

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM
Thursday, September 24, 2020, 3:00 p.m.
GIAA TERMINAL CONFERENCE ROOM #3**

1. CALL TO ORDER AND ATTENDANCE

The September 24, 2020 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 3:11p.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasaheru, Tamuning, Guam, 96913.

Directors Present:

Brian J. Bamba (Via VTC)
Gurvinder Sobti
Donald I. Weakley
Zenon E. Belanger
Doyon A. Morato
Rosie R. Tainatongo

Offices or positions:

Chairman
Vice Chairman
Board Secretary

Directors Absent:

Lucy M. Alcorn (Excused)

GIAA Officials:

John M. Quinata
Artemio R. Hernandez, Ph.D.
John A. Rios
Jean M. Arriola
Edward Muna (Via VTC)
Ken McDonald
Raymond Santos (Via VTC)
Victor Cruz
Rolenda Faasuamalie (Via VTC)
Vanessa Pangindian (Via VTC)
Henry Cruz
Anthony Quidachay

Executive Manager, Acting
Deputy Executive Manager
Comptroller
Airport Services Manager
Airport Operations Superintendent
Airport Facilities & Equipment Superintendent
Acting Chief, ARFF
Engineer Supervisor
Airport Marketing Administrator
Management Analyst III
Supply Management Administrator
Safety Administrator

Anita Arriola, Esq.
Eduardo A. Calvo, Esq.
Janalynn C. Damian, Esq.
Genevieve P. Rapadas, Esq.
Frank R. Santos

GIAA Legal Counsel
GIAA Legal Counsel
GIAA Legal Counsel
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.

Chairman Bamba took this time to acknowledge and offer condolences on behalf of the Board to an Airport employee who had recently lost a family member due to Covid-19, further asking that everyone continue to stay in good health and safety in this difficult time.

2. APPROVAL OF AGENDA

Chairman Bamba asked for clarification on Executive Session, if the physical presence of Board members is required. Legal Counsel replied yes. Chairman Bamba informed the Board that due to this requirement, he will not participate in Executive Session and Vice Chair Sobti will preside over that portion of the meeting.

On motion duly made by Director Morato, seconded by Director Tainatongo, the following resolution was unanimously passed:

Resolution No. 20-67

The Board hereby approves the agenda of the September 24, 2020 regular meeting, as presented.

3. APPROVAL OF MINUTES

A. August 27, 2020 - Regular Meeting

On motion duly made by Chairman Bamba, seconded by Director Belanger, the following resolution was unanimously passed via roll vote:

Resolution No. 20-68

The Board hereby approves the minutes of the August 27, 2020 regular meeting, subject to corrections.

4. CORRESPONDENCE

Executive Manager Quinata advised there was no Correspondence to report.

5. OLD BUSINESS

Executive Manager Quinata advised there was no Old Business to present.

6. NEW BUSINESS

A. Approval of FY21 Insurance Renewal Program

The first matter discussed was the FY21 Insurance Renewal Program.

Executive Manager Quinata announced that he would like to recuse himself from the

referenced matter due to a conflict of interest.

AM Insurance ("AM") representative, Ms. Ann Marie Muna presented the insurance quotes for FY2021. Nine (9) major insurance carriers were approached, only four (4) carriers responding with submittals.

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

Policy	Firm with Lowest Offered Premium	Amount
Property	Calvo's	\$452,700.00
Airport Operators Liability	Calvo's	\$183,600.00
Directors & Officers Liability	Moylan's	\$34,680.00
Workman's Compensation	Nanbo	\$201,363.00
Automobile Insurance	Moylan's	\$42,636.67.00
Crime Insurance	Moylan's	\$5,400.00
TOTAL:		\$920,380.00

The total premium cost for all coverage for FY2021 is \$920,380.00. This represents an increase in premium of \$102,150.00 per annum compared to FY2020 premium cost of \$818,230.00. Management recommends that the Board approve the FY2021 insurance program as presented.

Brief discussion ensued, with Chairman Bamba suggesting Management go back and negotiate for any type of bundling that the Airport can afford or avail of to lower costs, and further suggesting the Board approve the premium costs, not exceed the recommended amount of \$920,380.00.

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

Resolution No. 20-69

The Board hereby approves the FY2021 Insurance Program, in the total amount not to exceed \$920,380.00 as follows:

Policy	Firm with Lowest Offered Premium	Amount
Property	Calvo's	\$452,700.00
Airport Operators Liability	Calvo's	\$183,600.00
Directors & Officers Liability	Moylan's	\$34,680.00
Workman's Compensation	Nanbo	\$201,363.00

Automobile Insurance	Moylan's	\$42,636.67.00
Crime Insurance	Moylan's	\$5,400.00
TOTAL:		\$920,380.00

B. Contract Modifications - International Arrivals Corridor

The second matter discussed was contract modifications to the International Arrivals Corridor (IAC) project. Mr. Frank Santos informed the Board that there were three (3) modifications for the Board to consider.

1. Change Order No. 16: KHLG, along with Black Construction has completed a price negotiation on Change Order no. 16 with the total amount being \$688,211.00. Brief discussion on details of the argon system at the chiller.
2. Mr. Santos advised the Board that a proposed resolution was received from Black Construction, for the contract completion date, and final cost for the project. GIAA is in the process of extending Black Construction from October 3, 2020 to December 2, 2020 in order to consider their proposed resolution. The extension is a no cost extension, and is considered Change Order No. 17.
3. At the last Board meeting, the Board approved the extensions of the contracts for the Construction Manager (KHLG) and E&A Engineers, subject to a downward negotiation, August 4 to October 2, 2020. Mr. Santos informed the Board that the initial proposed fee for KHLG was \$507,080.00, negotiated to \$440,509.90, and E&A Engineers initial proposed fee was \$314,070.52, negotiated to \$276,367.85.

Now, as a result of the contractor's extension, Mr. Santos advised the Board of the need to extend both KHLG and E&A Engineers for an additional period of October to December, 2020, in the amounts of \$440,509.90 and \$276,367.85, respectively.

Chairman Bamba inquired on the difference with the extension of the Contractor and Construction Manager. Director Belanger, being the Chairperson for the Board's CIP Committee informed the Board that the Contractor is offering no-cost on overhead. The Designer and Construction Manager will continue to provide their services in order to keep the Contractor moving. The contractor will still be making money with the work they perform during the two (2) month extension, the only savings will be from the over-head costs. The Global Settlement received from Black Construction was submitted last week, and the CIP Committee requires time to review it, therefore an extension is needed.

Chairman Bamba thanked the Committee for their due diligence and asked the Committee to maximize the effort with regard to saving money with negotiations.

After further discussion, on motion duly made by Director Belanger, seconded by Director Weakley, the following resolution was unanimously approved via roll call vote:

Resolution No. 20-70

The Board hereby approves Change Order No. 16 for the Terminal Building Structural Upgrade and Concourse Isolation project in the amount of \$688,211.00; Change Order No. 17 extending Black Construction from October 3, 2020 to December 2, 2020, at no cost to the Airport; Work Orders extending the contract period from October 3, 2020 to December 2, 2020 for KHLG & Associates Inc. (KHLG), in the amount of \$440,509.90, and E&A Engineers for Post Construction Award Services (PCAS) in the amount of \$276,367.85, as presented by Management.

C. Real Property Leasing/Development for Airport Purposes

The next matter discussed was real property leasing and development for Airport purposes. Deputy Executive Manager Hernandez presented, asking for the Board's support in drafting the legislation, stating that due to the Covid-19 pandemic and the impact on Airport revenues, the current estimates based on FY20 budget reflect a \$30M reduction in revenue. Moving forward and looking to the longer term, it's important for the Airport to diversify its revenue streams, and one way is through the use of Airports real property assets, and to leverage those assets not only for aeronautical revenues but also non-aeronautical uses.

Currently there is a requirement for legislative approval to lease out property, and most recently there have been a number public laws that have certain requirements as it relates to leases for real property that are beyond five (5) years, which is considered an exceptional lease term contract.

Deputy Executive Manager Hernandez informed the Board that Management is proposing that the Board authorize Management to draft and finalize legislation that seeks legislative approval, through the Board Legislative Issues & Litigation Committee, to use and leverage Airport property in the most responsible way, in order to begin generating aeronautical and possibly non-aeronautical revenues, diversifying the Airport revenue base. The Deputy expressed the importance of the Airport to Guam's economy, and how vital it is to look for other revenue streams, outside of what's currently being impacted.

The Deputy Executive Manager advised that delegating the Legislative Issues & Litigation Committee to approve the draft in lieu of coming back to the Board for final approval at the next Board meeting in one (1) month's time, will save time, adding that although it may not reflect immediate revenue, there are instances of prior interest in investment, specific to aeronautical related services, such as rental or construction of hangars. Because of the procedures required, there has been less interest, therefore loss of potential revenue.

Director Belanger inquired if the proposed legislation will increase the five (5) year lease limit, and if that is the only basic issue. Deputy advised that the issues are mostly related to the current process and what is required, such as the submission of a determination of need, of

which is required to be approved by the Board, and then forwarded to the legislature. Discussion followed relative to the process.

Vice Chair Sobti inquired if the legislation is approved, will that effect old leases. Deputy advise there will be a prospective change.

Director Morato, as part of the Board's Legislative Issues & Litigation Committee announced that she is in support of the proposed legislation being drafted. Chairman Bamba expressed his support of generating revenue also.

Deputy Hernandez added that FAA assurance requirements stipulate that any lease of Airport property for non-aeronautical purposes shall be at fair market value.

Director Weakley asked if the five (5) year term is still in effect. Deputy clarified, investors are able to lease beyond five (5) years, however it would need to be approved by the legislature. The draft legislation will assist with the current processes.

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

Resolution No. 20-71

The Board hereby authorizes Management to work with the Board Legislative Issues & Litigation Committee to draft legislation to present to the Legislature relative to Real Property Leasing/Development for Airport Purposes, subject to review and finalization by the Board Legislative Issues & Litigation Committee.

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 Quinata. The report included brief updates on Airport operations, CIPs and Regulatory updates. Included with the report was an update relative to COVID-19.

8. REPORT OF THE COMPTROLLER

Mr. John Rios reported on the revenues and expenses of the Authority as of **August 31, 2020**. Mr. Rios reported that year-to-date Total Signatory Revenues are below budgeted revenues by **-41.0%**, year-to-date Total Concession Revenues and Passenger Facility Charges are below budget by **-36.1%** and **-58.5%**, respectively. Year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues are below the budget estimate by **-11.9%**. Year-to-date Total Operating Revenues Actual of **\$45.1M** is **-35.7%** below the budget estimate of **\$70.2M**. Year-to-date Total Operating Expenses are below budget by **-20.3%**. Components of this line item include a **-8.0%** decrease in Personnel Service, a **-23.9%** decrease in Contractual Services, a **-68.5%** decrease in Materials & Supplies and a **-82.0%** decrease in Equipment/Furnishings from

budgeted amounts for these respective categories. The actual year-to-date Net Revenues from Operations of **\$6.3M** reflects a decrease of **-70.6%** over the year-to-date budgeted amount of **\$21.5M**. Mr. Rios reported that the year-to-date Debt Service Coverage is at **1.88** versus the requirement of **1.25**.

Chairman Bamba asked the Comptroller to forward a spreadsheet of actuals versus projections based on the re-forecasted budget.

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 the remainder of the meeting, further requesting that Vice Chairman Sobti preside over the remainder of the meeting.

Upon written recommendation of counsel, Arriola Law Firm, the Board recessed at 4:28 pm. to convene into Executive Session after the recess.

The Board voted unanimously to convene into Executive Session at 4:42 p.m. to discuss litigation and pending litigation matters. Attending Executive Session were Directors Sobti, Weakley, Belanger, Morato, Tainatongo, Executive Manager Quinata, and Legal Counsel, Anita Arriola. Also present was the court reporter who will prepare a transcript of the Executive Session. This portion of Executive Session ended at 5:17 p.m.

Upon written recommendation of counsel, Calvo Fisher & Jacob, the Board recessed at 5:17 p.m. to convene into Executive Session after the recess.

The Board convened into Executive Session at 5:20 p.m. to discuss DFS L.P. related litigation to which GIAA is or may be a party. Attending Executive Session were Directors Sobti, Weakley, Belanger, Morato, Tainatongo, Executive Manager Quinata, and Legal Counsels, Janalynn C. Damian, Eduardo A. Calvo and Genevieve P. Rapadas. Also present was the court reporter who will prepare a transcript of the Executive Session.

Executive Session adjourned at 5:29 p.m., at which time the Board took a brief recess. Regular Session resumed at 6:02 p.m.

As a result of discussions during Executive session the Board made the following motions.

After further discussion, on motion duly made by Director Tainatongo, seconded by Director Belanger, the following resolution was unanimously approved via roll call vote:

Resolution No. 20-72

The Board hereby authorizes Management to send a formal request to the Office of the Attorney General of Guam to represent and include the A.B. Won Pat International Airport Authority, Guam in any lawsuit relative to the PFAS litigation.

After further discussion, on motion duly made by Director Morato, seconded by Director Tainatongo, the following resolution was unanimously approved via roll call vote:

Resolution No. 20-73

The Board hereby reaffirms and authorizes Management and the Board's Litigation Sub-Committee to handle all issues related to the DFS Procurement Litigation, and DFS Arbitration in consultation with Legal Counsel; and to further authorize Management and the Board's Litigation Sub-Committee to address and handle all matters relating to the Lotte Concession Agreement, because of the impact on the DFS Procurement Litigation and the Covid-19 Pandemic with regard to timeliness; and to include legislation, as discussed.

After further discussion, on motion duly made by Director Morato, seconded by Director Tainatongo, the following resolution was unanimously approved via roll call vote:

Resolution No. 20-74

The Board hereby authorizes Management and the Board's Litigation Sub-Committee to address and handle all matters relating to Lotte Torte Action.

10. PUBLIC COMMENTS

There were no Public Comments.

11. ADJOURNMENT

Motion to adjourn duly made by Director Tainatongo, seconded by Director Weakley; motion unanimously passed. The meeting was adjourned at 6:07p.m.

Dated this 19TH, day of NOVEMBER, 2020.



Brian J. Bamba
Chairman

Attest:



Donald I. Weakley
Board Secretary

Prepared and Submitted By:

A handwritten signature in black ink, appearing to read 'A. O'Brien-Rios', written over a horizontal line.

Amanda O'Brien-Rios

Corresponding Secretary

BOARD OF DIRECTORS REGULAR MEETING
3:00 p.m., Thursday, September 24, 2020
GIAA TERMINAL CONFERENCE ROOM #3

Public Notice

First Notice:

Pacific Daily News – September 17, 2020

Notice to Media – September 17, 2020

Second Notice:

Pacific Daily News – September 22, 2020

Notice to Media – September 22, 2020

AGENDA

- 1. Call to Order and Attendance**
- 2. Approval of Agenda**
- 3. Approval of Minutes**
 - A. August 27, 2020 Regular Meeting**
- 4. Correspondence**
- 5. Old Business**
- 6. New Business**
 - A. Approval of FY21 Insurance Renewal Program**
 - B. Contract Modifications - International Arrivals Corridor**
 - C. Real Property Leasing/Development for Airport Purposes**
- 7. Report of Executive Manager**
- 8. Report of the Comptroller**
- 9. Executive Session**
- 10. Public Comments**
- 11. Adjournment**

A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM
Board of Directors Regular Meeting
3:00 p.m., Thursday, September 24, 2020
GIAA Terminal Conference Room #3

SIGN-IN SHEET

	<u>PRINT NAME</u>	<u>COMPANY/AGENCY</u>
1.	JEAN BRUNO	GIAA
2.	Henry Cruz	GIAA
3.	FRANK SANTOS	TMC
4.	John Rios	Gina
5.	Anthony Briladany	Gina
6.	VICTOR J. CRUZ	GIAA
7.	ZOOM:	
8.	Ann Marie Muna	AM Insurance
9.	Maureen Maratita	Glimpses of Guam
10.	Rolenda Faasumalie	GIAA
11.	Edward Muna	GIAA
12.	TELEPHONE:	
13.	Maria Abante	Senator Terlaje's Office
14.	Lannie Walker	Guam Daily Post
15.	Connie Garrido	SSFM
16.		
17.		
18.		
19.		
20.		

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Pets & Stuff

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GOOD: 3 Lines, 3 Consecutive Days.....\$78.00**BETTER:** 3 Lines, 7 Consecutive Days.....\$99.00**BEST:** 3 Lines, 10 Consecutive Days.....\$115.00

ROOMMATES

Conditions/Restrictions: *Roommate
a person who shares a room or apartment with
another or others.**GOOD:** 3 Lines, 7 Consecutive Days.....\$57.00**BETTER:** 3 Lines, 10 Consecutive Days.....\$73.00

AUTOMOTIVE PACKAGES

• Automotive • Trucks • Bikes • Boats • Motorcycles
Conditions/Restrictions: One vehicle per ad
Ad format: Make, Model, Year.**GOOD:** 3 Lines, 7 Consecutive Days.....\$58.00**BETTER:** 3 Lines, 10 Consecutive Days.....\$68.50**BEST:** 4 Lines, 14 Consecutive Days.....\$79.00

SUPER DEALS

Personal Items below \$500 in total value

GOOD: 3 Lines, 7 Consecutive Days.....\$24.50**BETTER:** 3 Lines, 10 Consecutive Days.....\$33.00**BEST:** 3 Lines, 14 Consecutive Days.....\$40.00

*Price must be included in the ad to qualify.

PRIVATE PARTY PLEASERS

Personal Items below \$2,500 in total value

GOOD: 3 Lines, 7 Consecutive Days.....\$33.00**BETTER:** 3 Lines, 10 Consecutive Days.....\$43.50**BEST:** 3 Lines, 14 Consecutive Days.....\$54.00

*Price must be included in the ad to qualify.

Personal Items below \$2,501 in total value

GOOD: 3 Lines, 7 Consecutive Days.....\$59.00**BETTER:** 3 Lines, 10 Consecutive Days.....\$70.00**BEST:** 3 Lines, 14 Consecutive Days.....\$80.00

*Price must be included in the ad to qualify.

GARAGE SALE

• Fundraising • Rummage • Yard Sale

Conditions/Restrictions: 3 Consecutive Days

Ad format: Village, Date, Time

Garage Sale: Private residence

Rummage: School or Non-profit organization

GOOD: 3 Lines, 3 Consecutive Days.....\$24.50**BETTER:** 3 Lines, 7 Consecutive Days.....\$33.00

PETS

GOOD: 3 Lines, 3 Consecutive Days.....\$24.50**BETTER:** 3 Lines, 10 Consecutive Days.....\$33.00**BEST:** 3 Lines, 14 Days.....\$40.00

EFFECTIVE 12/28/15

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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 Thursday, September 24, 2020 at 3:00 p.m.
in Terminal Conference Room No. 3. In addition to regular
matters, pursuant to 5 G.C.A. §811(c)(2), Executive Session
will be held to discuss litigation, pending litigation, and per-
sonnel matters; DFS L.P. related litigation to which GIAA
is or may be a party. In light of COVID19 public health
emergency, GIAA will adhere to social distancing orders.
For those who wish to participate telephonically, please call
642-4717 or email arios@guamairport.net for further in-
formation. 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)

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Pacific Daily News

SPORTS

Big Ten

Continued from Page 32

reality is people in this country are ready to get back.

"What they're going to have to realize, though, is it's going to have to be carefully controlled and paced, and if and when there are blips, you stop and you have to be able to stop."

Fans will not be allowed to attend Big Ten games, and Wolfson said that will help mitigate community spread of COVID-19. He also pointed

to the success the NBA and NHL have had in containing the transmission of COVID-19.

"The risks are still there," Wolfson said. "But the facts have changed. We've got some new tools. We've learned some new lessons. We've looked at what other places have done, what other industries have done and maybe this is a time to say, 'OK, there's this compelling psychosocial need to move forward and demonstrate that we're not being beaten by this thing and sports in many respects are the epitome of our society saying, 'We can do this.'"

Amesh Adalja, an infectious disease scholar at the Johns Hopkins Bloomberg School of Public Health, said how the Big Ten season fares will depend on infrastructure.

"It's not a question of if you support or don't support the decision," said Adalja, a member of the NCAA's COVID-19 advisory panel. "Do you have the infrastructure to deal with the consequences of that decision? Do you have the ability to test people? Do you have the ability to sort of insulate what's going on from that kind of interaction from the rest of the community in a way that doesn't increase the overall risk

to an intolerable degree?"

"And much of what had gone on earlier when we were thinking about football, do colleges have the resources to be able to do enough testing to be able to minimize the risk? And there are new technologies that are coming to bear which may have some influence, and we have seen the ways that some of the professional sports leagues have been able to handle sports and that helps inform that decision."

The Big Ten has said it plans to test players daily with antigen tests, and Adalja and Kraft indicated antigen tests could be used reliably.

THE GUAM PUBLIC UTILITIES COMMISSION NOTICE OF PUBLIC MEETING

NOTICE IS HEREBY GIVEN that the Guam Public Utilities Commission (PUC) will conduct a regular business meeting, commencing at 6:30 p.m. on September 24, 2020, on the third floor, GCIC Building, 414 W. Soledad Ave., Hagatna.

The following business will be transacted:

Agenda

1. Approval of Minutes of July 30, 2020
2. Docomo Pacific Inc.
 - Docomo Docket 20-01, Petition for Annual USAC Certification, ALJ Report, and USAC Certification
3. PTI Pacifica Inc.
 - PTI Docket 20-01, Petition for Annual USAC Certification, ALJ Report, and USAC Certification
4. TeleGuam Holdings LLC
 - GTA Docket 20-01, Petition of GTA for Annual USAC Certification, ALJ Report, and USAC Certification
 - GTA Docket 20-02, Petition of GTA/Pulse Mobile for Annual USAC Certification, ALJ Report, and USAC Certification
5. MGuam Power Authority
 - GPA Docket 20-10, Petition for Creation of a Condominium Rate Schedule (ALJ Status Report)
 - GPA Docket 20-18, Petition for One Month Extension for RFO6 for Baseload Generating Plants, ALJ Report, Ratification of Chairman's Order
 - GPA Docket 20-19, Petition to Approve FY2021 CIP Ceiling Cap, ALJ Report, and Proposed Order
 - GPA Docket 20-20, Filing of the FY2021-2023 Construction Budget
 - GPA Docket 20-16, Petition to Approve GPA's Request to Retire Piti 8 & 9, ALJ Report, and Proposed Order
6. Administrative Matters
 - Hiring of Part-Time Assistant for PUC Administrator, Resolution 20-02, Authorization to Create an Administrative Assistant Position
 - Establishment of ACH or Wire Transfer Capability for PUC Bank Account
 - Financial Information on the Port Authority of Guam for FY 2020 (Informational Purposes)
 - FY2021 Administrative Budget/Annual Assessment Order
 - Automatic Renewal of Eight PUC Consultant Agreements for One Year Terms commencing October 1, 2020, unless terminated by PUC prior to commencement date
 - Approval of Employment Agreement for PUC Administrator, Resolution 20-03
 - Hiring of Sanford Technology Group to handle PUC payroll
 - Management Audit of GSWA, MSW Consultants (ALJ Status Report)
 - PUC Website Update
7. Other Business

Due to the current public health emergency, all persons attending the meeting will be required to wear masks. Social distancing protocols will be observed. Further information about the meeting may be obtained from the PUC's Administrator Lou Palomo at 472-1907. Those persons who require special accommodations, auxiliary aids, or services to attend the meeting should also contact Ms. Palomo.

This Notice is paid for by the Guam Public Utilities Commission



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 Thursday, September 24, 2020 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 litigation, pending litigation, and personnel matters; DFS L.P. related litigation to which GIAA is or may be a party. In light of COVID19 public health emergency, GIAA will adhere to social distancing orders. For those who wish to participate telephonically, please call 642-4717 or email arios@guamairport.net for further information. 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 WATERWORKS AUTHORITY

Gloria B. Nelson Public Services Building, 688 Route 15, Mangilao, Guam 96913

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This ad is paid for by GWA (Public Law 26-12)

INVITATION TO BID

The GUAM WATERWORKS AUTHORITY, will receive sealed bids for **VM Appliance**, in **GWA IFB. NO. 2020-17**. Bids will be accepted until **10:00 a.m.** Chamorro Standard Time, **OCTOBER 13, 2020** at the GWA Procurement Office, first floor located at the Gloria B. Nelson Public Services Building in Mangilao at which time and place all bids will be publicly opened and read aloud. All bids must be accompanied by a Bid / Performance Bond, in the amount of fifteen percent (15%) of the total bid price. Bid security may be bid/performance bond, Surety Bond, certified check or cashier check made payable to Guam Waterworks Authority. A non-refundable amount of \$15.00 is required for the purchase price of every set of bidding documents which are available at the GWA Procurement Office. Bidders can download a bid package at www.guamwaterworks.org without charge, although vendors are strongly encouraged to contact via e-mail at psbids@guamwaterworks.org or visit GWA Procurement to register to ensure that updated information, notices or bid amendments are distributed to you.

GWA reserves the right to revise or reject any or all proposals and to waive any minor imperfection in the bid proposal in the interest of the Guam Waterworks Authority.

/s/ MIGUEL C. BORDALLO, P.E.
General Manager



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29

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM
Thursday, August 27, 2020, 3:00 p.m.
GIAA TERMINAL CONFERENCE ROOM #3**

1. CALL TO ORDER AND ATTENDANCE

The August 27, 2020 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 3:05 p.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasaheru, Tamuning, Guam, 96913.

Directors Present:

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

Offices or positions:

Chairman
Vice Chairman
Board Secretary

Directors Absent:

GIAA Officials:

John M. Quinata
Artemio R. Hernandez, Phd.
John A. Rios
Jean M. Arriola
Vince Naputi
Raymond Santos (Via VTC)
Joseph Javellana (Via VTC)
Rolenda Faasuumalie (Via VTC)

Executive Manager, Acting
Deputy Executive Manager
Comptroller
Airport Services Manager
Chief, Airport Police
Acting Chief, ARFF
Program Coordinator IV
Airport Marketing

Anita Arriola, Esq. (Via VTC)
Frank R. Santos (Via VTC)

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 Director Belanger, seconded by Director Alcorn; motion unanimously passed.

3. APPROVAL OF MINUTES

A. July 30, 2020 - Regular Meeting

Chairman Bamba advised of a correction required on page four (4).

On motion duly made by Director Morato, seconded by Director Alcorn, the following resolution was unanimously passed via roll vote:

Resolution No. 20-61

The Board hereby approves the minutes of the July 30, 2020 regular meeting, subject to corrections.

4. CORRESPONDENCE

Executive Manager Quinata advised of correspondence received from the Airline Operator's Committee (AOC) which was provided in the Board's packet. The correspondence is in reference to the CARES Act and rent relief for Signatory Airlines. Executive Manager Quinata announced that Deputy Executive Manager Hernandez will cover this during the COVID 19 Rent Relief under Old Business.

5. OLD BUSINESS

A. COVID 19 Rent Relief

Deputy Executive Manager Hernandez advised the Board that a letter dated August 19, 2020 was received from AOC's Justin Marion, Chairman (United Airlines, Guam) and Robert Navarro, Vice Chairman (Japan Airlines, Guam). Said letter is in reference to Airport fees and rent relief. Inconsideration of the request, GIAA has drafted a rent relief package to present to Airport partners for the month of July.

Management is recommending a continuation of rent relief to MAG tenants for the month of July 2020 in the amount of \$954K. In addition, Signatory airlines will be offered a 70% reduction in rental for the month of July, approximately \$184,964.00 in relief. Deputy Executive Manager Hernandez also advised that Management is requesting that the Board consider authorizing Management to negotiate with and provide tenants with rent relief for the upcoming months of August and September 2020.

Director Alcorn inquired if August and September there would be a cap for rent relief. The Deputy replied that it would ultimately be up to the Board however, the current amount approved for July is recommended. Director Morato added that she is in support of the relief, provided the Airport is still able to maintain Airport operations and safety. Brief discussion followed.

Vice Chairman Sobti inquired if the recommended amount of \$954K for MAG tenants is what was approved for the months of April to June. Deputy Executive Manager replied yes, and the additional recommended amount of \$184,964.00 for Signatory Airlines.

After further discussion on motion duly made by Director Morato, seconded by Director Alcorn, the following resolution was unanimously passed via roll vote:

Resolution No. 20-62

The Board hereby approves the proposed COVID-19 Rent Relief package in an amount up to \$954,000.00 for MAG tenants for the month of July 2020, and a 70% reduction in rental fees for Signatory Airlines in an amount up to \$184,964.00 for the month of July 2020; the Board further authorizes Management to individually meet with MAG tenants to come to mutually agreeable arrangements and provide rent relief for the months of August and September 2020, not to exceed the amount of \$954,000.00, subject to legal review.

B. Contract Modifications – International Arrivals Corridor

The next item on the agenda was contract modifications for the Terminal Building Structural Upgrade and Concourse Isolation project. Mr. Frank Santos, GIAA Consultant presented three (3) modifications:

1. Change Order No. 15 to the Board. The referenced CO is in the amount of \$1,170,678.00, with no changes to the duration of the contract. Change Order No. 15 consists of twenty-three (23) Proposed Change Orders (PCO's) that were negotiated by the Construction Manager.
2. A Work Order with E&A Engineers for Post Construction Award Services (PCAS) for the referenced project in the amount of \$314,070.52 for the period of August 4, 2020 to October 2, 2020.
3. A proposed two (2) month extension with KHLG & Associates Inc. (KHLG), the Construction Management firm in the amount of \$507,080.92.

Director Belanger informed the Board that referenced modifications were vetted at CIP Committee meeting recently held. Director Belanger announced that in the future he would like to see the original submission amounts for the PCO's before the negotiations are finalized. Mr. Santos acknowledged the request.

Chairman Bamba inquired on CO's and if there are any changes with regard to time delays. Mr. Santos replied that there are no changes to the contract at this time with regard to delays.

Chairman Bamba announced that he would like to see a downward trend with regard to amounts negotiated.

After further discussion, on motion duly made by Director Belanger, seconded by Director Weakley, the following resolution was unanimously approved via roll call vote:

Resolution No. 20-63

The Board hereby approves Change Order No. 15 for the Terminal Building Structural Upgrade and Concourse Isolation project in the amount of \$1,170,678.00, as presented by Management; Work Order with E&A Engineers for Post Construction Award Services (PCAS) for the referenced project in the amount of \$314,070.52 for the period of August 4, 2020 to October 2, 2020; and two (2) month extension with KHLG & Associates Inc. (KHLG), in the amount of \$507,080.92, subject to downward negotiations.

6. NEW BUSINESS

A. Approval of GIAA Operating Budget FY2021

The first item discussed was the approval of GIAA's operating budget for fiscal year 2021. Deputy Executive Manager Hernandez gave a brief overview on a number of key points, stating that the unprecedented nature of operations of all airports in the nation are presenting a lot of challenges for GIAA in terms of trying to forecast the next fiscal year. The Deputy thanked the management team and division heads on their work to continue reducing costs to operate the Airport, without sacrificing safety and security. Three key points that Management would like to bring to the attention of the Board, Operations and Maintenance expenditures: have been reduced by 20%, GIAA has done it's due diligence by looking internally to reduce costs; CIP debt service savings: GIAA has put the savings back in to reduce rates being charged, which is a direct use of CARES Act money to assist GIAA stakeholders; CARES Act money: GIAA may have utilized this money in FY20, however decided to hold and utilize in FY21.

Mr. John Rios, Comptroller went on to present the operating budget for fiscal year 2021. In summary, enplaned passengers for FY20 experienced a significant drop, with 1.85M passengers reported in FY19 and FY20 forecasted to end with 889K enplaned passengers due to COVID 19; Airline projections for FY21 are forecasted at 1.14M passengers. Operations and Maintenance expenditures were reduced from the approved \$53.3M in FY20 to \$42.8M in FY21. Total Airport revenues including PFC and CARES act funds are forecast to decrease from the approved \$77.9M in FY20 to \$63.6M in FY21, inclusive of \$6M from CARES Act. The impact on Total Revenues continue to decline due to COVID 19.

Chairman Bamba inquired on the correlation between GIAA's forecasted enplaned passengers and GVB's forecasted passenger arrivals. Mr. Rios replied that there is a slight correlation.

Letters were sent out in April to the Airlines requesting for projections for the end of this fiscal year and for next fiscal year. Brief discussion followed relative to CARES Act funding.

Chairman Bamba announced that he would like to see a little more focus on initiatives with regard to opportunities and challenges adapting to a new way of travel.

After further discussion, on motion duly made by Director Alcorn, seconded by Vice Chairman Sobti, the following resolution was unanimously approved via roll call vote:

Resolution No. 20-64

The Board hereby approves the Operating Budget of fiscal year 2021 as presented, subject to adjustments.

At this time, Executive Manager Quinata announced that there was a matter that requires Board action. The item is invoices from Torres Law Group for legal services incurred in July 2020. Executive Manager Quinata announced that the Conflicts Counsel threshold is \$5k per month, the invoices exceeded the monthly threshold by \$654.09. Chairman Bamba suggested the agenda be amended to include the referenced matter.

On motion duly made by Chairman Bamba, seconded by Director Alcorn, the following resolution was unanimously passed via roll vote:

Resolution No. 20-65

The Board hereby amends the agenda to include Legal Service invoices from Torres Law Group under New Business.

Vice Chairman Sobti announced that he would also like to recuse himself from the next portion of the meeting due to a conflict of interest with the firm to be discussed.

After further discussion, on motion duly made by Director Alcorn, seconded by Director Tainatongo, the following resolution was unanimously approved via roll call vote, with Vice Chairman Sobti recusing himself due to conflicts of interest:

Resolution No. 20-66

The Board hereby authorizes payment to Torres Law Group for legal services incurred in July 2020 in the amount of \$5,654.09.

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 Quinata. The report included brief updates on Airport operations, CIPs and Regulatory updates. Included with the report was an update relative to COVID-19. Brief discussion on employees who have tested positive and the operational status at the Airport.

8. REPORT OF THE COMPTROLLER

Mr. John Rios, Comptroller presented a brief month to month forecast for the Board's information, which included enplanement numbers and signatory revenues.

9. EXECUTIVE SESSION

There was 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 4:42 p.m.

Dated this _____, day of _____, 2020.

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, 2020

GENERAL AIRPORT INSURANCE – RENEWAL FOR FISCAL YEAR 2021

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 FY2021. Management recommends the Board adopt the FY2021 insurance program as appended.

The total premium costs for all coverage including Catastrophic perils for FY2021 is **\$920,380** net of the broker's commissions. This represents an increase in premium of **\$102,150** per annum compared to FY2020 premium cost of **\$818,230**.

A.B. Won Pat International Airport Authority, Guam
FY2021
MARKETS & UNDERWRITERS

GENERAL AGENT	CARRIER	BEST RATING/ FINANCIAL STRENGTH	PROPERTY	AIRPORT LIABILITY	WORKERS COMP	DIRECTORS & OFFICERS	EPL	COMMERCIAL AUTO	CYBER	CRIME
CENTURY	Century	B++ / V	Carrier does not meet financial rating required by Insurance Specifications.							
CALVO'S	National Union	A / XV	\$452,700	\$183,600	No Quote	No Quote	No Quote	No Quote	No Quote	No Quote
CASSIDY'S	Pacific Indemnity	AA	As a result of the current business environment, they are not entertaining any new business at this time.							
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 \$264,863.11 70% Deposit (Subject to Audit) \$185,404.17	1-Year \$34,680 3-Year \$31,212	Included	1-Year \$42,636.67 3-Year \$38,373	No Quote	1-Year \$5,400 3-Year \$4,860
MOYLAN'S	First Net	B++ / V Does Not Meet Specs.	No Quote	No Quote	1-Year \$100,000 3-Year \$90,000	No Quote	No Quote	No Quote	No Quote	No Quote
NANBO	Tokio Marine	A++ / XV	No Quote	No Quote	\$201,363	No Quote	No Quote	No Quote		\$6,456
GUAHAN	Sompo Japan/Nippon Koa	A+ / XV	Carrier noted challenges in the market for this specialized risk and required nothing less than 2 months time considering the current business environment and hardening market.							
TAKAGI & ASSOCIATES	Aioi	A+ / XV	Carrier did not respond to Request for Proposal.							

NOTE (S):

19 Aug 2020-Transmitted Specs to all qualifying carriers; 11 Sept 2020-Quotes due from all carriers; 14 Sept 2020-Quotes due to GIAA

**A.B. WON PAT INT'L AIRPORT AUTHORITY, GUAM
FY2021 INSURANCE QUOTES**

POLICY DESCRIPTION	CURRENT INSURER	COVERAGE	FY2020 PREMIUM	FY2021 QUOTES			
				MOYLAN'S		NANBO	CALVO'S
				DB	FIRST NET (*)		
PROPERTY COVERAGE (All Risk incl Windstorm, Typhoon & Earthquake) FY2020 Property & Equipment Value - \$425,783,531 FY2021 Property & Equipment Value - \$430,398,710 Increase: \$4,615,179 SUBLIMITS 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 DEDUCTIBLE All Perils - Each and every Loss Including Tidal Wave, Flood & Boiler & Machinery \$450,000 Windstorm, Typhoon & Earthquake Shock \$5,000,000 Business Interruption 72 Hours	Calvo's (AIG)	\$200,000,000	\$451,879	NO QUOTE	NO QUOTE	NO QUOTE	\$452,700
AIRPORT OPERATORS LIABILITY Personal Injury Limit (in the aggregate) \$25,000,000 DEDUCTIBLE Property Damage \$75,000 War & Terrorism Excluded POLICY ENHANCEMENTS Contingent Contractors Legal Liability \$250,000 AVN52G War Buy-Back \$150,000,000	Calvo's (AIG)	\$500,000,000	\$183,600	NO QUOTE	NO QUOTE		\$183,600
DIRECTORS & OFFICERS LIABILITY Employment Practices Liability Sublimit REQUIRED CONDITIONS: Continuity Date: Pending & Prior Litigation and Pollution Claims (Oct. 1, 1992) and Employ. Practices Liability (Oct. 1, 2007)	Moylan's (DB)	\$4,000,000 \$1,000,000 Entity Coverage	\$36,720	1-Year \$34,680 3-Year \$31,212		NO QUOTE	NO QUOTE
WORKMENS COMPENSATION Coverage is extended to apply in respect of Executive Officers of the Authority	Moylan's (DB)	PL80 Stat. Benefits. \$1,000,000 E.L.	\$97,743	1-Year \$264,863.11 70% Deposit (Subject to Audit) \$185,404.17	1-Year \$100,000 3-Year \$90,000	1-Year \$201,363	NO QUOTE
AUTOMOBILE COVERAGE LIMITS A. Bodily Injury & Property Damage Liability \$2,000,000 B. Comprehensive & Collision Incl Typhoon Actual Cash Value C. Medical Payments - each person \$1,000 DEDUCTIBLE \$1,000 - Comprehensive, Collision & Typhoon FY2020: 79 Vehicles FY2021: 81 Vehicles Note: Item B - Applies to all vehicles with a current market value of \$10k or more	Moylan's (DB)		\$42,888	1-Year \$42,636.67 3-Year \$38,373	NO QUOTE	NO QUOTE	NO QUOTE

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

**A.B. WON PAT INT'L AIRPORT AUTHORITY, GUAM
FY2021 INSURANCE QUOTES**

POLICY DESCRIPTION	CURRENT INSURER	COVERAGE	FY2020 PREMIUM	FY2021 QUOTES			
				MOYLAN'S		NANBO	CALVO'S
				DB	FIRST NET (*)		
CRIME	Moylan's (DB)		\$5,400	<u>1-Year</u>	NO QUOTE	<u>1-Year</u>	NO QUOTE
COVERAGE LIMITS				\$5,400		\$6,456	
A. Aggregate		\$1,000,000		<u>3-Year</u>			
B. Employee Dishonesty Coverage		\$1,000,000		\$4,860			
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					
DEDUCTIBLE							
\$50,000 each & every loss EXCEPT loss inside/outside the premises at \$10,000 each occurrence							
REQUIRED CONDITIONS:							
Retroactive dates 10/01/2004 iro Employee Dishonesty in excess of \$500,000 and 10/01/2003 iro all other coverages.							
CYBER LIABILITY				NO QUOTE	NO QUOTE	NO QUOTE	NO QUOTE
COVERAGE LIMITS:							
A. Network Security & Privacy Liability		\$3, 5 & 10MM					
B. Breach Notification Costs							
C. Internet Media Liability							
D. Cyber Crime/Extortion							
E. Data Restoration							
F. Cyber Business Interruption							
G. Miscellaneous Professional Liability							
H. Technology Professional Liability							
TOTAL FY2020 PREMIUM :			\$818,230				

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

**A.B. WON PAT
INTERNATIONAL AIRPORT AUTHORITY, GUAM
PREMIUM COMPARISON
FY2020 - FY2021**

POLICY	FY2020	FY2021	PREMIUM DIFFERENCE	(%) PERCENT
Property (Including Catastrophe Cover)	\$451,879	\$452,700	\$821	0.182%
Airport Operators Liability	\$183,600	\$183,600	\$0	Nil
Directors & Officers	\$36,720	\$34,680	(\$2,040)	-5.556%
Workers Compensation	\$97,743	\$201,363	\$103,620	106.013%
Automobile Insurance	\$42,888	\$42,637	(\$251)	-0.586%
Crime Insurance	\$5,400	\$5,400	\$0	Nil
TOTAL:	\$818,230	\$920,380	\$102,150	



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Mailing Address
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Pasadena, CA 91102

September 22, 2020

A.B. Won Pat International Airport Authority
P.O. Box 8770
Tamuning, Guam 96931

Re: Insurance Renewal Recommendations
F/Y 2021

Dear GIAA Team,

In follow up to our meeting of yesterday, I am making the following recommendations for the upcoming renewal term:

Property Insurance – Calvo's/AIG
Airport Liability – Calvo's/AIG
Directors & Officers – Moylan's/DB 1 year option
Workers Compensation – Nanbo
Auto – Moylan-s/DB 1 year option
Crime – Moylan's/DB 1 year option

As respects the Workers' Compensation, based on the current information, I am not recommending First Net due to the fact that their AM Best rating does not meet GIAA's minimum requirements. If we are offered more clarification as to why they would be a good option, then we can certainly revisit.

If you have any questions or need anything further, please do not hesitate to reach out. I am more than happy to be of assistance.

Sincerely,

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

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KHLG-GIAA
CO 16

**Contractor's Request for Change Order No. 16
Review / Recommendations
for**

**A.B. WON PAT GUAM INTERNATIONAL AIRPORT AUTHORITY
TERMINAL BUILDING STRUCTURAL UPGRADE AND CONCOURSE
ISOLATION PROJECT**

**CLIENT PROJECT NO: GIAA-FY14-01-1
AIP NO: 3-66-0001-097
OFB NO: GIAA-C06-FY16
GIAA CONTRACT NO: GIAA-17-003 (C)**

PROJECT CONSTRUCTION MANAGER: Kent Hsieh, KHLG & Associates

Submitted by:
Kent Hsieh, P.E.
Construction Manager



22 September 2020

A.B. Won Pat Guam International Airport Authority
P.O Box 8770
Tamuning, Guam 96931

Attention: Mr. John M Quinata
Executive Manager

Through: Mr. Victor J. Cruz
Engineer Supervisor

Subject: Construction Manager Recommendation for Approval of **Change Order No. 16**
A.B. Won Pat Guam International Airport Authority
Terminal Building Structural Upgrade and Concourse Isolation Project
Project No.: GIAA-FY14-01-1
AIP No.: 3-66-0001-097; IFB No.: GIAA-C06-FY16
GIAA Contract No.: GIAA-17-003(C)

Dear Mr. Quinata,

We are endorsing our recommendation for the approval of **Change Order No. 16** in the amount of **Six Hundred Eighty Eight Thousand, Two Hundred Eleven Dollars and No Cents (\$688,211.00)** for the additional cost the Contractor will incur on the Project associated with Change Order Work as shown in each individual PCO's.

These works shall be invoiced for payment based on completed and accepted work in placed.

Briefly summarized, this proposed change order package consists of (2) Two EA individual PCO's numbers identified as follows:

PCO 162	Refilling Argon System at Chiller/Pump Room
PCO 172	Builder's Risk Insurance Extension (2/9/20 to 3/21/21)

KHLG has completed price negotiation on the above PCO's with BCC and based on our determination, finds the negotiated total amount of **\$688,211.00** as fair and reasonable and in the best interest of GIAA.



Should you have any comments, questions and/or concerns, please do not hesitate to contact the undersigned.

KHLG & ASSOCIATES, INC.

Kent Hsieh, P.E.
Construction Manager
Email: kenth@khlgassociates.com

Enclosure: 1) Brief Description and amount of each PCO's

Cc: Frank Santos, Transportation Management Group
Victor J. Cruz, GIAA Engineering



**PROJECT: TERMINAL BUILDING STRUCTURAL UPGRADE AND
CONCOURSE ISOLATION**

Project No.: GIAA-FY14-01-1
AIP No.: 3-66-0001-97
Contract: GIAA-17-003 (C)

Change Order No.: 16

In connection with Contract No. GIAA-17-003 (C), a construction contract between Black Construction Corporation (Contractor) and Antonio B. Won Pat International Airport Authority - Guam (Owner), dated January 26, 2017 for the Terminal Building Structural Upgrade and Concourse Isolation Construction, the following change order is made in accordance with the Contract Document General Provisions, Section 35, Paragraph 35.8:

1. Description of Change Order No. 16:

a. PCO 162: Refilling Argon System Refilling at Chiller/Pump Room

- i. The Contractor via Subcontractor, G4S, shall perform the removal, pressure testing, refilling and reinstallation of 46 discharged argon cylinders located at the apron level chiller/pump room.
- ii. Amount of PCO 162 Part i. \$ 125,761.00
- iii. Argon Gas Tank valve replacement if necessary
This work shall be invoiced at a unit cost as defined below:
Sub-Contractor (G4S) fee shall be on a unit cost as follows:
46 tanks @ \$1066.17.00 per tank
- iv. Amount of PCO 162 Part iii. not to exceed \$49,044.00

b. PCO 172: Builder's Risk Insurance Extension (2/9/20 to 3/21/21)

- i. As a result of Builder's Risk Insurance Extension from February 9, 2020 to March 21, 2021 which includes insurance broker Alliant Insurance Service's April 29, 2020 quotation for BRI extension and initial payment to the "surplus line" provider Calvo's Insurance Underwriters on Alliant's behalf and another invoice from Calvo's for the SL T&F..
- ii. Amount of PCO 172 \$ 513,406.00



**KHLG-GIAA
CO-16**

CHANGE ORDER NO. 16 NOT TO EXCEED TOTAL AMOUNT OF \$688,211.00

2. This Change Order No. 16 is only for the Work Defined above.

3. Conditions:

- a. The aforementioned change order works affected thereby are subject to all contract requirements and covenants;
- b. The rights of A.B. Won Pat International Airport Authority, Guam, are not prejudiced;
- c. Duration of Change Order 16 shall be 0 Calendar Days;
- d. All claims against A.B. Won Pat International Airport Authority, Guam, which are incidental to, or as a consequence of the aforementioned change order works, are satisfied in their entirety.

4. Justification of Change Order item:

See individual PCO.

5. Modification to the Contract:

a. Original Contract Amount:	\$ 96,932,000.00
b. Previous Change Orders (CO#01 to #15):	\$ 19,485,086.36
c. Contract Amount prior to Change Order 16:	\$ 116,417,086.36
d. Amount of Change Order No. 16:	\$ 688,211.00
e. Current Revised Contract Amount:	\$ 117,105,297.36
f. Notice to Proceed Date:	March 01, 2017
g. Original Contract Time:	927 Calendar Days
h. Original Contract Completion Date:	September 13, 2019
i. Change Order No.7 Contract Time Extension:	325 Calendar Days
j. Change Order No.13 Contract Time Extension:	60 Calendar Days
k. Contract Time Extension for Change Order No. 16:	- 0 - Calendar Days
l. Revised Contract Completion Date:	October 2, 2020

In witness thereof, the parties have signed this Change Order this _____ day of September 2020.



**KHLG-GIAA
CO-16**

APPROVED:

**A.B. WON PAT GUAM INTERNATIONAL
AIRPORT AUTHORITY**
(Contracting Officer)

**CONTRACTOR:
BLACK CONSTRUCTION CORP.**

By: _____
John M. Quinata
Executive Manager

By: _____
Leonard K. Kaae
Senior Vice President/General Manager

Date: _____

Date: _____

CERTIFIED FUNDS AVAILABLE:

By: **Antonnette Bautista**
Certifying Officer, GIAA

Date: _____

TO: E&A Engineers P.O. Box 11649 Tamuning, Guam 96931		TODAY'S DATE 9/23/2020	WORK ORDER NO. E&A 2014-17	PAGE of <small>(Attach Scope of Work /Inecessary)</small>
AMOUNT: \$276,367.85 EFFECTIVE DATE OF WORK ORDER: COMPLETION DATE:		CONTRACT TITLE/NO. Agreement No. GIAA-14-005(D)		
SUBJECT: Post Construction Award Services (PCAS), Terminal Building Structural Upgrade and Concourse Isolation, Project No. GIAA-FY14-01-1, October 3, 2020 to December 2, 2020.				
SCOPE OF WORK (SOW): <i>(If SOW requires additional space, please identify number of pages attached on the top right corner of form.)</i> See attached Scope of Work.				
1. Work Order is issued pursuant to the cited Contract Title/No. stated above. 2. Performance shall be pursuant to terms of the Agreement, incorporated herein by reference. 3. Payment shall be made in accordance with the payment terms of the Agreement, after submission of an invoice and GIAA's acceptance of services as satisfactory.				
ACCEPTED BY: FIRM/COMPANY NAME E&A Engineers		AUTHORIZED BY: By: JOHN QUINATA Executive Manager		
By: Carlito P. Acabado		Date:		
Principal (Print)		Certified Funds Available: By:		
Signature:		JOHN A. RIOS Certifying Officer		
Date: 9/23/2020		Date:		
GIAA INTERNAL USE ONLY				
DIVISION: Account #:		PROCUREMENT:		
ACCOUNTING:		Supply Management Administrator		
Obligation of funds: Date:		Print/Sign Name:		
(Print Name/Initial)				
Authorized by: Date:		Initial: Date:		
(Print Name/Initial)				

ADM210-14-002 Revised 2/09/2016



E&A ENGINEERS
P.O. BOX 11649, TAMUNING, GUAM 96931
 180 East Marine Corps Drive
 FIC Bldg, Unit 6
 Dededo, Guam 96929

PROJECT NO. Post Construction Award Services (PCAS)
 Terminal Building Structural Upgrade and Concourse
 Isolation, Project No.: GIAA-FY14-01-1 (2 months)
 Oct 3, 2020 to Dec 2, 2020

ITEM	DESCRIPTION	HOURS	RATE	COST
0001A	Principal (RFI and Structural Red Line Review)	38hrs/mo x 2 mos.	76 \$ 247.79	\$ 18,832.04
0001B	Project Engineer (RFI and Submittal Reviews/Goto Meeting/Coordination Meeting)	160hrs/mo x 2 mos.	320 \$ 114.63	\$ 36,681.60
0001C	Architect (RFI and Submittal Reviews)	88 hrs/mo x 2 mos.	176 \$ 170.00	\$ 29,920.00
0001D	Architect - CADD Technician (Red Line Drawings)	132 hrs/mo x 2 mos.	264 \$ 77.71	\$ 20,515.44
0001E	Civil (Meeting)	-	\$ 86.84	\$ -
0001G	Structural (RFI and Submittal Reviews/Goto Meeting)	150 hrs/mo x 2 mos	300 \$ 251.40	\$ 75,420.00
0001H	Structural - CADD Technician	-	\$ 77.71	\$ -
0001I	Mechanical - Air-Conditioning and Ventilation (RFI and Submittal Reviews)	31 hrs/mo x 2 mos	62 \$ 149.84	\$ 9,290.08
0001J	Mechanical - CADD Technician	-	\$ 77.71	\$ -
0001K	Plumbing and Fire Protection (RFI and Submittal Review)	35 hrs/mo x 2 mos	70 \$ 149.84	\$ 10,488.80
0001L	Plumbing and Fire Protection - CADD Technician	-	\$ 77.71	\$ -
0001M	Electrical (RFI and Submittal Review)	35 hrs/mo x 2 mos.	70 \$ 179.47	\$ 12,562.90
0001N	Electrical - CADD Technician	-	\$ 77.71	\$ -
0001O	Cost Engineer/Estimator	-	\$ 114.63	\$ -
0001P	Specification Writer	-	\$ 86.84	\$ -
0001Q	Administrative Assistance	60 hrs/mo x 2 mos	120 \$ 88.26	\$ 10,591.20
SUBTOTAL ITEM 0001				224,302.06

0002	SITE SURVEILLANCE/FIELD SUPPORT	HOURS	RATE	COST
0002A	E&A Engineers (Prime)	30 hrs/mo x 2 mos	60 \$ 247.79	\$ 14,867.40
0002B	Architect	28 hrs/mo x 2 mos	56 \$ 170.00	\$ 9,520.00
0002C	Civil Engineer	37 hrs/mo x 2 mos	74 \$ 86.84	\$ 6,426.16
0002D	Structural Engineer	-	\$ 251.40	\$ -
0002E	Mechanical - Air-Conditioning and Ventilation	8 hrs/mo x 2 mos	16 \$ 149.84	\$ 2,397.44
0002G	Plumbing and Fire Protection	8 hrs/mo x 2 mos	16 \$ 149.84	\$ 2,397.44
0002F	Electrical Engineer	8 hrs/mo x 2 mos	16 \$ 179.47	\$ 2,871.52
0002H	Landscape Architect	-	-	\$ -
SUBTOTAL ITEM 0002				\$ 38,479.96

0003	REPRODUCTION COSTS	UNITS	SIZE	UNIT PRICE	NO. OF UNIT	COST
0003A	Blueline Print	Each	30" x 42"	2.00	-	\$ -
0003B	Blueline Print	Each	11" x 17"	0.50	-	\$ -
0003C	Specifications	Each	8.5" x 11"	0.10	-	\$ -
0003D	Cost Estimate	Each	8.5" x 11"	0.10	-	\$ -
0003E	Design Analysis	Each	8.5" x 11"	0.10	-	\$ -
0003F	Reports	Each	8.5" x 11"	0.10	-	\$ -
0003G	Mylar	Each	30" x 42"	10.00	-	\$ -
0003H	CD-ROM	Each	700 MB	2.00	-	\$ -
0003J	Diskette	Each	1.44MB	1.00	-	\$ -
SUBTOTAL ITEM 0003						\$ -

TOTAL COST (ITEM 0001+ITEM 0002+ITEM 0003+ITEM 0004) \$ 262,782.02
GRT (ITEMS 0001+ITEM 0002 MULTIPLIED BY 5.17%) \$ 13,585.83
TOTAL BASIC DESIGN SERVICES FEE 276,367.85

Signed: 
 CARLITO P. ACABADO, P.E.
 Principal

Date: 23-Sep-20

A/E Services for Terminal Building Structural Upgrade and Concourse Isolation Design; PCAS (Post Construction Award Services)

SCOPE OF WORK --2 MONTHS CONSTRUCTION PERIOD

October 3, 2020 to December 2, 2020

1. Acceptance Testing of Critical Systems: Assist the GIAA/CM with the acceptance/approval of critical system test results for both the Concourse Isolation and the Structural retrofit from the Construction Contractor. Fee shall be time and materials.
2. Office Consultation and Submittal Review: All consultation related to the review, research, coordination and documentation and shall commence be charged for effort following the award of the contract for construction.
3. Field Consultation During Construction (FCDC): Site visits during construction for the purposes of observations or consultation and report.
4. Provide construction administrative services to include contractor's submittal reviews and approval for materials and shop drawings.
5. Work with Contractor to provide operational and maintenance support information (OMSI) for fire protection systems.
6. Review record drawings based on Contractor's redline mark-ups. PCAS will assist CM to get drawings up to date.
7. Conduct pre-final and final inspection for plumbing, fire sprinkler, and fire alarm system. Product data and Submittal Review (per submittal items identified in the design specifications and drawings).
8. Product data and Submittal Review (per submittal items identified in the design specifications and drawings).
9. Conduct Field Observations during Construction (budget an average of 2 per month in the first 4 months (1 per week) for the last 2 months of each phase. Conduct Field Observations during Construction at a frequency dictated by the fee proposal.
10. Review Contractor's Value Engineering proposals and change orders.
11. Witness testing of critical equipment.
12. Response to design related RFIs.
13. Assist CM and perform field consultation for construction related RFIs
14. Conduct Punchlist Inspections
15. Conduct Pre-Final Inspections
16. Conduct Final Inspections
17. Attend pre-construction and regular construction meetings
18. Review manufacturer's equipment and product data submittals
19. Review installation shop drawings
20. Review Test Reports and Close-out documents (As-built drawings, O&M Manuals).
21. Additional Work and Consultation: Services beyond the work groups shown above shall be provided on an hourly basis at the rates shown below for the duration of the Construction period. Change orders, value engineering and other consultation services not shown above shall be charged on a time and material basis at the rates shown below or via Fee proposals for specific scope.
22. Not Included in Scope of Work: Design of HVAC, interior design of concession/tenant areas, construction management services, LEED, and all other services are excluded.

**A/E Services for Terminal Building Structural Upgrade and Concourse Isolation
Design; PCAS (Post Construction Award Services)**

23. Any items not listed above are specifically excluded from the PCAS Scope of Work. These items, if any, will be performed and invoiced as Time and Material at the proposed manhour rates indicated below:

Project Manager:	\$247.79
Project Engineer:	\$114.63
Structural Engineer:	\$251.40
Architect:	\$170.00
Civil Engineer:	\$114.63
Mechanical Engineer:	\$149.84
Electrical Engineer:	\$179.47
Admin:	\$ 88.26

24. Tenant Impact Mitigation.



WORK ORDER

TO:		TODAY'S DATE: September 24, 2020	WORK ORDER NO. <div style="border: 1px solid black; width: 100px; height: 30px; margin: 5px;"></div>	PAGE _____ of _____ <small>(Attach Scope of Work, if necessary)</small>
AMOUNT: EFFECTIVE DATE OF WORK ORDER: COMPLETION DATE:		CONTRACT TITLE/NO.: Construction Management Services for GIAA Terminal Building Structural Upgrade & Concourse Isolation (Project No. GIAA-FY14-01-2)		
SUBJECT:				
SCOPE OF WORK (SOW): <i>(If SOW requires additional space, please identify number of pages attached on the top right corner of form.)</i>				
1. Work Order is issued pursuant to the cited Contract Title/No. stated above. 2. Performance shall be pursuant to terms of the Agreement, incorporated herein by reference. 3. Payment shall be made in accordance with the payment terms of the Agreement, after submission of an invoice and GIAA's acceptance of services as satisfactory.				
ACCEPTED BY: <div style="text-align: center;">FIRM/COMPANY NAME</div> By: _____ Principal (Print) Signature: _____ Date: _____		AUTHORIZED BY: By: _____ <div style="text-align: center;">JOHN M. QUINATA Executive Manager</div> Date: _____ Certified Funds Available: By: _____ <div style="text-align: center;">JOHN A. RIOS Certifying Officer</div> Date: _____		
GIAA INTERNAL USE ONLY				
DIVISION: Account #: _____ ACCOUNTING: Obligation of funds: _____ Date: _____ <small>(Print Name/Initial)</small> Authorized by: _____ Date: _____ <small>(Print Name/Initial)</small>		PROCUREMENT: Supply Management Administrator, <i>Acting</i> Print/Sign Name: _____ Initial: _____ Date: _____		

Exhibit A – Scope of Services

CONSTRUCTION MANAGEMENT SERVICES

I. CONSTRUCTION MANAGEMENT SERVICES

General Scope of Services:

Consultant shall provide construction management services to administer and monitor Quality Assurance and Contractor's Quality Control Plan, for the Terminal Building Structural Upgrade and Concourse Isolation project (the "Project"). Consultant shall perform continuous inspection services throughout the construction contractor's working hours. Consultant shall provide all services under this Agreement consistent and in accordance with the construction contractor's contract for the Project.

GIAA retains full authority and responsibility to evaluate the construction contractor's performance. Consultant's personnel will need to interact with the construction contractor in performing the duties of this Agreement, their purpose is to provide adequate inspection/surveillance, documentation, testing and related work which will be used by GIAA in determining the construction contractor's performance.

Meetings shall be held bimonthly (1st and 15th of each month) to review progress and discuss any construction problems or weekly if necessary. The meeting will be held at the site, field office, Consultant's office or GIAA office on a mutually agreed schedule.

Consultant shall administer the construction contract through contract project close-out, ready for use and perform all the duties and responsibilities, and exercise all the powers and authority as the Construction Manager.

Prepare project correspondence, reports and other documents as required for the proper management of the construction of the project.

Monitor and enforce construction contractor's compliance with applicable territorial and federal requirements.

Set up and maintain a project filing system acceptable to the GIAA. Monitor and ensure that the construction contractor keeps current a set of record drawings and specifications by noting all changes in or deviations from the original contract documents.

Maintain daily Quality Assurance (QA) reports of all activities occurring at the construction site in relation to the Project.

Ensure that the construction contractor has prominently posted the schedule of wage rates on the job site and any additions or amendments to it. Conduct construction contractor employee interviews to ensure the payment of correct wage rates and review of certified payrolls. Immediately report any violations of labor laws.

Provide coordination efforts with affected GIAA tenants.

Receive and review the construction contractor's submittal schedule, contractor's payment requests.

Review and evaluate any construction contractor change order requests or proposals, and provide recommendation to GIAA. Identify any deficiencies in the contract documents or drawing which may lead to claims by or a dispute with contractors and recommend solutions.

Continuing Review of Contract Documents, Submittals Review, Analysis of the Project Schedule, As-Built Drawings.

Without prior notice to GIAA for failure of the construction contractor to correct unsafe conditions for the workers or the general public, for work nonconforming with the contract documents, and for unsuitable weather or conditions for the prosecution of the work, or for any other condition or reason deemed to be in the public interest stop work order shall be issued. Stop work orders shall be in writing and set forth the period of time for which the work or any part thereof shall be suspended. Promptly reject, orally and in writing, all construction work that does not comply with contract requirements. Require the construction contractor to immediately remove and replace or correct deficient work.

Maintain a list of subcontractors which have been previously approved on the Project to reasonably ensure the construction contractor's adherence to contractual requirements.

Safety inspections of all construction activities to ensure that the applicable safety measures are strictly adhered to by contractors shall be conducted at all times, including any night and weekend work in accordance with Guam OSHA. If for any reason that CM safety inspection cannot be performed, coordinate and ensure that the construction contractor's designated safety representative will conduct the inspection instead.

Prepare and submit FAA Form 5370-1, Construction Progress and Inspection Report.

Prepare and submit for approval by GIAA a construction management program detailing the measures and procedures to be used to comply with the construction contractor's quality control program provisions of the construction contract, including, but not limited to, all quality control provisions required by the Specifications. The program shall include the person representing GIAA who has overall responsibility for the contract administration for the Project and authority to take necessary actions to comply with the construction contract.

Provide for non-contractor required material testing and other related requirements of the construction contract as deemed necessary by GIAA.

Consultant is to provide qualified personnel in performing surveillance and testing for the Project construction. Potential personnel will be evaluated for acceptance based on knowledge

of FAA regulations and Construction Advisory Circulars, OSHA's Construction Safety Standards.

Consultant shall cooperate and assist GIAA with inspections of the construction contractor's performance. GIAA will conduct reviews of Consultant's operations to determine compliance with this Agreement to insure that adequate inspection of the construction contractor's work is being performed and that Consultant is properly charging costs to this Agreement. When deficiencies are found, Consultant shall be required to take the remedial action required by GIAA.

Consultant shall submit invoices that contain at a minimum the number of hours each employee spent on the project, their salary rate, itemized direct costs, and amount of fee requested.

Compensation to subcontractor(s) shall be accompanied with properly executed billing from the subcontractor(s).

Upon satisfactory completion and acceptance of the work, Consultant shall submit a proper invoice to request final payment.

The work called for here, as well as Consultant's books, records, and place of business, shall be subject to inspection by the Contracting Officer or his duly authorized representative during normal working hours.

Deliverable items shall be made to the Contracting Officer's representative ("COR"), GIAA, Government of Guam, which is designated as the place for final acceptance by GIAA. Deliverable items may include project diaries, inspector diaries, results of testing and sampling, report forms, and other documentation as required by GIAA. Consultant's representative shall sign their documents and reports under that person's printed name and over the affixed replica of his professional seal or his registration certificate number, including the State or jurisdiction of issuance.

Consultant agrees not to divulge or release any information developed or obtained in the performance of this Agreement concerning the details of performance or any possible construction based on the results thereof (including but not limited to plans, specifications, location, time, or estimated cost of construction), except to authorized GIAA personnel or upon the prior approval of the Contracting Officer.

All rights, including publication rights in the performance of this Agreement, shall vest in GIAA. Consultant shall not publish or cause to be published any of such data without the written permission of the Contracting Officer.

Formal dealings between Consultant and personnel of other Governmental agencies or other contractors of the Government shall be conducted through the COR. On a case-by-case basis, the COR may direct Consultant to work directly with personnel of other contractors or Governmental agencies.

II. ADDITIONAL SERVICES

1. Coordinate with the Federal Aviation Administration, TSA, CBP and any other federal and local entities for any requirements as they may relate to the Project; and
2. See Appendix

The above description, without limiting the generalities hereof, is the intended scope of services. GIAA reserves the right to amend the scope of services, as may be deemed necessary, in order to preserve and promote the best interests of GIAA. Any additional services or amendment to the current services as described in the statement of work shall be executed as a work order.

III. JUSTIFICATION

GIAA retains full authority and responsibility to evaluate the Consultant's performance.

***** END OF SCOPE OF SERVICES*****

APPENDIX TO SCOPE OF SERVICES

Quality Control of AIP Construction

(8/12/14)

As GIAA's agent, Consultant protects GIAA and has delegated responsibility for reporting on the construction contractor's progress and quality of work. This delegation of responsibility does not relieve GIAA of its obligations and accountability to the FAA.

Project Administration

- Provide general consultation and technical assistance to GIAA
- Act within the limits of the authority of the engineer established by Section 50-01 of the project manual
- Prepare and verify construction contractor periodic payment requests
- Prepare for GIAA signature AIP Requests for Reimbursement (SF-271 form).
- Develop Construction Observation program per GIAA's Grant condition
- Prepare and administer contract modifications as required and as approved by the FAA and GIAA
- Reports:
 - i. Prepare and update GIAA Quarterly Performance Reports
 - ii. Prepare and submit progress reports
- Monitor construction contractor's compliance with Davis Bacon requirements including reviews of contractor certified payrolls and conducting wage rate interviews
- Monitor construction contractor's compliance with DBE requirements
- Evaluate proposed waiver of Buy American preferences (if applicable)
- Monitor construction contractor's compliance with E.E.O requirements

Field Services

- Conduct acceptance reviews of shop drawings and materials certifications
- Monitor construction contractor's compliance with Buy American contract provision
- Provide qualified resident engineer to monitor contractor's conformance with Contract requirements
- Document construction contractor's performance, observe acceptance testing of construction materials and verify installed construction quantities
- Coordinate construction contractor's activities and progress with GIAA
- Monitor construction contractor's compliance with approved Construction Safety and Phasing Plan
- Maintain construction diary that documents daily work activities and contract time
- Prepare and submit weekly reports
- Perform quality acceptance testing in accordance with the Project specifications
- Conduct routine site visits by Project Engineer for purpose of coordinating with Resident Engineer and observing construction contractor's progress

Project Closeout

- Attend and conduct a final walk through and inspection of the completed project with the construction contractor and GIAA
- Monitor completion of punch list items
- Prepare and distribute record of final inspection
- Prepare for GIAA signature FAA form "Sponsor Certification of Final Acceptance"
- Prepare and distribute a Final construction report that documents key project milestone dates, final project costs, summary of test results and material certifications, summary of contract modification, compliance with labor provisions and photographs of completed project work
- Prepare and distribute record drawings
- Update and distribute revised Airport Layout Plan drawings (as Required)
- Submit above noted closeout documentation within 90 days of GIAA's acceptance of project from construction contractor

RESOURCES:

Advisory Circulars

[AC 150/5370-12](#): Quality Control of Construction for Airport Grant Projects Forms

[FAA Form 5370-1](#) (doc): Construction Progress and Inspection

PROFESSIONAL CONSTRUCTION MANAGEMENT SERVICES

(RFP No. RFP-0090FY19; Project No. GIAA-FY14-01-1)

Project Name: **CM Services for GIAA Terminal Building Structural Upgrade and Concourse Isolation**

Consultant Name: **KHLG & Associates, Inc.**

Time and Material: **KHLG Cost Proposal** (Month-to-Month)

Construction Contract Duration		
Calendar Days	Weeks	Days
	4.5	

[illegible]

AIRLINE ISSUES

United Airlines

- 2 MNL/GUM passenger flights starting September 14, 2020 and 2x weekly in October
- 3 inbound TKK/GUM (Sept. 13, 19, 27) and 1 outbound GUM/TKK (Sept. 18)
- Continues
 - Daily Honolulu Flight
 - Daily Narita Flight
 - 3x weekly Saipan Flight
 - 2x monthly Island Hopper
 - 2x monthly Koror
 - Daily Cargo Flights to/from HKG and LAX
 - 3x weekly cargo flights to/from MNL

Jin Air

- operating 3 ICN/GUM (Sept. 9, 23 and 30) passenger flights

Philippine Airlines continues

- 1x weekly MNL/GUM
- Tech Stops
 - 1X weekly HNL/MNL
 - 3x weekly LAX/MNL
 - 2x SFO/MNL

Japan Airlines

- 1x cargo Flight
- Pilot Training September 17 -28 on B737 equipment

Korean Airlines

- 1 x weekly ICN/GUM Cargo flight and extra cargo section on Sept. 23.

Cargo Operators

- Regularly scheduled 1x weekly ANC/GUM/PVG (FedEx)
- Regularly Scheduled 1x weekly HNL/GUM/HKG (UPS)
- Charter 4x weekly for September and October HKG/GUMSYD (iJet)
- Additional Charter and Special Cargo Flights also operate on an on- demand and as-approved basis.

Scheduled Service suspended through October 2020

- T'way Airlines



- Air Seoul
- JAL
- KAL

REGULATORY ISSUES

FAR Part 139 Full Scale Exercise

FAA HNL has issued a 90-day extension to conduct the required FAR Part 139 Triennial full scale drill and tabletop exercise, in light of the COVID-19 pandemic. GIAA was originally scheduled to conduct the full-scale exercise in August 2020, and now must complete the exercise no later than November 30, 2020. The Airport is working with all stakeholders and island responders and has scheduled the table top exercise on October 16, 2020 and November 4, 2020 for full scale exercise.

FINANCIAL ISSUES

FY 2020 Financial Audit

Ernst & Young has begun its financial audit of GIAA's Fiscal Year 2020. The final audit is to be completed no later than January 31, 2021.

Rent Relief for Signatory Airline and MAG Tenants

Notices were provided to all Signatory Airline and MAG Tenants relative to the Board's approval of rent relief for Signatory Airline tenants for and rent relief extension for MAG tenants through the month of July 2020. Management, through the exercise of the authority granted by the Board during the August 2020 meeting, worked with the specified tenants to extend such relief through the end of the fiscal year, to September. The impact of this rent relief was determined to be possible while estimating that by the end of the fiscal year, the GIAA's Debt Service Coverage Ratio continued to be above the 1.25x bond indenture requirement.

EXECUTIVE ORDERS 2020-28, 2020-30 and 2020-31&32 NEW PROCESSES AND FACILITY ISSUES

In accordance with the above Executive Orders the following processes and facility issues came into effect on August 21, 2020 @ 12 noon, and continues through the effective date(s):

Limited Entry into Terminal

Only employees on duty, active travelers, and persons delivering GIAA-authorized services to the Airport will be allowed entry into the terminal. Well-wishers, visitors, and other persons not conducting GIAA-authorized business at the terminal are restricted from entry.

100% Quarantine for All Arrivals

All arriving passengers are subject to a mandatory 14-day quarantine at the GovGuam designated facility. The only exceptions are those arriving from non-infected countries, those with pre-approved mission essential designation, transit passengers and unaccompanied minors.

The GIAA worked with DPHSS to ensure that Federal Aviation Administration (FAA) staff on official duty to maintain critical air transportation services, are provided special designation as Critical Services Workers with allowance for restriction of movement and self-quarantine to meet the request from the FAA and USDOT.

Airport Services and Operational Hours

Airport Operations continue with existing flights provided by the current operators for passengers, cargo and charter flights. Food and Beverage operations are active during flight activity.

The GIAA Terminal Center, Airport Police Radio Dispatch Office and the Aircraft Rescue and Fire Fighting (ARFF) unit remain operational 24/7.

Other Airport offices conduct business through telework during normal business hours of 8-5, Monday – Friday. A press release was issued to advise of methods of communication and contact information during this PCOR 1 period.

Proposed Testing upon Arrival Plan

DPHSS is pursuing testing of all arriving persons to be conducted at the singular quarantine facility, as opposed to on Airport site. Updates will be provided as the planning progresses.

REQUEST FOR PROPOSALS/INVITATIONS TO BID

RFP For Legal Services (Conflict Counsel)

Announced:

September 18, 2020

Deadline for Receipt of Written Questions:

September 28, 2020 @5pm

Submission Deadline:

October 9, 2020 @ 4pm

Announcements:

- To date, three GIAA Employees were confirmed with COVID-19 on August 13 and August 25, and September 23, 2020, respectively. USCBP and TSA has also confirmed cases of infected employees. Employees, tenants and public have been notified for their awareness. GIAA has been working closely with DPHSS in contact tracing and identified areas have been fully sanitized and is ready to receive employees once PCOR 1 is lifted.
- The Fuel Tank operator encountered delivery delays of jet fuel from shippers due to bad weather resulting in fuel shortage and delays on Monday, September 15, 2020. The Airport worked closely with the fuel tank operator, airlines and fuel suppliers to mitigate the delays



and ensure operations continuity,

- Guam's Airport was selected to be highlighted by the FAA West Pacific Division in its Annual Overview Newsletter. We will be contributing an article and photos on. Guam Airport's response to the COVID-19 pandemic for this issue.
- GIAA Management wishes Carl V. Cruz, Airport Police Supervisor, best wishes on his retirement, effective September 25, 2020. Thank you for your over 30 years of service to the A.B. Won Pat International Airport Authority and the people of Guam!

September 22, 2020

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, 2020

Attached herewith is GIAA's Operating Results Report for the month ending August 31, 2020. This report summarizes the Budgeted versus Actual Revenues and Expenses for the month and year-to-date results ended August 31, 2020.

The key operating results for 11 month(s) of FY2020 ending August 31, 2020 – (in \$000's) are

CATEGORY	Actual FY20 Current Month	Budget FY20 Y-T-D	Actual FY20 Y-T-D	% Variance Budget vs. Actual	Actual/ Estimate	% Variance Budget vs. Actual/ Estimate
				Y-T-D Current Month		
Total Signatory Revenues	\$ 762.6	\$ 31,439.4	\$ 18,549.0	-41.0%	\$ 18,843.4	-44.9%
Total Concession Revenues	\$ (324.7)	\$ 17,471.1	\$ 11,170.4	-36.1%	\$ 11,201.5	-41.1%
Total PFC's	\$ 25.4	\$ 7,142.2	\$ 2,962.5	-58.5%	\$ 2,994.3	-61.4%
Total Other Revenues	\$ 988.1	\$ 14,141.8	\$ 12,457.1	-11.9%	\$ 12,136.4	-21.3%
Total Operating Revenues	\$ 1,451.4	\$ 70,194.5	\$ 45,139.0	-35.7%	\$ 45,175.6	-40.8%
Total Operating Expenses	\$ 2,702.2	\$ 48,671.9	\$ 38,813.7	-20.3%	\$ 42,635.1	-18.8%
Net Revenues from Operations	\$ (1,250.8)	\$ 21,522.6	\$ 6,325.3	-70.6%	\$ 2,540.4	-89.4%
Non-Operating Expenses	\$ 566.5	\$ 800.0	\$ 2,209.9	176.2%	\$ 2,209.9	176.2%
Other Available Moneys/other sources of funds	\$ 1,787.4	\$ 6,195.6	\$ 18,117.6	192.4%	\$ 18,400.4	172.0%
Net Debt Service Coverage	0.01	1.20	1.88	56.7%	1.47	20.8%

Year-to-date Total Signatory Revenues for the month ending August 31, 2020 are below Budgeted revenues by **-41.0%**. Signatory revenue estimates are based on projections submitted by Signatory airlines and adopted in the annual budget.

Year-to-date Total Concession Revenues are **-36.1%** below budget while Passenger Facility Charges are below the budget estimate by **-58.5%**.

Year-to-date Total Other Revenues, inclusive of non-signatory and non-airlines revenues, are below the budget estimate by **-11.9%**.

Year-to-date Total Operating Revenues actual of **\$45.1M** is **-35.7%** below the budget estimate of **\$70.2M**.

Year-to-date Total Operating Expenses are below budget by **-20.3%**. Components of this line item include a **-8.0%** decrease in Personnel Service, a **-23.9%** decrease in Contractual Services, a **-68.5%** decrease in Materials & Supplies and a **-82.0%** decrease in Equipment/Furnishings from budgeted amounts for these respective categories.

The actual year-to-date Net Revenues from Operations of **\$6.3M** represents a **-70.6%** decrease over the year-to-date budgeted amount of **\$21.5M**.

Finally, our year-to-date results for Debt Service Coverage is at **1.88** 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, 2020

	CURRENT MONTH				Budget Full Year	YEAR - TO - DATE				FULL YEAR FORECAST	
	Actual FY2019	Budget FY2020	Actual FY2020	%Var Bud Vs Act'l		Actual FY2019	Budget FY2020	Actual FY2020	%Var Bud Vs Act'l	Actual/Est	%Var Bud Vs Act'l
I. Signatory Airline Rents & Fees											
Terminal Bldg Rentals	363.5	334.4	264.4	-20.9%	3,997.2	3,911.6	3,666.2	3,252.9	-11.3%	3,333.1	-16.6%
Departure Fees	816.6	618.2	20.0	-96.8%	7,385.1	7,630.9	6,806.9	3,301.4	-51.5%	3,331.8	-54.9%
Arrival Fees	852.2	600.1	15.9	-97.3%	7,320.2	7,796.7	6,743.3	3,146.2	-53.3%	3,173.4	-56.6%
Immigration Inspection Fees	299.2	218.5	2.5	-98.9%	2,642.6	2,737.8	2,437.0	1,135.9	-53.4%	1,141.8	-56.8%
Loading Bridge Use Fees	511.4	702.9	197.6	-71.9%	8,245.3	5,147.6	7,559.4	4,526.7	-40.1%	4,617.2	-44.0%
Apron Use Fees	123.0	115.1	81.1	-29.6%	1,413.5	1,187.9	1,303.2	963.6	-26.1%	982.2	-30.5%
Landing Fees	274.0	258.3	181.2	-29.8%	3,170.7	2,760.6	2,923.3	2,222.3	-24.0%	2,263.9	-28.6%
Total Signatory Revenue	3,239.9	2,847.4	762.6	-73.2%	34,174.7	31,173.2	31,439.4	18,549.0	-41.0%	18,843.4	-44.9%
Enplaned Signatory Pax	182,370	164,179	5,055	-96.9%	1,961,267	1,722,556	1,807,700	877,916	-51.4%	885,961	-54.8%
Cost per Enplaned Pax	\$17.77	\$17.34	\$150.86	769.9%	\$17.42	\$18.10	\$17.39	\$21.13	21.5%	\$21.27	22.1%
Revenues from Sources other than Signatory Airlines Rents & Fees											
Concession Revenues											
Gen Mdse	1,339.1	1,378.7	-500.0	-136.3%	14,528.0	12,249.8	13,150.2	8,615.1	-34.5%	8,983.5	-38.2%
In-flight Catering	78.4	85.3	23.3	-72.7%	908.0	815.9	834.2	534.5	-35.9%	554.6	-38.9%
Food & Beverage	110.5	94.5	13.6	-85.6%	1,042.7	989.8	956.5	588.0	-38.5%	594.4	-43.0%
Rental Cars	154.8	182.1	127.7	-29.9%	1,840.5	1,528.6	1,678.3	1,085.1	-35.3%	721.3	-60.8%
Other Concession Rev	30.9	80.3	10.6	-86.8%	694.9	629.3	851.9	347.7	-59.2%	347.7	-50.0%
Total Concession Revenues	1,713.7	1,820.9	-324.7	-117.8%	19,014.0	16,213.3	17,471.1	11,170.4	-36.1%	11,201.5	-41.1%
Passenger Facility Charges	775.5	648.7	25.4	-96.1%	7,749.0	6,792.7	7,142.2	2,962.5	-58.5%	2,994.3	-61.4%
Other Revenue	1,456.8	1,327.6	988.1	-25.6%	15,426.4	16,012.2	14,141.8	12,457.1	-11.9%	12,136.4	-21.3%
Total Operating Revenue	7,186.0	6,644.5	1,451.4	-78.2%	76,364.0	70,191.3	70,194.4	45,139.0	-35.7%	45,175.5	-40.8%
II. Operating Expenses:											
Personnel Services	1,640.7	1,707.0	1,259.3	-26.2%	22,191.8	18,537.9	20,484.8	18,839.9	-8.0%	20,546.9	-7.4%
Contractual Services	2,030.3	2,086.6	1,385.6	-33.6%	27,018.0	22,156.2	25,037.5	19,052.3	-23.9%	21,032.8	-22.2%
Materials & Supplies	159.4	153.0	57.3	-62.5%	2,765.7	945.0	2,631.9	828.6	-68.5%	962.4	-65.2%
Equipment/Furnishings	0.0	0.0	0.0	0.0%	517.8	43.4	517.8	93.0	-82.0%	93.0	-82.0%
Total Operating Expenses	3,830.4	3,946.6	2,702.2	-31.5%	52,493.2	41,682.5	48,671.9	38,813.7	-20.3%	42,635.1	-18.8%
Net income from Operations	3,355.6	2,697.9	-1,250.8	-146.4%	23,870.8	28,508.8	21,522.6	6,325.3	-70.6%	2,540.5	-89.4%

GUAM INTERNATIONAL AIRPORT AUTHORITY
KEY OPERATING RESULTS (\$000's)
as of August 31, 2020

	CURRENT MONTH				Budget Full Year	YEAR - TO - DATE				FULL YEAR FORECAST	
	Actual FY2019	Budget FY2020	Actual FY2020	%Var Bud Vs Act'l		Actual FY2019	Budget FY2020	Actual FY2020	%Var Bud Vs Act'l	Actual/Est	%Var Bud Vs Act'l
III. Other Revenues and Expenses											
Less: Non Operating Expense(Ret/Emergency)	82.0	0.0	566.5	0.0%	800.0	1,157.5	800.0	2,209.9	176.2%	2,209.9	176.2%
Add: Interest on Investments	103.2	100.3	43.3	-56.8%	1,203.8	1,169.7	1,134.0	1,222.1	7.8%	1,276.1	6.0%
Net Revenues	3,376.7	2,798.3	-1,774.0	-163.4%	24,274.6	28,521.0	21,856.6	5,337.5	-75.6%	1,606.6	-93.4%
Add: Other Sources of Funds (Federal Reimb)	38.9	33.3	1,504.6	4413.8%	400.0	370.6	366.7	15,006.8	3992.8%	15,006.8	3651.7%
Add: Other Available Moneys	530.0	529.9	282.8	-46.6%	6,358.8	5,830.1	5,828.9	3,110.8	-46.6%	3,393.6	-46.6%
Net Revenues and Other Available Moneys	3,945.6	3,361.5	13.4	-99.6%	31,033.4	34,721.8	28,052.2	23,455.1	-16.4%	20,007.0	-35.5%
Debt Service payments	2,120.0	2,119.6	1,131.2	-46.6%	25,435.3	23,320.5	23,315.7	12,443.1	-46.6%	13,574.3	-46.6%
Debt Service Coverage	1.86	1.59	0.01	-99.3%	1.22	1.49	1.20	1.88	56.7%	1.47	20.8%
Debt Service Requirement	1.25	1.25	1.25		1.25	1.25	1.25	1.25		1.25	

September 21, 2020

VIA BOARD SECRETARY

Mr. Brian Bamba
Chairman
Members of the GIAA Board of Directors
A.B. Won Pat International Airport Guam
355 Chalan Pasaheru
Tamuning, Guam 96913

***RE: Recommendation to go into Executive Session at
Regular Board Meeting for September 24, 2020***

Dear Mr. Chairman and Members of the GIAA Board of Directors,

This is to recommend and advise, pursuant to 5 G.C.A. § 8111(c)(1), of the need to go into executive session at the regular board meeting for the GIAA Board of Directors on September 24, 2020.

This recommendation is subject to approval by an affirmative vote of a majority of the members of the GIAA Board of Directors.

Very truly yours,



ANITA P. ARRIOLA


cc: Mr. John M. Quinata
Executive Manager

Mr. Ricky Hernandez
Deputy Executive Manager

RECOMMENDATION OF COUNSEL

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

CC: Mr. John M. Quinata
Executive Manager
ANTONIO B. WON PAT INTERNATIONAL
AIRPORT AUTHORITY, GUAM

FROM: Janalynn Cruz Damian 
CALVO FISHER & JACOB LLP

DATE: September 1, 2020

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.