contractor to minimize operational impact.

Vice Chair Sgro took this time to inform the Board and Management that she was very impressed by the structural integrity of the work being completed for the International Arrivals Corridor with Building Seismic Upgrades project. There was brief discussion on the referenced project.

## **6. NEW BUSINESS**

### **A. Approval of FY2017 Financial Audit Report**

Executive Manager Ada announced that the Airport's FY2017 audit has been completed and introduced Mr. James Whitt of Ernst & Young, LLP (E&Y), who with the help of Mr. Rizalito Paglingayan and the E&Y team have put together a presentation of the results of the audit.

Mr. Paglingayan proceeded to conduct the presentation of the audit results via PowerPoint. Mr. Paglingayan announced that the Airport will continue to remain a Low Risk Auditee for the year 2018. After the brief presentation, Mr. Whitt thanked the Board, Management and Accounting staff for the opportunity and cooperation extended to the E&Y team throughout the audit process.

Executive Manager Ada commended the Comptroller and the Accounting staff for retaining the Low Risk Auditee status.

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

#### **Resolution No. 18-23**

The Board hereby approves the FY2017 Financial Audit Report as presented by Ernst & Young, LLP, subject to any corrections.

## **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.

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

Mr. John Rios reported on the revenues and expenses of the Authority as of **February 28, 2018**. Mr. Rios reported that year-to-date Total Signatory Revenues are below budgeted revenues by **-6.4%**, year-to-date Total Concession Revenues and Passenger Facility Charges are above and below budget by **3.3%** and **-16.6%**, respectively. Year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues are above the budget estimate by **32.5%**. Year-to-date Total Operating Revenues Actual of **\$32.9M** is **3.2%** above the budget estimate of **\$31.9M**. Year-to-date Total Operating Expenses are below budget by **-11.9%**. Components of this line item include a **-19.3%** decrease in Personnel Service, a **2.0%** increase in Contractual Services, a

-77.7% decrease in Materials & Supplies and a -52.5% decrease in Equipment/Furnishings from budgeted amounts for these respective categories. The actual year-to-date Net Revenues from Operations of \$14.0M reflects an increase of 34.1% over the year-to-date budgeted amount of \$10.5M. Mr. Rios reported that the year-to-date Debt Service Coverage is at 1.96 versus the requirement of 1.25.

## **9. EXECUTIVE SESSION**

The next item on the agenda was Executive Session.

Upon written recommendation of counsel, on motion duly made by Director Tolan, seconded by Director Alcorn, and unanimously approved, the Board recessed to convene into Executive Session at 3:37 p.m.

The Board convened into Executive Session at 3:51 p.m. to discuss pending or threatened litigation to which GIAA is or may be a party.

Attending Executive Session were Directors Duenas, Sgro, Sobti, Gerber, Alcorn, Tolan and Camacho, Executive Manager Ada, Deputy Executive Manager Martinez, and Legal Counsel, Janalynn Cruz Damian and Genevieve P. Rapadas. Also present was a court reporter who will prepare a transcript of the Executive Session. Legal Counsel, Eduardo A. Calvo joined Executive Session at 4:03 p.m.

Directors Sobti, Tolan and Camacho did not participate in the second portion of Executive Session due to previously stated conflicts of interest and exited the conference room at 4:20 p.m.

On motion duly made by Director Sgro, seconded by Director Gerber, Executive Session adjourned at 4:55 p.m., at which time the Board reconvened regular session.

*All Board members present in the conference room.*

As a result of discussion during Executive Session, Chairman Duenas announced that there were a number of matters still to approve, and asked that Legal Counsel present those matters to the Board.

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

### **Resolution No. 18-24**

The Board hereby approves GIAA's participation in a judicial settlement conference relative to the District Court case - Joshua Mesa vs. GIAA and Airport Police Officer Vincent Castro, CV17-

00071, and grants the Executive Manager, Deputy Executive Manager and Airport Services Manager settlement authority within the parameters discussed during Executive Session.

After further discussion, on motion duly made by Director Gerber, seconded by Vice Chair Sgro, the following resolution was unanimously approved, with the exception of Director Sobti, Director Tolan and Director Camacho who did not participate in or vote on the matter due to previously stated conflicts of interest:

**Resolution No. 18-25**

The board hereby approves and ratifies the filing of the appeals relative to the Open Government Law case and the DFS Protest actions.

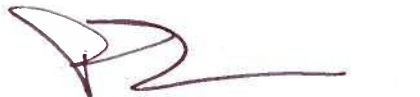
**10. PUBLIC COMMENTS**

There were no Public Comments

**11. ADJOURNMENT**

Motion to adjourn duly made by Director Gerber, seconded by Director Alcorn; motion unanimously passed. The meeting was adjourned at 4:57 p.m.

Dated this 26th, day of April, 2018.



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, March 22, 2018**  
**GIAA TERMINAL CONFERENCE ROOM #3**

Public Notice

First Notice:

Guam Daily Post – March 15, 2018

Notice to Media – March 15, 2018

Second Notice:

Guam Daily Post – March 20, 2018

Notice to Media – March 20, 2018

**AGENDA**

- 1. Call to Order and Attendance**
- 2. Approval of Agenda**
- 3. Approval of Minutes**
  - A. February 22, 2018 Regular Meeting**
- 4. Correspondence**
- 5. Old Business**
  - A. Status Updates of Capital Improvement Projects**
- 6. New Business**
  - A. Approval of FY2017 Financial Audit Report**
- 7. Report of Executive Manager**
- 8. Report of the Comptroller**
- 9. Executive Session**
- 10. Public Comments**
- 11. Adjournment**

ATURIDAT PUETTON BATKON  
AIREN GUAHAN ENTENASIONAT

**A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM**  
**Board of Directors Regular Meeting**  
**3:00 p.m., Thursday, March 22, 2018**  
**GIAA Terminal Conference Room #3**

**SIGN-IN SHEET**

	<u>PRINT NAME</u>	<u>COMPANY/AGENCY</u>
1.	JOAN MARIANA	GIAA
2.	Tricia Benavente	Sen. Aguirre's office
3.	VICTOR J. CRUZ	GIAA
4.	OTIVOK AOA	GIAA
5.	JAMES WHITE	EY
6.	JOHN ONEDERA	by
7.	RG PAGLINGAYEN	by
8.	DEBBIE NGATA	by
9.	ANN BAUTISTA	GIAA
10.	GERARD BAUTISTA	GIAA
11.	JOSEPH JAVELLANA	GIAA
12.	Chr Olson	
13.	Letitia Law-Byerly	Lotte
14.	Diana Sane	ARFE
15.		
16.		
17.		
18.		
19.		
20.		



## CURRENCY EXCHANGE RATES

On Mar. 14, \$1 was worth:

Keep posted and get more data and details online. Log on to see real time market data with our stock market tool at [postguam.com/stock-market](http://postguam.com/stock-market).  
52.028 PHP • 106.46 JPY • 1,063.41 KRW • 29.244 TWD NT\$ 6.3137 CNY • 1.2694 AUD A\$ 0.6058 EUR €

## Hospital volunteers' charity ball gains sponsorship



**DONATION:** Triple J Enterprises Inc. presented a check for \$15,000 to the Guam Memorial Hospital Volunteers Association for platinum level sponsorship of the nonprofit's 53rd Annual Charity Ball to be held April 7 at the Dusit Thani Guam Resort. Funds raised from the ball will provide a significant source of funding toward helping GMH acquire equipment that will improve the quality of care at Guam's only public hospital. Seated from left are Joyce Crisostomo, GMHVA president; Margaret Jones, treasurer of Triple J and GMHVA charter member; Jeff Jones, president of Triple J; Jay Jones, senior vice president of Triple J; Dan Murrell, senior vice president of Triple J; and Amanda Shelton, charity ball chairperson. Standing are representatives and volunteers from GMHVA. For information on sponsorship or ticket purchase, contact Shelton at 486-2571. Photo courtesy of Triple J

**PacificRIM**  
CONSTRUCTORS

## Job Fair

March 15, 2018 11am - 2pm

at "The Gallery"

CONSTRUCTION OPPORTUNITY  
SAIPAN PROJECTS

Managers - Engineers - Estimators  
Quality Control Representatives

NON-SKILLED Workers Needed!

Mason /Concrete Finishers \*Electricians  
Drywall & Metal Studs Installers  
Pipefitters

Offered



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, March 22, 2018 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)

## HUNTERSPEAKS ORGANIZATION

501(c)(3) non-profit organization

## INCOME STATEMENT

for the 12 months ended December 31, 2017

<b>REVENUE</b>	
Contributions, gifts, grants, and similar amounts received	\$ 38,718
Fundraisers:	
Fundraisers - Blue Run 5k	18,461
less: Blue Run 5K expenses	(6,000)
Net revenue - Blue Run 5K	12,461
Fundraisers - Blue Gala (2018)	-
less: Blue expenses	(2,000)
Net revenue - Blue Gala	(2,000)
Total Revenue	\$ 49,179
<b>EXPENSE</b>	
BCBA Scholarship	\$ 32,495
Education & training	2,712
Furniture and computer equipment (software maintenance)	1,450
General, administrative and other	3,443
Total noninterest expenses	\$ 40,100
<b>NET REVENUE</b>	\$ 9,079

## BALANCE SHEET

at December 31, 2017

<b>ASSETS</b>	
Cash, savings, and investments	\$ 9,079
Total assets	\$ 9,079
<b>LIABILITIES &amp; NET FUND BALANCE</b>	
Total liabilities	\$ -
Total Net assets or fund balances	\$ 9,079

Certified as true & Correct by: /s/ Isa Koki, CPA

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# Sources contradict Sessions' testimony he opposed Russia outreach

WASHINGTON (Reuters) - U.S. Attorney General Jeff Sessions' testimony that he opposed a proposal for President Donald Trump's 2016 campaign team to meet with Russians has been contradicted by three people who told Reuters they have spoken about the matter to investigators with special counsel Robert Mueller or congressional committees.

Sessions testified before Congress in November 2017 that he "pushed back" against the proposal made by former campaign adviser George Papadopoulos at a March 31, 2016 campaign meeting. Then a senator from Alabama, Sessions chaired the meeting as head of the Trump campaign's foreign policy team.

"Yes, I pushed back," Sessions told the House Judiciary Committee on Nov. 14, when asked whether he shut down Papadopoulos' proposed outreach to Russia.

Sessions has since also been interviewed by Mueller.

Three people who attended the March campaign meeting told Reuters they gave their version of events to FBI agents or congressional investigators probing Russian interference in the 2016 election. Although the accounts they provided to Reuters differed in certain respects, all three, who declined to be identified, said Sessions had expressed no objections to Papadopoulos' idea.

One person said Sessions was courteous to Papadopoulos and said something to the effect of "okay, interesting."

The other two recalled a similar response.

"It was almost like, 'Well, thank you and let's move on to the next person,'" one said.

However, another meeting attendee, J.D. Gordon, who was the Trump campaign's director of national security, told media outlets including



## CONTRA-DICTED:

U.S. Attorney General Jeff Sessions testifies before a House Judiciary Committee hearing on oversight of the Justice Department on Capitol Hill in Washington, D.C., on Nov. 14, 2017. Yuri Gripas/Reuters

Reuters in November that Sessions strongly opposed Papadopoulos' proposal and said no one should speak of it again. In response to a request for comment, Gordon said on Saturday that he stood by his statement.

Sessions, through Justice Department spokeswoman Sarah Isgur Flores, declined to comment beyond his prior testimony. The special counsel's office also declined to comment. Spokeswomen for the Democrats and Republicans on the House Judiciary Committee did not comment.

Reuters was unable to determine whether Mueller is probing discrepancies in accounts of the March 2016 meeting.

The three accounts, which have not been reported, raise new questions about Sessions' testimony regarding contacts with Russia during the campaign.

Sessions previously failed to disclose to Congress meetings he had with former Russian Ambassador Sergey Kislyak, and testified in October that he was not aware of any campaign representatives communicating with Russians.

Some Democrats have seized on

discrepancies in Sessions' testimony to suggest the attorney general may have committed perjury. A criminal charge would require showing Sessions intended to deceive. Sessions told the House Judiciary Committee that he had always told the truth and testified to the best of his recollection.

Legal experts expressed mixed views about the significance of the contradictions cited by the three sources.

Sessions could argue he misremembered events or perceived his response in a different way, making any contradictions unintentional, some experts said.

Jonathan Turley, a law professor at George Washington University, said Sessions' words might be too vague to form the basis of a perjury case because there could be different interpretations of what he meant.

"If you're talking about false statements, prosecutors look for something that is concrete and clear," he said.

Other legal experts said, however, that repeated misstatements by Sessions could enable prosecutors to build a perjury case against him.

"Proving there was intent to lie is a heavy burden for the prosecution. But now you have multiple places where Sessions has arguably made false statements," said Bennett Gershman, a Pace University law professor.

## 45 US trade groups urge Trump to avoid tariffs against China

WASHINGTON (Reuters) - Forty-five U.S. trade associations representing some of the largest companies in the country are urging President Donald Trump not to impose tariffs on China, warning it would be "particularly harmful" to the U.S. economy and consumers.

The letter marks the latest in a growing rift between Trump and the business community on trade policies, as the president has begun to take more aggressive steps he says are needed to protect domestic industry.

"We urge the administration not to impose tariffs and to work with the business community to find an effective, but measured, solution to China's protectionist trade policies and practices that protects American jobs and competitiveness," the groups wrote.

"Tariffs would be particularly harmful," they said.

The groups called on Trump to work with trade allies to push for changes to China's policies. The business groups said while they had serious concerns about China's approach to trade, unilateral tariffs by the United States would only separate the country from allies, and encourage them to replace the U.S. business presence in China when Beijing retaliates.

Trade associations publicly pushing back include the U.S. Chamber of Commerce, the National Retail Federation and the Information Technology Industry Council.

The Trump administration is said to be preparing tariffs against Chinese information technology, telecoms and consumer products in an attempt to force changes in Beijing's intellectual property and investment practices.



## PUBLIC NOTICE ANNOUNCEMENT

The Guam Visitors Bureau will hold a Regular Meeting of the Board of Directors on **Thursday, March 22, 2018 at 3:30 p.m. in GVB's Main Conference Room.** Any individuals needing special accommodations are requested to contact GVB at 646-5278 for assistance.

This ad was paid for by the GVB Membership Fund.



## JUDICIAL COUNCIL OF GUAM

Suite 300 Guam Judicial Center  
120 West O'Brien Drive  
Hagatna, Guam 96910-5174  
Tel: (671) 475-3300 Fax: (671) 475-3337  
[www.guamcourts.org](http://www.guamcourts.org)

## NOTICE OF PUBLIC MEETING

The Judicial Council of Guam will conduct its monthly meeting on Thursday, March 22, 2018, in the Justice Monessa G. Lujan Appellate Courtroom located on the 3rd Floor of the Guam Judicial Center, 120 West O'Brien Drive in Hagatna at 12:00 p.m. The agenda will be made available prior to the meeting.

Any person(s) needing special accommodations, auxiliary aids, or services, please contact the Administrator of the Courts at 475-3544, or Joanna S. McDonald at 475-3300.

/s/ CHIEF JUSTICE KATHERINE A. MARAMAN  
Chairwoman



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, March 22, 2018 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)

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM  
Thursday, February 22, 2018, 3:00 p.m.  
GIAA TERMINAL CONFERENCE ROOM #3**

**1. CALL TO ORDER AND ATTENDANCE**

The February 22, 2018 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  
Martin J. Gerber  
Rosalinda A. Tolan  
Deedee S. Camacho

**Offices or positions:**

Chairman  
Vice Chairperson

**Directors Absent:**

Gurvinder "Bic" Sobti (Excused)  
Lucy M. Alcorn (Excused)

Board Secretary

**GIAA Officials:**

Charles H. Ada II	Executive Manager
Pedro R. Martinez	Deputy Executive Manager
John A. Rios	Comptroller
Jean M. Arriola	Airport Services Manager
Robert Camacho	Airport Chief of Police
Daniel Stone	Airport Fire Chief
Edward Muna	Superintendent of Operations
Victor Cruz	Engineering Supervisor
RolendaFaasuamalie	Airport Marketing Administrator
Joseph Javellana	Program Coordinator IV
Daniel Quitugua	Buyer Supervisor
Janalynn C. Damian, Esq.	GIAA Legal Counsel
Frank R. Santos	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**

Motion to approve the agenda as presented duly made by Vice Chairperson Sgro, seconded by Director Gerber; motion unanimously passed.

## **3. APPROVAL OF MINUTES**

### **A. January 25, 2018 Regular Meeting**

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

#### **Resolution No. 18-18**

The Board hereby approves the minutes of the January 25, 2018 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, provided brief highlights on Capital Improvement Projects for FY2017.

- International Arrivals Corridor with Building Seismic Upgrades: Progress is still moving forward on Pod 2. Discussions with the contractor first then the concessionaire, Lotte Duty Free in regard to the columns. Looking at advancing the contractor's work to Pod 4 at Gate 10.
- Demolition of VQ5 Hangar: SHPO has given clearance to start the demolition of the VQ5 hangar. Study will take place to determine any historical significance, which GIAA believes there are none.

Chairman Duenas reminded Management of a number of Board members that showed interest in touring the 3rd floor project site. Ms. Jean Arriola informed the Board that arrangements will be made through the Board Secretary.

## **6. NEW BUSINESS**

### **A. Approval of Award for Independent Airport Consultant - RFP No. RFP-003-FY18**

Executive Manager Ada provided background information to the Board on the referenced RFP including the scope of services, contract term, dates of advertisement of the RFP, proposal submission deadline, and the number of interested proposers. A total of forty-seven (47) firms showed their interest by obtaining the RFP package. An evaluation committee was established to evaluate the three (3) proposals that were submitted before the established deadline. The proposals were evaluated on a point system assigned for each criteria identified in the RFP package. As a result of the evaluation committee's tabulation, the selected firms in order of their ranking are as follows:

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

Management recommends the approval of the ranking results and the contract award to Proposers A, B and C, the highest ranked proposers, subject to negotiations of fair and reasonable fees.

The initial term of the agreement shall be for five (5) years. The agreement may be renewed at the sole discretion of GIAA by written notice, for two (2) additional one (1) year terms, not to exceed a total of seven (7) years.

Discussion followed relative to the reason for awarding all three (3) proposers. Executive Manager Ada added that the scope of work is quite extensive, each firm has different areas of expertise, and will be compensated on a per task basis.

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

#### **Resolution No. 18-19**

The Board hereby approves the ranking results as presented and the contract award to Proposers A, B, and C for Independent Airport Consultant - RFP No. RFP-003-FY18, subject to Management's negotiation of fair and reasonable fees and review by legal counsel.

Executive Manager Ada informed the Board that Proposer 'A' is Unison Consulting, Proposer 'B' is Ricondo & Associates, and Proposer 'C' is Leigh Fisher.

**B. Approval of Board Resolution No. 18-20: Agreement for Legal Services**

The second item discussed was the extension of the Agreement for Legal Services with Calvo Fisher & Jacob LLP. The extension would be the third of four options to extend. The additional one (1) year period will commence on March 23, 2018 and expire on March 22, 2019.

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

**Resolution No. 18-20**

WHEREAS, an Agreement for Legal Services was made on March 23, 2015, by and between the ANTONIO B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM ("GIAA") and Calvo Fisher & Jacob LLP ("CFJ") (the "CFJ Agreement"); and

WHEREAS, the CFJ Agreement provides for a term of one year commencing on March 23, 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 April 18, 2016 by Resolution No. 16-34, the Board of Directors approved the extension of the CFJ Agreement for an additional one year period (1<sup>st</sup> Option) commencing on March 23, 2016 and expiring on March 22, 2017, under the same terms and conditions as set forth in the CFJ Agreement; and

WHEREAS, on February 23, 2017 by Resolution No. 17-22, the Board of Directors approved the extension of the CFJ Agreement for an additional one year period (2<sup>nd</sup> Option) commencing on March 23, 2017 and expiring on March 22, 2018, under the same terms and conditions as set forth in the CFJ Agreement; and

WHEREAS, the Board of Directors has determined that GIAA continues to require the services of CFJ and that it is in the best interests of GIAA to extend the term of the CFJ Agreement for an additional one (1) year period commencing on March 23, 2018, under the same terms and conditions as set forth in the CFJ Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of GIAA hereby extends the term of the CFJ Agreement for an additional one (1) year period commencing on March 23, 2018, under the same terms and conditions as set forth in the CFJ Agreement.

**C. Ratification of Quarterly Travel**

Executive Manager Ada presented the quarterly travel from October to December 2017 for ratification by the Board.

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

**Resolution No. 18-21**

The Board hereby ratifies the FY2018 1st quarter travel report from October to December 2017 as presented.

**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.

Brief discussion on social media campaign with Ms. Rolenda Faasuumalie, Marketing Administrator, informing the Board that all accounts are linked, and GIAA ads pop up on Google and Safari.

Chairman Duenas inquired on Japan flights. Executive Manager Ada confirmed that JAL flights help to mitigate the suspension of flights from United Airlines and discontinuation of Delta Airlines.

**8. REPORT OF THE COMPTROLLER**

Mr. John Rios reported on the revenues and expenses of the Authority as of **January 31, 2017**. Mr. Rios reported that year-to-date Total Signatory Revenues are below budgeted revenues by **-6.1%**, year-to-date Total Concession Revenues and Passenger Facility Charges are above and below budget by **3.2%** and **-19.2%**, respectively. Year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues are above the budget estimate by **36.1%**. Year-to-date Total Operating Revenues Actual of **\$26.4M** is **3.2%** above the budget estimate of **\$25.5M**. Year-to-date Total Operating Expenses are below budget by **-13.9%**. Components of this line item include a **-20.2%** decrease in Personnel Service, a **-0.6%** decrease in Contractual Services, a **-82.7%** decrease in Materials & Supplies and a **-11.3.0%** decrease in Equipment/Furnishings from budgeted amounts for these respective categories. The actual year-to-date Net Revenues from Operations of **\$11.4M** reflects an increase of **41.5%** over the year-to-date budgeted amount of **\$8.1M**. Mr. Rios reported that the year-to-date Debt Service Coverage is at **1.56** versus the requirement of **1.25**.

**9. EXECUTIVE SESSION**

Chairman Duenas announced there would be no Executive Session.

**10. PUBLIC COMMENTS**

There were no Public Comments

## **11. ADJOURNMENT**

Motion to adjourn duly made by Director Tolan, seconded by Director Camacho; motion unanimously passed. The meeting was adjourned at 3:27 p.m.

Dated this \_\_\_\_\_, day of \_\_\_\_\_, 2018.

Attest:

\_\_\_\_\_  
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 2018**  
as of 03/22/18

		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	31,828,092	87,606,855
3	AIP 93	Noise Mitigation Program 65 DNL & Higher - Phase		2,000,000	200,000	2,200,000	145,862	2,054,138
4	AIP 94	Miscellaneous Airport Improvements - Ph 5		785,281	78,453	863,734	681,056	182,678
5	AIP 95	Wildlife Management Assessment		100,000	10,000	110,000	95,625	14,375
6	AIP 96	Safety Management System		150,000	30,000	180,000	85,139	94,861
7	AIP 98 AIP 101	ARFF Facility-Design/Construction Phase 1/2	422,472	4,500,000	488,889	5,411,361	487,130	4,924,231
8	AIP 99 AIP 102	Apron Rehabilitation - Design		1,810,000	192,112	2,002,112	397,372	1,604,740
9	AIP 103	Rehabilitation Runway 6L - Design		750,000	83,334	833,334	1,944	831,390
10		Hold Bag Screening Relocation	5,369,933	24,899,330	0	30,269,263	30,052,494	216,769
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	563,259	825,859
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)			2,527,582	2,527,582	2,080,409	447,173
16		Tiyan Land Acquisition & Redevelopment			725,604	725,604	703,703	21,901
17		Facilities Fire Alarm/Suppression System			3,223,301	3,223,301	3,126,675	96,626
18		Upgrades to Public Restrooms - Final Phase			2,774,248	2,774,248	2,486,224	288,024
19		Maintenance Equipment			114,225	114,225	-	114,225
20		Airport Facilities Upgrades, Phased			4,971,711	4,971,711	4,809,764	161,948
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>\$ 57,194,611</b>	<b>\$ 22,561,215</b>	<b>\$ 184,339,268</b>	<b>\$ 81,649,798</b>	<b>\$ 102,689,471</b>

# Antonio B. Won Pat International Airport Authority, Guam

September 30, 2017 Audit

March 22, 2017 Presentation to the Board



# Audit Reports and Opinions Issued

# Audit Reports and Opinions To Be Issued for FY2017

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Auditor's report on the Authority's basic financial statements

- ▶ Unqualified opinion in accordance with US generally accepted accounting principles

Report on internal control over financial reporting and on compliance and other matters

- ▶ Unmodified opinion in accordance with government auditing standards

Report on compliance for each major federal program; report on internal control over compliance and report on schedule of expenditures of federal awards required by the Uniform Guidance

- ▶ Unmodified opinion in accordance with the Uniform Guidance
  - ▶ Two findings:
    - ▶ Quarterly Reporting Requirement
    - ▶ Capitalization of certain repairs and maintenance costs
  - ▶ One major program:
    - ▶ Checked Baggage Recapitalization Screening Construction Services Project
  - ▶ Low-Risk Auditee Designation

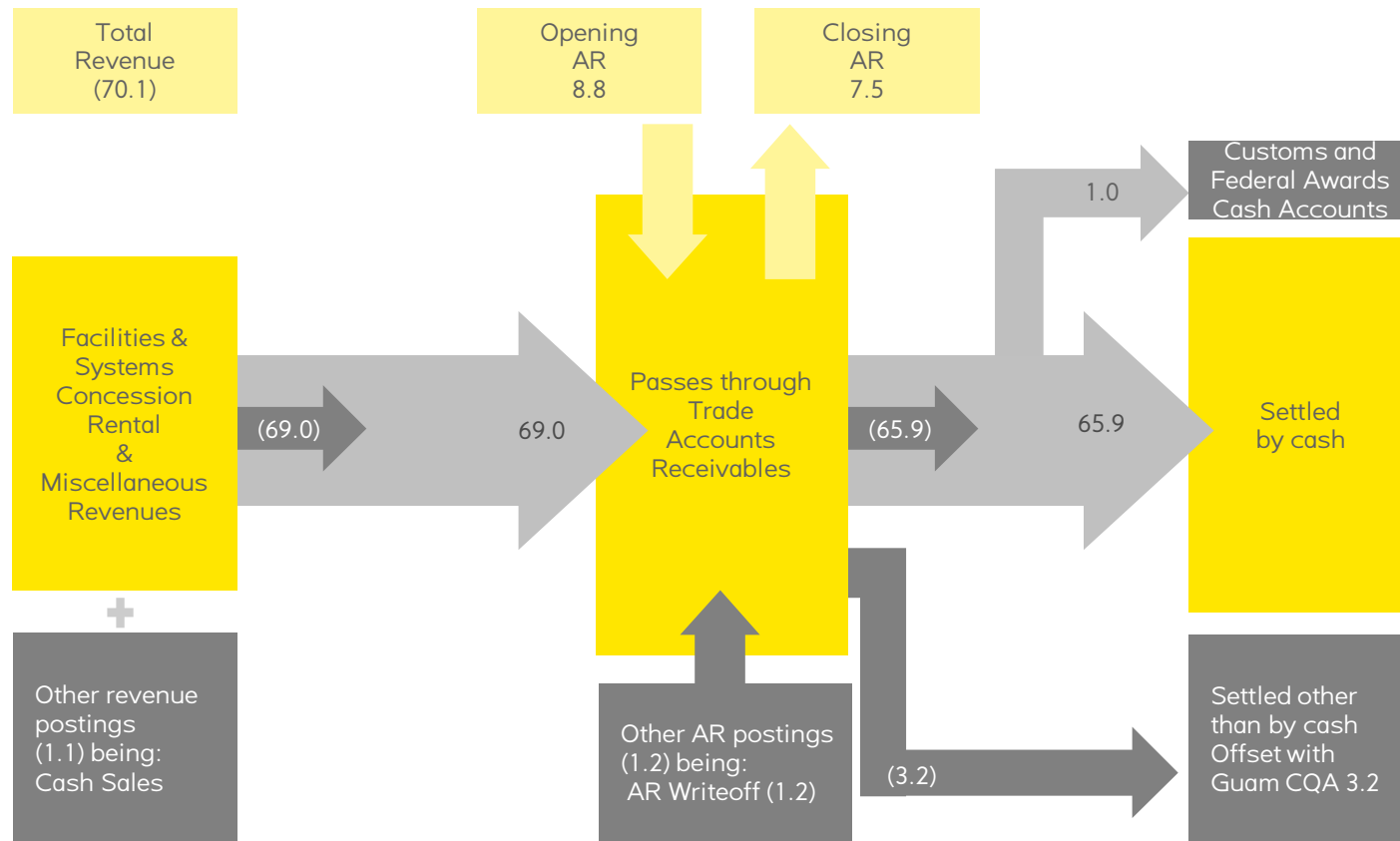
# Low-Risk Auditee Criteria (Uniform Guidance) for FY18

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- ▶ An entity must meet each of the following conditions for each of the preceding two years (FY17 and FY16):
  - ▶ Single audits were performed on an annual basis in accordance with Circular A-133/Uniform Guidance
  - ▶ The auditor's opinions on the financial statements and the schedule of expenditures of federal awards were unmodified
  - ▶ There were no deficiencies in internal control over financial reporting that were identified as material weaknesses under the requirements of Government Auditing Standards
  - ▶ None of the federal programs had audit findings from any of the following in either of the preceding two years in which they were classified as type A programs:
    - ▶ Material weaknesses in internal control over compliance
    - ▶ Noncompliance with provisions of laws, regulations, contracts, or grant agreements that have a material effect on the type A program
    - ▶ Known or likely questioned costs that exceed five percent of the total federal awards expended for a type A program during the year
  - ▶ Additionally, the entity must have submitted the Data Collection Form within nine-months from the fiscal year-end.

# Financial Analysis

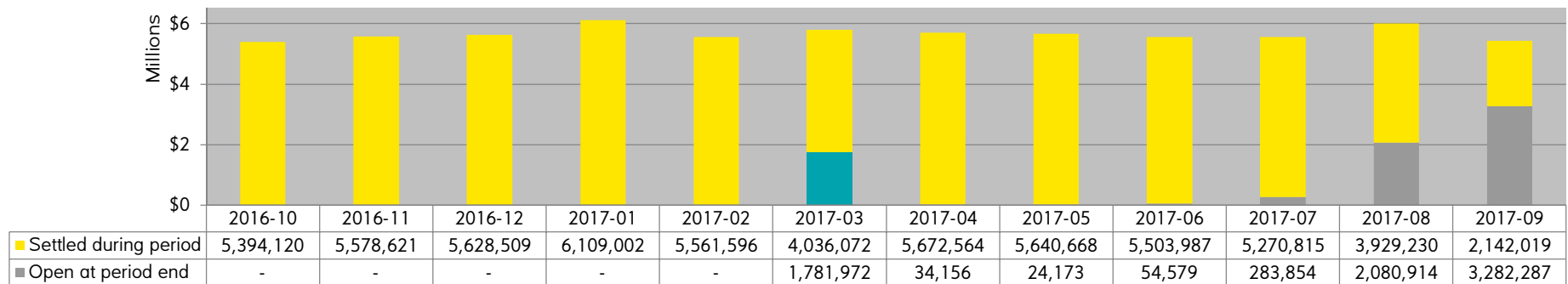
# The Authority's relationship between revenue, receivables and cash (in millions)



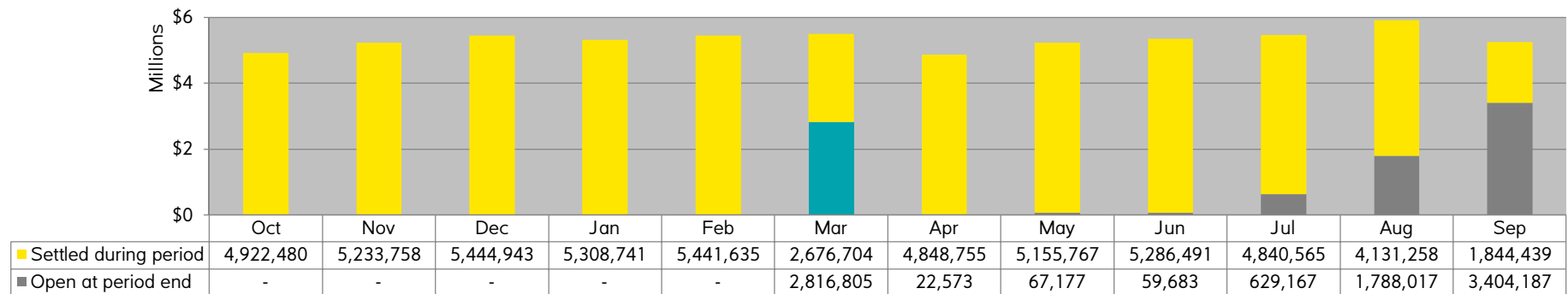


# Accounts receivable analysis

## Settled and open receivable activity by period at FY2017



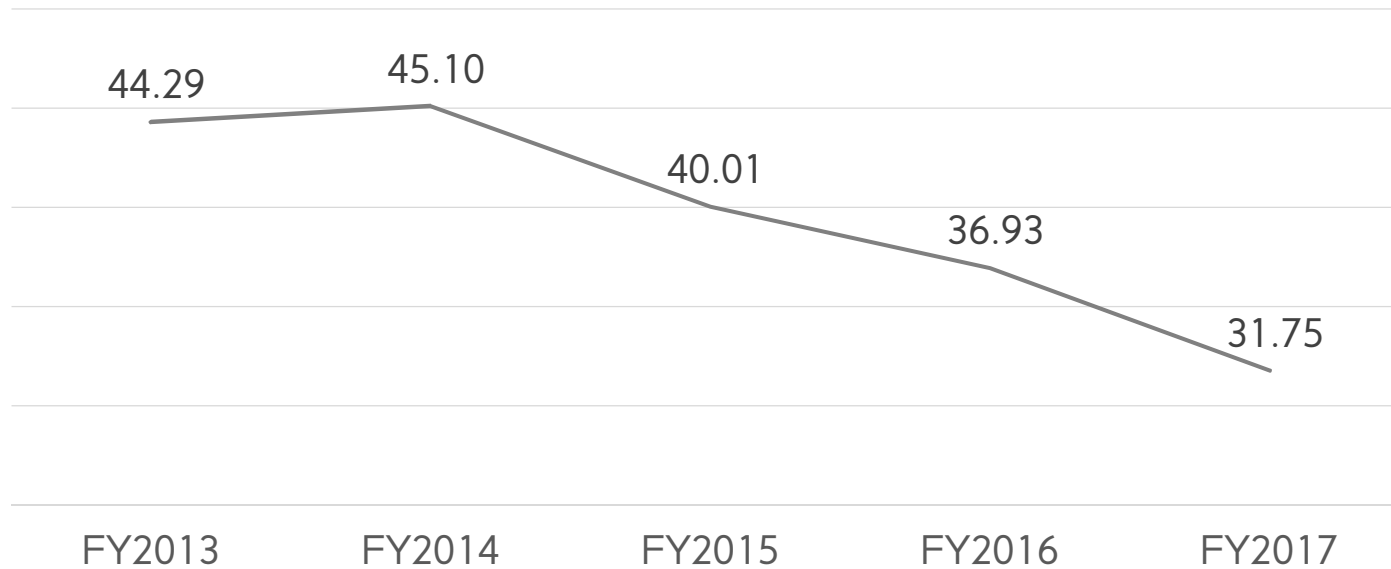
## Settled and open receivable activity by period FY2016



# Accounts receivable analysis

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## Average Collection Period



# Highlights for next year's audit

## Plans for next year's audit

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- ▶ Governmental Accounting Standards Board Statement No. 75. Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions
- ▶ Earlier coordination (June to July start of coordination)
- ▶ Greater degree of interim testing
- ▶ EY Client Portal – tracking of requests and secure upload of evidence directly into EY's audit tool

Thank you for all your kind  
cooperation throughout the audit.

## **AIRLINE ISSUES**

### **T'way Airlines**

T'way Airlines will be flying seven (7) additional charters in the month of April as follows:

- 2 KIX/GUM/KIX charters
- 2 ICN/GUM/NGO charters
- 1 ICN/GUM/NRT charter
- 1 ICN/GUM/KIX charter
- 1 ICN/GUM/ICN charter

This is in addition to their daily flights serving ICN/GUM and KIX/GUM flights.

### **JAPAN AIRLINES**

JAL begins their second GUM-NRT flight this Saturday, March 25<sup>th</sup>. The current annual seat capacity is 382,200 for that route. The second daily JAL flight will result in an additional 53,088 seats with the 767-A41 (seat capacity 237) aircraft.

## **AIR SERVICE DEVELOPMENT**

### **ROUTES ASIA**

Our GIAA delegation just concluded a meeting with airline network planners at the Annual Routes Asia Forum scheduled for March 18-20, 2018 in Brisbane. Welcome home, to Vice Chair Sgrowho attended along with our Marketing Administrator. Notable airline meetings took place with Shandong Airlines Beijing Capital Airlines, Spring Airlines, China Southern Airlines, Vanilla Airlines, Hawaiian Airlines, Juneyao Airlines, Jetstar Group, Air Nauru, Hong Kong Airlines, Virgin Australia Airlines, Shandong Airlines and Shenzhen Airlines. We also met with our current airline partners, Japan Airlines, China Airlines Group, Philippine Airlines, Cebu Pacific and reconnected with HK Express.

## **REGULATORY ISSUES**

### **GIAA Meeting with TSA**

On March 14, 2018, Airport management met with the top TSA officials from Washington, D.C. along with the Federal Security Director for Hawaii, Jorge Guerrero, FSD Guam and the Assistant FSD for the CNMI. It was noted that Guam was doing very well in terms of security. The officials shed some insight on possible technological security developments in the near future. We took the opportunity to brief them on our 3<sup>rd</sup> floor International Arrivals Corridor that will solve the decades old issue of co-mingling and the dividers in our concourse. We also discussed the expansion plans we have for the security-screening checkpoint.

## **FINANCIAL ISSUES**

### **FY2017 Financial Audit**

The Airport Authority's 2017 Financial Audit performed independent auditors, Ernst & Young, gave GIAA a "clean" opinion on its compliance report for FY 2017 financial statements and major federal

programs. There were no questioned costs or unresolved prior year audit findings. The Office of Public Accountability (OPA) highlighted in its report that GIAA should be commended for achieving low risk auditee status for the third year in a row. Operating Revenues increased by \$5.4M, due largely to miscellaneous revenues and facilities and system use charges. Rental income increased by 5.4% in FY2017 from FY2016, and Car Rental Income increased by 17.29%, in line with the increased enplanements and larger number of Free Independent Travellers (FIT), the profile of most passengers flying on Low Cost Carriers, who are not part of group travel, which was the historic make-up of our visitor profile in years past. Summarily, the Airport closed FY2017 with an increase in net position of \$8.9M from \$8.3M in FY2016.

### **USCBP Reimbursable Services Program (RSP)**

The USCBP's RSP 2017 Annual Report indicates that since our inception of the program, GIAA passenger wait times for processing under 1-hour has increased by 6% from 2016 to 2017, so more passengers have shorter processing times. The average wait time has fallen -14% from 28min in 2016 to 24min in 2017. GIAA investment in the RSP for 2017 was \$305,005.

### **Moody's Rating Update**

On March 14, 2018, Moody's Investors Service affirmed the Baa2 rating on our senior General Revenue Bonds and changed the rating outlook from stable to negative. This rating action follows Moody's recent outlook change to negative on the Ba1 Issuer Rating for the Government of Guam on the previous day. The change in rating outlook reflects Moody's assessment of the linkage between the Airport Authority and local economic conditions in Guam. As a result of the federal tax reform, the Government of Guam faces an estimated \$67 million decrease in general fund revenue for fiscal year 2018. While the airport operates fairly independently from the government, Moody's expects that the authority wouldn't be able to disconnect itself from any material financial stress at the government level having a negative impact on local economic conditions and the tourism sector in the next 12 to 18 months.

## **PROCUREMENT ISSUES**

### **RFPs**

Timekeeping & Attendance System  
To Be Announced: March 2018

## **ANNOUNCEMENTS**

- March is Chamorro Month – *Biba Mes Chamorro!* We have been hosting *merienda* every Friday of the month to include tomorrow. In honor of Holy Week next week, we will not have anything on the last Friday of the month, which is Good Friday. On Thursday, April 5<sup>th</sup> we will culminate our Chamorro Month celebrations with our annual *fiesta*.



- GIAA Management presented at the Guam Industry Forum 2018 as part of the “Ports of Entry and Logistics” panel along with the Port Authority of Guam and the Guam Customs & Quarantine Agency looking at our port and logistics as the key component of the successful execution of build-up projects on the island. The 3-day forum held at the Dusit Thani Guam Resort was on March 7-9, 2018 with GIAA presentations on Day 2. Approximately 500 delegates participated in the forum, sponsored by the Guam Society of American Military Engineers (SAME) which focused on the estimated billion dollars worth of military build-up work in design, construction and other service investments triggered by the \$300M+ in military contracts awarded last year.
- United Airlines will have their annual visits to Iwo Jima with WWII veterans of that battle with two flights on Saturday, March 24, 2018. Upon their return from Iwo Jima, a contingent of the Guam HOGs, a Harley motorcycle club, will meet them here at the airport and escort the buses carrying the veterans, down to their Tumon hotels.
- GIAA, along with GVB, will support the welcome the second daily GUM-NRT flight operated by JAL on its inaugural date of Sunday, March 25, 2018. Over 190 passengers and crew will be treated to goodie bags and cultural entertainment and lei greeting upon arrival.
- Our Operations Division will be conducting mandatory FAR Part 139 Training from March 26-30, 2018. The training is required for our airport to remain in full compliance with our airport certification. The training will cover the following:
  - Airport Emergency Plan (AEP)
  - ARFF Training Requirements & Record Keeping, Apparatus Information & Awareness, Personnel Record Keeping, Vehicle Presentation & Demonstration
  - Airport Certification Manual (ACM)
  - Self Inspection Program (includes Markings, Signs, Lighting, Safety Areas, & South Ramp Markings)
  - AOA Safety & Drivers Directive Program, Incidents, Accidents, Special Inspection Reporting and Record Keeping
  - Fuel Farm/Mobile Inspection and Fuel Personnel Training Requirements and Record Keeping; Chronological and Incident Reports
  - Notice to Airmen (NOTAM) Procedures and Record Keeping; Airfield Construction Safety Awareness and Record Keeping
  - Emergency Coordination Center (ECC) Function and Typhoon Preparation
  - USDA Wildlife Program, Awareness, Reporting and Documenting Wildlife Strikes

Diligent training and awareness on all these issues are a part of our critical achievement of “0” discrepancies during our FAA certification inspections. We expect another excellent grade at our next inspection and our strong training programs will help us achieve that.

March 21, 2018

**MEMORANDUM**

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

**From:** John A. Rios  
Comptroller

**Subject:** Operating Results – Revenues and Expenses as of February 28, 2018

Attached herewith is GIAA's Operating Results Report for the month ending February 28, 2018. This report summarizes the Budgeted versus Actual Revenues and Expenses for the month and year-to-date results ended February 28, 2018.

The key operating results for 5 month(s) of FY2018 ending February 28, 2018 – (in \$000's) are

CATEGORY	Actual FY18 Current Month	YEAR-TO-DATE			FORECAST FOR FULL YEAR- FY18	
		Budget FY18 Y-T-D	Actual FY18 Y-T-D	% Variance Budget vs. Actual	Actual Y-T-D FY18 Budget	% Variance Budget vs. Estimate for Full Year
				Y-T-D Current Month		
Total Signatory Revenues	\$ 2,519.5	\$ 13,814.5	\$ 12,928.0	-6.4%	\$ 32,416.2	-2.7%
Total Concession Revenues	\$ 1,722.3	\$ 8,229.4	\$ 8,501.3	3.3%	\$ 20,072.3	1.4%
Total PFC's	\$ 591.8	\$ 3,187.3	\$ 2,659.6	-16.6%	\$ 7,191.3	-6.8%
Total Other Revenues	\$ 1,553.1	\$ 6,693.8	\$ 8,868.7	32.5%	\$ 18,015.8	13.7%
Total Operating Revenues	\$ 6,386.7	\$ 31,925.0	\$ 32,957.7	3.2%	\$ 77,695.6	1.3%
Total Operating Expenses	\$ 3,489.2	\$ 21,420.2	\$ 18,868.7	-11.9%	\$ 44,766.6	-5.4%
Net Revenues from Operations	\$ 2,897.5	\$ 10,504.9	\$ 14,089.0	34.1%	\$ 44,764.3	-5.4%
Non-Operating Expenses	\$ 42.9	\$ 415.0	\$ 406.4	-2.1%	\$ 706.4	-1.2%
Other Available Moneys/other sources of funds	\$ 529.9	\$ 2,253.8	\$ 2,710.0	20.2%	\$ 7,217.7	6.8%
<b>Net Debt Service Coverage</b>	<b>1.60</b>	<b>1.49</b>	<b>1.96</b>	<b>31.5%</b>	<b>1.58</b>	<b>11.0%</b>

Year-to-date Total Signatory Revenues for the month ending February 28, 2018 are below Budgeted revenues by **-6.4%**. Signatory revenue estimates are based on projections submitted by Signatory airlines and adopted in the annual budget.

Year-to-date Total Concession Revenues are **3.3%** above budget while Passenger Facility Charges are below the budget estimate by **-16.6%**.

Year-to-date Total Other Revenues, inclusive of non-signatory and non-airlines revenues, are above the budget estimate by **32.5%**.

Year-to-date Total Operating Revenues actual of **\$32.9M** is **3.2%** above the budget estimate of **\$31.9M**.

Year-to-date Total Operating Expenses are below budget by **-11.9%**. Components of this line item include a **-19.3%** decrease in Personnel Service, a **2.0%** increase in Contractual Services, a **-77.7%** decrease in Materials & Supplies and a **-52.5%** decrease in Equipment/Furnishings from budgeted amounts for these respective categories.

The actual year-to-date Net Revenues from Operations of **\$14.0M** represents a **34.1%** increase over the year-to-date budgeted amount of **\$10.5M**.

Finally, our year-to-date results for Debt Service Coverage is at **1.96** 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 February 28, 2018

	CURRENT MONTH				Budget Full Year	YEAR TO DATE				FULL YEAR FORECAST	
	Actual FY2017	Budget FY2018	Actual FY2018	%Var Bud Vs Act'l		Actual FY2017	Budget FY2018	Actual FY2018	%Var Bud Vs Act'l	Actual/Est	%Var Bud Vs Act'l
<b>I. Signatory Airline Rents &amp; Fees</b>											
Terminal Bldg Rentals	312.2	317.2	313.4	-1.2%	3,820.0	1,564.4	1,589.7	1,624.8	2.2%	3,855.1	0.9%
Departure Fees	558.9	598.2	563.9	-5.7%	7,344.5	2,950.5	3,032.7	2,760.2	-9.0%	7,072.0	-3.7%
Arrival Fees	552.9	598.3	534.0	-10.7%	7,292.1	2,957.5	3,022.2	2,689.1	-11.0%	6,958.9	-4.6%
Immigration Inspection Fees	196.6	206.2	183.2	-11.2%	2,521.0	1,047.9	1,042.0	916.6	-12.0%	2,395.6	-5.0%
Loading Bridge Use Fees	467.6	596.4	520.0	-12.8%	7,300.0	2,499.3	3,036.2	2,839.3	-6.5%	7,103.1	-2.7%
Apron Use Fees	111.8	125.7	118.7	-5.5%	1,550.0	609.3	645.2	635.4	-1.5%	1,540.2	-0.6%
Landing Fees	227.2	281.8	286.2	1.6%	3,475.2	1,211.0	1,446.5	1,462.6	1.1%	3,491.3	0.5%
<b>Total Signatory Revenue</b>	<b>2,427.2</b>	<b>2,723.8</b>	<b>2,519.5</b>	<b>-7.5%</b>	<b>33,302.8</b>	<b>12,840.0</b>	<b>13,814.5</b>	<b>12,928.0</b>	<b>-6.4%</b>	<b>32,416.2</b>	<b>-2.7%</b>
Enplaned Signatory Pax	143,720	160,192	151,192	-5.6%	1,966,786	614,468	651,924	739,992	13.5%	2,054,854	4.5%
<b>Cost per Enplaned Pax</b>	<b>\$16.89</b>	<b>\$17.00</b>	<b>\$16.66</b>	<b>-2.0%</b>	<b>\$16.93</b>	<b>\$20.90</b>	<b>\$21.19</b>	<b>\$17.47</b>	<b>-17.6%</b>	<b>\$15.78</b>	<b>-6.8%</b>
<b>Revenues from Sources other than Signatory Airlines Rents &amp; Fees</b>											
Concession Revenues											
Gen Mdse	1,268.2	1,268.1	1,380.2	8.8%	15,216.9	6,340.8	6,341.1	6,781.9	7.0%	15,657.8	2.9%
In-flight Catering	67.5	79.8	65.5	-18.0%	921.9	361.3	377.7	334.2	-11.5%	878.5	-4.7%
Food & Beverage	83.5	96.8	80.2	-17.1%	1,149.8	443.7	471.6	425.3	-9.8%	1,103.5	-4.0%
Rental Cars	116.8	139.6	125.6	-10.0%	1,715.0	597.7	690.8	602.3	-12.8%	1,626.6	-5.2%
Other Concession Rev	70.5	75.0	70.8	-5.7%	796.7	303.5	348.4	357.6	2.7%	806.0	1.2%
<b>Total Concession Revenues</b>	<b>1,606.5</b>	<b>1,659.3</b>	<b>1,722.3</b>	<b>3.8%</b>	<b>19,800.4</b>	<b>8,047.0</b>	<b>8,229.4</b>	<b>8,501.3</b>	<b>3.3%</b>	<b>20,072.3</b>	<b>1.4%</b>
Passenger Facility Charges	654.1	628.7	591.8	-5.9%	7,719.0	3,066.0	3,187.3	2,659.6	-16.6%	7,191.3	-6.8%
Other Revenue	1,593.3	1,373.4	1,553.1	13.1%	15,840.9	8,223.1	6,693.8	8,868.7	32.5%	18,015.8	13.7%
<b>Total Operating Revenue</b>	<b>6,281.1</b>	<b>6,385.3</b>	<b>6,386.7</b>	<b>0.0%</b>	<b>76,663.0</b>	<b>32,176.1</b>	<b>31,925.1</b>	<b>32,957.7</b>	<b>3.2%</b>	<b>77,695.6</b>	<b>1.3%</b>
<b>II. Operating Expenses:</b>											
Personnel Services	1,510.6	1,568.0	1,359.3	-13.3%	20,383.4	8,304.1	9,407.8	7,590.6	-19.3%	18,566.2	-8.9%
Contractual Services	1,876.2	2,159.7	2,085.9	-3.4%	24,480.6	9,075.2	10,767.1	10,979.5	2.0%	24,693.0	0.9%
Materials & Supplies	227.6	227.4	44.0	-80.6%	2,363.0	403.3	1,161.2	258.7	-77.7%	1,460.5	-38.2%
Equipment/Furnishings	15.0	39.0	0.0	0.0%	91.0	29.9	84.0	39.9	-52.5%	46.9	0.0%
<b>Total Operating Expenses</b>	<b>3,629.4</b>	<b>3,994.1</b>	<b>3,489.2</b>	<b>-12.6%</b>	<b>47,318.0</b>	<b>17,812.5</b>	<b>21,420.2</b>	<b>18,868.7</b>	<b>-11.9%</b>	<b>44,766.6</b>	<b>-5.4%</b>
<b>Net Revenues from Operations</b>	<b>2,651.8</b>	<b>2,391.2</b>	<b>2,897.5</b>	<b>21.2%</b>	<b>29,345.0</b>	<b>14,363.6</b>	<b>10,504.9</b>	<b>14,089.0</b>	<b>34.1%</b>	<b>32,929.1</b>	<b>12.2%</b>

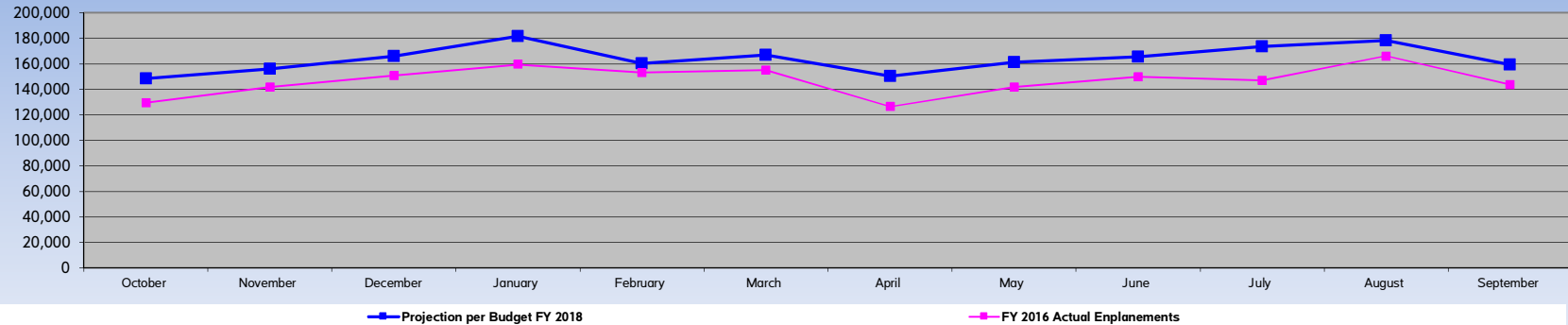
GUAM INTERNATIONAL AIRPORT AUTHORITY  
KEY OPERATING RESULTS (\$000's)  
as of February 28, 2018

	CURRENT MONTH				Budget Full Year	YEAR TO DATE				FULL YEAR FORECAST	
	Actual FY2017	Budget FY2018	Actual FY2018	%Var Bud Vs Act'l		Actual FY2017	Budget FY2018	Actual FY2018	%Var Bud Vs Act'l	Actual/Est	%Var Bud Vs Act'l
III. Other Revenues and Expenses											
Less: Non Operating Expense(Ret/DOI/OHS)	43.5	0.0	42.9	0.0%	715.0	362.0	415.0	406.4	-2.1%	706.4	-1.2%
Add: Interest on Investments	53.8	66.0	0.0	-100.0%	792.1	222.4	264.0	191.4	-27.5%	719.4	-9.2%
<b>Net Revenues</b>	<b>2,662.1</b>	<b>2,457.2</b>	<b>2,854.6</b>	<b>16.2%</b>	<b>29,422.1</b>	<b>14,224.1</b>	<b>10,353.9</b>	<b>13,874.0</b>	<b>34.0%</b>	<b>32,942.1</b>	<b>12.0%</b>
Add: Other Sources of Funds	0.0	33.3	0.0	0.0%	400.0	38.0	133.3	59.6	-55.3%	326.2	-18.4%
Add: Other Available Moneys	530.0	530.1	529.9	0.0%	6,361.5	2,119.8	2,120.5	2,650.4	<b>25.0%</b>	6,891.5	8.3%
<b>Net Revenues and Other Available Moneys</b>	<b>3,192.1</b>	<b>3,020.7</b>	<b>3,384.5</b>	<b>12.0%</b>	<b>36,183.6</b>	<b>16,381.9</b>	<b>12,607.8</b>	<b>16,584.0</b>	<b>31.5%</b>	<b>40,159.8</b>	<b>11.0%</b>
Debt Service payments	2,119.8	2,120.5	2,120.5	0.0%	25,446.0	8,479.2	8,482.0	8,482.0	0.0%	25,446.0	0.0%
<b>Debt Service Coverage</b>	<b>1.51</b>	<b>1.42</b>	<b>1.60</b>	<b>12.0%</b>	<b>1.42</b>	<b>1.93</b>	<b>1.49</b>	<b>1.96</b>	<b>31.5%</b>	<b>1.58</b>	<b>11.0%</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>	

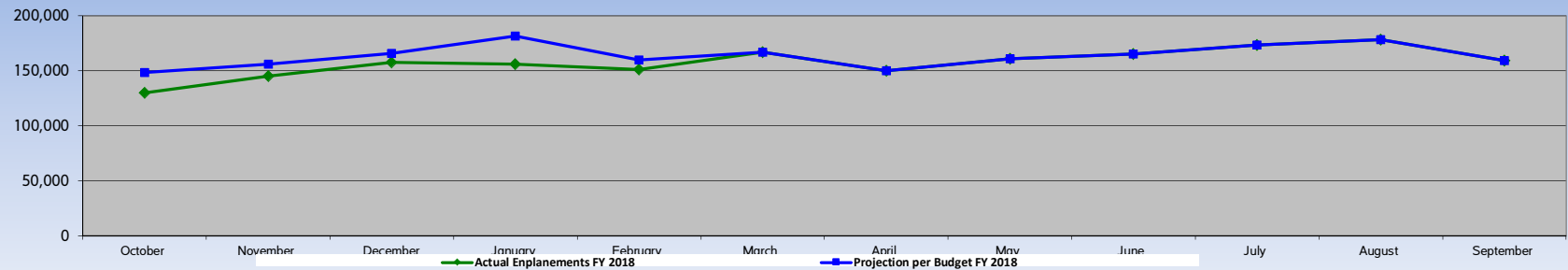
# SUMMARY SIGNATORY AIRLINES

Enplanements	October	November	December	January	February	March	April	May	June	July	August	September	Total
Projection per Budget FY 2018	148,343	155,897	166,013	181,671	160,192	166,828	150,416	161,116	165,370	173,362	178,304	159,274	1,966,786
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	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 2018 Actual Enplanements/Projection	129,772	145,309	157,750	155,969	151,192	166,828	150,416	161,116	165,370	173,362	178,304	159,274	1,894,661
FY 2018 versus FY 2017 Monthly%	-9.64%	-1.82%	-1.74%	-3.90%	5.20%	5.76%	2.48%	6.86%	8.81%	9.63%	5.17%	9.76%	3.07%
FY 2018 versus FY 2017 Monthly	-13,847	-2,693	-2,794	-6,334	7,472	9,093	3,637	10,341	13,396	15,223	8,757	14,166	56,416
FY 2018 versus FY 2017 Cumulative	-13,847	-16,540	-19,334	-25,668	-18,197	-9,103	-5,466	4,875	18,271	33,493	42,251	56,416	56,416
	-9.64%	-11.18%	-12.04%	-15.81%	-12.66%	-5.77%	-3.72%	3.23%	12.02%	21.18%	24.92%	38.88%	3.07%

FY 2016 FY 2018 Signatory Airlines Actual and Projection of Enplanements



Fiscal Year 2018 Actual Enplanements versus Budget



Actual versus Forecast													
Enplanements	October	November	December	January	February	March	April	May	June	July	August	September	Total
Actual Enplanements FY 2018	129,772	145,309	157,750	155,969	151,192	166,828	150,416	161,116	165,370	173,362	178,304	159,274	1,894,661
Projection per Budget FY 2018	148,343	155,897	166,013	181,671	160,192	166,828	150,416	161,116	165,370	173,362	178,304	159,274	1,966,786
Actual Enplanements Over/(Under) Projection	(18,571)	(10,588)	(8,263)	(25,702)	(9,001)	0	0	0	0	0	0	0	(72,125)
Cumulative Total	(18,571)	(29,159)	(37,422)	(63,124)	(72,125)	0	0	0	0	0	0	0	-3.7%
Percentage Over/(Under) Forecast													
	October	November	December	January	February	March	April	May	June	July	August	September	
% Monthly versus Projection	-12.5%	-6.8%	-5.0%	-14.1%	-5.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Cumulative Total	-12.5%	-9.6%	-8.0%	-9.7%	-8.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Month to Month Trend													
	October	November	December	January	February	March	April	May	June	July	August	September	
Actual Enplanements	129,772	145,309	157,750	155,969	151,192	166,828	150,416	161,116	165,370	173,362	178,304	159,274	
Month to Month Increase/(Decrease)		15,537	12,441	-1,781	-4,778	15,637	-16,412	10,700	4,254	7,992	4,943	-19,031	
Month to Month Increase/(Decrease) in %		12.0%	8.6%	-1.1%	-3.1%	10.3%	-9.8%	7.1%	2.6%	4.8%	2.9%	-10.7%	
Cost Per Enplanement FY2018 Actual versus Projected													
CPE													CPE FY18
Forecast Per FY2018 Budget	\$ 17.31	\$ 17.16	\$ 16.96	\$ 16.69	\$ 17.00	\$ 17.13	\$ 17.34	\$ 17.10	\$ 16.56	\$ 16.46	\$ 16.52	\$ 17.14	\$ 16.93
Actual CPE	\$ 19.12	\$ 17.58	\$ 17.23	\$ 17.03	\$ 16.66								
Variance	\$ (1.80)	\$ (0.42)	\$ (0.27)	\$ (0.34)	\$ 0.34	\$ 17.13	\$ 17.34	\$ 17.10	\$ 16.56	\$ 16.46	\$ 16.52	\$ 17.14	\$ 16.93

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**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:** March 12, 2018

**SUBJECT:** Executive Session

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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.