

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM
Tuesday, September 25, 2018, 3:00 p.m.
GIAA TERMINAL CONFERENCE ROOM #3**

1. CALL TO ORDER AND ATTENDANCE

The September 25, 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 3:05 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
Rosalinda A. Tolan
Deedee S. Camacho

Offices or positions:

Chairman
Vice Chairperson
Board Secretary

Directors Absent:

Lucy M. Alcorn (Excused)

GIAA Officials:

Pedro R. Martinez
John A. Rios
Jean M. Arriola
Gerard Bautista
Edward Muna
Victor Cruz
Joseph Javellana
Elfrie Koshiba
Henry Cruz

Deputy Executive Manager
Comptroller
Airport Services Manager
Air Terminal Manager
Superintendent of Operations
Engineering Supervisor
Program Coordinator IV
GIAA Marketing
GIAA Procurement

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. August 30, 2018 Regular Meeting

Director Tolan informed the Board of a typo requiring correction on page three (3). On motion duly made by Vice chairperson Sgro, seconded by Director Camacho, the following resolution was unanimously passed:

Resolution No. 18-47

The Board hereby approves the minutes of the August 30, 2018 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 FY2018.

- International Arrivals Corridor with Building Seismic Upgrades: On September 7, 2018 a number of the Board members were provided a tour of the project. Based on the tour, and in consultation with the Contractor, Vice Chair Sgro has suggested an event, a tour or "Sneak Peak" of the project for the Governor and Lt. Governor. Mr. Santos announced that the time and will be finalized and the Board will be notified of the event.
- Noise Mitigation Program 65 DNL & Higher: Results from the noise measurements on 22 homes was received, and each home has passed and is eligible for additional sound proofing. Packages for each home will be put together and will be put out as a single bid in 2019. Noise measurements for the next 38 homes are to begin in October 2018. Mr. Santos explained the eligibility criteria of the noise measurement program.
- ARFF Facility-Design/Construction: Airport received FAA approval to proceed with executing the contract and issue the Notice to Proceed. Ground-breaking anticipated for October 2018.

- Apron Rehabilitation: Trench drains awaiting repairs and are to be repaired under FAA project after approval from FAA.

6. NEW BUSINESS

A. Approval of FY19 Insurance Renewal Program

The first matter discussed was the FY19 Insurance Renewal Program. AM Insurance ("AM") representative, Ms. Ann Marie Muna presented the insurance quotes for FY2019. Nine (9) major insurance carriers were approached, only two (2) carriers this year 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	\$322,771.00
Airport Operators Liability	Calvo's	\$131,580.00
Directors & Officers Liability	Moylan's	\$36,720.00
Workman's Compensation	Moylan's	\$35,000.00
Automobile Insurance	Moylan's	\$34,622.00
Crime Insurance	Moylan's	\$5,400.00
TOTAL:		\$566,093.00

The total premium costs for all coverage for FY2019 is \$566,093.00. This represents an increase in premium of \$20,505.00 per annum compared to FY2018 premium cost of \$545,588.00. Management recommends that the Board approve the FY2019 insurance program as presented.

Vice Chairperson Sgro announced for the record that she would like to recuse herself and will not participate in discussion or vote on the matter.

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

Resolution No. 18-48

The Board hereby approves the FY2019 Insurance Renewal Program, in the total amount of \$566, 093.00 as follows:

Policy	Firm with Lowest Offered Premium	Amount
Property	Calvo's	\$322,771.00
Airport Operators Liability	Calvo's	\$131,580.00
Directors & Officers Liability	Moylan's	\$36,720.00
Workman's Compensation	Moylan's	\$35,000.00
Automobile Insurance	Moylan's	\$34,622.00
Crime Insurance	Moylan's	\$5,400.00
TOTAL:		\$566,093.00

B. Approval of Award for Real Estate Appraisal and Consulting Services - RFP No. RFP-005-FY18

The second matter discussed was Award for Real Estate Appraisal and Consulting Services. Deputy Executive Manager Martinez 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 seven (7) firms showed their interest by obtaining the RFP package. An evaluation committee was established to evaluate the two (2) 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 A / Proposer B

The selection of two (2) firms will allow GIAA the flexibility for real estate appraisal and consulting services. Therefore, Management recommends the approval of the ranking results and the contract award to Proposers A & B for the Real Estate Appraisal and Consulting Services contract, subject to negotiation of fair and reasonable fees.

The Deputy Executive Manager informed the Board that the initial term of the agreement shall be for five (5) years, and 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.

Vice Chairperson inquired if there has there been a need in the past for real estate appraisal services. Ms. Jean Arriola replied yes, there has been a need for the purpose of appraising various Airport properties and assets. The last contract for this type of service expired early 2018.

Director Camacho inquired on how the Airport is to proceed negotiations with more than one (1) firm. Ms. Arriola replied that it would depend on the task, the scope would then be reviewed and determine which firm has the expertise. This has been done in the past.

Director Tolan inquired on one of the firms, as they have an off-island address if they previously done business on Guam. Ms. Arriola replied not at this time, prior to awarding the contract they would be required to get a Guam business license.

Regarding the determination of the initial non-submission of wage schedules, was this reviewed by legal counsel. Legal replied yes.

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

Resolution No. 18-49

The Board hereby approves the ranking results as presented and the contract award to Proposers A & B, for Real Estate Appraisal and Consulting Services - RFP No. RFP-005-FY18, subject to Management's negotiation of fair and reasonable fees and review by legal counsel.

Deputy Executive Manager Martinez informed the Board that Proposer 'A' is Duff & Phelps, and Proposer 'B' is Cornerstone Valuation Guam.

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.

8. REPORT OF THE COMPTROLLER

Mr. John Rios reported on the revenues and expenses of the Authority as of **August 31, 2018**. Mr. Rios reported that year-to-date Total Signatory Revenues are below budgeted revenues by **-8.1%**, year-to-date Total Concession Revenues and Passenger Facility Charges are below budget by **-3.1%** and **-13.0%**, 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 **\$69.9M** is **-0.7%** below the budget estimate of **\$70.3M**. Year-to-date Total Operating Expenses are below budget by **-0.8%**. Components of this line item include a **-0.5%** decrease in Personnel Service, a **4.8%** increase in Contractual Services, a **-61.2%** decrease in Materials & Supplies and a **45.8%** increase in Equipment/Furnishings from budgeted amounts for these respective categories. The actual year-to-date Net Revenues from Operations of **\$26.3M** reflects a decrease of **-0.4%** over the year-to-date budgeted amount of **\$26.4M**. Mr. Rios reported that the year-to-date Debt Service Coverage is at **1.40** versus the requirement of **1.25**.

9. EXECUTIVE SESSION

Chairman Duenas announced that there would be no Executive Session.


10. PUBLIC COMMENTS

There were no Public Comments.

11. ADJOURNMENT

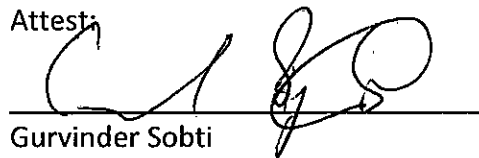
Motion to adjourn duly made by Director Tolan, seconded by Director Camacho; motion unanimously passed. The meeting was adjourned at 3:52 p.m.

Dated this 29th, day of November, 2018.



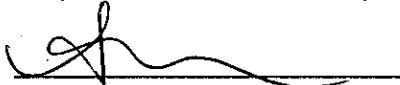
Ricardo C. Duenas
Chairman

Attest:



Gurvinder Sobti
Secretary

Prepared and Submitted By:



Amanda O'Brien-Rios
Corresponding Secretary

BOARD OF DIRECTORS REGULAR MEETING

3:00 p.m., Tuesday, September 25, 2018

GIAA TERMINAL CONFERENCE ROOM #3

Public Notice

First Notice:

Guam Daily Post – September 18, 2018

Notice to Media – September 18, 2018

Second Notice:

Guam Daily Post – September 21, 2018

Notice to Media – September 21, 2018

AGENDA

- 1. Call to Order and Attendance**
- 2. Approval of Agenda**
- 3. Approval of Minutes**
 - A. August 30, 2018 Regular Meeting**
- 4. Correspondence**
- 5. Old Business**
 - A. Status Updates of Capital Improvement Projects**
- 6. New Business**
 - A. Approval of FY19 Insurance Renewal Program**
 - B. Approval of Award for Real Estate Appraisal and Consulting Services – RFP No. RFP-005-FY18**
- 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., Tuesday, September 25, 2018
GIAA Terminal Conference Room #3

SIGN-IN SHEET

	<u>PRINT NAME</u>	<u>COMPANY/AGENCY</u>
1.	Ronald Wanglin	Bolton & Company
2.	Cheryl McDowell	Bolton & Company
3.	TRICIA GRANILLO	AM INSURANCE
4.	ANNMARIE MUNX	AM INSURANCE
5.	EMMA	OPS CIAA
6.	J. G. JAVELANA	PMO
7.	VANESSA PANGNIBON	PM
8.	Harry Cruz	GIAA
9.	Ken Annul	GIAA
10.	VICTOR J. CRUZ	GIAA
11.	ERRE COSSETTA	" MKTG
12.	John Ballesta	ARFF
13.	Gerard BAUTISTA	GIAA ATN
14.		
15.		
16.		
17.		
18.		
19.		
20.		

GMHA given 10 days to respond to petition for retirement fund payment

By Louella Losinio
louella@postguam.com

The Superior Court has given the Guam Memorial Hospital Authority 10 days to respond or show cause for its inability to make timely payments to the Government of Guam Retirement Fund.

During a hearing Monday on the petition for writ of mandate filed by the retirement fund's trustees, the hospital's legal counsel, Rachel Taimanao-Ayuyu, said, "We would ask that the court consider - as has been requested in the petition - that the alternative writ be issued so that the hospital may have an opportunity to answer or show cause within a few days.

In its petition, the retirement fund board is asking the court to order GMH officials "to perform its legal and ministerial duties by remitting to the fund all contributions" that are owed.

According to Taimanao-Ayuyu, the 10 days would provide an opportunity

for the hospital to provide the court with information on the status of the retirement fund contributions and other information.

Attorney Vincent Camacho, who represents the retirement fund's trustees, objected to the hospital's request.

"As counsel said, they do not contend or contradict the fact that they do owe this money. They are well informed by the retirement fund as to the status of the payments every single pay period," Camacho said, adding that this includes new and accrued interest to the fund.

Camacho told the court there are GMH employees who are eligible for retirement but are unable to do so because of the hospital's unpaid contributions to the fund. He said most people who are eligible to retire at the end of the fiscal year, which is Sept. 30.

"We do not have a true picture of how many are going to be affected, except for the information that there will be employees who will retire in September. If the court grants us that

10 days it will still be within the month of September," Taimanao-Ayuyu said.

According to the petition for writ of mandate filed by the retirement fund, GMHA owed around \$2.6 million as of the July letter, plus penalties and interest. The amount owed included employer contributions.

GMH remitted around \$1 million to the fund in August. Camacho told the court that the hospital made additional payments of around \$511,000 earlier this month.

"Until they are current, then no one can retire," Camacho told the court.

Public Law 28-38 requires full remittance of defined benefit and defined contribution employee and employer contributions, inclusive of interest and penalties, for the current fiscal year, before the fund can accept retirement applications from a government agency or department.

Judge Vernon Perez granted the 10-day request and ordered all parties to return to court Sept. 27.

Man accused of damaging vehicles, public drunkenness

By Jamie Ward
jamie@postguam.com

Guam Police Department officers arrested 25-year-old Masios los, who was charged with two third-degree felony counts of criminal mischief after his alleged involvement in damaging vehicles traveling through Dededo on Saturday.

los is also known as Mas Yaqui or Mas Ypw, court documents state.

According to a Superior Court of Guam's magistrate complaint, two cars were traveling along Lada Avenue when los allegedly stood in the middle of the street. Trying to avoid him, the court document states, the vehicle swerved while los "proceeded to run forward and jump into the vehicle, damaging the front windshield area."

The court documents add that as the car made a U-turn to drive away, los threw rocks at it while a woman he was with threw a metal stick at one of the passengers, allegedly hitting him in the leg.

A driver in a second car traveling in the vicinity also reported around the same time that "he heard a loud bang on the passenger side of his vehicle which made him stop to check for damage," court documents state.

Court documents state that he "noted a dent and some scratches below the front passenger side door that had not been there prior to him operating the vehicle," and that he saw los standing in the road.

When police located los, court documents state, he was "lying on his back without a shirt and wearing dark blue shorts and did not want to stand up."

The officer detected a strong odor of an intoxicating beverage from his breath, court documents state. los was also charged with public drunkenness.

The woman allegedly with los during the first altercation who struck the passenger with a metal stick, Tia Pison, 23, was charged with misdemeanor assault.

Murder suspect remains held on \$100,000 bail

By Jamie Ward
jamie@postguam.com

Murder suspect Jonathan Pangelinan will remain held on \$100,000 bail and will not be released to a third-party custodian until his attorney can provide evidence showing he will not flee Guam.

Court documents state the decision "declining to rule" was reached Thursday by Judge Michael Bordallo.

Pangelinan has been jailed since late March after he was taken into custody following a Mes CHamoru celebra-

tion at the Atkins Kroll complex in Tamuning, where he allegedly fatally assaulted a relative and coworker, Leebrick Manglona, 35.

The court document further states that on June 26 Bordallo ruled Pangelinan would not be released, based on the evidence.

"There is too great a possibility of the defendant fleeing Guam if he is released to a third-party custodian."

Pangelinan's attorney and public defender Stephen Hattori asked the court to reconsider two days later and the court said it would "if he could

produce something different to reassure the court that he was not a flight risk, in particular in terms of his relationship with his father."

On July 9, Hattori submitted statements in support of Pangelinan's release to third-party custodians, "but failed to address the flight risk in light of the father's statement to the victim's mother," court documents state.

The court's decision states that Manglona's mother received a phone call from Pangelinan's father on or about May 14 in which she stated that Pangelinan's father apologized for what his son did and stated that the father said if Pangelinan was released, the father would fly Pangelinan to California.

That statement caused Manglona's mother to alert the attorney general's office the next day, the document states.



**Department of Integrated Services
for Individuals with Disabilities**

Dipltamenton Programa Para I Maninutet
Government of Guam


Division of Vocational Rehabilitation (DVR)

PUBLIC NOTICE


The Guam State Rehabilitation Council (SRC) will hold a Quarterly Membership Meeting on **Thursday, September 20, 2018 at 10 am** at the GSAT House #19 Dean's Circle, University of Guam..

For special accommodations, please call 475-5748, at least 3 days in advance.

This advertisement is paid for with 78.7% Federal Funds from the U.S.DOE, RSA.



**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 Tuesday, September 25, 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)

**GUAM BOARD
OF EXAMINERS
FOR PHARMACY**

**Regular Session Meeting,
Thursday, September 20,
2018 at 7:30 AM**

at the Terlaje Professional Building, 194
Hernan Cortez Avenue, 2nd Floor, Suite 209
Health Professional Licensing Office Board
Conference Room, Hagatna, Guam.

For more information please contact the
Board office at 735-7405 thru 12. Persons
with disabilities needing special
accommodations may call Jimmy Sian at
735-7172 or the telecommunication device
for the Hearing/Speech Impaired (TDD) at
649-1801. Executive meeting may be called
if necessary.

**GUAM BOARD OF
MEDICAL EXAMINERS**

**Regular Board Meeting,
Thursday, September 20, 2018
at 4:00 PM**

at the Guam Memorial Hospital Authority
Educational Training Room 4th floor, 850
Carlos G. Camacho Road, Tamuning, Guam.

For more information please contact the Board
office at 735-7405 thru 12. Persons with
disabilities needing special accommodations may
call Jimmy Sian at 735-7172 or the
telecommunication device for the Hearing/Speech
Impaired (TDD) at 649-1801. Executive meeting
may be called if necessary.

DFS denies getting trade secrets from Lotte

By Kevin Kerrigan

kevin@postguam.com

The DFS Group has issued a statement denying an allegation that one of its high-ranking employees met with a Lotte employee to receive confidential information about Lotte's expansion plans, including its bid to win the duty-free concession contract at Guam's A.B. Won Pat International Airport.

The allegation surfaced earlier this month in South Korea where prosecutors indicted a former Lotte Duty Free corporate manager who is accused of disclosing trade secrets to DFS.

According to the South Korean indictment, in February 2013, Seung Lee, the former managing director of Lotte's

“DFS continues to be deeply concerned, about GIAA's unwillingness to take appropriate action.”

— DFS statement

Business Development Division, met with Andrew Ford, DFS Group global business development vice president, at a steakhouse in Hong Kong.

Lee had been working on the A.B. Won Pat Guam International Airport Authority's duty-free concessionaire bid.

According to the indictment, Lee was worried that he would not get promoted at Lotte, so he allegedly handed over Lotte trade secrets to the DFS executive, despite having signed a confidentiality agreement with Lotte.

DFS denial

A release issued Thursday from the DFS Group states, “DFS wishes to establish that no DFS employee met with any Lotte employee for any improper purpose, and at no time has DFS been in receipt of Lotte's proprietary or confidential materials through any illegal means.”

The DFS statement is critical of an earlier release from GIAA.

The GIAA release expressed “deep

concern” about the criminal charges against the former Lotte executive which “implicate DFS and certain of its high-ranking employees.”

The DFS response asserts that “South Korean authorities have made no such allegations” implicating “DFS or its former employees.”

The statement goes on to claim that the case in South Korea is actually “consistent with DFS' allegations in its lawsuits against GIAA and Lotte Duty Free Guam.”

“DFS continues to be deeply concerned,” concludes the statement, “about GIAA's unwillingness to take appropriate action” in response to what DFS calls “evidence of Lotte's wrongdoing.”

More Guam women are main breadwinners

By Louella Losinio

louella@postguam.com

A professional development forum on Thursday touched on the growing trend of women on Guam who are the primary breadwinners in their households.

The Guam Chamber of Commerce, through its committee, the Chamber Business Women's Network, hosted the event “Female Breadwinners: You are Not Alone,” at the Hilton Guam Resort and Spa.

Melanie Mendiola, executive director of the University of Guam Endowment Foundation, and Risha Aguon, a licensed professional counselor, talked about different aspects of the topic.

Mendiola, who was a financial adviser for several years, said the presentation centered on research they did together about women who earn more than their spouses.

“The objective of this presentation is to understand this emerging group of women. We are looking at a situation now where 1 out of 3 households — where the female is the primary breadwinner. This is an emerging group that has its own set of unique problems, own set of money challenges,” Mendiola said.

Mendiola said women tend to be more conservative when investing their money and making other types of financial decisions.

“You have John and Mary and you have both of them — have the same amount of money coming out of college. They are earning the same amount of money. They are both earning the same rate. But then he would be more aggressive than she is over the long term. He would likely get a higher investment return,” she said.

“She is more likely to take time off for child care, for care of the elderly. So that is going to hurt her savings. She is more likely to help friends, family, and relatives with financial issues. She is more likely to tap into her account,” Mendiola added.

Mendiola said minority women are likelier to earn less than most labor classes in the United States. On top of that, they are more likely to run single-parent households. They are also less willing to take a risk and delay their asset purchases.

“So what you are dealing with are women who are more conservative, who delay their decisions, are more likely to leave the workplace for short-term amounts of time — to take from their retirement accounts to help their friends and family, and probably earn



HELPING WOMEN:

Licensed professional counselor Risha Aguon, left, and Melanie Mendiola, executive director of the UOG Endowment Foundation, lead the Chamber Business Women's Network professional development forum held Thursday at the Hilton Guam Resort and Spa. The event was called “Female Breadwinners: You are Not Alone. He is Not the Enemy.” David Castro/The Guam Daily Post

less — dollar for dollar — than a male counterpart,” she said.

Genogram

For her part, Aguon talked about the potential conflict which could arise when the female is the breadwinner in a household.


According to Aguon, the participants were asked to plot their own genogram, which visually displays the various relationship dynamics and patterns in the family.

“We had them look at their parents, what their beliefs are with money, how


they communicate or don't communicate about it all, and how that might transfer in their relationships,” Aguon said.

She also talked about addressing routines: how couples can communicate and talk about money issues and resolve conflict.

One of the participants, Patsy Rose Taitingfong, defense contractor Tiki-gaq's human resources administrator, said the speakers' topics were very beneficial whether one is the breadwinner in the family or not.



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

(This ad is paid for by GIAA)



RETIREMENT FUND
424 Route 8 • Maite, Guam 96910
Tel.: 671.475.8900/01 • Fax: 671.475.8922

PUBLIC NOTICE

For: Regular Board Meeting
Date: Friday, September 28, 2018
Time: 12:00 noon

Place: GGRF Conference Room
 Agenda will be made available prior to the meeting. For individuals requiring special accommodations, please contact 475-8900/01.

/s/ Paula M. Blas, Director

This ad is paid with government funds by GGRF.

GUAM BOARD OF EXAMINERS FOR OPTOMETRY

Regular Board Meeting, Tuesday, September 25, 2018 at 8:30 AM at the Terlaje Professional Building, 194 Hernan Cortez Avenue, 2nd Floor, Suite 209 Health Professional Licensing Office Board Conference Room, Hagatna, Guam.

For more information please contact the Board office at 735-7405 thru 12. Persons with disabilities needing special accommodations may call Jimmy Sian at 735-7172 or the telecommunication device for the Hearing/Speech Impaired (TDD) at 649-1801. Executive meeting may be called if necessary.

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM
Thursday, August 30, 2018, 3:00 p.m.
GIAA TERMINAL CONFERENCE ROOM #3**

1. CALL TO ORDER AND ATTENDANCE

The August 30, 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 3:07 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:

GIAA Officials:

Pedro R. Martinez	Deputy Executive Manager
John A. Rios	Comptroller
Jean M. Arriola	Airport Services Manager
Robert D. Camacho	Chief, Airport Police
Raymond Santos	Assistant Chief, ARFF
Edward Muna	Superintendent of Operations
Victor Cruz	Engineering Supervisor
Rolenda Faasuamalie	Airport Marketing Administrator
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 Alcorn; motion unanimously passed.

3. APPROVAL OF MINUTES

A. July 26, 2018 Regular Meeting

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

Resolution No. 18-41

The Board hereby approves the minutes of the July 26, 2018 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 FY2018.

- International Arrivals Corridor with Building Seismic Upgrades: This project will be listed under FY2019 Capital Improvement Program and will be listed at \$21.6M. GIAA will be using a supplemental appropriation from Congress of \$1M, along with requesting for an additional \$15M on top of the usual \$5M.
- Noise Mitigation Program 65 DNL & Higher: Noise measurements underway. Bid documents to be prepared in September for sound proofing of those homes that are eligible. Number of homes is not available at this time, and noise measurements are being computed.
- Wildlife Management Assessment and Safety Management System are to be removed from the schedule as they are both complete.
- ARFF Facility – Phase 2 Construction – There's a new grant to fund the project in full.
- Apron Rehabilitation - Design: \$5.5M under the AIP program for FY2019.
- Rehabilitation of Runway 6L – Have \$1.25M for phased construction. A Notice to Proceed will be issued by early September for the design.

Vice Chair Sgro inquired on the parking expansion. Mr. Santos replied that the parking expansion is on hold at the moment. All monies remaining will take care of the relocation of the accounting offices and the demolition of the car rental building. Funds were reprogrammed to take care of the 3rd floor project. Brief discussion followed regarding smaller projects on the schedule. Discussion followed on a few other matters.

- Percent for the Arts Program - 1% allocation; architect to verify amount.
- Tiyan land acquisition and redevelopment.
- Public restrooms. The completion of the last restroom at Tower is expected by the end of September.

6. NEW BUSINESS

A. Approval of FAA Grant Agreement AIP No. 3-66-0001-104-2018 – Modify Terminal Building Sterile Arrivals Corridors - Construction

The first matter discussed was the FAA Grant Agreement for the following: Modify Terminal Building Sterile Arrivals Corridors – Construction project in the amount of \$4,474,299.00.

There was discussion on the Airport's share of \$274,923 for the project, which will be from existing funds in the Capital Improvement Fund.

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

Resolution No. 18-42

The Board hereby approves the acceptance of the FAA Grant Agreement AIP No. 3-66-0001-104-2018 – Modify Terminal Building Sterile Arrivals Corridors – Construction in the amount of \$4,474,299.00, including the conditions associated with the grant agreement, and the appropriation of \$274,923 as the Airport's share from the Capital Improvement Fund.

B. Approval of FAA Grant Agreement AIP No. 3-66-0001-105-2018 – Construct ARFF Building – Construction

The second matter discussed was the FAA Grant Agreement for the following: Construct ARFF Building – Construction project in the amount of \$16,043,259.00.

There was discussion on the Airport's share of \$1,782,585 for the project, which will be from existing funds in the Capital Improvement Fund.

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

Resolution No. 18-43

The Board hereby approves the acceptance of the FAA Grant Agreement AIP No. 3-66-0001-105-2018 – Construct ARFF Building - Construction in the amount of \$16,043,259.00, including

the conditions associated with the grant agreement, and the appropriation of \$1,782,585 as the Airport's share from the Capital Improvement Fund.

C. Approval of GIAA Operating Budget Fiscal Year 2019

The fiscal year 2019 operating budget was presented by Mr. John Rios, Comptroller. In summary, Signatory Airline cost per enplanements (CP) was increased to \$17.84, from current CP of \$16.87. Operations and Maintenance expenses are projected to increase in FY19 by \$1.5M when compared to the FY18 budget. Total Airport Revenues including PFC is projected to increase by \$2.7 M in FY19. Mr. Rios noted that he met with airlines in mid-July with the initial draft of proposed rates and fees. Once the Board approves the proposed rates and fees, they will be presented to the airlines.

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

Resolution No. 18-44

The Board hereby approves the Operating Budget for fiscal year 2019 as presented, subject to adjustments.

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.

8. REPORT OF THE COMPTROLLER

Mr. John Rios reported on the revenues and expenses of the Authority as of **July 31, 2018**. Mr. Rios reported that year-to-date Total Signatory Revenues are below budgeted revenues by **-8.1%**, year-to-date Total Concession Revenues and Passenger Facility Charges are below budget by **-2.1%** and **-13.9%**, respectively. Year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues are above the budget estimate by **25.5%**. Year-to-date Total Operating Revenues Actual of **\$63.5M** is **-0.2%** above the budget estimate of **\$63.6M**. Year-to-date Total Operating Expenses are below budget by **-1.3%**. Components of this line item include a **-0.1%** increase in Personnel Service, a **4.7%** increase in Contractual Services, a **-69.3%** decrease in Materials & Supplies and a **45.8%** increase in Equipment/Furnishings from budgeted amounts for these respective categories. The actual year-to-date Net Revenues from Operations of **\$23.5M** reflects an increase of **1.7%** over the year-to-date budgeted amount of **\$23.2M**. Mr. Rios reported that the year-to-date Debt Service Coverage is at **1.39** 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 Sobti, seconded by Director Alcorn, and unanimously approved, the Board recessed to convene into Executive Session at 3:57p.m.

The Board convened into Executive Session at 4:10 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, and Alcorn, Deputy Executive Manager Martinez, and Legal Counsel, Janalynn C. Damian, Eduardo Calvo, Kathleen Fisher and Genevieve Rapadas. Also present was the court reporter who will prepare a transcript of the Executive session.

On motion duly made by Director Alcorn, seconded by Director Sobti, Executive Session adjourned at 5:03 p.m., at which time the Board reconvened the regular session.

Legal Counsel announced for the record that Director Tolan and Director Camacho did not participate in Executive Session due to conflicts of interest and were both excused from the Board meeting at 4:00 p.m.

As a result of discussion during Executive Session, Chairman Duenas announced that there was a number of matters for Board approval, and presented the matter to the Board.

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

Resolution No. 18-45

The Board hereby approves the rejection of the DFS counter offer with regard to the DFS arbitration matter and to proceed with the hearing.

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

Resolution No. 18-46

The Board hereby authorizes Legal Counsel to represent current and former GIAA employees and Board members in the DFS vs. Lotte case.

10. PUBLIC COMMENTS

There were no Public Comments.

11. ADJOURNMENT

Motion to adjourn duly made by Director Alcorn, seconded by Director Sobti; motion unanimously passed. The meeting was adjourned at 5:06 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 09/25/18

		PROJECT NAME	Bond	Federal	CIF	Total	Payment	Balance
		I. ONGOING						
1	AIP 97 AIP 100	Int'l Arrivals Corridor w/Bldg Seismic Upgrades	96,108,007	22,200,000	1,993,641	120,301,648	49,787,619	70,514,029
3	AIP 93	Noise Mitigation Program 65 DNL & Higher - Phase		2,000,000	200,000	2,200,000	339,793	1,860,207
4	AIP 94	Miscellaneous Airport Improvements - Ph 5		706,077	78,453	784,530	745,210	39,320
5	AIP 95	Wildlife Management Assessment		100,000	10,000	110,000	102,078	7,922
6	AIP 96	Safety Management System		150,000	30,000	180,000	171,972	8,028
7	AIP 98 AIP 101	ARFF Facility-Design/Construction Phase 1/2	422,472	4,500,000	488,889	5,411,361	1,473,880	3,937,482
8	AIP 99 AIP 102	Apron Rehabilitation - Design		1,810,000	192,112	2,002,112	603,367	1,398,745
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	260,092	30,529,355	30,451,201	78,155
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	886,663	502,455
13		SSCP Improvements			2,000,000	2,000,000	136,805	1,863,195
14		Art Program	639,000		-	639,000	-	639,000
15		Improve Leasehold Facilities (GSE, Tech, HC-5)			2,971,312	2,971,312	2,326,813	644,499
16		Tiyan Land Acquisition & Redevelopment			725,604	725,604	715,678	9,926
17		Facilities Fire Alarm/Suppression System			3,223,301	3,223,301	3,159,451	63,850
18		Upgrades to Public Restrooms - Final Phase			2,929,937	2,929,937	2,768,757	161,180
19		Maintenance Equipment			101,625	101,625	101,625	-
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	2,481,074	28,860
		Totals:	\$ 104,583,442	\$ 57,115,407	\$ 24,674,827	\$ 186,373,677	\$ 102,718,606	\$ 83,655,071

GIAA BOARD OF DIRECTORS
Executive Summary
Regular Board Meeting
September 25, 2018

GENERAL AIRPORT INSURANCE – RENEWAL FOR FISCAL YEAR 2019

INTRODUCTION

The A.B. Won Pat International Airport Authority, Guam as required by the GIAA Bond Indenture is required to carry on adequate amount of insurance coverage to protect the Authority, its officers and bondholders. The Airport Insurance Program, which consists of Conventional Insurance covers general airport operations and was developed by GIAA with the assistance of its Insurance Consultant. The Insurance Program includes six (6) policies, Property Insurance with Catastrophe; Airport Operators Liability, Directors & Officers Liability, Workman's Compensation, Automobile Insurance, and Crime Insurance, all of which are described in detail below.

CONVENTIONAL INSURANCE COVERAGE

The General Airport Insurance is provided to protect GIAA from potential losses resulting from its operations. Listed below are the types of insurance and coverage provided and described in the Premium Comparison analysis and Markets & Underwriters indications attached:

Property Insurance Including Catastrophe	Blanket coverage for All risks of direct and physical loss or damage to all Real and Personal Property. Renewal of coverage includes limit of \$200M with \$250,000 deductible and B&M sub-limit of \$5M. Catastrophe insurance; Windstorm, Typhoon & Earthquake. Renewal of coverages includes sub-limit of \$5M with \$5M deductible.
Airport Operators Liability	Legal Liability Coverage against claims from members of the general public (third parties) arising from operations at the Airport or elsewhere in the course of the Airports business. Renewal of coverage includes limit of \$500M with Personal Injury limit of \$25M and \$75,000 deductible for Property Damage.
Directors & Officers Liab.	Coverage for GIAA's Directors & Officers for loss in which the parties become legally obligate to pay for a Wrongful Act. Includes Employment Practices Liability (EPL) that provides coverage for loss in which the GIAA becomes legally obligated to

pay for employee's or former employee's claim for Wrongful Termination, Unfair Dismissal, Harassment, Discrimination, Emotional Distress, Invasion of Privacy, Failure to Employ or Promote, Wrongful discipline, etc.

Renewal of coverage includes limit of \$4M with EPL sub-limit of \$1M and no deductible.

Workman's Compensation

Coverage for costs and benefits for job related injuries sustained by GIAA employees.

Renewal of coverage includes P.L. 80 Statutory Benefits, Employers Liability limit of \$1M with no deductible.

Automobile Insurance

Coverage provides for bodily injury and property damage to third parties arising from the use of owned, non-owned or hired vehicles. Coverage has no Aviation Risk Exclusion clause.

Coverage on comprehensive, collision & typhoon on all vehicles with a current market value of \$10,000 or more.

Renewal of coverage includes combined single limit of \$2M for bodily injury and property damage liability. Comprehensive & Collision on all vehicles covers actual cash value with deductible of \$1,000.

Crime Insurance

Employee Dishonesty - Coverage provides indemnity to the Authority for the loss of money or other property through the fraudulent or dishonest acts committed by employees. Renewal of coverage includes limit of \$1M with \$50,000 deductible.

Money & Securities - Coverage provides indemnity for loss or destruction of money, securities or negotiable instruments inside the premises and off premises. Coverage sustained from accepting counterfeit money orders or currency.

Renewal of coverage includes limit of \$100,000 for Loss inside of premises, \$100,000 for Loss outside premises and \$100,000 for Counterfeit Paper Currency. Deductible is \$10,000 for each occurrence for Premises, Transit, and Offices & \$50,000 for Counterfeit paper.

Depositors Forgery – Coverage provides indemnity for loss of money as a result of forgery or alteration of or in any check, draft, promissory note, bill of exchange or similar written promise made or drawn from the account.

Renewal of coverage includes limit of \$100,000 with \$50,000 deductible.

Computer Fraud – Coverage provides loss resulting directly from fraudulent acts involving electronic data or computer systems. Renewal of coverage includes limit of \$100,000 with \$50,000 deductible.

RECOMMENDATION

The appended schedule illustrates the recommended program for FY2019. Management recommends the Board adopt the FY2019 insurance program as appended.

The total premium costs for all coverage including Catastrophic perils for FY2019 is \$566,093 net of the broker's commissions. This represents an increase in premium of \$20,505 per annum compared to FY2018 premium cost of \$545,588.

**A.B. WON PAT INT'L AIRPORT AUTHORITY, GUAM
FY2019 INSURANCE QUOTES**

POLICY DESCRIPTION	CURRENT INSURER	COVERAGE	FY2018 PREMIUM	FY2019	
				MOYLAN'S	CALVO'S
PROPERTY COVERAGE (All Risk incl Windstorm, Typhoon & Earthquake) FY18 Property & Equipment Value - \$433,686,398 FY19 Property & Equipment Value - \$433,283,765 Decrease: \$402,633 <u>SUBLIMITS</u> Windstorm, Typhoon & Earthquake Shock \$5,000,000 Mold Coverage: \$750,000 Property In Transit: \$250,000 Valuable Papers \$1,000,000 Automatic Acquisition \$1,000,000 Debris Removal \$1,000,000 Boiler Explosion & Machinery Breakdown \$5,000,000 <u>DEDUCTIBLE</u> All Perils - Each and every Loss Including Boiler & Machinery \$450,000 Windstorm, Typhoon & Earthquake Shock \$5,000,000 Business Interruption 72 Hours	Calvo's (National)	\$200,000,000	\$285,000	NO QUOTE	\$322,771
AIRPORT OPERATORS LIABILITY Personal Injury Limit \$25,000,000 Deductible - Property Damage \$75,000 War & Terrorism Excluded <u>POLICY ENHANCEMENTS</u> Contingent Contractors Legal Liability \$250,000 AVN52G War Buy-Back \$150,000,000	Calvo's (National)	\$500,000,000	\$131,580	\$163,929	\$131,580
DIRECTORS & OFFICERS LIABILITY Employment Practices Liability Sublimit	Calvo's (National)	\$4,000,000 \$1,000,000 Entity Coverage	\$45,000	1-Year \$36,720 3-Year \$33,048	1-Year \$45,000
WORKMENS COMPENSATION Coverage is extended to apply in respect of Executive Officer of the Authority	Moylan's (Dongbu)	PL80 Stat. Benefits. \$1,000,000 E.L.	\$39,512	1-Year \$35,000 3-Year \$31,500	NO QUOTE
AUTOMOBILE A. Bodily Injury & Property Damage Liability B. Comprehensive & Collision Incl Typhoon Deductible Comp, Coll & Typhoon - \$1,000 C. Medical Payments - each person FY2018: 78 Vehicles FY2019: 76 Vehicles	Moylan's (Dongbu)	\$2,000,000 Actual Cash Value \$1,000	\$38,496	1-Year \$34,622 3-Year \$32,891	NO QUOTE

Please Note: This is a summary only. Please refer to policy for complete terms conditions.

**A.B. WON PAT INT'L AIRPORT AUTHORITY, GUAM
FY2019 INSURANCE QUOTES**

POLICY DESCRIPTION	CURRENT INSURER	COVERAGE	FY2018 PREMIUM	FY2019	
				MOYLAN'S	CALVO'S
CRIME	Calvo's (National)		\$6,000	<u>1-Year</u> \$5,400	<u>1-Year</u> \$6,000
DEDUCTIBLE \$50,000 each & every loss EXCEPT Premises & Transit at \$10,000 each occur.				<u>3-Year</u> \$4,860	
A. Aggregate		\$1,000,000			
B. Employee Dishonesty Coverage		\$1,000,000			
C. Money & Securities Loss Inside		\$100,000			
Money & Securities Loss Outside		\$100,000			
D. Money Orders and Counterfeit currency		\$100,000			
E. Depositors Forgery		\$100,000			
F. Cheque Forgery		\$100,000			
G. Third Party Computer & Funds Transfer Fraud		\$100,000			
H. Cost		\$100,000			
REQUIRED CONDITIONS: Retroactive date - 10/01/2004 - Employee Dishonesty in excess of \$500,000 and 10/01/2003 - All other coverages.					
TOTAL FY2018 PREMIUM :			\$545,588		
TOTAL FY2019 PREMIUM:			\$566,093		

NOTES:

04 Aug 2018-Transmitted Specs to all carriers; 13 Sept 2018-Quotes due from all carriers; 14 Sept 2018-Quotes due to GIAA
Proposed 3-Year Term premium to be billed annually.

A.B. Won Pat International Airport Authority, Guam
FY2019
MARKETS & UNDERWRITERS

GENERAL AGENT	CARRIER	BEST RATING/ FINANCIAL STRENGTH	PROPERTY	AIRPORT LIABILITY	WORKERS COMP	DIRECTORS & OFFICERS	EPL	COMMERCIAL AUTO	CRIME
CENTURY	Century	B++ / V	Carrier does not meet financial rating required by Insurance Specifications.						
CALVO'S	National Union	A / XV	\$322,771	\$131,580	No Quote	\$45,000	Included	No Quote	\$6,000
CASSIDY'S	Pacific Indemnity	A- / V	Markets withdrew their interest at this time as existing premiums are too low.						
GNIU	Chung Kuo	A- (S&P)	Carrier does not meet financial rating required by Insurance Specifications.						
MOYLAN'S	Dongbu	A / XV	No Quote	No Quote	1-Year \$35,000 3-Year \$31,500	1-Year \$36,720 3-Year \$33,048	Included	1-Year \$34,622 3-Year \$32,891	1-Year \$5,400 3-Year \$4,860
MOYLAN'S	First Net (100% Reinsured w/Lloyds)	A / XV	No Quote	\$163,929	No Quote	No Quote	No Quote	No Quote	No Quote
NANBO	Tokio Marine	A++ / XV	Carrier was unable to meet deadline.						
GUAHAN	Sompo Japan/Nippon Koa	A+ / XV	Carrier has expressed that they will not be participating in providing a quote this year.						
TAKAGI & ASSOCIATES	Aioi	A+ / XV	Carrier did not respond to Request for Proposal.						

04 Aug 2018-Transmitted Specs to all carriers; 13 Sept 2018-Quotes due from all carriers; 14 Sept 2018-Quotes due to GIAA

Prepared by: AM Insurance
Updated on: 9/21/2018 3:54 PM

**A.B. WON PAT
INTERNATIONAL AIRPORT AUTHORITY, GUAM
PREMIUM COMPARISON
FY2018 - FY2019**

POLICY	FY2018	FY2019	DIFFERENCE	(%) PERCENT
Property (Including Catastrophe Cover)	\$ 285,000	\$ 322,771	\$ 37,771	13.253%
Airport Operators Liability	\$ 131,580	\$ 131,580	\$ -	0.000%
Directors & Officers	\$ 45,000	\$ 36,720	\$ (8,280)	-18.400%
Workers Compensation	\$ 39,512	\$ 35,000	\$ (4,512)	-11.419%
Automobile Insurance	\$ 38,496	\$ 34,622	\$ (3,874)	-10.063%
Crime Insurance	\$ 6,000	\$ 5,400	\$ (600)	-10.000%
TOTAL:	\$ 545,588	\$ 566,093	\$ 20,505	

Updated on: 9/21/2018 2:45 PM



Premium Exposure Comparison FY18-FY19

Coverage Description	FY2018	FY2019	\$ Difference	% Difference
Property	\$ 285,000	\$ 322,771	\$ 37,771	13%
Airport Liability	\$ 131,580	\$ 131,580	\$ -	0%
Automobile	\$ 38,496	\$ 34,622	\$ (3,874)	-10%
D&O, Employment Practices	\$ 45,000	\$ 36,720	\$ (8,280)	-18%
Crime	\$ 6,000	\$ 5,400	\$ (600)	-10%
Workers' Compensation Policy	\$ 39,512	\$ 35,000	\$ (4,512)	-11%
TOTAL	\$ 545,588	\$ 566,093	\$ 20,505	4%

Premiums are rounded to the nearest dollar, are annualized and include Taxes & Fees.

Exposure	FY2018	FY2019	\$ Difference	% Difference
Property Values	\$ 433,686,398	\$433,283,765	\$ (402,633)	0%
Aircraft Movements*	20,031	20,031	0	0%
Aircraft Emplanement*	1,713,087	1,751,783	38,696	2%
Automobile	79	76	3	-4%
Workers Compensation	\$11,651,347	\$11,989,161	\$337,814	3%

*Forecast exposure only

Coverage Description	New Exposure	Old Rate	Premium	Difference
Property	\$433,283,765	\$ 0.0657	\$284,667	0.0%
Workers Compensation	\$11,989,161	\$ 0.0034	\$40,763	-14.0%

We have reviewed the renewal options in terms of coverage and premium and make the following recommendations:

Recommendations:		
Property	Calvos	\$ 322,771
Airport Liability	Calvos	\$ 131,580
Automobile	Moylan's 1 yr	\$ 34,622
D&O, Employment Practices	Moylan's 1 yr	\$ 36,720
Crime	Moylan's 1 yr	\$5,400
Workers' Compensation Policy	Moylan's 1 yr	\$ 35,000
TOTAL		\$ 566,093

The overall premim increase from last year \$20,505.



25-Sep-18

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

**REQUEST FOR PROPOSALS, RFP-005-FY18
REAL ESTATE APPRAISAL AND CONSULTING SERVICES**

September 25, 2018

Purpose

Board action is requested to approve the ranking results based on the evaluation process performed through the Request for Proposals RFP-005-FY18 for Real Estate Appraisal and Consulting Services.

Background

GIAA requires the professional services of a qualified Firm(s)/Individual(s) for real estate appraisal and consulting services whose principal focus will be to provide professional expertise in the areas of real estate appraisal and consulting services, and other services as may be required by GIAA.

Procurement Background

The above referenced RFP was advertised in the local newspaper on July 13, 17 and 19 and August 1, 2018. The established deadline to submit proposals was on August 8, 2018.

A total of Seven (7) firms showed their interest by obtaining the RFP package; and Two (2) firms responded by submitting their proposals before the established deadline.

After receipt of all proposals, an Evaluation Committee was established to perform an independent evaluation of the proposals to determine the best qualified proposer(s). The proposals were evaluated based on the point system assigned for each criteria identified in the RFP package.

The Evaluation Committee has completed their evaluations and the scores sheets were gathered and tabulated by the Procurement Office. The tabulation of the evaluation scoring resulted in a tie:

1. Proposer A / Proposer B

Proposal Analysis and Evaluation

Proposer A – Submitted all required documentation prior to submission deadline. The firm’s proposal included a corporate background, professional qualification report of key personnel and a listing of relevant experience.

Proposer A’s proposal included an executed Declaration Regarding Compliance with U.S. DOL Wage Determination form (“Declaration”). Proposer A, however, did not attach the required most recent wage determination applicable to Guam issued by the U.S. DOL to the executed Declaration. It is apparent that this is a clerical mistake made by Proposer A in submitting an executed Declaration without the required attachment. The mistake is immaterial and does not affect price, quantity, quality, delivery, or contractual conditions. Additionally, re-submission by Proposer A of the Declaration with the most recent U.S. DOL wage determination does not prejudice the other proposer. Pursuant to 5 GCA § 5211(f) and 2 GAR Div. 4 § 3109(m), GIAA will therefore request that Proposer A correct this immaterial mistake and re-submit the Declaration with the correct attachment provided in the RFP documents.

Proposer B – Submitted by all required documentation prior to submission deadline. The firm’s proposal included a corporate background, professional qualification report of key personnel and a listing of relevant experience.

Legal Review

Upon Board approval, a standard professional services contract will be forwarded to Legal Counsel for review and approval as to form. 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.

Financial Review

The contract services will be funded under the Administration’s annual O&M Budget.

Recommendation

The selection of two (2) firms will allow the GIAA the flexibility for real estate appraisal and consulting services. Therefore, Management recommends the approval of the ranking results and the contract award to **Proposers A & B** for the Real Estate Appraisal and Consulting Services contract, subject to negotiation of fair and reasonable fees.

September 24, 2018

MEMORANDUM:

TO: Executive Manager

FROM: Buyer Supervisor, Acting

SUBJECT: **Evaluation and Recommendation
Request for Proposal – RFP-005-FY18
Real Estate Appraisal and Consulting Services**

The referenced Request for Proposal (RFP) solicits interests from firms or individuals to provide for Real Estate Appraisal and Consulting Services. The advertisement for this RFP was published in the local newspaper for the months of July & August. The deadline to submit the proposals was on August 8, 2018.

A total of Seven (7) firms/individuals acknowledged receipt of the package and two (2) firms submitted proposals before the submission deadline.

Evaluation and Selection

Pursuant to Basis for Evaluation of the RFP package, after receipt of all proposals, the GIAA Evaluation Committee conducted an independent evaluation for the purpose of selecting the best qualified proposer(s) based on the evaluation criteria. The committee, which Management established to evaluate the firms' qualifications included the following:

1. Jean M. Arriola, Airport Services Manager
2. John Rios, Comptroller
3. Victor Cruz, Engineering Supervisor
4. Joseph Javellana, Program Coordinator IV

The committee completed their evaluation and the scores were tabulated as reflected on the attached summary worksheet. The tabulation of the evaluation scoring resulted in a tie:

1. Proposer A / Proposer B

Proposal Analysis:

Proposer A – Submitted all required documentation prior to submission deadline. The firm's proposal included a corporate background, professional qualification report of key personnel and a listing of relevant experience.

Proposer A's proposal included an executed Declaration Regarding Compliance with U.S. DOL Wage Determination form ("Declaration"). Proposer A, however, did not attach the required most recent wage determination applicable to Guam issued by the U.S. DOL to the executed Declaration. It is apparent that this is a clerical mistake made by Proposer A in submitting an executed Declaration without the required attachment. The mistake is immaterial and does not affect price, quantity, quality, delivery, or contractual conditions.

Additionally, re-submission by Proposer A of the Declaration with the most recent U.S. DOL wage determination does not prejudice the other proposer. Pursuant to 5 GCA § 5211(f) and 2 GAR Div. 4 § 3109(m), GIAA will therefore request that Proposer A correct this immaterial mistake and re-submit the Declaration with the correct attachment provided in the RFP documents.

Proposer B – Submitted by all required documentation prior to submission deadline. The firm's proposal included a corporate background, professional qualification report of key personnel and a listing of relevant experience.

Recommendation:

It is recommended to the Executive Manager to allow Proposer A to correct the apparent clerical mistake of submitting an executed Declaration Regarding Compliance with U.S. DOL Wage Determination form without attaching the most recent U.S. DOL wage determination applicable to Guam. The mistake is immaterial and does not affect price, quantity, quality, delivery, or contractual conditions. Additionally, allowing for this correction does not prejudice the other proposer.

If the above-noted immaterial mistake in Proposer A's proposal is allowed to be corrected, all firms will be deemed to have met the standards of responsibility and responsiveness outlined in the Guam Procurement Regulations.


The selection of two (2) firms will allow the GIAA flexibility for real estate appraisal and consulting services. Therefore, it is recommended to approve the ranking results and the contract award to the two (2) firms, for the Real Estate Appraisal and Consulting Services, subject to negotiations of fair and reasonable fees.

Attached is the summary of the committee's evaluation scores based on the evaluation criteria set forth in the RFP for your reference. Should you have any questions or need to discuss this matter further, I am available at your request.




Henry M. Cruz

APPROVED:



CHARLES H. ADA II



Attachments

cc: Evaluation Committee
Procurement File

AFFIDAVIT DISCLOSING OWNERSHIP and COMMISSIONS

CITY OF CHICAGO, ILLINOIS
USA) ss.
 _____)

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 Duff & Phelps, LLC, and the persons, companies, partners, or joint venturers 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>
Deerfield Duff & Phelps, LLC (f/k/a Duff & Phelps Corporation)	55 East 52nd Street, 31st Floor New York, New York 10055	100%
_____	_____	_____
_____	_____	_____

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>
None	_____	_____
_____	_____	_____
_____	_____	_____

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.

Patrick J. Callan
 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
24th day of July, 2018.
Lori A. Mlinar
 NOTARY PUBLIC
 My commission expires: 11/2/2019

**THIS AFFIDAVIT MUST BE COMPLETED AND RETURNED IN THE ENVELOPE
 CONTAINING THE PROPOSAL.**

AFFIDAVIT DISCLOSING OWNERSHIP and COMMISSIONS

CITY OF Hagåtña)
) ss.
)

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]* Cornerstone Valuation Guam Inc. and the persons, companies, partners, or joint venturers 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>
<u>Siska S. Hufapea</u>	<u>710 W Marine Corps</u>	<u>55</u>
<u>Edward Hufapea</u>	<u>Hagåtña, GU</u>	<u>45</u>
	<u>96910</u>	

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>
<u>N/A</u>		

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.

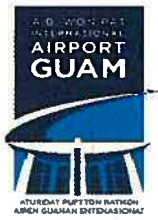
Jacqueline Ann Hocog
NOTARY PUBLIC
In and for Guam, U.S.A.
My Commission Expires: **October 02, 2018**
P.O. Box BW Hagåtña, Guam 96932

Subscribed and sworn to before me this
26th day of July, 2016
Jacqueline Ann Hocog
NOTARY PUBLIC
My commission expires: Oct. 02, 2018

[Signature]
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.

**THIS AFFIDAVIT MUST BE COMPLETED AND RETURNED IN THE ENVELOPE
CONTAINING THE PROPOSAL.**



Antonio B. Won Pat
International Airport Authority, Guam

Evaluation Score Tally Sheet

Real Estate Appraisal and Consulting Services

RFP-005-FY18

NAME OF FIRM/PROPOSER	Evaluator 1		Evaluator 2		Evaluator 3		Evaluator 4		Final Ranking
	Score	Rank	Score	Rank	Score	Rank	Score	Rank	
Proposer A	93	1	96	1	78	2	80	2	0.5
Proposer B	91	2	92	2	91	1	100	1	0.5

Evaluators
No. 1: Jean M. Arriola, Airport Services Manager
No. 2: John Rios, Comptroller
No. 3: Victor Cruz, Engineering Supervisor
No. 4: Joseph Javellana, Program Coordinator IV

AIRLINE ISSUES

AIR BUSAN

Air Busan will continue the 7x weekly service of their ICN-GUM-ICN route throughout the winter month period from 28 OCT 2018 to 03 MAR 2019. The daily service will utilize an A321 aircraft, seating 220, providing 27,720 seats from Korea for that 5-month period.

AIR SEOUL

Air Seoul announced the continued daily service of their ICN-GUM-ICN route throughout the winter months from 28 OCT 2018 to 03 MAR 2019. They will also be utilizing an A321 aircraft, which seats 220. The seat capacity from Air Seoul for that period will be a welcome additional 27,720.

JEJU AIR

Jeju Air's winter schedule begins 28 OCT 2018 and runs through 30 MAR 2019 with five (5) flights a day to Guam – 2 from Incheon, 1 from Pusan, 1 from Osaka and 1 from Narita. They will use the same aircraft that has been servicing Guam, B737-800 with a 189-seat configuration. Seat capacity for Korea during this period will be 91,854 while Japan will have 60,858 seats.

UNITED AIRLINES

Kansai Recovery

United Airlines will resume their daily flight service between Kansai and Guam on Friday, September 21, 2018. The outbound GUM-KIX flight departs 7:15am and inbound KIX-GUM arrives 3:55 pm. We're all pleased to welcome this resumption of service by United and applaud the awesome recovery of Kansai airport after the devastation of Typhoon Jebi on September 4th.

AIR SERVICE DEVELOPMENT

A joint GIAA/GVB delegation wrapped up meetings with prospective airlines at the World Routes 2018 Forum in Guangzhou, China from Sept. 15 – 18, 2018. The DEM and Marketing Administrator were able to continue with the scheduled meetings at the Routes Forum after Typhoon Mangkhut hit Guangzhou on the first day of the forum meetings.

REGULATORY ISSUES

FAR Part 139 Certification Inspection

Due to Typhoon Mangkhut, FAA has pushed back Guam's FAR Part 139 certification inspection from the week of October 29 through November 2, 2018. All divisions are working towards another record breaking "0" discrepancy report, for a "THREEpeat" third-year streak!

FINANCIAL ISSUES

FY18 Financial Audit

As we approach fiscal year end, GIAA has engaged discussions with Ernst & Young and will continue to work closely with Accounting to review Fiscal Year 2018 financial activity. As required by statute, our audit will be completed no later than January 31, 2019.

LEGISLATIVE ISSUES

FY2019 Budget Law (PL 34-116)

The Budget Law for the new fiscal year freezes all annual increments, promotions, reclassifications, merit bonuses and any other upward pay adjustments beginning October 1, 2018 for a 1-year period through September 30, 2019.

PROCUREMENT ISSUES

Inventory

As part of our normal end of fiscal year SOP, our Procurement warehouse will be closed for a 2-day inventory on September 25-26, 2018.

IFB

Purchase and Delivery of GIAA Vehicles for FY18

Announced: Aug 09, 2018

Deadline: Aug 27, 2018 @ 2pm ----- **EXTENDED** ----- **Oct 5, 2018 @ 2pm**

ANNOUNCEMENTS

- We were thankfully able to weather the onslaught of Typhoon Mangkhut with very minimal damage. The Engineering Division along with our Property Management Office and Accounting is spearheading our thorough typhoon assessment with FEMA. Our Emergency Coordination Center (ECC) was stood up and staffed throughout the typhoon also supporting and coordinating information with our RAC Team who also staffed the Emergency Operations Center (EOC) at the Office of Civil Defense. Staff will be compensated in accordance with the Governor's typhoon declaration Executive Order.
- The MagPro Activities:
 - Department of the Decade voting closed Sunday, September 23, 2018 – RESULTS!??
 - Pre Halloween 5k/2k @ Chamorro Village on October 13, 2018
 - Award Banquet @ UOG Calvo Field House on October 26, 2018 (\$15 early Bird Special until 9/24 available at CSC)
- **United Airlines Activities**
 - Ramp Rodeo** – United Airlines Guam Station hosted annual event called the Airport Operations (AO) Ramp Rodeo on Tuesday, September 18, 2018 from 7:00am to 1:00pm. Eight (8) teams of United's Ramp Service Employees (RSE) competed in challenges focused on safety and following SOPs on the ramp for the coveted title of Ramp Rodeo Champion.

Plane Pull – United Airline's 13th Anniversary Plane Pull originally scheduled for September 15, 2018 was pushed back in consideration of ongoing recovery after Typhoon Mangkhut. The rescheduled competition is set for Saturday, October 13th at the United Hangar in Tiyan from 8:30am to 1:00pm. GIAA will be participating with a team from ARFF and Airport Police.

September 24, 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 August 31, 2018

Attached herewith is GIAA's Operating Results Report for the month ending August 31, 2018. This report summarizes the Budgeted versus Actual Revenues and Expenses for the month and year-to-date results ended August 31, 2018.

The key operating results for 11 month(s) of FY2018 ending August 31, 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	\$ 2,716.2	\$ 30,572.7	\$ 28,096.1	-8.1%	\$ 30,826.2	-7.4%
Total Concession Revenues	\$ 1,471.2	\$ 18,150.1	\$ 17,585.5	-3.1%	\$ 19,235.7	-2.9%
Total PFC's	\$ 668.0	\$ 7,093.9	\$ 6,174.7	-13.0%	\$ 6,799.8	-11.9%
Total Other Revenues	\$ 1,492.0	\$ 14,518.1	\$ 17,999.4	24.0%	\$ 19,322.2	22.0%
Total Operating Revenues	\$ 6,347.4	\$ 70,334.8	\$ 69,855.7	-0.7%	\$ 76,183.8	-0.6%
Total Operating Expenses	\$ 3,614.4	\$ 43,963.0	\$ 43,598.8	-0.8%	\$ 46,953.8	-0.8%
Net Revenues from Operations	\$ 2,732.9	\$ 26,371.8	\$ 26,256.9	-0.4%	\$ 29,230.1	-0.4%
Non-Operating Expenses	\$ 42.8	\$ 715.0	\$ 661.3	-7.5%	\$ 661.3	-7.5%
Other Available Moneys/other sources of funds	\$ 530.1	\$ 6,198.0	\$ 6,167.7	-0.5%	\$ 6,731.1	-0.5%
Net Debt Service Coverage	1.52	1.4	1.40	0.2%	1.42	0.1%

Year-to-date Total Signatory Revenues for the month ending August 31, 2018 are below Budgeted revenues by **-8.1%**. Signatory revenue estimates are based on projections submitted by Signatory airlines and adopted in the annual budget.

Year-to-date Total Concession Revenues are **-3.1%** below budget while Passenger Facility Charges are below the budget estimate by **-13.0%**.

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 **\$69.9M** is **-0.7%** below the budget estimate of **\$70.3M**.

Year-to-date Total Operating Expenses are below budget by **-0.8%**. Components of this line item include a **-0.5%** decrease in Personnel Service, a **4.8%** increase in Contractual Services, a **-61.2%** decrease in Materials & Supplies and a **45.8%** increase in Equipment/Furnishings from budgeted amounts for these respective categories.

The actual year-to-date Net Revenues from Operations of **\$26.3M** represents a **-0.4%** decrease over the year-to-date budgeted amount of **\$26.4M**.

Finally, our year-to-date results for Debt Service Coverage is at **1.40** 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 August 31, 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
I. Signatory Airline Rents & Fees											
Terminal Bldg Rentals	310.0	318.4	321.2	0.9%	3,820.0	3,436.9	3,501.5	3,511.3	0.3%	3,829.8	0.3%
Departure Fees	661.2	665.8	593.7	-10.8%	7,344.5	6,603.2	6,749.7	6,037.2	-10.6%	6,632.0	-9.7%
Arrival Fees	658.3	658.2	600.3	-8.8%	7,292.1	6,559.7	6,698.7	5,935.0	-11.4%	6,528.4	-10.5%
Immigration Inspection Fees	233.0	228.4	192.2	-15.8%	2,521.0	2,329.6	2,316.9	1,985.2	-14.3%	2,189.3	-13.2%
Loading Bridge Use Fees	520.5	632.4	614.1	-2.9%	7,300.0	5,500.5	6,702.7	6,212.5	-7.3%	6,809.8	-6.7%
Apron Use Fees	126.7	136.3	121.4	-10.9%	1,550.0	1,355.9	1,419.8	1,334.1	-6.0%	1,464.3	-5.5%
Landing Fees	248.4	305.5	273.2	-10.6%	3,475.2	2,705.4	3,183.3	3,080.7	-3.2%	3,372.6	-3.0%
Total Signatory Revenue	2,758.1	2,945.0	2,716.2	-7.8%	33,302.8	28,491.2	30,572.7	28,096.1	-8.1%	30,826.2	-7.4%
Enplaned Signatory Pax	169,547	178,304	162,801	-8.7%	1,966,786	1,693,137	1,807,513	1,637,389	-9.4%	1,796,663	-8.6%
Cost per Enplaned Pax	\$16.27	\$16.52	\$16.68	1.0%	\$16.93	\$16.83	\$16.91	\$17.16	1.4%	\$17.16	1.3%
Revenues from Sources other than Signatory Airlines Rents & Fees											
Concession Revenues											
Gen Mdse	1,316.5	1,268.3	1,091.7	-13.9%	15,216.9	13,995.9	13,949.2	13,723.9	-1.6%	14,991.6	-1.5%
In-flight Catering	77.2	90.5	81.1	-10.4%	921.9	803.8	846.0	777.0	-8.2%	853.0	-7.5%
Food & Beverage	97.6	112.0	87.3	-22.0%	1,149.8	994.0	1,053.7	930.5	-11.7%	1,026.6	-10.7%
Rental Cars	146.5	168.1	146.0	-13.1%	1,715.0	1,374.4	1,567.3	1,379.7	-12.0%	1,527.3	-10.9%
Other Concession Rev	72.2	57.1	65.0	13.8%	796.7	737.9	733.9	774.5	5.5%	837.3	5.1%
Total Concession Revenues	1,709.9	1,696.2	1,471.2	-13.3%	19,800.4	17,906.0	18,150.1	17,585.5	-3.1%	19,235.7	-2.9%
Passenger Facility Charges	694.2	699.8	668.0	-4.5%	7,719.0	6,720.2	7,093.9	6,174.7	-13.0%	6,799.8	-11.9%
Other Revenue	1,602.3	1,371.0	1,492.0	8.8%	15,840.9	18,220.8	14,518.1	17,999.4	24.0%	19,322.2	22.0%
Total Operating Revenue	6,764.4	6,711.9	6,347.4	-5.4%	76,663.0	71,338.2	70,334.8	69,855.7	-0.7%	76,183.8	-0.6%
II. Operating Expenses:											
Personnel Services	1,694.6	1,567.9	1,472.9	-6.1%	20,383.4	18,413.8	18,815.5	18,729.2	-0.5%	20,297.1	-0.4%
Contractual Services	2,086.9	1,838.7	1,924.9	4.7%	24,480.6	21,110.9	22,735.5	23,835.5	4.8%	25,580.6	4.5%
Materials & Supplies	147.2	99.5	216.7	117.8%	2,363.0	1,076.4	2,321.1	901.5	-61.2%	943.4	-60.1%
Equipment/Furnishings	10.0	0.0	0.0	0.0%	91.0	132.5	91.0	132.7	45.8%	132.7	45.8%
Total Operating Expenses	3,938.7	3,506.1	3,614.4	3.1%	47,318.0	40,733.6	43,963.0	43,598.8	-0.8%	46,953.8	-0.8%
Net income from Operations	2,825.7	3,205.8	2,732.9	-14.8%	29,345.0	30,604.6	26,371.8	26,256.9	-0.4%	29,230.1	-0.4%

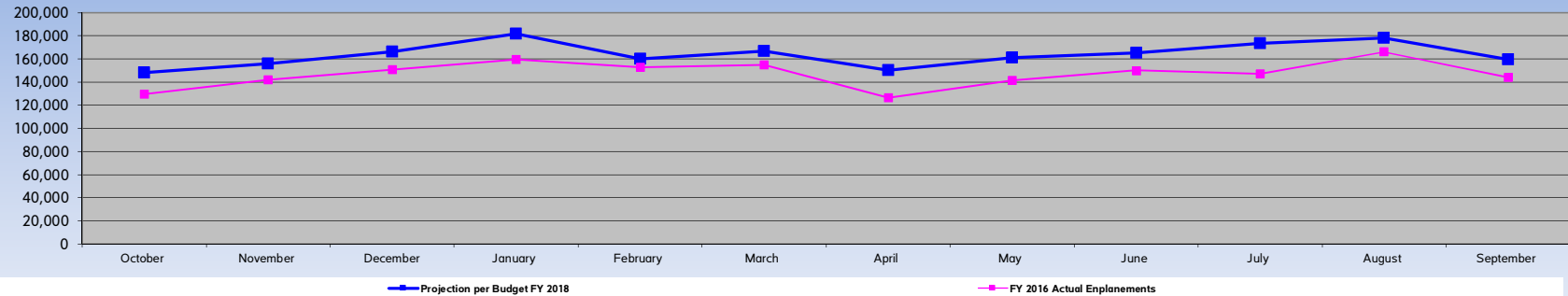
GUAM INTERNATIONAL AIRPORT AUTHORITY
KEY OPERATING RESULTS (\$000's)
as of August 31, 2018

	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)	42.8	0.0	42.8	0.0%	715.0	658.7	715.0	661.3	-7.5%	661.3	-7.5%
Add: Interest on Investments	56.9	66.0	0.0	-100.0%	792.1	680.2	726.1	871.0	20.0%	937.0	18.3%
Net Revenues	2,839.9	3,271.9	2,690.1	-17.8%	29,422.1	30,626.1	26,382.9	26,466.5	0.3%	29,505.7	0.3%
Add: Other Sources of Funds	44.3	33.3	0.0	-100.0%	400.0	405.9	366.7	336.3	-8.3%	369.6	-7.6%
Add: Other Available Moneys	529.9	530.1	530.1	0.0%	6,361.5	5,829.4	5,831.4	5,831.4	0.0%	6,361.5	0.0%
Net Revenues and Other Available Moneys	3,414.1	3,835.3	3,220.3	-16.0%	36,183.6	36,861.4	32,580.9	32,634.1	0.2%	36,236.8	0.1%
Debt Service payments	2,119.8	2,120.5	2,120.5	0.0%	25,446.0	23,317.7	23,325.5	23,325.5	0.0%	25,446.0	0.0%
Debt Service Coverage	1.61	1.81	1.52	-16.0%	1.42	1.58	1.40	1.40	0.2%	1.42	0.1%
Debt Service Requirement	1.25	1.25	1.25		1.25	1.25	1.25	1.25		1.25	

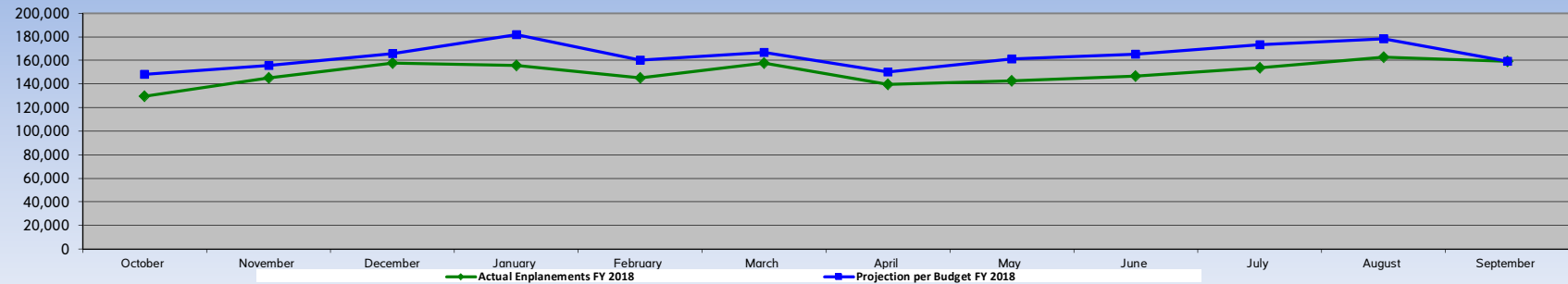
SUMMARY SIGNATORY AIRLINES

Enplanements	October	November	December	January	February	March	April	May	June	July	August	September	Total
Projection per Budget FY 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	145,088	157,932	139,620	142,477	146,720	153,951	162,801	159,274	1,796,663
FY 2018 versus FY 2017 Monthly%	-9.64%	-1.82%	-1.74%	-3.90%	0.95%	0.12%	-4.88%	-5.50%	-3.46%	-2.65%	-3.98%	9.76%	-2.26%
FY 2018 versus FY 2017 Monthly	-13,847	-2,693	-2,794	-6,334	1,368	197	-7,159	-8,298	-5,254	-4,188	-6,746	14,166	-41,582
FY 2018 versus FY 2017 Cumulative	-13,847	-16,540	-19,334	-25,668	-24,300	-24,103	-31,262	-39,560	-44,814	-49,002	-55,748	-41,582	-41,582
	-9.64%	-11.18%	-12.04%	-15.81%	-16.91%	-15.28%	-21.30%	-26.24%	-29.49%	-30.99%	-32.88%	-28.66%	-2.26%

FY 2016 FY 2018 Signatory Airlines Actual and Projection of Enplanements



Fiscal Year 2018 Actual Enplanements versus Budget



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	145,088	157,932	139,620	142,477	146,720	153,951	162,801	159,274	1,796,663
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)	(15,104)	(8,896)	(10,796)	(18,639)	(18,650)	(19,411)	(15,503)	0	(170,124)
Cumulative Total		(18,571)	(29,159)	(37,422)	(63,124)	(78,228)	(87,125)	(97,921)	(116,560)	(135,210)	(154,620)	(170,124)	0	-8.6%
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%	-9.4%	-5.3%	-7.2%	-11.6%	-11.3%	-11.2%	-8.7%	0.0%	
% Cumulative Total		-12.5%	-9.6%	-8.0%	-9.7%	-9.6%	-8.9%	-8.7%	-9.0%	-9.3%	-9.5%	-9.4%	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	145,088	157,932	139,620	142,477	146,720	153,951	162,801	159,274	
Month to Month Increase/(Decrease)			15,537	12,441	-1,781	-10,881	12,844	-18,312	2,857	4,243	7,231	8,850	-3,527	
Month to Month Increase/(Decrease) in %			12.0%	8.6%	-1.1%	-7.0%	8.9%	-11.6%	2.0%	3.0%	4.9%	5.7%	-2.2%	
CPE		Cost Per Enplanement FY2017 Actual versus Projected												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	\$ 17.37	\$ 16.74	\$ 16.98	\$ 16.66	\$ 16.68	\$ 17.00	\$ 16.68		
Variance		\$ (1.80)	\$ (0.42)	\$ (0.27)	\$ (0.34)	\$ (0.36)	\$ 0.39	\$ 0.36	\$ 0.44	\$ (0.12)	\$ (0.54)	\$ (0.17)	\$ 17.14	\$ 16.93

CALVO FISHER & JACOB LLP

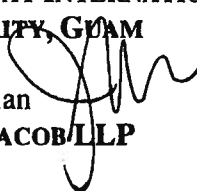
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RECOMMENDATION OF COUNSEL

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: September 17, 2018

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.