

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM
Tuesday, September 24, 2019, 3:00 p.m.
GIAA TERMINAL CONFERENCE ROOM #3**

1. CALL TO ORDER AND ATTENDANCE

The September 24, 2019 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 Bamba at 3:07 p.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasaheru, Tamuning, Guam, 96913.

Directors Present:

Brian J. Bamba
Gurvinder Sobti
Donald I. Weakley
Lucy M. Alcorn
Zenon E. Belanger
Rosie R. Tainatongo
Doyon A. Morato

Offices or positions:

Chairman
Vice Chairman
Board Secretary

Directors Absent:

None

GIAA Officials:

Thomas C. Ada
John M. Quinata
John A. Rios
Jean M. Arriola
Vince Naputi
Raymond Mantanona
Raymond Santos
Ken McDonald
Tony Laniog
Joseph Javellana
Rolenda Faasuamalie
Elfrie Koshiba
Henry Cruz

Executive Manager
Deputy Executive Manager
Comptroller
Airport Services Manager
Chief, Airport Police
Chief, GIAA ARFF
Assistant Chief, GIAA ARFF
Properties & Facilities Superintendent
Acting Engineering Supervisor
Program Coordinator IV
Airport Marketing
Airport Marketing
Management Analyst I

Janalynn A. Damian, Esq.
Frank R. Santos

GIAA Legal Counsel
GIAA Consultant

Chairman Bamba 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 Chairman Sobti, seconded by Director Tainatongo; motion unanimously passed.

3. APPROVAL OF MINUTES

A. August 29, 2019 Regular Meeting

On motion duly made by Director Alcorn, seconded by Vice Chairman Sobti, the following resolution was unanimously passed:

Resolution No. 19-62

The Board hereby approves the minutes of the August 29, 2019 regular meeting, subject to corrections.

4. CORRESPONDENCE

Executive Manager had no Correspondence to report.

5. OLD BUSINESS

Executive Manager had no Old Business to report.

6. NEW BUSINESS

A. Approval of FY2020 Insurance Program

The first matter discussed was the FY2020 Insurance Program. AM Insurance ("AM") representative, Ms. Ann Marie Muna presented the insurance quotes for FY2020. Of the nine (9) major insurance carriers on Guam, and due to the insurance specifications requiring an AAA rating, only seven (7) insurance carriers were invited to participate. The insurance specifications were delivered to the qualified carriers on August 20, 2019, with a September 13, 2019 due date for quotes. Of the seven (7) carriers, three (3) carriers, National Union, DB Insurance, and Tokio Marine, responded 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	Carrier (General Agent)with Lowest Offered Premium	Amount	Other Quotes (Amount)
Property	National Union (Calvo's)	\$451,879.00	None
Airport Operators Liability	National Union (Calvo's)	\$183,600.00	None
Directors & Officers Liability	DB Insurance (Moylan's)	\$36,720.00 (1 year option)	None
Workman's Compensation	DB Insurance (Moylan's)	\$97,743.00 (deposit)	Tokio Marine (Nanbo) (\$203,955)
Automobile Insurance	DB Insurance (Moylan's)	\$42,888.00	None
Crime Insurance	DB Insurance (Moylan's)	\$5,400.00 (1 year option)	Tokio Marine (Nanbo) (\$6,456)
TOTAL:		\$818,230.00	

The total premium costs for all coverage for FY2020 is \$818,230.00. This represents an increase in premium of \$243,857.00 per annum compared to the FY2019 premium cost of \$574,373.00. Management recommends that the Board approve the FY2020 insurance program as presented.

Discussion was held by the Board on whether the current budget is sufficient considering the increased premium cost. John Rios, Comptroller, noted that it is still early in the budget cycle.

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

Resolution No. 19-63

The Board hereby approves the FY2020 Insurance Program, in the total amount of \$818,230.00as follows:

Policy	Carrier (General Agent)with Lowest Offered Premium	Amount
Property	National Union (Calvo's)	\$451,879.00
Airport Operators Liability	National Union (Calvo's)	\$183,600.00
Directors & Officers Liability	DB Insurance (Moylan's)	\$36,720.00 (1 year option)

Policy	Carrier (General Agent)with Lowest Offered Premium	Amount
Workman's Compensation	DB Insurance (Moylan's)	\$97,743.00 (deposit)
Automobile Insurance	DB Insurance (Moylan's)	\$42,888.00
Crime Insurance	DB Insurance (Moylan's)	\$5,400.00 (1 year option)
TOTAL:		\$818,230.00

B. Approval of Award for Construction Management Services for Terminal Building Structural Upgrade and Concourse Isolation - RFP No. RFP-009-FY19

The next item requiring Board action was the award for Construction Management Services for Terminal Building Structural Upgrade and Concourse Isolation. Executive Manager Ada informed the Board that the procedure for the referenced RFP was a little different to those in the past. Management previously recommended that the contract for the incumbent construction manager (CM) not be renewed, but instead issue a solicitation for Construction Management Services. 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 ten (10) firms showed their interest by obtaining the RFP package, and three (3) proposals that were submitted before the established deadline. An evaluation committee was established to evaluate the submitted proposals based on the evaluation criteria set forth in the RFP. As a result of the committee's evaluation, the three (3) firms were found to be responsible and responsive and the firms in order of their ranking are as follows:

1. KHLG & Associates, Inc.
2. Offeror C
3. Offeror A

The incumbent CM's contract expired on September 14, and in order to get the CM to work as soon as possible, the negotiations committee established by the Executive Manager commenced negotiations with KHLG & Associates, Inc. (KHLG) on its fee and scope.

Executive Manager Ada informed the Board that KHLG is the sub-contractor of the incumbent CM, which gives the firm the advantage of getting right up to speed with the International Arrivals Corridor project. The EM noted that there are four objectives of the CM: First, is to provide quality assurance in the carrying out of the construction of the referenced project. Second, is to review and negotiate the outstanding 114 proposed change orders (PCOs) that were not completed by the previous CM firm. The EM noted that the 114 PCOs have the rough order of magnitude of \$7.2M, as estimated by the contractor. Third, to mentor and guide

GIAA's engineering staff so that once the project gets turned over, GIAA's engineering staff will already be familiar with the project. Fourth, to provide professional engineering credentials as the Airport does not have a registered licensed professional engineer on staff.

The term of the contract is fifteen (15) months from the effective date of the contract, subject to extension at the option of GIAA as may be required for project completion and closeout and the availability of funding. Said contract will be funded under an AIP grant, subject to FAA approval.

Management recommended that the Board approve the ranking results as presented and the contract award to KHLG & Associates, Inc. for Construction Management Services for Terminal Building Structural Upgrade and Concourse Isolation in the amount of \$2,920,334.26, for a term of fifteen (15) months from the effective date of the contract, subject to extension at the option of GIAA as may be required for project completion and closeout and the availability of funding, subject to legal review and FAA approval.

Director Weakley inquired on the original fee proposed by KHLG. Mr. Frank Santos informed the Board that KHLG's initially proposed a fee of \$3.5M. Director Weakley asked when the contract is effective. Executive Manager Ada informed the Board that the contract will be effective October 1, 2019.

Director Belanger inquired on manpower. Mr. Santos replied that the firm will begin with ten (10) personnel to address the backlog of PCOs. Once they are caught up, there will be a reduction in personnel reviewing the PCOs. Discussion followed relative to the current industry and issues with hiring professional engineers.

Director Morato inquired on the proposals of the other Offerors. Legal Counsel informed the Board that the information contained in the proposals remains confidential. Once an award is made, the awardee's proposal becomes public subject to any proprietary designations, and the proposals of the other offerors remains confidential.

Chairman Bamba asked that Management explain the strategy behind this specific procurement. Executive Manager Ada informed the Board that it goes back to the decision not to renew the incumbent. Executive Manager Ada advised that he thought it would be best for the Authority to solicit to see what other professionals were available. The fact that the incumbent's contract was not renewed did not stop the incumbent from submitting a proposal, which they did. It was also important to specify in the scope that the Offeror be knowledgeable in FAA requirements.

Director Belanger asked whether the contract will address the situation if the Airport is in the same position three (3) months from now, with regard to delays. Mr. Santos advised that there are contract termination provisions. Discussion followed relative to personnel availability and

personnel to address the numerous outstanding PCOs, with Mr. Santos advising that the KHLG will have additional personnel to address the PCOs.

Expected date of completion of the International Arrivals Corridor is November 2020. However, if administrative issues do not improve, the contractor has projected a completion in June 2021.

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

Resolution No. 19-64

The Board hereby approves the ranking results as presented and the contract award to KHLG & Associates, Inc. for Construction Management Services for Terminal Building Structural Upgrade and Concourse Isolation - RFP No. RFP-009-FY19 in the amount of \$2,920,334.26, for a term of fifteen (15) months from the effective date of the contract, subject to extension at the option of GIAA as may be required for project completion and closeout and the availability of funding, and further subject to FAA approval and review by legal counsel.

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. The report included brief updates on Airport operations, CIPs and Regulatory updates.

There was brief discussion on the test kits for the ARFF Fire Suppression System and that the cost is eligible for FAA reimbursement. The Executive Manager introduced the new superintendent of Properties & Facilities, Ken McDonald, who was with the Air Guard for thirty-four (34) years.

Director Weakley inquired on the upcoming aerodrome workshop.

8. REPORT OF THE COMPTROLLER

Mr. John Rios reported on the revenues and expenses of the Authority as of **August 31, 2019**. Mr. Rios reported that year-to-date Total Signatory Revenues are above budgeted revenues by **0.7%**, year-to-date Total Concession Revenues and Passenger Facility Charges are below and above budget by **-8.7%** and **-0.6%**, respectively. Year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues are below the budget estimate by **-7.7%**. Year-to-date Total Operating Revenues Actual of **\$70.1M** is **-3.6%** below the budget estimate of **\$72.8M**. Year-to-date Total Operating Expenses are below budget by **-8.2%**. Components of this line item include a **-5.7%** decrease in Personnel Service, a **-5.5%** decrease in Contractual Services, a **-55.1%** decrease in Materials & Supplies and a **-73.3%** decrease in Equipment/Furnishings from budgeted amounts for these respective categories. The actual year-to-date Net Revenues from Operations of **\$28.7M** reflects an increase of **3.7%** over the year-to-date budgeted amount of

\$27.7M. Mr. Rios reported that the year-to-date Debt Service Coverage is at **1.49** versus the requirement of **1.25**.

Discussion was held on concession revenues being below budget if enplanements are up. Mr. Rios noted that it's mainly because of the rent waivers given to the concessionaire as a result of construction impacts.

9. EXECUTIVE SESSION

Legal counsel announced that there would be no Executive Session.

10. PUBLIC COMMENTS

There were no Public Comments.

11. ADJOURNMENT

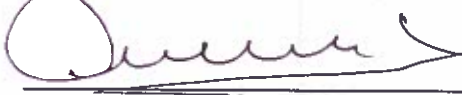
Motion to adjourn duly made by Director Alcorn, seconded by Vice Chairman Sobti; motion unanimously passed. The meeting was adjourned at 4:04p.m.

Dated this 12th day of November, 2019.



Brian J. Bamba
Chairman

Attest:



Donald I. Weakley
Board Secretary

Prepared and Submitted By:



Amanda O'Brien-Rios
Corresponding Secretary

BOARD OF DIRECTORS REGULAR MEETING

3:00 p.m., Tuesday, September 24, 2019

GIAA TERMINAL CONFERENCE ROOM #3

Public Notice

First Notice:

Daily Post – September 17, 2019

Notice to Media – September 17, 2019

Second Notice:

Daily Post – September 20, 2019

Notice to Media – September 20, 2019

AGENDA

1. Call to Order and Attendance
2. Approval of Agenda
3. • Approval of Minutes
 - A. August 29, 2019 Regular Meeting
4. Correspondence
5. Old Business
6. New Business
 - A. Approval of FY20 Insurance Renewal Program
 - B. Approval of Award for Construction Management Services for Terminal Building Structural Upgrade and Concourse Isolation - RFP No. RFP-009-FY19
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 24, 2019

GIAA Terminal Conference Room #3

SIGN-IN SHEET

	PRINT NAME	COMPANY/AGENCY
1.	VINCE NARUTI	PONCE
2.	Cheryl McDougal	Bolton & Co.
3.	FR SINGH	Dominos/Denny's
4.	Jean Anisola	GIAA
5.	Liz Blas	GIAA FMO
6.	RAY SANTUC	ARFF
7.	Henry Cruz	GIAA
8.	JAY LARDE	GIAA
9.	Raymond T. Montemano	ARFF
10.	Raymond Quintanilla	OPS
11.	Letitia Law-Byerly	Lotte Duty Free
12.	Polinda Fiasnik	Market
13.	ORE DAVID	La Piramide
14.	ERRE KOSHIBA	GIAA Mktg.
15.	TRICIA GRANILLO	JAM INSURANCE
16.	ANDUARIÉ MUNA	
17.	J. Granellon	Puro
18.	Steve Limtraco	PON
19.		
20.		

Top Democrats tell Trump gun bill must include universal background checks

WASHINGTON (Reuters) - Top Democrats in Congress told Republican President Donald Trump on Sunday that any gun control legislation that falls short of universal background checks for gun sales "will not get the job done."

Senate Minority Leader Chuck Schumer and House of Representatives Speaker Nancy Pelosi said they spoke to Trump by phone on Sunday morning, which marked 200 days since the Democratic House passed legislation to expand background checks to all gun purchases.

In the aftermath of a series of mass shootings in August that killed more than 30 people, Trump has been discussing potential legislation with lawmakers in both parties. He said on Wednesday that progress was being made on gun legislation, adding that many areas were under discussion, including background checks.

The Republican-controlled Senate has yet to take up the House bill. Majority Leader Mitch McConnell told reporters last week: Until the White House gives us some indication of what the president is willing to sign we are waiting to see what it looks like."

He added: "These horrendous shootings - in my opinion - deserve a response, I hope we can get something that can actually become the law of the United States of America."

Pelosi and Schumer said in a joint statement after the phone call with Trump: "This morning, we made it clear



BACKGROUND CHECKS ACT: House Speaker Nancy Pelosi, left, and Senate Minority Leader Chuck Schumer hold a news conference with fellow congressional Democrats to demand that the U.S. Senate vote on the Bipartisan Background Checks Act passed by the House of Representatives at the U.S. Capitol in Washington, D.C., Sept. 9.

Jonathan Ernst/Reuters

to the President that any proposal he endorses that does not include the House-passed universal background checks legislation will not get the job done, as dangerous loopholes will still exist and people who shouldn't have guns will still have access."

The two leaders said they promised to join Trump "for a historic signing ceremony at the Rose Garden" if the president would endorse the legislation and lean on McConnell to pass it "to save as many lives as possible."

The White House described Trump's call with Pelosi and Schumer as "cordial," but said the president had not made any commitments on the House bill, known as H.R. 8.

Trump has "instead indicated his interest in working to find a bipartisan legislative solution on appropriate responses to the issue of mass gun violence," White House spokesman Judd Deere said in an emailed comment. "The president reiterated his commitment for his administration to continue work on these issues."

Previous attempts to pass gun control after mass shootings, including the December 2012 killings of 20 children and six staff members at Sandy Hook Elementary School in Newtown, Connecticut, have mostly failed in the face of fierce lobbying by the National Rifle Association and other gun groups.

Omar says she's confident Trump will be impeached


NEW YORK (Bloomberg) - Rep. Ilhan Omar said it's a matter of when, not if, President Donald Trump will be impeached, and she's not worried about House Speaker Nancy Pelosi and others not moving ahead right now.

"It is OK for some people to have hesitations, for other people to catch up to where some of us have been for a very long time," the first-term Democrat from Minnesota said Sunday on CBS's "Face the Nation," billed as her first one-on-one network interview.


Omar, with New York's Alexandria Ocasio-Cortez, Michigan's Rashida Tlaib and Ayanna Pressley of Massachusetts, refer to themselves as "the Squad" and drew repeated attacks from Trump over the summer.

The president also has singled out Omar and Tlaib over what he's called their "hatred" of Israel. A plan by the two to visit Israel in August sparked controversy because they support a boycott of the country over its treatment of Palestinians. The lawmakers in 2018 became the first Muslim women elected to the U.S. Congress.

The Minnesota representative said that with Israeli Prime Minister Benjamin Netanyahu standing for re-election on Tuesday, she hopes people there will "make a different decision" and "recognize that his existence, his policies, his rhetoric really is contradictory to the peace that we are all hoping that that region receives and receives soon."



The Honorable
Lourdes A. Leon Guerrero
Governor



The Honorable
Joshua F. 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 24, 2019 at 3:00 p.m.**, in the 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)

CHamoru Land Trust Commission


(Kumision Inangokkon Tano' CHamoru)

CHamoru Land Trust Commission Regular Meeting
Thursday, September 19, 2019 at 1:00 p.m.,
Public Comments will be held at 4:30 p.m.,
Land Management Conference Room 3rd Floor, ITC Building,
590 S. Marine Corps Drive, Tamuning.

For a copy of the agenda you may email your request to tina.jocson@land.guam.gov
In compliance with ADA requirements, individuals requiring special accommodations, auxiliary aids or services, may call 649-5263 Ext. 400. This ad is paid by CLTC funds.



**Committee On Health,
Tourism, Historic Preservation,
Land and Justice**



SENATOR THERESE M. TERLAJE
I Mina'trentai Singko na Liheslaturan Guåhan
35th Guam Legislature | 472-3586

PUBLIC HEARING • 1:00 PM • Thursday, September 19, 2019

Guam Legislature Public Hearing Room, Guam Congress Building, Hagåtña

AGENDA:

1:00p.m. Public Hearing: Bill 187-35 (COR)- An Act To Adopt the Rules And Regulations attached hereto as Exhibit A, Entitled: "Rules and Regulations Governing Adoption of Codes of Professional Conduct and Ethics by the Guam Board of Allied Health Examiners" Specifically Adding a New §101301 to Title 25 of the Guam Administrative Rules and Regulations.

2:00p.m. First of a Three Part Series of Informational Briefings on Guam's Medical Malpractice Mandatory Arbitration Act (Citation 10 GCA Chapter 10)

- Overview of Current Law and Prior Case Outcomes
- Patient Perspectives

Testimonies may be submitted to our office at Ada Plaza Center, Suite 207, 173 Asipal Avenue, Hagåtña, Guam 96910, to the Guam Congress Building, or via email at senatorterla@guam.gov. This hearing will broadcast on local television, GFA Channel 21, Docomo Channel 11780-4 and stream online via i Liheslaturan Guåhan's live feed at http://www.guamlegislature.com/live_feed.htm. This ad is paid for with government funds.



Dipartimento Kontribusyon yan Adu' ána
**DEPARTMENT OF
REVENUE AND TAXATION**
Government of Guam
Gubetnamenton Guåhan

LOURDES A. LEON GUERRERO, Governor Maga'hula
JOSHUA F. TENORIO, Lt. Governor Sigundo Maga' Lahi

DAFNE MANSAPIT- SHIMIZU, Director
MICHELLE B. SANTOS, Deputy Director
Sigundo Direktot

PUBLIC NOTICE

The Real Estate Commission will hold a meeting on Tuesday, September 24, 2019 at 2:00 p.m. at the Department of Revenue and Taxation Building, Director's Conference Room, at 1240 Army Drive, Barrigada. For further information, please contact the office staff at 635-7669/7668/1844

DAFNE MANSAPIT - SHIMIZU
Real Estate Commissioner

Congress to advance 'Hong Kong Human Rights and Democracy' bill

WASHINGTON (Reuters) — U.S. congressional committees are due to start voting next week on legislation supporting human rights in Hong Kong, with measures under consideration including annual reviews of the Chinese territory's special economic status and the imposition of sanctions on those who undermine its autonomy.

House of Representatives Speaker Nancy Pelosi held a news conference on Wednesday with House members — Republicans and her fellow Democrats — as well as Joshua Wong, Denise Ho and other Hong Kong democracy activists to back the "Hong Kong Human Rights and Democracy Act of 2019."

The activists have spent much of this week in Washington making their case for U.S. support, including testifying at a congressional hearing on Tuesday.

"Democrats and Republicans in the House and the Senate enthusiastically support this legislation," Pelosi said. "We stand with ... all who are fighting for a peaceful, hopeful future."

Leaders of the House Foreign Affairs Committee said the committee was due to mark up — debate and vote on — the bill next week. It is expected to pass, which would send it for a vote by the full House.

A spokeswoman for the Senate Foreign Relations Committee, said that committee was also working on its version of the legislation, hoping to hold its markup next week.

The bill's text will not be final until it passes both houses of Congress, and it must be signed by President Donald



HUMAN RIGHTS: Protesters march to call for the U.S. Congress to pass the Hong Kong Human Rights and Democracy Act in Hong Kong, China, Sept. 8. Reuters file photo

Trump to become law.

The current version of the House bill calls for annual evaluations of whether Hong Kong still meets the conditions — including remaining autonomous — of the 1992 U.S. law granting it special economic status.

It also would require the Trump administration to identify and sanction anyone responsible for human rights abuses in Hong Kong, Republican Representative Chris Smith, one of the bill's lead sponsors, told the news conference.

Trump has sent some mixed signals on the Hong Kong protests. In early August, he caused alarm among those sympathetic to the movement by describing the street demonstrations as riots.

Trump has since called on China to end the discord in a humanitarian way and said a crackdown could make his efforts to end a damaging trade war "very hard."

Some industry groups worry that the legislation could threaten delicate trade talks. Backers rejected that concern.

"We cannot let commercial interests drive our policy," Pelosi said.



REMAINS: Saudi defense ministry spokesman Col. Turki Al-Malik displays remains of the missiles which the Saudi government says were used to attack an Aramco oil facility, during a news conference in Riyadh, Saudi Arabia, Sept. 18. Hamad I Mohammed/Reuters

Trump says there are many options short of war with Iran after attacks on Saudis

LOS ANGELES/JEDDAH (Reuters) — President Donald Trump said on Wednesday there were many options short of war with Iran after U.S. ally Saudi Arabia displayed remnants of drones and missiles it said were used in a crippling attack on its oil sites that was "unquestionably sponsored" by Tehran.

"There are many options. There's the ultimate option and there are options that are a lot less than that. And we'll see," Trump told reporters in Los Angeles. "I'm saying the ultimate option meaning go in — war."

Trump, who earlier said on Twitter that he had ordered the U.S. Treasury to "substantially increase sanctions on the country of Iran!" told reporters the unspecified, punitive economic measures would be unveiled within 48 hours.

Trump's tweet followed repeated U.S. assertions that the Islamic Republic was behind Saturday's attacks and came hours after Saudi Arabia said the strike was a "test of global will."

Iran again denied involvement in the Sept. 14 raids, which hit the world's biggest crude oil processing facility and initially knocked out half of Saudi output. Saudi Arabia is the

world's leading oil exporter.

Responsibility was claimed by Yemen's Iran-aligned Houthi group, which on Wednesday gave more details of the raid, saying it was launched from three sites in Yemen.

In a remark that may further strain an already tense political atmosphere in the Gulf, the Houthis also said they had dozens of sites in the United Arab Emirates, Riyadh's top Arab ally, listed as possible targets for attacks.

In an attempt to bolster its assertion that Iran was responsible, Saudi Arabia showed drone and missile debris it said amounted to undeniable evidence of Iranian aggression.

A total of 25 drones and missiles were used in the attacks sponsored by Iran but not launched from Yemen, Defense Ministry spokesman Colonel Turki al-Malki told a news conference. "The attack was launched from the north and unquestionably sponsored by Iran," he said, adding Iranian Delta Wing unmanned aerial vehicles were used in addition to cruise missiles.

An investigation into the origin of the attacks was still underway and the result will be announced later, he said.

GUAM CHAMBER OF COMMERCE FINANCIAL STATEMENT For the Year Ending December 31, 2018

ASSETS

Cash	\$ 602,329.24
Accounts Receivable, Net of Allowance	\$ 126,106.10
Other Assets	\$ 0.00
Capital Assets, Net of Depreciation	\$ 258,109.40
Total Assets	<u>\$ 986,544.74</u>

LIABILITIES & NET ASSETS

Liabilities	\$ 253,459.20
Net Assets	\$ 733,085.54
Total Liabilities & Net Assets	<u>\$ 986,544.74</u>

ORDINARY INCOME/EXPENSE

Income	\$ 812,748.56
Expense	\$ 655,971.54
Excess of Revenues over Expenses	<u>\$ 156,777.02</u>

Net Assets, Beginning of Year	<u>\$ 576,308.52</u>
Net Assets, End of Year	<u>\$ 733,085.54</u>

To the best of my knowledge, the above statement is true and correct:
/s/ CATHERINE S. CASTRO, President



The Honorable
Lourdes A. Leon Guerrero
Governor

The Honorable
Joshua F. Tenorio
Lt. Governor



PUBLIC NOTICE

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For special accommodations or agenda items, please call the Board Office at 642-4717/18.
(This ad paid for by GIAA)



PUBLIC NOTICE

The Guam Council on the Arts and Humanities Agency will hold its Regular Board Meeting on **Tuesday, September 24, 2019 at 3:00 p.m.** at the Guam Public Library Board Conference Room in Hagåtña.

Persons requiring special accommodations should contact the GCAHA Office at 300-1204-8 or fax at 300-1209.

"Paid with government funds by Guam CAHA"

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM
Thursday, August 29, 2019, 3:00 p.m.
GIAA TERMINAL CONFERENCE ROOM #3**

1. CALL TO ORDER AND ATTENDANCE

The August 29, 2019 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 Bamba at 3:12 p.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasaheru, Tamuning, Guam, 96913.

Directors Present:

Brian J. Bamba
Gurvinder Sobti
Lucy M. Alcorn
Zenon E. Belanger
Rosie R. Tainatongo
Doyon A. Morato

Offices or positions:

Chairman
Vice Chairman

Directors Absent:

Donald I. Weakley (Excused)

Secretary

GIAA Officials:

Thomas C. Ada	Executive Manager
John A. Rios	Comptroller
Edward Muna	Air Terminal Manager, Acting
Vince Naputi	Chief, Airport Police
Raymond Mantanona	Chief, GIAA ARFF
Raymond Santos	Assistant Chief, GIAA ARFF
Tony Laniog	Engineering
Joseph Javellana	Program Coordinator IV
Rolenda Faasuamalie	Airport Marketing
Henry Cruz	Acting Supply Management Administrator
Janalynn Damian, Esq.	GIAA Legal Counsel
Eduardo Calvo, Esq.	GIAA Legal Counsel
Thomas Fisher, Esq.	GIAA Conflicts Counsel
Frank R. Santos	GIAA Consultant

Chairman Bamba 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 Tainatongo, seconded by Director Alcorn; motion unanimously passed.

3. APPROVAL OF MINUTES

A. July 25, 2019 Regular Meeting

On motion duly made by Director Alcorn, seconded by Vice Chairman Sobti, the following resolution was unanimously passed:

Resolution No. 19-56

The Board hereby approves the minutes of the July 25, 2019 regular meeting, subject to corrections.

4. CORRESPONDENCE

Executive Manager Ada informed the Board that correspondence was received from the FAA, which will be discussed during New Business. The referenced correspondence is a letter formally notifying of a multiyear grant to be offered to GIAA. Board action will be required to accept and proceed with grant offer.

5. OLD BUSINESS

Executive Manager Ada announced that there was no Old Business to discuss.

At this time Chairman Bamba called for a motion to excuse the absence of Director Weakley. Motion to excuse the absence of Director Weakley duly made by Director Tainatongo, seconded by Director Belanger; motion unanimously passed.

6. NEW BUSINESS

A. Approval of GIAA Operating Budget Fiscal Year 2020

The first item discussed was the approval of GIAA's operating budget for fiscal year 2020. The budget was presented by Mr. John Rios, Comptroller. In summary, Signatory Airline cost per enplanements (CP) was decreased to \$17.42, from current CP of \$17.84. Operations and Maintenance expenses are projected to increase in FY20 by \$3.7M when compared to the FY19 approved budget.

Total Airport Revenues including PFC is projected to increase in the amount of \$47,000.00 in FY20.

Mr. Rios informed the Board that from March - June 2019, meetings were held with each of the divisions in order for them to provide their requirements for the budget. Mid-July, letters were sent to the Airlines with the initial draft of proposed rates and fees. July 26, 2019 and August 9, 2019, GIAA met with the Airlines to discuss the budget.

Chairman Bamba thanked the Comptroller for taking the time to meet Board members individually, to go over the budget, that it was beneficial especially for the new Directors.

Chairman Bamba inquired on when the process for the budget begins. Comptroller replied January - February. Discussion followed on passenger projections.

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

Resolution No. 18-57

The Board hereby approves the Operating Budget for fiscal year 2020 as presented, subject to adjustments.

B. Approval of Board Resolution No. 19-58: Bond Restructuring

The next item requiring Board action was the approval of GIAA's bond restructuring. Executive Manager Ada informed the Board that the Legislature last week passed Bill 140-35 which authorizes the amendment of the enabling statute and also provides authorization from the Legislature to refund a portion of GIAA's 2013 Bonds. Executive Manager Ada asked that Mr. Rios present Board Resolution 19-58. Mr. Rios announced that when the Board approved Board Resolution 19-36 for the refunding of the 2013 Bonds, it also allowed for a small restructuring of its debt service to achieve annual cash flow savings, while still achieving the two percent (2%) net present value savings threshold required by the Refunding Legislation. He added that in the first year GIAA is expecting to receive \$7-8M. Those monies will be used to leverage FAA grant funds and other capital improvement projects. Discussion followed with Chairman Bamba commending Management and GIAA team for the great work.

Chairman Bamba inquired about the amendments to Bill 140-35. The Board was informed that the Bill was amended to require legislative approval and to require that GIAA provide notice to the Legislature of the intent to go out to the Bond Market.

Legal Counsel noted that the Bill referenced in the resolution should be the version amended by the Legislature.

Executive Manager Ada informed the Board of the intent to travel to San Francisco with a team consisting of GIAA and GEDA during the first week of October for meetings with the rating agencies, and for the Bond sale in New York in the third week of October.

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

Resolution No. 19-58

WHEREAS, pursuant to GIAA Board Resolution No. 19-36 (attached as Attachment 1), the Board of Directors approved an amendment of GIAA's enabling statute to authorize the issuance of revenue bonds by GIAA to refund all or a portion of its prior and authorized the Executive Manager to take such action as is necessary to carry out the amendment of GIAA's enabling statute; and

WHEREAS, Bill 140-35 ("Refunding Legislation") (attached as Attachment 2), as amended and approved by the Legislature, amends GIAA's enabling statute and also provides authorization from the Legislature to refund a portion of GIAA's 2013 Bonds, so long as such refunding achieves debt service savings of not less than two percent (2%) of the refunded principal amount; and

WHEREAS, GIAA, in consultation with the Guam Economic Development Authority, bond counsel, and GIAA's underwriters, is also considering a restructuring of its debt service to achieve annual cash flow savings while still achieving the two percent (2%) net present value savings threshold required by the Refunding Legislation; and

WHEREAS, GIAA management has estimated that the cash flow savings realized from restructuring may be used to leverage Federal Aviation Administration grant funds and other capital improvement projects; and

WHEREAS, the Board of Directors has determined that it is necessary to authorize such action as is necessary to restructure debt service payments for the 2013 Bonds to achieve cash flow savings while still achieving the two percent (2%) net present value savings threshold required by the Refunding Legislation.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of GIAA hereby authorizes GIAA Management to take such action as is necessary to restructure debt service payments for the 2013 Bonds to achieve cash flow savings while still achieving the two percent (2%) net present value savings threshold required by the Refunding Legislation.

C. Approval of Award for Independent Financial Auditing Services - RFP No. RFP-006-FY19

Next on the agenda was the approval of award for Independent Financial Auditing Services. Mr. Henry Cruz, Acting Supply Management Administrator, 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 six (6) 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, based on the evaluation criteria set forth in the RFP. As a result

of the committee's evaluation, the selected firms were found to be responsible and responsive and the firms in order of their ranking are as follows:

1. Offeror A
2. Offeror B

The term of the contract is for a period of four (4) years with an option to renew for one (1) additional fiscal year at GIAA's discretion, not to exceed a total contract period of five (5) years, subject to the availability of funding. Said contract will be funded under the Accounting Division's O&M Budget.

Management recommended that the Board approve the ranking results and the contract award to Offeror A for the Independent Financial Auditing Services, subject to negotiation of fair and reasonable fees to be submitted by the highest ranked Offeror at a time and in a format determined by GIAA. If GIAA is unable to negotiate a contract with the highest ranked Offeror, the Executive Manager or his designee, may enter into negotiations with the next most qualified Offeror, consistent with the Guam Procurement Law & Regulations.

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

Resolution No. 19-59

The Board hereby approves the ranking results as presented and the contract award to Offeror A for Independent Financial Auditing Services - RFP No. RFP-006-FY19, subject to Management's negotiation of fair and reasonable fees and review by legal counsel.

Executive Manager Ada announced that Offeror A is Ernst & Young LLP.

- D.** Approval of Award for Indefinite Delivery Indefinite Quantity: ARFF Structural Fire Fighting Personal Protective Equipment - IFB No. GIAA-004-FY19

The next item on the agenda was the approval of award for Indefinite Delivery Indefinite Quantity: ARFF Structural Fire Fighting Personal Protective Equipment under the Invitation for Bid No. GIAA-004-FY19. Mr. Henry Cruz provided background information to the Board on the referenced IFB. Thirteen (13) firms/individuals purchased bid packages and only two (2) firms submitted a bid before the submission deadline. The two (2) firms were evaluated and determined to be acceptable. As required by the Guam Procurement Regulations, the bid was publicly opened and read aloud in the presence of the bidders. The bid price submittals are as follows:

BIDDER	BID ITEM No. & DESCRIPTION	BID AMOUNT (Per Item Unit):	x (30) units - Minimum Guaranteed Purchase for Year 1 (then on as needed basis for remaining term of IDIQ contract)
Safety 1st Systems, Inc.	Item 1.0: Structural Fire Fighting Helmet	\$313.99	\$9,419.70
	Item 2.0: Structural Fire Fighting Protective Barrier Hood	\$43.93	\$1,317.90
	Item 3.0: Structural Fire Fighting Protective Coat; w/ Structural Fire Fighting Protective Trousers (Pair)	\$1,284.37	\$38,531.10
	Item 4.0: Structural Fire Fighting Protective Footwear	\$389.42	\$11,682.60
	Item 5.0: Structural Fire Fighting Protective Gloves (Gauntlett Cuff)	\$116.74	\$3,502.20
	Item 6.0: Structural Fire Fighting Protective Gloves (Wristlet Cuff)	\$118.24	\$3,547.20
	Item 7.0: Extication Rescue Gloves	\$157.65	\$4,729.50
	Item 8.0: Turnout Gear Bag	\$79.35	\$2,380.50
JMI - Edison	Item 1.0: Structural Fire Fighting Helmet	\$288.90	\$8,667.00
	Item 2.0: Structural Fire Fighting Protective Barrier Hood	\$36.00	\$1,080.00
	Item 3.0: Structural Fire Fighting Protective Coat; w/ Structural Fire Fighting Protective Trousers (Pair)	\$1,946.00	\$58,380.00
	Item 4.0: Structural Fire Fighting Protective Footwear	\$418.50	\$12,555.00
	Item 5.0: Structural Fire Fighting Protective Gloves (Gauntlett Cuff)	\$105.40	\$3,162.00
	Item 6.0: Structural Fire Fighting Protective Gloves (Wristlet Cuff)	\$105.40	\$3,162.00
	Item 7.0: Extication Rescue Gloves	\$82.00	\$2,460.00
	Item 8.0: Turnout Gear Bag	\$54.40	\$1,632.00

Management recommends the contract award to Safety 1st Systems, Inc. and JMI -Edison, who have been determined to have met the standards of responsibility and responsiveness outlined in the Guam Procurement Regulations for a term of three (3) years with two (2) one-year options at GIAA's sole discretion for the following items:

BIDDER	BID ITEM No. & DESCRIPTION	BID AMOUNT (Per Item Unit):	x (30) units - Minimum Guaranteed Purchase for Year 1 (then on as needed basis for remaining term of IDIQ contract)
Safety 1st Systems, Inc.	Item 3.0: Structural Fire Fighting Protective Coat; w/ Structural Fire Fighting Protective Trousers (Pair)	\$1,284.37	\$38,531.10
	Item 4.0: Structural Fire Fighting Protective Footwear	\$389.42	\$11,682.60
JMI - Edison	Item 1.0: Structural Fire Fighting Helmet	\$288.90	\$8,667.00
	Item 2.0: Structural Fire Fighting Protective Barrier Hood	\$36.00	\$1,080.00
	Item 5.0: Structural Fire Fighting Protective Gloves (Gauntlett Cuff)	\$105.40	\$3,162.00
	Item 6.0: Structural Fire Fighting Protective Gloves (Wristlet Cuff)	\$105.40	\$3,162.00
	Item 7.0: Extication Rescue Gloves	\$82.00	\$2,460.00
	Item 8.0: Turnout Gear Bag	\$54.40	\$1,632.00

Director Alcorn inquired on the number of ARFF Personnel and the requirement of 30 pieces. Chief Manatanona replied there are 30 firefighters. Executive Manager Ada informed the Board that the intention is to outfit all firefighters for the first year. For years 3, 4, and 5, if items need replacing, then they get ordered as needed from the same vendor.

Mr. Henry Cruz announced that an error was discovered in the Table of Contents of the IFB, which indicated a Designation of Subcontractors form, however, that form was not required to be submitted. One of the bidders submitted a list of vendors. After conferring with Legal Counsel, it was determined to be nothing more than a clerical error and does not affect price, quality or delivery. Legal Counsel, Ms. Damian advised the Board that Calvo Fisher & Jacob LLP has a conflict with one of the firms, therefore Conflicts Counsel, Mr. Thomas Fisher reviewed the referenced IFB. Discussion followed with Mr. Thomas Fisher, Conflicts Counsel informing the Board that no bidder was misled, and confirmed that it was a simple clerical error.

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

Resolution No. 19-60

The Board hereby approves the contract award for Indefinite Delivery Indefinite Quantity: ARFF Structural Fire Fighting Personal Protective Equipment - IFB No. GIAA-004-FY19 to Safety 1st Systems, Inc. and JMI–Edisonas recommended by Management, subject to review by legal counsel.

E. Acceptance of Multi-Year FAA Grant - Modify Terminal Building

The next matter discussed was the acceptance of Multi-Year FAA Grant - Modify Terminal Building in the total maximum amount of \$18,096,429.00 over four (4) years, FY19 - FY22.

Board action is required to accept the multi-year grant in the specific amount for FY19 of \$4,596,429.00, and to appropriate Airport's 10% share in the amount of \$288,493.00.

Director Belanger inquired if the amount of \$18M mentioned is based on enplanements. Mr. Frank Santos, GIAA Consultant, replied arrivals and transits.

Director Morato inquired how the share of grant funding amongst states and territories is calculated based on the size of Airport. Mr. Santos explained that as a Territory of the U.S., the first \$2M is exempt, 100% funded by FAA. Anything beyond that and as a small hub, is funded 90% by FAA and 10% by Airport. Medium or large sized hubs are 75% FAA and 25% Airport. Discussion followed.

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

Resolution No. 19-61

The Board hereby approves the acceptance of the Multi-Year FAA Grant Agreement AIP No. 3-66-0001-106-2019 - Modify Terminal Building in the amount of \$4,596,429.00, including the conditions associated with the grant agreement, and the appropriation of \$288,493.00 as the Airport's share from the Capital Improvement Fund.

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. The report included brief updates on Airport operations and compliance, CIPs and Regulatory updates.

With regard to the annual verification of the Fire Suppression Operating system on the ARFF Fire trucks being overdue by 90 days, Chairman Bamba stressed his concerns and inquired about the implications for the Airport. Executive Manager Adainformed the Board that the verification test on the system is required every twelve (12) months. The deadline for the test was May 2019, and it was not completed. The implication is that there is no assurance that the

fire trucks are able to effectively suppress a fire, in the event an incident should occur. Communications are underway with the manufacturer of the trucks to get the necessary equipment to be able to conduct the test. ARFF Chief Raymond Mantanona reiterated Executive Manager Ada's statement. Executive Manager Ada informed the Board that there is no excuse for missing the deadline, that the bottom line is, GIAA needs to have equipment that is able to perform its mission. Discussion followed regarding the testing and the media reports regarding the foam being discharged from trucks.

Director Alcorn inquired if there will be a negative impact on GIAA's upcoming Certification Inspection. Executive Manager Ada replied yes, because of the fact that we missed the deadline. Executive Manager Ada assured the Board that corrective action is underway. Chairman Bamba expressed the need for accountability with regard to compliance on such matters.

8. REPORT OF THE COMPTROLLER

Mr. John Rios reported on the revenues and expenses of the Authority as of **July 31, 2019**. Mr. Rios reported that year-to-date Total Signatory Revenues are below budgeted revenues by **-0.8%**, year-to-date Total Concession Revenues and Passenger Facility Charges are below budget by **-9.9%** and **-2.0%**, respectively. Year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues are below the budget estimate by **-7.3%**. Year-to-date Total Operating Revenues Actual of **\$63.0M** is **-4.7%** below the budget estimate of **\$66.1M**. Year-to-date Total Operating Expenses are below budget by **-8.9%**. Components of this line item include a **-5.3%** decrease in Personnel Service, a **-6.4%** decrease in Contractual Services, a **-61.3%** decrease in Materials & Supplies and a **-73.3%** decrease in Equipment/Furnishings from budgeted amounts for these respective categories. The actual year-to-date Net Revenues from Operations of **\$25.3M** reflects an increase of **2.3%** over the year-to-date budgeted amount of **\$24.8M**. Mr. Rios reported that the year-to-date Debt Service Coverage is at **1.46** versus the requirement of **1.25**.

9. EXECUTIVE SESSION

The next item on the agenda was Executive Session.

Due to previously disclosed conflicts of interest, Chairman Bamba recused himself from participating in Executive Session and requested that Vice Chairman Sobti preside over the next portion of the meeting.

Upon written recommendation of counsel, on motion duly made by Director Alcorn, seconded by Vice Chairman Sobti, and unanimously approved, the Board recessed to convene into Executive Session at 4:32p.m.

The Board convened into Executive Session at 4:36 p.m. to discuss pending or threatened litigation relative to DFS Guam L.P. to which GIAA is or may be a party. Attending Executive Session were Directors Sobti, Alcorn, Belanger, Tainatongo and Morato, Executive Manager Ada, and Legal Counsels, Janalynn Damian and Eduardo Calvo. Also present was the court reporter who will prepare a transcript of the Executive session.

Executive Session adjourned at 4:55 p.m., at which time Vice Chairman Sobti announced that the Board will reconvene regular session. Due to unforeseen circumstances, Chairman Bamba did not participate in the remainder of the meeting.

10. PUBLIC COMMENTS

There were no Public Comments.

11. ADJOURNMENT

Motion to adjourn duly made by Director Alcorn, seconded by Director Tainatongo; motion unanimously passed. The meeting was adjourned at 4:58p.m.

Dated this _____, day of _____, 2019.

Attest:

Brian J. Bamba
Chairman

Donald I. Weakley
Board Secretary

Prepared and Submitted By:

Amanda O'Brien-Rios
Corresponding Secretary

**GIAA BOARD OF DIRECTORS
Executive Summary
Regular Board Meeting
September 24, 2019**

GENERAL AIRPORT INSURANCE – RENEWAL FOR FISCAL YEAR 2020

INTRODUCTION

The A.B. Won Pat International Airport Authority, Guam as required by the GIAA Bond Indenture is required to carry an 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 including 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 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 \$450,000 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 obligated 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 FY2020. Management recommends the Board adopt the FY2020 insurance program as appended.

The total premium costs for all coverage including Catastrophic perils for FY2020 is **\$818,230** net of the broker's commissions. This represents an increase in premium of **\$243,857** per annum compared to FY2019 premium cost of **\$574,373**.

Premium costs for Property Insurance, Airport Operators Liability, and Workers Compensation have increased this year due to worldwide catastrophic events which has led to the hardening of the insurance market.

A.B. WON PAT INT'L AIRPORT AUTHORITY, GUAM

FY2020 INSURANCE QUOTES

POLICY DESCRIPTION	CURRENT INSURER	COVERAGE	FY2019 PREMIUM	FY2020		
				MOYLAN'S	NANBO	CALVO'S
PROPERTY COVERAGE (All Risk incl Windstorm, Typhoon & Earthquake) FY19 Property & Equipment Value - \$433,283,765 FY20 Property & Equipment Value - \$425,783,531 Decrease: \$7,500,234	Calvo's (AIG)	\$200,000,000	\$322,771	NO QUOTE	NO QUOTE	\$451,879
SUBLIMITS Windstorm, Typhoon & Earthquake Shock Mold Coverage: Property In Transit: Valuable Papers Automatic Acquisition Debris Removal Boiler Explosion & Machinery Breakdown		\$5,000,000 \$750,000 \$250,000 \$1,000,000 \$1,000,000 \$1,000,000 \$5,000,000				
DEDUCTIBLE All Perils - Each and every Loss Including Boiler & Machinery Windstorm, Typhoon & Earthquake Shock Business Interruption		\$450,000 \$5,000,000 72 Hours				
AIRPORT OPERATORS LIABILITY Personal Injury Limit (in the aggregate)	Calvo's (AIG)	\$500,000,000 \$25,000,000	\$131,580	NO QUOTE	NO QUOTE	\$183,600
DEDUCTIBLE Property Damage War & Terrorism Excluded		\$75,000 \$250,000 \$150,000,000				\$250,000 \$150,000,000
POLICY ENHANCEMENTS Contingent Contractors Legal Liability AVN52G War Buy-Back						
DIRECTORS & OFFICERS LIABILITY Employment Practices Liability Sublimit	Moylan's (DB)	\$4,000,000 \$1,000,000 Entity Coverage	\$36,720	1-Year \$36,720 3-Year \$33,048		
WORKMENS COMPENSATION Coverage is extended to apply in respect of Executive Officer of the Authority	Moylan's (DB)	PL80 Stat. Benefits. \$1,000,000 E.L.	\$35,000	1-Year \$195,486 Deposit \$97,743	1-Year \$203,955	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 FY2019: 83 Vehicles FY2020: 79 Vehicles	Moylan's (DB)	\$2,000,000 Actual Cash Value \$1,000	\$42,902	1-Year \$42,888	NO QUOTE	NO QUOTE
<i>Nbte: Item B - Applies to all vehicles with a current market value of \$10k or more (FY20: 27 Vehicles)</i>						

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

A.B. WON PAT INT'L AIRPORT AUTHORITY, GUAM

FY2020 INSURANCE QUOTES

POLICY DESCRIPTION	CURRENT INSURER	COVERAGE	FY2019 PREMIUM	FY2020		
				MOYLAN'S	NANBO	CALVO'S
CRIME	Moylan's (DB)		\$5,400	<u>1-Year</u> \$5,400	<u>1-Year</u> \$6,456	NO QUOTE
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: <i>Retroactive dates 10/01/2004 iro Employee Dishonesty in excess of \$500,000 and 10/01/2003 iro all other coverages.</i>						
TOTAL FY2019 PREMIUM :			\$574,373			

NOTES:

20 Aug 2019-Transmitted Specs to all carriers; **13 Sept 2019**-Quotes due from all carriers; **16 Sept 2019**-Quotes due to GIAA
Proposed 3-Year Term premium to be billed annually.

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

A.B. Won Pat International Airport Authority, Guam
FY2020
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	\$451,879	\$183,600	No Quote	No Quote	No Quote	No Quote	No Quote
CASSIDY'S	Pacific Indemnity	AA	Carrier did not respond to Request for Proposal.						
GNIU	Chung Kuo	A- (S&P)	Carrier does not meet financial rating required by Insurance Specifications.						
MOYLAN'S	DB	A / XV	No Quote	No Quote	1-Year \$195,486 Deposit \$97,743	1-Year \$36,720 3-Year \$33,048	Included	\$42,888	1-Year \$5,400 3-Year \$4,860
MOYLAN'S	First Net (100% Reinsured w/Lloyds)	A / XV	Carrier will not be participating in providing a quote this year.						
NANBO	Tokio Marine	A++ / XV	No Quote	No Quote	\$203,955	No Quote	No Quote	No Quote	\$6,456
GUAHAN	Sompo Japan/Nippon Koa	A+ / XV	Carrier will not be participating in providing a quote this year.						
TAKAGI & ASSOCIATES	Aioi	A+ / XV	Carrier did not respond to Request for Proposal.						

20 Aug 2019-Transmitted Specs to all carriers; **13 Sept 2019**-Quotes due from all carriers; **16 Sept 2019**-Quotes due to GIAA

A.B. WON PAT
INTERNATIONAL AIRPORT AUTHORITY, GUAM
PREMIUM COMPARISON
FY2019 - FY2020

POLICY	FY2019	FY2020	PREMIUM DIFFERENCE	(%) PERCENT
Property (Including Catastrophe Cover)	\$322,771	\$451,879	\$129,108	40.000%
Airport Operators Liability	\$131,580	\$183,600	\$52,020	39.535%
Directors & Officers	\$36,720	\$36,720	\$0	Nil
Workers Compensation	\$35,000	\$97,743	\$62,743	179.266%
Automobile Insurance	\$42,902	\$42,888	(\$14)	-0.033%
Crime Insurance	\$5,400	\$5,400	\$0	Nil
TOTAL:	\$574,373	\$818,230	\$243,857	



Broader Perspective. Business Solutions.

Corporate Headquarters
3475 E Foothill Blvd, Suite 100, Pasadena, CA 91107
(626) 799-7000 main // (626) 441-3233 fax

Mailing Address
PO Box 6030
Pasadena, CA 91102

Date: September 18, 2019

To: Thomas C. Ada, Executive Manager

Cc: Jean Arriola, Vanessa Pangindian, Joe Javellana, Elizabeth Blas

From: Cheryl McDowell

Re: Purchase Recommendation, Insurance FY2020

I have reviewed the FY2020 insurance quotes submitted by AM Insurance and have the following recommendations:

Coverage	Provider	Premium
Property Insurance	Calvo's Insurance	\$451,879
Airport Operator's Liability	Calvo's Insurance	\$183,600
Directors & Officers/EPL Liability	Moylan's Insurance	\$36,720 (1 year option)
Workers Compensation	Moylan's Insurance	\$97,743 annual-subject to audit
Automobile Insurance	Moylan's Insurance	\$42,888
Crime Insurance	Moylan's Insurance	\$5,400 (1 year option)
Total		\$818,230

The total overall premium increased by \$243,857 over FY2019 premiums, which is reflective of a hardening in the insurance marketplace for most major lines of coverage.

If you have any questions, please let me know.

Sincerely,

Cheryl McDowell, ARM, CSRM, CISR
Vice President, Risk Management Services

An **Assurex** Global Partner

Insurance License No. 0008309 // www.boltonco.com

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

**REQUEST FOR PROPOSAL (RFP) NO. RFP-009- FY19
PROJECT No. GIAA-FY14-01-1**

**CONSTRUCTION MANAGEMENT SERVICES FOR
TERMINAL BUILDING UPGRADE AND CONCOURSE ISOLATION**

September 24, 2019

Purpose

Board action is requested to approve the award of Request For Proposals (RFP) No. GIAA-009-FY19 for Construction Management Services for Terminal Building Upgrade and Concourse Isolation.

Background

The referenced Request for Proposal (RFP) solicits interest from qualified firms or individuals to provide professional construction management services for the Antonio B. Won Pat International Airport, Guam's Terminal Building Structural Upgrade and Concourse Isolation construction project (the "Project"). The scope of work is to provide construction management services for all phases of the ongoing Project.

The awardee is required to have expertise in the project management of construction projects. Also, the firm must be knowledgeable of FAA AIP project requirements.

Procurement Background

The above referenced RFP was advertised in the local newspapers on August 14, 19 & 26, 2019. The established deadline to submit the proposals was September 4, 2019, 4:00 p.m.

A total of ten (10) firms showed their interest by obtaining the RFP package and three (3) firms responded by submitting their proposal before the submission deadline.

Proposal Analysis and Evaluation

The Evaluation Committee has completed their evaluation of the proposals based on the evaluation criteria set forth in the RFP. The evaluation results in the order of ranking are as follows:

1. KHLG & Associates, Inc.
2. Offeror C
3. Offeror A

1) Offeror A

Offeror's proposal was determined be responsive based on the submittal of all required documentation set forth in the RFP.

2) Offeror C

Offeror's proposal was determined be responsive based on the submittal of all required documentation set forth in the RFP.

3) KHLG & Associates, Inc. ("KHLG"):

a. Certification of Proposer Regarding Tax Delinquency and Felony Convictions - With regard to the executed Certification of Proposer Regarding Tax Delinquency and Felony Convictions form ("Tax Certification") submitted with KHLG's proposal, KHLG failed to mark the appropriate box to indicate whether or not it has any federal tax liability or felony convictions. Pursuant to 5 GCA § 5216(d) and 2 GARR Div. 4 § 3114 (i)(1)(A) of the Procurement Law and Regulations, I have determined it necessary to have KHLG complete its Tax Certification to confirm its qualification to provide the solicited services. Furthermore, I have concluded that KHLG's submission of a signed Tax Certification indicates its intent to comply with the RFP requirements and its failure to mark the appropriate box on the Tax Certification was an inadvertent oversight that will not prejudice other offerors if corrected. Therefore, GIAA issued a *Notification to Correct Proposal* on September 17, 2019, requesting that KHLG submit a completed Tax Certification. GIAA received KHLG's completed Tax Certification on September 18, 2019.

Following KHLG's submission of its completed Tax Certification, its proposal was determined be responsive.

Fee Negotiations

Based on the tabulation of the evaluation ranking, it is determined that KHLG was deemed as the best qualified, responsive firm to perform the required services in accordance with the criteria set forth in the RFP. Also, as a result of our review of the KHLG's submitted required documents, KHLG has been deemed to have met the standards of responsibility outlined in the Guam Procurement Law & Regulations.

Subsequently, a *Notice of Intent to Award* was issued to KHLG on September 17, 2019. A fee proposal was requested from KHLG in regard to the scope of services to be performed under the contract. On September 20, 2019 a meeting between KHLG and the negotiations committee established by management, comprised of Victor Cruz, Engineering Supervisor, Antonio O. Laniog, Jr., Engineer III, and Frank Santos, Airport Consultant, was held to determine if the fees presented were fair and reasonable based on an understanding of the scope of services to be

conducted by the contractor. As a result of this September 20, 2019 meeting, a revised fee proposal was requested from KHLG based on the agreed upon scope of services to be conducted. KHLG's revised fee proposal was received by GIAA on September 20, 2019 in the amount of \$2,920, 334.26, which I have determined to be fair and reasonable based on the scope of services to be performed by the contractor.

Legal Review

Upon Board approval, a contract will be forwarded to Legal Counsel for review and approval as to form. The term of the contract is for period of fifteen (15) months from the effective date of the contract, subject to extension at the option of GIAA as may be required for project completion and closeout and the availability of funding.

Financial Review

The *Construction Management Services for Terminal Building Upgrade and Concourse Isolation* contract will be funded under an AIP grant. Contract award is subject to FAA approval.

Recommendation

It is moved that the Board approve the ranking results and the contract award to **KHLG & Associates, Inc.** for the *Construction Management Services for Terminal Building Upgrade and Concourse Isolation* project in the amount of \$2,920,334.26 subject to legal review and FAA approval.



September 23, 2019

MEMORANDUM

TO: Thomas C. Ada
Executive Manager

VIA: Jean M. Arriola
Airport Services Manager

FROM: GIAA Procurement Section

SUBJECT: ***Evaluation and Recommendation - Request For Proposal (RFP)***
Construction Management Services for Terminal Building Structural Upgrade and Concourse Isolation; RFP No. GIAA-009-FY19, Project No. GIAA-FY14-01-1

The referenced Request for Proposal (RFP) solicits interests from qualified firms and/or individuals to provide professional construction management services for the Antonio B. Won Pat International Airport, Guam's Terminal Building Structural Upgrade and Concourse Isolation construction project. The advertisement for this RFP was published in the local newspaper on August 14, 19 & 26, 2019. The deadline to submit proposals was established at September 4, 2019, 4:00 p.m.

A total of ten (10) firms and/or individuals showed in interest by downloading the RFP package and three (3) firms submitted proposals before the submission deadline.

Proposal Analysis

1) Offeror A:

Offeror's proposal was determined to be responsive based on the submittal of all required documentation submitted and evaluation criteria.

2) Offeror C.:

Offeror's proposal was determined be responsive based on the submittal of all required documentation set forth in the RFP.

3) KHLG & Associates, Inc. ("KHLG"):

- a. Certification of Proposer Regarding Tax Delinquency and Felony Convictions - With regard to the executed Certification of Proposer Regarding Tax Delinquency and Felony Convictions form ("Tax Certification") submitted with KHLG's proposal, KHLG failed to mark the appropriate box to indicate whether or not it has any federal tax liability or felony convictions. Pursuant to 5 GCA § 5216(d) and 2 GARR Div. 4 § 3114 (i)(1)(A) of the Procurement Law and Regulations, GIAA determined it necessary to have KHLG complete its Tax Certification to confirm its qualification to provide the solicited services. Furthermore, GIAA concluded that KHLG's submission of a signed Tax Certification indicates its intent to comply with the RFP requirements and its failure to mark the appropriate box on the Tax Certification was an inadvertent oversight that will not prejudice other offerors if corrected. Therefore, GIAA issued a *Notification to Correct Proposal* on September 17,

2019, requesting that KHLG submit a completed Tax Certification. GIAA received KHLG's completed Tax Certification on September 18, 2019.

Following KHLG's submission of its completed Tax Certification, its proposal was determined be responsive.

Evaluation and Selection

Pursuant to Section 8: Selection of Best Qualified Offeror and Proposal of *Basic Information* of the RFP documents, after receipt of all proposals, the GIAA Evaluation Committee conducted an independent evaluation for the purpose of determining if the proposals were responsive, based on the evaluation criteria set forth in the RFP, and if the offerors have met the standards of responsibility outlined in the Guam Procurement Law & Regulations.

The committee appointed by management to evaluate the offerors' qualifications included the following:

1. Victor Cruz, Engineering Supervisor
2. Antonio O. Laniog, Jr., Engineer III
3. Frank Santos, Airport Consultant (TMG)

The committee completed their evaluation and the scores were tabulated as reflected on the attached summary worksheet. As a result of our tabulation, the firms selected in the order of their ranking are as follows:

1. KHLG & Associates, Inc.
2. Offeror C
3. Offeror A

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 would like to discuss this matter further, I am available at your request.

Fee Negotiations

Based on the tabulation of the evaluation ranking, it is determined that KHLG was deemed as the best qualified, responsive firm to perform the required services in accordance with the criteria set forth in the RFP. Also, as a result of our review of the offeror's submitted required documents, KHLG has been deemed to have met the standards of responsibility outlined in the Guam Procurement Law & Regulations.

Subsequently, a Notice of Intent to Award was issued to KHLG on September 17, 2019. A fee proposal was requested from KHLG in regard to the scope of services to be performed under the contract. On September 20, 2019 a meeting between KHLG and the negotiations committee established by management, comprised of Victor Cruz, Engineering Supervisor, Antonio O. Laniog, Jr., Engineer III, and Frank Santos, Airport Consultant, was held to determine if the fees presented were fair and reasonable based on an understanding of the scope of services to be conducted by the contractor. As a result of this September 20, 2019 meeting, a revised fee proposal was requested from KHLG based on the agreed upon scope of services to be conducted. KHLG's revised fee proposal was received by GIAA on September 20, 2019 in the lump sum amount of **\$2,920,334.26** for prime consulting fees.

Recommendation

As a result of these discussions, the negotiations committee recommends to management, the acceptance of negotiated lump sum amount of **\$2,920,334.26** for the prime consulting fees required

from the scope of work to be conducted. Therefore, it is recommended to approve the ranking results and the contract award to **KHLG & Associates, Inc.** for the *Construction Management Services for Terminal Building Structural Upgrade and Concourse Isolation* project.



Henry M. Cruz

APPROVED:

THOMAS C. ADA
Executive Manager

Attachments

cc: Evaluation Committee / Procurement File



Antonio B. Won Pat International Airport Authority, Guam

Evaluation Score Tally Sheet

RFP No. RFP-009-FY19

PROJECT No. GIAA-FY14-01-1

Construction Management Services for Terminal Building Structural Upgrade and Concourse Isolation

OFFEROR NAME:	Evaluator 1		Evaluator 2		Evaluator 3		AVG. Ranking	Final Ranking
	Score	Rank	Score	Rank	Score	Rank		
OFFEROR A	82	2	76	2	78	3	2.33	3
KHLG & Associates, Inc.	93	1	77	0.5	90	1	0.83	1
OFFEROR C	61	3	77	0.5	80	2	1.83	2

Evaluators
No. 1: Victor Cruz, Engineering Supervisor
No. 2: Antonio O. Laniog, Jr., Engineer III
No. 3: Frank Santos, Airport Consultant (TMG)

1. Verification of ARFF Fire Suppression System

- a. Test kits have been received,
- b. Verification is underway. Testing of one (1) truck completed; results showed system was in acceptable operating range, but a bit on the rich side.
- c. All tests will be completed this week.
- d. GIAA will apply for reimbursement (approx. \$50K) for procurement of tester equipment.

2. New Superintendent (Ken McDonald) on Board.

3. Facility Issues

- a. **Passenger Seating Refurbishment.** Chair upholstery replacement is complete in Arrivals and Departures areas. The next phase is the concourse holding rooms.
- b. **Heritage Retail Area returned to Lotte.** The space was returned for retail operations on Monday Sept. 23.
- c. **Stakeholder Meeting – IAC update.** A stakeholder meeting was held on September 11, 2019, to update tenants and stakeholders re. project. Significant to the briefing was upcoming hoarding in the USCBP and United lease areas and their possible impact(s).

4. Space Port Certification.

- a. Still in progress. ALP still under review.
- b. News about launching from AAFB; AAFB is a certified Space Port for military launches.

5. Visit by Deputy FAA ADO

- a. Concerns pertained more timely expenditure of grant funds. ARFF CIP (\$22M FAA funds) most significant concern.
- b. Briefed him on plans re certification of Fire Suppression System on ARFF trucks.
- c. High interest in next year's Aerodrome Workshop; high interest by many FAA personnel to participate. An opportunity for GIAA to shine.



September 23, 2019

MEMORANDUM

To: Mr. Brian Bamba
Chairman
GIAA Board of Directors

From: John A. Rios
Comptroller

Subject: Operating Results – Revenues and Expenses as of August 31, 2019

Attached herewith is GIAA's Operating Results Report for the month ending August 31, 2019. This report summarizes the Budgeted versus Actual Revenues and Expenses for the month and year-to-date results ended August 31, 2019.

The key operating results for 11 month(s) of FY2019 ending August 31, 2019 – (in \$000's) are

CATEGORY	Actual FY19 Current Month	YEAR-TO-DATE			FORECAST FOR FULL YEAR- FY19	
		Budget FY19 Y-T-D	Actual FY19 Y-T-D	% Variance Budget vs. Actual	Actual Y-T-D FY19 Budget	% Variance Budget vs. Estimate for Full Year
				Y-T-D Current Month		
Total Signatory Revenues	\$ 3,239.9	\$ 30,966.2	\$ 31,173.2	0.7%	\$ 33,824.6	0.6%
Total Concession Revenues	\$ 1,713.7	\$ 17,764.3	\$ 16,213.3	-8.7%	\$ 17,830.4	-8.0%
Total PFC's	\$ 775.5	\$ 6,751.5	\$ 6,792.7	0.6%	\$ 7,357.9	0.6%
Total Other Revenues	\$ 1,422.8	\$ 17,320.1	\$ 15,978.2	-7.7%	\$ 17,494.8	-7.1%
Total Operating Revenues	\$ 7,151.9	\$ 72,802.1	\$ 70,157.4	-3.6%	\$ 76,507.7	-3.3%
Total Operating Expenses	\$ 3,567.6	\$ 45,096.2	\$ 41,418.1	-8.2%	\$ 45,057.2	-7.5%
Net Revenues from Operations	\$ 3,584.2	\$ 27,705.9	\$ 28,739.3	3.7%	\$ 31,450.5	3.4%
Non-Operating Expenses	\$ 51.7	\$ 790.0	\$ 1,127.2	42.7%	\$ 1,127.2	42.7%
Other Available Moneys/other sources of funds	\$ 530.0	\$ 6,196.8	\$ 6,161.8	-0.6%	\$ 6,725.2	-0.5%
Net Debt Service Coverage	1.92	1.46	1.49	-1.5%	1.5	2.1%

Year-to-date Total Signatory Revenues for the month ending August 31, 2019 are above Budgeted revenues by **0.7%**. Signatory revenue estimates are based on projections submitted by Signatory airlines and adopted in the annual budget.

Year-to-date Total Concession Revenues are **-8.7%** below budget while Passenger Facility Charges are above the budget estimate by **0.6%**.

Year-to-date Total Other Revenues, inclusive of non-signatory and non-airlines revenues, are below the budget estimate by **-7.7%**.

Year-to-date Total Operating Revenues actual of **\$70.1M** is **-3.6%** below the budget estimate of **\$72.8M**.

Year-to-date Total Operating Expenses are below budget by **-8.2%**. Components of this line item include a **-5.7%** decrease in Personnel Service, a **-5.5%** decrease in Contractual Services, a **-55.1%** decrease in Materials & Supplies and a **-73.3%** decrease in Equipment/Furnishings from budgeted amounts for these respective categories.

The actual year-to-date Net Revenues from Operations of **\$28.7M** represents a **3.7%** increase over the year-to-date budgeted amount of **\$27.7M**.

Finally, our year-to-date results for Debt Service Coverage is at **1.49** 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

GUAM INTERNATIONAL AIRPORT AUTHORITY
KEY OPERATING RESULTS (\$000's)
as of August 31, 2019

	CURRENT MONTH				Budget Full Year	YEAR - TO - DATE				FULL YEAR FORECAST	
	Actual FY2018	Budget FY2019	Actual FY2019	%Var Bud Vs Act'l		Actual FY2018	Budget FY2019	Actual FY2019	%Var Bud Vs Act'l	Actual/Est	%Var Bud Vs Act'l
I. Signatory Airline Rents & Fees											
Terminal Bldg Rentals	321.2	345.1	363.5	5.3%	4,140.8	3,511.3	3,796.5	3,911.6	3.0%	4,255.9	2.8%
Departure Fees	593.7	694.5	816.6	17.6%	8,333.2	6,037.2	7,689.4	7,630.9	-0.8%	8,274.7	-0.7%
Arrival Fees	600.3	698.4	852.2	22.0%	8,273.8	5,935.0	7,634.8	7,796.7	2.1%	8,435.7	2.0%
Immigration Inspection Fees	192.2	236.3	299.2	26.6%	2,860.4	1,985.2	2,639.8	2,737.8	3.7%	2,958.4	3.4%
Loading Bridge Use Fees	614.1	471.3	511.4	8.5%	5,661.6	6,212.5	5,202.6	5,147.6	-1.1%	5,606.6	-1.0%
Apron Use Fees	121.4	109.4	123.0	12.4%	1,347.0	1,334.1	1,240.2	1,187.9	-4.2%	1,294.7	-3.9%
Landing Fees	273.2	243.7	274.0	12.4%	3,000.8	3,080.7	2,762.9	2,760.6	-0.1%	2,998.5	-0.1%
Total Signatory Revenue	2,716.2	2,798.6	3,239.9	15.8%	33,617.6	28,096.1	30,966.2	31,173.2	0.7%	33,824.6	0.6%
Enplaned Signatory Pax	162,801	154,340	182,370	18.2%	1,851,871	1,637,389	1,708,806	1,722,076	0.8%	1,865,141	0.7%
Cost per Enplaned Pax	\$16.68	\$18.13	\$17.77	-2.0%	\$18.15	\$17.16	\$18.12	\$18.10	-0.1%	\$18.14	-0.1%
Revenues from Sources other than Signatory Airlines Rents & Fees											
Concession Revenues											
Gen Mdse	1,091.7	1,239.4	1,339.1	8.0%	14,872.3	13,723.9	13,632.9	12,249.8	-10.1%	13,489.1	-9.3%
In-flight Catering	81.1	79.8	78.4	-1.8%	837.9	777.0	770.3	815.9	5.9%	883.5	5.4%
Food & Beverage	87.3	102.5	110.5	7.9%	1,062.4	930.5	976.8	989.8	1.3%	1,075.4	1.2%
Rental Cars	146.0	167.6	154.8	-7.7%	1,673.7	1,379.7	1,532.3	1,528.6	-0.2%	1,670.0	-0.2%
Other Concession Rev	65.0	80.3	30.9	-61.5%	935.0	774.5	851.9	629.3	-26.1%	712.4	-23.8%
Total Concession Revenues	1,471.2	1,669.6	1,713.7	2.6%	19,381.4	17,585.5	17,764.3	16,213.3	-8.7%	17,830.4	-8.0%
Passenger Facility Charges	668.0	609.8	775.5	27.2%	7,316.7	6,174.7	6,751.5	6,792.7	0.6%	7,357.9	0.6%
Other Revenue	1,485.3	1,621.5	1,422.8	-12.3%	18,836.8	17,992.7	17,320.1	15,978.2	-7.7%	17,494.8	-7.1%
Total Operating Revenue	6,340.6	6,699.5	7,151.9	6.8%	79,152.5	69,848.9	72,802.0	70,157.3	-3.6%	76,507.7	-3.3%
II. Operating Expenses:											
Personnel Services	1,681.6	1,622.4	1,454.3	-10.4%	21,091.0	18,937.5	19,468.6	18,351.9	-5.7%	19,974.2	-5.3%
Contractual Services	1,954.9	2,010.6	1,952.6	-2.9%	25,280.4	23,868.3	23,356.3	22,076.5	-5.5%	24,000.5	-5.1%
Materials & Supplies	226.3	118.3	160.7	35.8%	2,201.2	911.1	2,108.5	946.3	-55.1%	1,039.0	-52.8%
Equipment/Furnishings	5.9	0.0	0.0	0.0%	162.8	153.6	162.8	43.4	-73.3%	43.4	-73.3%
Total Operating Expenses	3,868.8	3,751.3	3,567.6	-4.9%	48,735.3	43,870.5	45,096.2	41,418.1	-8.2%	45,057.2	-7.5%
Net income from Operations	2,471.9	2,948.2	3,584.3	21.6%	30,417.2	25,978.4	27,705.8	28,739.2	3.7%	31,450.6	3.4%

GUAM INTERNATIONAL AIRPORT AUTHORITY
KEY OPERATING RESULTS (\$000's)
as of August 31, 2019

CURRENT MONTH				Budget Full Year	YEAR - TO - DATE				FULL YEAR FORECAST	
Actual FY2018	Budget FY2019	Actual FY2019	%Var Bud Vs Act'l		Actual FY2018	Budget FY2019	Actual FY2019	%Var Bud Vs Act'l	Actual/Est	%Var Bud Vs Act'l

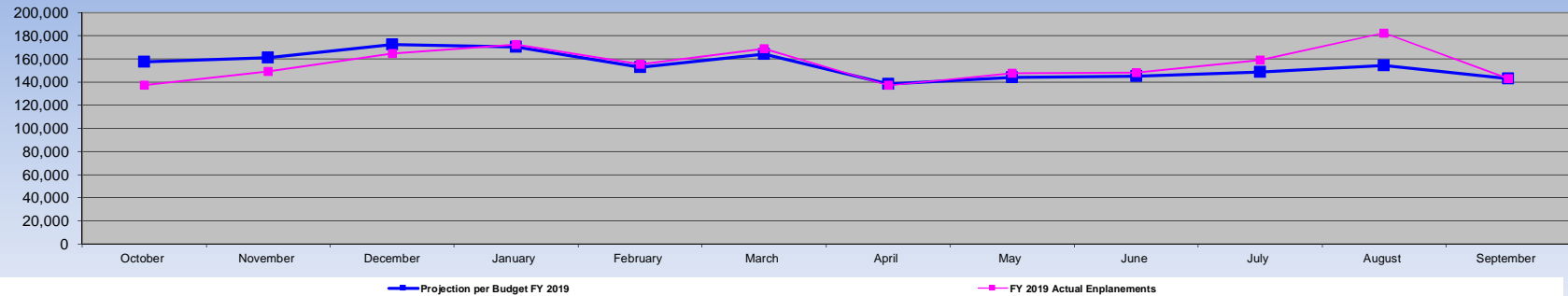
III. Other Revenues and Expenses

Less: Non Operating Expense(Ret/DOI/OHS)	42.8	0.0	51.7	0.0%	790.0	661.3	790.0	1,127.2	42.7%	1,127.2	42.7%
Add: Interest on Investments	100.0	84.8	0.0	-100.0%	1,017.5	971.0	932.7	1,066.5	14.3%	1,151.3	13.1%
Net Revenues	2,529.1	3,033.0	3,532.6	16.5%	30,644.8	26,288.1	27,848.5	28,678.5	3.0%	31,474.7	2.7%
Add: Other Sources of Funds	45.0	33.3	0.0	-100.0%	400.0	381.3	366.7	331.7	-9.5%	365.1	-8.7%
Add: Other Available Moneys	530.1	530.0	530.0	0.0%	6,360.1	5,831.4	5,830.1	5,830.1	0.0%	6,360.1	0.0%
Net Revenues and Other Available Moneys	3,104.2	3,596.3	4,062.6	13.0%	37,404.9	32,500.7	34,045.3	34,840.3	2.3%	38,199.9	2.1%
Debt Service payments	2,120.5	2,120.0	2,120.0	0.0%	25,440.5	23,325.5	23,320.5	23,320.5	0.0%	25,440.5	0.0%
Debt Service Coverage	1.46	1.70	1.92	13.0%	1.47	1.39	1.46	1.49	2.3%	1.50	2.1%
Debt Service Requirement	1.25	1.25	1.25		1.25	1.25	1.25	1.25		1.25	

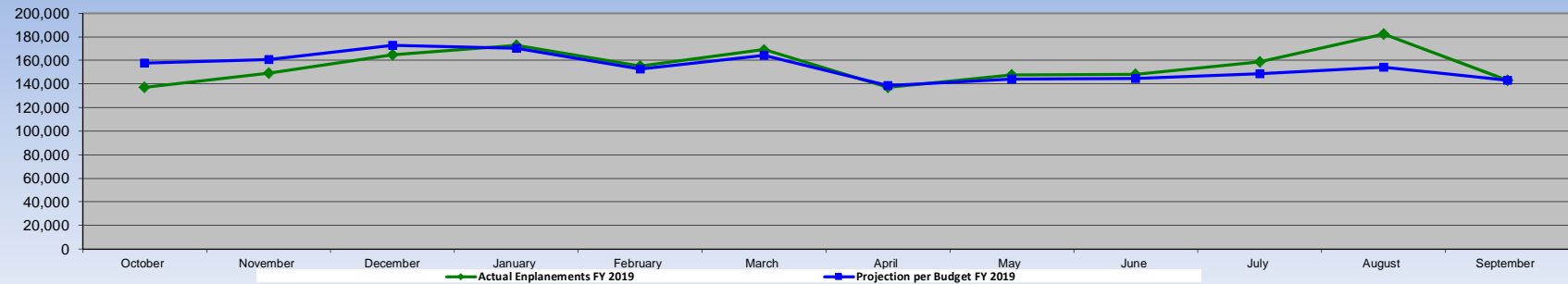
SUMMARY SIGNATORY AIRLINES

Enplanements	October	November	December	January	February	March	April	May	June	July	August	September	Total
Projection per Budget FY 2019	157,551	160,972	172,607	170,142	152,811	164,175	138,541	144,226	144,896	148,545	154,340	143,065	1,851,871
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	129,772	145,309	157,750	155,969	145,088	157,932	139,620	142,477	146,720	153,951	162,801	129,698	1,767,087
FY 2019 Actual Enplanements/Projection	137,359	149,055	164,554	172,617	155,215	169,061	137,139	147,855	148,080	158,771	182,370	143,065	1,865,141
FY 2019 versus FY 2018 Monthly%	5.85%	2.58%	4.31%	10.67%	6.98%	7.05%	-1.78%	3.77%	0.93%	3.13%	12.02%	10.31%	5.55%
FY 2019 versus FY 2018 Monthly	7,587	3,746	6,804	16,648	10,127	11,129	-2,481	5,378	1,360	4,820	19,569	13,367	98,054
FY 2019 versus FY 2018 Cumulative	7,587	11,333	18,137	34,785	44,912	56,041	53,560	58,938	60,298	65,118	84,687	98,054	98,054
	5.85%	7.80%	11.50%	22.30%	30.96%	35.48%	38.36%	41.37%	41.10%	42.30%	52.02%	75.60%	5.55%

FY 2017 - FY 2019 Signatory Airlines Actual and Projection of Enplanements



Fiscal Year 2019 Actual Enplanements versus Budget



Enplanements	October	November	December	January	February	March	April	May	June	July	August	September	Total
Actual Enplanements FY 2019	137,359	149,055	164,554	172,617	155,215	169,061	137,139	147,855	148,080	158,771	182,370	143,065	1,865,141
Projection per Budget FY 2019	157,551	160,972	172,607	170,142	152,811	164,175	138,541	144,226	144,896	148,545	154,340	143,065	1,851,871
Actual Enplanements Over/(Under) Projection	(20,192)	(11,917)	(8,053)	2,475	2,404	4,886	(1,402)	3,629	3,184	10,226	28,030	0	13,270
Cumulative Total	(20,192)	(32,109)	(40,162)	(37,687)	(35,283)	(30,397)	(31,799)	(28,170)	(24,986)	(14,760)	13,270	0	0.7%
Percentage Over/(Under) Forecast													
October	November	December	January	February	March	April	May	June	July	August	September		
-12.8%	-7.4%	-4.7%	1.5%	1.6%	3.0%	-1.0%	2.5%	2.2%	6.9%	18.2%	0.0%		
-12.8%	-10.1%	-8.2%	-5.7%	-4.3%	-3.1%	-2.8%	-2.2%	-1.8%	-0.9%	0.8%	0.0%		
Month to Month Trend													
October	November	December	January	February	March	April	May	June	July	August	September		
137,359	149,055	164,554	172,617	155,215	169,061	137,139	147,855	148,080	158,771	182,370	143,065		
Month to Month Increase/(Decrease)	11,696	15,499	8,063	-17,402	13,846	-31,922	10,716	225	10,691	23,599	-39,305		
Month to Month Increase/(Decrease) in %	8.5%	10.4%	4.9%	-10.1%	8.9%	-18.9%	7.8%	0.2%	7.2%	14.9%	-21.6%		
Cost Per Enplanement FY2019 Actual versus Projected													
CPE													CPE FY19
Forecast Per FY2019 Budget	\$ 18.35	\$ 17.78	\$ 17.67	\$ 17.86	\$ 18.13	\$ 18.19	\$ 18.54	\$ 18.38	\$ 18.18	\$ 18.29	\$ 18.13	\$ 18.53	\$ 18.15
Actual CPE	\$ 19.05	\$ 18.44	\$ 17.96	\$ 17.72	\$ 17.33	\$ 17.81	\$ 19.02	\$ 18.00	\$ 18.09	\$ 18.30	\$ 17.77		
Variance	\$ (0.70)	\$ (0.67)	\$ (0.29)	\$ 0.14	\$ 0.80	\$ 0.38	\$ (0.48)	\$ 0.38	\$ 0.08	\$ (0.00)	\$ 0.37	\$ 18.53	\$ 18.15

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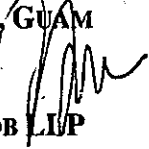
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RECOMMENDATION OF COUNSEL

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

CC: Mr. Thomas C. Ada
Executive Manager
ANTONIO B. WON PAT INTERNATIONAL
AIRPORT AUTHORITY, GUAM

FROM: Janalynn Cruz Damian 
CALVO FISHER & JACOB LLP

DATE: September 16, 2019

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 DFS Guam L.P. related litigation to which GIAA is or may be a party.