

GUAM CODE ANNOTATED

TITLE 12

AUTONOMOUS AGENCIES

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**CHAPTER 1
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**ARTICLE 1
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§ 1101. Title.

This Chapter shall be hereby cited as the *Antonio B. Won Pat International Airport Authority Act*.

SOURCE: GC § 62000, as enacted by P.L. 13-57. Amended by P.L. 23-69:1 and by P.L. 26-93:1.

NOTE: P.L. 26-93: states:

References to the Antonio B. Won Pat International Airport. Any and all references to the A. B. Won Pat Guam International Airport in the laws of Guam are hereby amended to read the “Antonio B. Won Pat International Airport, Guam,” or the “Won Pat International Airport, Guam.”

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NOTE: Guam International Air Terminal change of name to Antonio B. Won Pat Guam International Air Terminal is found in 1 GCA §828.

§ 1102. Creation.

There is within, a public corporation and an autonomous instrumentality of, the government of Guam called the *Antonio B. Won Pat International Airport Authority, Guam*, to be further identified as the *Won Pat International Airport Authority, Guam*.

SOURCE: GC § 62001, as enacted by P.L. 13-57. Amended by P.L. 23-69:1. Amended by P.L. 26-93:2.

§ 1103. Definitions.

As used in this Article and Article 2, unless otherwise indicated:

- (a) *Authority* means the Guam Airport Authority.
- (b) *Board* means the Board of Directors of the Authority.
- (c) *Director* means a member of the Board.
- (d) *Executive Manager* means the person employed by the Board to supervise the administration of the Authority.

SOURCE: GC § 62002, as enacted by P.L. 13-57.

§ 1104. Purpose.

The purpose of the Authority is to acquire, construct, reconstruct, purchase, extend, improve, better, operate and maintain airports and related facilities for civil aviation purposes on Guam.

SOURCE: GC § 62003, as enacted by P.L. 13-57.

§ 1105. Powers.

The Authority shall have and exercise each and all of the following powers:

- (a) Acquire, construct, reconstruct, purchase, better, extend, improve, operate and maintain airports and related facilities owned or used by Guam for civil aviation purposes.
- (b) Acquire by grant, purchase, gift, devise, lease, permit, right of entry or by the exercise of the right of eminent domain in accordance with the provisions and subject to the limitations of laws of Guam including 5 GCA Chapter 5 [Procurement Law], and hold and use any real and personal property necessary, convenient or useful for the

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carrying out of any of its powers pursuant to the provisions of this Chapter, and to dispose of the same.

(c) To construct, operate and maintain runways, taxiways and related airport facilities on property owned by the United States and used by Guam pursuant to agreement with the United States.

(d) To assume the benefits and obligations of Guam under that certain Joint Use Agreement executed between Guam and the United States on July 19, 1974, and to assume or enter into agreements executed pursuant to said Joint Use Agreement, all the above being performed as an instrumentality of the government of Guam.

(e) To impose, prescribe, revise and collect fees, rates, rentals, landing fees and charges for the use and services of, and the facilities and commodities furnished by the airports operated by the Authority and to charge and collect any fees permitted by the Joint Use Agreement, and to pay charges and costs imposed by said Agreement upon Guam.

(f) To acquire from the United States, under any appropriate federal statute, lands made available for airport purposes to Guam and to comply with the conditions established by the United States as necessary for the acquisition of such lands.

(g) To apply for, receive and use, all according to the terms thereof, grants-in-aid, or grants-in-kind from the United States for use by the Authority for airport purposes.

(h) To make and enter into contracts, leases, concession agreements and permits and to execute all instruments necessary or convenient in the exercise of its powers, including without limitation, the purchase of liability and casualty insurance for airport purposes, adopt a seal and sue or be sued in its own corporate name.

(i) To, at any time and from time to time, issue general or special revenue bonds pursuant to Article 2 of this Chapter.

(j) To enter into leases with the government of Guam or with the United States, provided that no such lease shall exceed forty (40) years in duration.

(k) To employ agents and retain or contract for the services of qualified consultants, specialists or experts, as individuals or as organizations, to advise and assist the Authority and its employees, all

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of which may be accomplished without regard to the portion of the Personnel Laws relative to compensation.

(1) To adopt such rules and regulations, pursuant to the Administrative Adjudication Act, as may be necessary for the exercise of powers and performance of the duties conferred or imposed upon the Authority or the Board.

(m) To do any and all other things necessary to the full and convenient exercise of the above powers.

Nothing contained in this Section, or by implication in this Chapter shall be construed to be in any way in derogation or limitation of powers conferred upon or existing in the Authority or in the Board by virtue of the Organic Act, the laws of Guam or the Government Code.

SOURCE: GC § 62004, as enacted by P.L. 13-57; Subsection (b) amended by P.L. 16-124.

§ 1106. Board of Directors.

(a) All powers vested in the Authority, except as provided herein, shall be exercised by the Board, which shall consist of seven (7) members, called directors, who shall be nominated and appointed by the Governor, by and with the advice and consent of the Legislature. Each director shall serve a term of three (3) years from the expiration of the term for which such director's predecessor was appointed, and until a successor is appointed and qualified, or in the case of a director appointed to a newly created membership in the Board, such director shall serve a term of three (3) years from the date of initial appointment, and until a successor is appointed and qualified. All vacancies occurring in the office of director shall be filled by the Governor in the same manner as for full-term appointments, but only for the unexpired term of the director whose vacancy is being filled.

(b) Four (4) directors shall constitute a quorum of the Board for the transaction of business. The Board may adopt rules and regulations governing the conduct of its affairs. It shall elect a chairman and a vice-chairman from among its members. It shall appoint a secretary who shall not be a member of the Board and who shall maintain all records and minutes of the Board.

(c) Each Director shall receive the sum of Fifty Dollars (\$50.00) for his attendance at any meeting of the Board, but such compensation shall not apply to more than two meetings in any one calendar month. No Director shall receive any other compensation, but shall be reimbursed for actual

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travel, subsistence and out-of-pocket expenses incurred in the discharge of his responsibilities, including authorized attendance at meetings held away from Guam.

SOURCE: GC § 62005, as enacted by P.L. 13-57; Subsections (a) & (b) were R/R by P.L. 21-6:1.

§ 1107. Executive Manager.

(a) The Board shall appoint an Executive Manager, who shall be its chief executive officer. The Executive Manager shall serve at the pleasure of the Board, which shall fix his compensation. The Executive Manager shall have full charge and control of the operations and maintenance of the airports controlled by the Authority, and of the construction of any airports, facilities, runways, taxiways and other necessary works controlled by, or required to be constructed or repaired by the Authority.

(b) The powers of the Executive Manager include:

(1) To see that all rules and regulations of the Authority are enforced.

(2) To attend, unless excused by the Board, all meetings of the Board and to submit reports on the affairs of the Authority as required by the Board.

(3) To keep the Board advised on the needs of the Authority and to approve demands for payment of obligations within the purposes and amounts authorized by the Board.

(4) To prepare or cause to be prepared all plans and specifications for the construction and repair of works and facilities operated by the Authority.

(5) To devote his entire time to the business of the Authority, to select and appoint the employees of the Authority, except as otherwise provided in this Chapter, and to plan, organize, coordinate and control the services of such employees in the exercise of the powers of the Authority under the general direction of the Board.

(6) To cause to be published within one hundred twenty (120) days from the end of each fiscal year a financial statement showing the results of operations for the preceding fiscal year and the financial status of the Authority on the last day thereof. The publication shall be made in the manner provided by the Board.

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(7) To perform such other and additional duties as the Board may require.

SOURCE: GC § 62006, as enacted by P.L. 13-57.

§ 1108. Treasurer, Comptroller, Attorney.

(a) The Board may also appoint a treasurer, a comptroller and an attorney, all of whom shall serve at the pleasure of the Board. Their duties and compensation shall be fixed by the Board. Compensation for the comptroller shall not be limited by Title 4 GCA § 6103 or other laws which may conflict herewith. The Board may appoint one (1) assistant to any such office. Any of the said offices may be consolidated into one (1) person.

(b) The Treasurer shall have custody of all monies of the Authority, and shall pay out such money only in accordance with the directions of the Board or as provided by Article 2 of this Chapter. The Board shall, however, appoint the Administrator of the Guam Economic Development and Commerce Authority or any agent designated by him as its trustee for the payment of bonds issued by it and for any related purposes as the Board may provide.

(c) The Attorney, who must have been admitted to the practice of law in Guam, shall advise the Board and the Executive Director on all legal matters to which the Authority is a party or in which the Authority is legally interested, and may represent the Authority in connection with legal matters before the Legislature, boards and other agencies of the Territory or of the United States. The Attorney for the Authority shall represent the Authority in litigation concerning the affairs of the Authority.

SOURCE: GC § 62007, as enacted by P.L. 13-57. Subsections (a) and (b) amended by P.L. 28-161:1 and 2 (Jan. 4, 2007).

§ 1109. Tax Exemption.

As an instrumentality of the government of Guam, the Authority and all property acquired by or for it and all revenues and income therefrom are exempt from taxation by the government of Guam or by any political subdivision or public corporation thereof and from all taxes imposed under the authority of the Legislature, or with respect to which the Legislature is authorized to grant exemption.

SOURCE: GC § 62008, as enacted by P.L. 13-57.

§ 1110. Expenditures, Contracts, Bids.

[Repealed by P.L. 16-124.]

§ 1111. Accounting, Required Reporting, Guam Airport Authority Fund.

(a) The Board shall adopt and maintain a system of accounting which is in accordance with generally accepted accounting principles applicable to airports.

(b) The Board shall employ a firm of independent certified public accountants who shall examine and report to the Board, at least annually, upon the status of the financial records and accounts maintained by the Authority. Copies of any such reports shall be furnished to the Governor and to the Legislature.

(c) The Board shall report to the Governor and to the Legislature concerning the administration of the affairs of the Authority. It shall present an annual report within one hundred twenty (120) days after the end of each fiscal year and, if requested by the Governor or the Legislature, shall present special reports within thirty (30) days after the end of each intervening quarter. The financial information presented in such reports shall be in accordance with the system of accounts adopted by the Board.

(d) There is established a fund to be known as the "Guam Airport Authority Fund" which the Authority shall maintain separate and apart from other funds of the government of Guam, and independent records and accounts shall be maintained in connection therewith.

(e) All monies received by the Authority from whatever source derived shall be deposited in said Fund, or in such funds as may be established pursuant to Article 2 of this Chapter, in eligible banks as defined in §6311 of the Government Code.

(f) All expenditures, except as otherwise provided by law, shall be made from said Guam Airport Authority Fund.

SOURCE: GC § 62010, as enacted by P.L. 13-57.

§ 1112. Personnel.

(a) The Board, pursuant to 4 GCA §§ 4105 and 4106, shall establish rules and regulations governing the selection, promotion, performance evaluation, demotion, suspension, dismissal and other disciplinary action for employees of the Authority.

(b) The Executive Manager, the Treasurer, Comptroller and Attorney of the Authority are not classified employees. No person employed by the

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Authority on a limited term contract shall be a classified employee. All other employees of the Authority are classified employees.

(c) Each employee of the Authority shall be eligible to become a member of the Government of Guam Retirement Fund pursuant to 4 GCA § 8105(d).

(d) Each employee of the Authority shall be eligible to participate in any government of Guam health and life insurance plan.

(e) Each employee of the Authority shall accumulate leave time in accordance with the provisions of the government of Guam Personnel Rules and Regulations.

(f) The employer's contribution to the Government of Guam Retirement Fund that is assessed by the Fund's Board of Trustees for the benefit of Authority employees who are members of the Fund shall be paid by the Authority.

(g) The employer's contribution to the Workmen's Compensation Fund that is assessed by the Workmen's Compensation Commission for the benefit of Authority employees shall be paid by the Authority.

(h) Aviation-related Positions Unique to Airport Operations and Certified, Technical and Professional Positions.

(1) Notwithstanding the provisions of Title 4 Guam Code Annotated, § 6103 or other law in conflict with this provision, the Board *shall* adopt rules and regulations governing selection, compensation, promotion, performance evaluations, disciplinary action and other terms and conditions of employment of personnel occupying *aviation-related positions unique to airport operations and certified technical and professional positions*, subject to the provisions of the Administrative Adjudication Act.

(2) Such rules and regulations *shall* provide for the employment and retention of persons on the basis of merit and *shall* include an orderly and systematic method of recruitment and the establishment of a list of qualified applicants.

(3) *Aviation-related positions unique to airport operations and certified, technical and professional positions* are defined as and may include, *but are not limited to*:

(A) positions whose qualifications requirements mandate

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certification and/or licensing requirements, e.g., equipment operators, ramp controllers, etc.;

(B) Positions with multi-skill qualification requirements, e.g., preventive maintenance mechanics, specialty equipment mechanics, etc.;

(C) positions with specific aviation-related knowledge and skills, e.g., tariff technicians, airport concession agreements, use of airport facilities / property, expertise in federal grant administration, etc.; and

(D) other similar technical and professional positions which, by nature of airport operations, are unique and critical to the Airport's needs and no other government entity which is not a port of entry, including, *but not limited to*, those jobs listed herein.

(4) Compensation for all other positions *shall* remain consistent with compensation plans and pay scales as determined by law.

SOURCE: GC § 62011, as added by P.L. 13-57; Subsection (a) amended by P.L. 16-23. Subsection (h) added by P.L. 29-024:3 (Oct. 24, 2007).

§ 1112.1. Airport Police.

(a) Purposes and Policies. The Underlying purposes and policies of this Act are to acknowledge that the Guam Airport Authority has the duty to operate and maintain the Guam International Air Terminal and related facilities for civil aviation purposes on Guam and that Airport Police is necessary to provide for the orderly and efficient protection of persons and property and for the enforcement of the laws of Guam and rules and regulations adopted pursuant to this Act.

(b) There is hereby established, under the direction of the Guam Airport Authority, Airport Police, which shall be responsible for the protection of persons and property at the Guam International Air Terminal and all related facilities, and which shall coordinate its activities with the Guam Police Department. The Board of Directors, pursuant to the Administrative Adjudication Act, shall adopt reasonable rules and regulations regarding security at the Guam International Air Terminal to promote the purposes of this Act and rules and regulations regarding personnel, which shall be in accordance with provisions of Title 4 GCA.

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Any violation of the rules and regulations regarding security shall be a misdemeanor.

Notwithstanding any law, rules or regulations to the contrary, members of the Airport Police while on the premises and acting within their official capacity, shall have powers of peace officers, including, but not limited to, the power to arrest, the power to enforce the Airport rules and regulations, the Security Program as required and approved by the Federal Aviation Administration and the Vehicle Code of Guam

SOURCE: Added by P.L. 17-73. Amended by P.L. 23-50:2.

§ 1112.2. Training of Officers.

All Airport Security officers shall be required to complete training with a minimum of at least 120 hours on the laws of arrest, searches and seizures, the Motor Vehicle Code of Guam, the Criminal and Correctional Code, the use and handling of firearms and such training standards as required to effectively carry out their duties and responsibilities as peace officers. Such training shall be conducted by the Guam Community College applying the standards used in the training of the police officers for the Department of Public Safety.

SOURCE: Added by P.L. 17-73.

§ 1112.3. Civilian Volunteer Airport Police Reserve.

There is hereby created within the Airport Police the Civilian Volunteer Airport Police Reserve, which shall be headed by the Chief of Airport Police, hereinafter referred to as the Chief. The Chief, subject to the advice and control of the Airport Executive Manager, *shall* be responsible for carrying out the purpose of this Chapter, and *shall* have such additional duties and responsibilities as are authorized herein, or as may be prescribed by the Board of Directors.

(a) **Functions and Duties.** The general functions and duties of the Civilian Volunteer Airport Police Reserve *shall* be to provide backup manpower for the suppression of crime, preservation of law and order, and to assist in emergencies. The Chief, with the concurrence of the Executive Manager, *shall* formulate a program whereby the Civilian Volunteer Airport Police Reserve *shall* adhere to the functions and duties herein prescribed. From time to time, the Chief *shall* review and revise the functions and duties of the Civilian Volunteer Airport Police Reserve to insure an amicable discharge of responsibilities and duties, recognizing the fact that

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their roles are the extension of the duties of the regular Airport Police personnel.

(b) Recruitment. The Chief of the Airport Police *shall* recruit, on an entirely voluntary basis, local residents who desire to make available their services to assist the Guam Airport Authority emergency functions. The Chief of Airport Police *shall* further promulgate rules and regulations regarding the age, health and other requirements for recruitment purposes, in concurrence with the Executive Manager.

(c) Training, Equipping and Maintenance of Records. The Chief of Airport Police *shall* devise a program whereby the police divisions of the Airport will provide the members of the Civilian Volunteer Airport Police Reserve training in crime prevention control, and operational techniques and procedures for natural and man-made emergencies. The Civilian Volunteer Airport Police Reserve *shall* maintain a roster of volunteers who have received the training, and *no* volunteer may remain in the Reserve if he or she is unable to keep up with or otherwise absorb the training. Additionally, basic supplies and equipment *shall* be provided by the Airport to assure the constant operability of the Civilian Volunteer Airport Police Reserve, including a continuing program for replacement.

(d) Volunteer: Authority. Whenever the police unit of the Civilian Volunteer Airport Police Reserve, and the members thereof are rendering assistance to the police or firemen, as the case may be, such volunteers *shall* have the same powers, duties, rights (including coverage under the Worker's Compensation Act), privileges and immunities as if they were paid, full-time members of the Airport, *except* that they *shall* earn recruitment credit for services performed as volunteers.

(e) Same: Allowance. Each member of the Civilian Volunteer Airport Police Reserve who successfully completes probationary requirements as established by the Chief of Airport Police, and who contributes a minimum of forty-two (42) hours or more per month, *shall* receive an allowance of Two Hundred Fifty Dollars (\$250.00) per month, to defray the cost of maintenance of equipment and uniforms. The Airport *shall* identify funds for appropriation to satisfy the intent of this Section.

(f) Same: Eligibility and Oath. *No* person shall be a volunteer member of the Civilian Volunteer Airport Police Reserve established under this Chapter who advocates a change by force or violence in the constitutional form of the Government of the United States or in this

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Territory or the overthrow of any government in the United States by force, or who has been convicted of or is under indictment or information charging any subversive act against the United States. Every volunteer *shall*, entering upon his duties, take an oath, in writing, before a person authorized to administer oaths in this Territory, which oath *shall* be substantially as follows:

“I _____, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the laws of the territory of Guam, against all enemies, foreign or domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter and I do further swear (or affirm) that I do not advocate, nor am I a member of any political party or organization that advocates the overthrow of the Government of the United States or of this Territory by force or violence; and that during such time as I am a member of the Civilian Volunteer Airport Police Reserve I will not advocate nor become a member of any political party or organization that advocates the overthrow of the Government of the United States or of this Territory by force or violence.”

(g) Rules and Regulations: Recommendations. The Chief of Airport Police is authorized and empowered to recommend to the Executive Manager for issuance as Airport orders the making, amendment and recession of such orders, rules and regulations as may be necessary to carry out the provisions of this Chapter.

SOURCE: Added by P.L. 30-130:2 (Apr. 2, 2010).

§ 1113. Liability Limitations.

(a) To the extent that any liability of the government of Guam or of the Authority is covered by a policy or policies of insurance, the Government waives the limitation of liability found in 5 GCA §6301; provided, that the Government shall not be liable in damages for tort in any amount which exceeds the coverage of insurance and the limitation of liability contained in §6500.13 of the Government Code.

(b) All claims made against any policy of insurance purchased by the Authority shall be made in accordance with the procedures and time limitations set forth in the Government Claims Act, except that all claims

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not in excess of the face amount of the policy shall be presented to the Executive Manager of the Authority, who shall present the same to the insurance carrier, carriers or to their designated agents for processing.

(c) If a claim is in excess of the applicable insurance coverage, then the Executive Manager of the Authority shall also present a copy of the claim to the Attorney General, who shall then coordinate the claim as between the Government and the insurance carriers, and who shall represent the Government in the event of a dispute between the Government and the insurance carriers. In the event of said dispute, the Attorney for the Authority shall represent the interests of the Authority.

(d) Each policy of insurance written covering the Authority or its interest shall contain a clause waiving any defense of sovereign immunity which may be raised against the payment of the claim by the carrier.

(e) The Executive Manager shall publish, in a newspaper of general circulation in Guam, within ten (10) days after the effective date of any policy of insurance purchased, a statement indicating the existence of any such policy and a notice informing the public where claims may be filed.

SOURCE: GC § 62012, as enacted by P.L. 13-57.

§ 1114. Penalties.

(a) Any person who violates any provision of this Article, or any valid rule or regulation promulgated under this Article, or any valid Executive Order issued with respect to the operations of the Authority, or who refuses or neglects to comply with any lawful order given order by the Executive Manager or his delegate concerning the operation of the airports under the control of the Authority is guilty of a petty misdemeanor.

(b)(1) Any person who violates any provision of this Article, or any rule, regulation or order issued thereunder, any Executive Order issued with respect to the operation of airports operated by the Authority, or any rule, regulation or order issued thereunder, or any term, condition or limitation of any permit, certificate or operating authority issued by the Authority shall be subject to a civil penalty of not to exceed One Thousand Dollars (\$1,000.00) for each violation. If such violation is a continuing one, each day such violation continues shall constitute a separate offense; provided, that this Subsection shall not apply to officers or employees of the United States or of Guam while the same are engaged in official duties.

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(2) Any civil penalty may be compromised by the Executive Manager, with the written concurrence of the Board. The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owed by the Authority to the person(s) charged.

(3) In case an aircraft is involved in a violation and the violation is by the owner or person in command of the aircraft, then liability for such penalty shall devolve upon the person, corporation or other entity which has assumed responsibility for the aircraft while the same is at any airport operated by the Authority.

(4) Any person assessed a civil penalty may contest the same. If, for any reason, the person or entity assessed fails to pay upon demand of the Executive Manager, the civil penalty may be collected by the Authority through proceedings in the Superior Court of Guam against the person or entity, brought by the Attorney for the Authority.

(c)(1) The Board shall establish rules and regulations governing the assessment of civil penalties.

(2) Said Rules and Regulations shall provide for a reasonable time, not less than ten (10) days, during which the person, corporation or other entity assessed may answer the assessment by denying liability, by offering a compromise to the Executive Manager, or by paying the assessment; and for due notice to the person, corporation or other entity assessed of the nature of the violation committed.

(3) Said Rules and Regulations shall also provide notice that failure to pay the final civil penalty assessed by the time set in the rules and regulations may result in collection of said penalty through the Superior Court.

(d) Any penalty imposed by Subsection (a) of this Section shall be in addition to, and not in lieu of any civil penalty imposed by Subsection (b) of this Section; provided, that no civil penalty shall be assessed if a conviction under this Section has been obtained or a criminal proceeding is pending for the same violation.

SOURCE: GC § 62013, as added by P.L. 13-57; Subsection (a) amended by P.L. 13-187.

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**ARTICLE 2
ISSUANCE OF GENERAL AND SPECIAL REVENUE BONDS**

- § 1201. Definitions.
- § 1202. Statement of Policy.
- § 1203. Authority, Additional Powers.
- § 1203.1. Agreements Between GAA and Concessions, other Businesses, and Service Providers; Agreements Between GAA and Airlines.
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- § 1205. Construction Fund, Creation.
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- § 1207. Revenue Bond Redemption Fund, Establishment.
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- § 1210. Bond Resolution, Adoption of; Concurrence Required; Contents.
- § 1211. Bond Covenants; Actions to Enforce.
- § 1212. Bonds: Execution of; Validity of; Presumed Regular.
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- § 1215. Authority to be Self-sustaining.
- § 1216. Refunding Bonds.
- § 1217. Director of Administration as Trustee.
- § 1218. Negotiability of Bonds.
- § 1219. Temporary Bonds Authorized.
- § 1220. Replacement Bonds Authorized.
- § 1221. Bonds: Tax Exempt.
- § 1222. Bonds as Legal Investments.
- § 1223. Repayment Responsibility of Government.
- § 1224. Other Indebtedness Authorized.
- § 1225. Construction of Article.
- § 1226. Pledge and Agreement by Government.

§ 1201. Definitions.

(a) *Airport purposes* means any use which involves the operation of a facility:

(1) by the Authority to support or protect the activities of an airport as an air transportation facility, including activities such as the

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processing of aircraft, passengers, freight, and ground transport vehicles in an efficient and safe manner;

(2) by others to provide services that improve the overall effectiveness of an airport as an air transportation facility; and

(3) which is dependent upon the proximity to an airport for its effective performance.

(b) *Airports* means the Antonio B. Won Pat Guam International Air Terminal, together with all related facilities owned or operated by the Guam Airport Authority, together with any other airports hereafter owned or operated for civil aviation purposes by the Authority, whether as a replacement for the existing Guam International Air Terminal, or otherwise, together with all related facilities, including all betterments, extensions or improvements thereon.

(c) *Authority* means the Guam Airport Authority, or a successor to the rights, powers, functions and duties, with respect to the management, administration and control of the airports which are now or hereafter vested in the Authority.

(d) *Board* means the Board of Directors of the Authority.

(e) *Bond* means a Guam Airport Authority revenue bond, general or special, authorized to be issued by this Article.

(f) *Bondholder* means a holder or registered owner of any bonds.

(g) *Bond redemption fund* means the Guam Airport Authority bond redemption fund created by this Article, including any accounts which are created in that fund after the effective date of this Article.

(h) *Bond resolution* means the resolution or resolutions authorizing the issuance of the bonds as provided in this Article.

(i) *Construction fund* means the Guam Airport Authority construction fund created by this Article, including any account created therein.

(j) *Credit enhancement* means insurance against loss due to default on bonds.

(k) *Director of Administration* means the Director of Administration of the government of Guam.

(l) *General revenue bond* means a bond, the repayment of which is assured by the dedication by the Authority of all or part of the revenue of

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the Authority except any revenue which may be obligated for the payment of a special revenue bond.

(m) *Government* means the Government of the territory of Guam.

(n) *Revenue* means all income, howsoever derived, received or collected from the rates, rentals, fees and charges prescribed for the use and services of, and the facilities and commodities furnished by, the Authority, including without limitation all income received from the imposition of any fee or impost for any use, benefit or privilege exercised at the airports by users, tenants, licenses or concessionaires thereof, but shall not include income derived from facilities financed from the proceeds of special revenue bonds except to the extent provided in the bond resolution authorizing the issuance of such special revenue bonds.

(o) *Revenue fund* means the Guam Airport Authority revenue fund created by this Article.

(p) *Special revenue bond* means a bond, the repayment of which is assured by the dedication by the Authority of a particular source of revenue, which source shall be specified in the resolution authorizing the issuance of such bond.

SOURCE: GC § 62100, as reenacted by P.L. 16-93. Amended by P.L. 21-135:4.

§ 1202. Statement of Policy.

It is declared to be the policy of the government of the territory of Guam that the Authority, in acquiring, constructing, reconstructing, purchasing, bettering, extending or improving the airports pursuant to this Chapter, shall manage and operate the airports in the most efficient manner consistent with the protection of the bondholders.

SOURCE: GC § 62101, as reenacted by P.L. 16-93.

§ 1203. Authority, Additional Powers.

In addition to the powers that it may otherwise have, with respect to this Article, the Authority shall have the power to:

(a) Sue and be sued in all actions and proceedings in all court and tribunals of competent jurisdiction.

(b) Adopt a seal and alter it at its pleasure.

(c) Provide, develop, expand and maintain airports and landing places for aircraft of any kind and the support facilities it determines to

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be incidental or necessary to the proper utilization of such airports and landing places.

(d) Acquire by purchase, condemnation, donation, lease, or otherwise, real or personal property necessary to the full or convenient exercise of any of its powers of purposes.

(e) Operate and maintain the airports, landing places and support facilities under its jurisdiction for public and private use.

(f) (Improve, construct or reconstruct, lease, furnish or refurbish, use, repair, maintain, control, sell or dispose of its property, including any buildings, structures, lighting equipment and all other equipment and facilities necessary therefor; and notwithstanding any other provision of law, make and enter into contracts, leases and permits for the use of airport facilities and properties for airport purposes, and visitor related activities, and make and enter into airline agreements, without prior approval of I Liheslaturan Guåhan, [Legislature] as long as these agreements are in conformity with the provisions of § 1203.1 of this Title.

(g) Issue special revenue or general revenue bonds to finance in whole or in part the cost of acquisition, purchase, construction, reconstruction, improvement, betterment or extension of the airports.

(h) Impose, prescribe and collect rates, rentals, fees and charges for the use and services of, and the facilities and commodities furnished by the Authority for public and private use.

(i) Pledge for the punctual payment of the general revenue bonds and interest thereon all or part of the revenue of the airports (including improvements, betterments or extension thereto thereafter constructed or acquired), which shall be sufficient to pay the principal of and interest on such bonds as they shall become due and to create and maintain reasonable reserves to pay the principal thereof and interest thereon, and pledge for the punctual payment of special revenue bonds and interest thereon all or part of the income and receipts derived by the Authority from agreements relating to the loan of the proceeds of such bonds or the lease of facilities financed from the proceeds of such bonds and the rights and interest of the Authority in such agreement or lease, which shall be sufficient to pay the principal of and interest on such bonds as they shall become due and to create and maintain

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reasonable reserves to pay the principal thereof and the interest thereon.

(j) Make and enter into agreements with one (1) or more banks or other credit enhancement providers for the issuance of letters of credit or such other banking or credit enhancement arrangements as the Authority deems necessary to improve the security and marketability of general revenue or special revenue bonds; provided, that the terms and provisions of any such letter of credit or other banking or credit enhancement arrangement shall be approved in the bond resolution; and provided, further, that the fees for any such letter of credit or other banking or credit enhancement arrangements may be included as a cost of issuance of such bonds.

(k) enter into any contracts in connection with, or incidental to, the issuance of bonds, or the carrying of any investment or program of investment or entering into or maintaining any agreement which secures bonds, which the Authority determines to be necessary or appropriate to place the obligation or investment of the Authority, as represented by the bonds, investment, program of investment or agreement and the contract or contracts, in whole or in part, on the interest rate, currency, cash-flow, or other basis desired by the Authority in furtherance of the purposes of this Chapter, including, without limitation, contracts commonly known as interest rate swap agreements or contracts providing for payments based on levels of, or changes in, interest rates, or contracts to exchange cash flows or a series of payments, or contracts, including, without limitation, interest rate floors or caps, options, put or call to hedge payment, rate, spread, or similar exposure with the parties, selected by the means, and containing the payment, security, default, remedy, and other terms and conditions, determined by the Authority, after giving due consideration for the creditworthiness of the counter parties, where applicable, including any rating by a nationally recognized rating agency or any other criteria as may be appropriate; provided, that any amounts received by the Authority pursuant to any such contract shall constitute Revenues and that any obligation of the Authority under any such contract shall be payable solely from, and secured solely by a pledge of, Revenues; and provided further that for purposes of § 1206 of this Chapter, such obligations shall constitute costs relating to the ownership, use and operation of the Airport.

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Such contracts may include contracts pursuant to which the Authority receives an up-front payment in exchanges for which the Authority agrees to make payments based upon a fixed rate which is greater than the fixed rate that the counterparty to such agreement would require in order to agree to make payments based upon the variable rate to be used to calculate the payments of such counterparty pursuant to such agreement.

SOURCE: GC § 62102, as reenacted by P.L. 16-93. Amended by P.L. 21-135:5. Subsection (f) amended by P.L. 25-139:2. Subsection (k) added by P.L. 25-127:2. Subsection (k) amended by P.L. 26-153:6.

NOTE: P.L. 26-127 contains additional, uncodified conditions governing the issuance of the bonds authorized by this subsection.

§ 1203.1. Agreements Between ABWPGIAA and Concessions, Other Businesses and Service Providers; Agreements Between ABWPGIAA and Airlines.

(a) Any agreement between the ABWPGIAA and any other party concerning the operation of a concession, other business or a service provider at ABWPGIAA shall conform to the following:

(i) allow for an exclusive right to sell certain goods or provide certain services only after a competitive proposal procedure, according to the General Services Administration rules and regulations, and for a duration of no longer than five (5) years (Any exclusive right for a duration of longer than five (5) years shall be given by the ABWPGIAA to any party only upon subsequent approval by I Liheslaturan Guåhan by statute.);

(ii) criteria established for the operation of a concession, other business or service provider at the ABWPGIAA, which criteria shall be reviewed at a public hearing held within ninety (90) days of the effective date of this Section, and held in accordance with the Administrative Adjudication Law;

(iii) not be extended in duration or otherwise modified, unless the extension or other modification conforms to the requirements of this Section (Notwithstanding the forgoing sentence, the exclusive concessionaire agreement between the ABWPGIAA and DFS, in effect on the effective date of this Section, modified by a memorandum of understanding, shall be modified again, but not extended in duration

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of term, pursuant to the cooperative efforts of the parties to reach a mutual understanding in the best interests of the People of Guam.); and

(iv) in order to maximize local participation in concession businesses at the ABWPGIAA, the ABWPGIAA shall abide by the competitive bid process, to the extent consistent with good business practice, and make available the maximum number of opportunities for local businesses to provide concession goods and services at the ABWPGIAA.

(b) Any agreement between ABWPGIAA and any airline offering service to Guam shall charge the airline using the ABWPGIAA air terminal facilities rates sufficient to cover the operating expenses of the air terminal and debt service coverage of the bonds authorized to be issued by this Section, and be in compliance with the requirement that no one (1) or more airlines shall be unreasonably discriminated against in comparison with any other airline in these charges.

(c) Notwithstanding any other provision of law, the ABWPGIAA is authorized to enter into individual leases or agreements with those tenants currently operating food and beverage concessions at the ABWPGIAA as of February 28, 2001, for a period or term not to exceed two (2) years from January 1, 2002 under terms and conditions agreed upon between ABWPGIAA and the tenants; provided, however, this Section does not authorize an extension or renewal of any existing Master Food and Beverage Concession Agreement or lease.

(d) Notwithstanding Subsection (a) of this Section, the ABWPGIAA is authorized to enter into an agreement to extend the current exclusive DFS Concession Agreement one (1) time only for a period or term not to exceed two (2) years from January 20, 2002. Any such agreement shall still be subject to approval by I Liheslaturan Guåhan, and shall provide that annual payment during the period of the extension shall be no less than the sum of Eight Million Dollars (\$8,000,000), or twenty percent (20%) of gross sales at the ABWPGIAA, whichever is greater, and ten percent (10%) of gross sales at non- ABWPGIAA -owned facilities where passengers are checked in for outgoing airline flights from Guam.

The extension of the DFS Concession Agreement shall be submitted to I Liheslaturan Guåhan [Guam Legislature] for approval no later than September 30, 2001. I Liheslaturan Guåhan [Guam Legislature] shall have forty-five (45) days upon receipt of the proposal to act on the approval or

disapproval of the concessionaire agreement. Inaction by I Liheslaturan Guåhan [Guam Legislature] within the designated timeframe shall constitute approval.

SOURCE: Added by P.L. 21-135:3. Amended by P.L. 24-255:2. Repealed/reenacted by P.L. 26-51:2.

§ 1204. Specific Authorization for Issuance of Bonds.

For the purpose of providing money to be used for the cost of the acquisition, purchase, construction, reconstruction, improvement, betterment or extension of the airports, the Board is authorized to issue and sell general revenue and special revenue bonds as hereinafter provided. The principal of and interest on the bonds shall be paid out of and secured by the revenue derived from the ownership, lease, use and operation of the airports and of all the facilities thereof as to the general revenue bonds, and from the sources specified in the bond resolution as to the special revenue bonds.

The Board, in determining the foregoing cost, may include all costs and estimated costs of the issuance and sale of the bonds, all engineering, inspection, fiscal and legal expenses and interest which it is estimated will accrue during the construction period and for six (6) months thereafter on the bonds.

SOURCE: GC § 62103, as reenacted by P.L. 16-93.

§ 1205. Construction Fund, Creation.

(a) There is created a special fund of the Authority known as the *Guam Airport Authority Construction Fund*, into which shall be paid the proceeds of the sale of the general revenue bonds except for the following:

- (1) Any accrued interest received, which shall be paid into the bond redemption fund established by § 1207 of this Article.
- (2) Proceeds of such bonds required to be deposited as reserves for such bonds by resolution.
- (3) Proceeds of any bonds issued to refund any outstanding bonds, which shall be applied as provided in the bond resolution authorizing the issuance of such refunding bonds.

(b) The money in the Construction Fund shall be used to pay the costs of acquiring, constructing, reconstructing, purchasing, bettering, expanding, improving or maintaining the airports; and all costs incidental thereto, including the costs of the authorization, issuance and sale of the general revenue bonds. To the extent provided in the bond resolution, money in the

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Construction fund may also be used for the payment of interest on the general revenue bonds during the period of actual construction and such further period, not to exceed six (6) months, after the period of construction. When all costs required to be paid from the Construction Fund have been paid, or provision for the payment of such costs have been made, money remaining on deposit in the Construction Fund may be applied as provided in the bond resolution authorizing the issuance of such general revenue bonds.

(c) The board may provide in the bond resolution that money in the construction Fund may be invested in any investment permitted by the bond resolution. The interest earned upon or any profits derived from the sale of this investment shall be deposited in and become a part of the Construction Fund.

(d) The Board may provide in the bond resolution for the establishment of such accounts in the Construction Fund as are necessary

SOURCE: GC § 62104, as reenacted by P.L. 16-93. Amended by P.L. 21-135:6.

§ 1206. Guam Airport Authority Revenue Fund, Creation.

(a) There is created a special fund of the Authority known as the Guam Airport Authority Revenue Fund, which shall be wholly segregated and set apart from all other funds of the Government. The Revenue Fund is and shall be a trust fund for the uses and purposes provided in this Article, and there shall be paid into the Revenue Fund all revenue derived by the Authority from the ownership, lease, use and operation of the airports, facilities and improvements thereof and facilities and improvements used in connection therewith. The money in the Revenue Fund shall be used only to pay or secure the payment of:

(1) the principal of and interest on the general revenue bonds.

(2) The normal and necessary costs of maintaining and operating the airports and all of the improvements and facilities thereof.

(3) The costs of renewals, replacements and extraordinary repairs to the airports and all of the improvements and facilities of the airports.

(4) Any other costs relating to the ownership, use and operation of the airports.

(b) The Board may establish and use such other funds and accounts as are required to provide for the security of the general revenue bonds.

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(c) The Board may provide in the bond resolution that money in the Revenue Fund or any other fund or account authorized by the bond resolution may be invested in any investments permitted by the bond resolution. The interest earned upon or any profit derived from the sale of any such investment shall be deposited in and become a part of the Revenue Fund, or, if so provided in the bond resolution, in the Construction Fund.

(d) The Board may establish and use such funds and accounts as are required to provide for the security of special revenue bonds, including reserves therefor. The Bond resolution may authorize that money in such funds or accounts may be invested in any investments permitted by the bond resolution. The interest earned upon or any profits derived from the sale of this investment shall be deposited in and become a part of such funds and accounts.

SOURCE: GC § 62105, as reenacted by P.L. 16-93. Amended by P.L. 21-135:7.

§ 1207. Revenue Bond Redemption Fund, Establishment.

(a) There is established a special fund of the Authority, to be known as the *Guam Airport Authority Bond Redemption Fund*, which is a trust fund for paying and securing the payment of the principal of and interest on and redemption premiums, if any, on the general revenue bonds and which shall be at all times wholly segregated and set apart from all other funds of the Government. As may be provided by the Board in the bond resolution, there shall be set aside and paid into the Bond Redemption Fund an amount of money sufficient to pay the principal of and interest and redemption premiums, if any, on the general revenue bonds as such payments become due and, if so provided by the Board in the bond resolution, sufficient also to maintain reserves for this purpose. The Bond Redemption fund shall be drawn upon for the purposes of paying the principal of and interest and redemption premiums, if any, on the general revenue bonds, or for reimbursing any credit enhancement provider for any such payment.

(b) In the event the Authority shall issue general revenue bonds which are payable junior and subordinate to outstanding general revenue bonds, the Board may provide in the bond resolution authorizing such junior and subordinate bonds for the creation and maintenance of such other funds and accounts as are required to provide for the security of such bonds

SOURCE: GC § 62106, as reenacted by P.L. 16-93. Amended by P.L. 21-135:8.

§ 1208. Bond Resolution, Adoption; Concurrence Required; Contents of.

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(a) No general revenue bonds shall be issued unless authorized by the Board in a bond resolution adopted by it and unless the Legislature by statute approves the terms and conditions of the bonds. Such resolution shall take effect only upon its approval by the Governor in writing.

(b) The Board shall specify in the bond resolution the denomination or denominations in which the bonds shall be issued, the interest rate or rates the bonds shall bear or the manner of determining such interest rate or rates and the frequency with which interest payments shall be made upon them. The Board may provide in the bond resolution or any subsequent bond resolution that the bonds may:

(1) Bear the same or different dates.

(2) Mature at such time or times not exceeding thirty-five (35) years from their respective dates.

(3) Be paid in certain mediums and at certain places.

(4) Contain terms of redemption with such premiums as may be fixed (but no general revenue bond may be subject to redemption prior to its fixed maturity date unless such right of redemption is expressly set forth on the face of the general revenue bond).

(5) Contain terms, covenants and conditions set by the Authority pursuant to § 1209 of this Article, and be in coupon or registered form.

(c) The bond resolution or another resolution adopted by the Board may authorize the sale of the bonds at either public or private sale and at a price not less than such price as is set in the resolution authorizing the sale. If any general revenue bonds are to be sold at public sale, notice of sale with respect thereto shall be published at least once not less than five (5) days prior to the date of sale in a newspaper of general circulation in Guam and in a financial newspaper published in any of the cities of New York, Chicago, Illinois, or San Francisco, California.

(d) Any provision authorized by this Article to be included in a bond resolution may be included in an indenture or trust agreement authorized by the bond resolution to be executed on behalf of the Authority and incorporated by reference in the bond resolution in substantially final form.

SOURCE: GC § 62107, as reenacted by P.L. 16-93. Amended by P.L. 21-135:9.

§ 1209. Bond Covenants; Actions to Enforce.

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(a) The Board may include in any bond resolution authorizing the issuance of general revenue bonds under this Article covenants as to:

(1) The purpose or purposes to which the proceeds or sale of the bonds shall be applied and the use and disposition thereof.

(2) The use and disposition of the revenue of the airports, including the creation and maintenance of reserves.

(3) The issuance of additional general revenue bonds payable from the revenue of the airports.

(4) The operation, maintenance and repair of the airports.

(5) The insurance to be carried by the Authority and the use and disposition of insurance moneys.

(6) Books of account and the inspection and audit thereof.

(7) Such other matters as are deemed necessary and required by the Authority in order to properly secure such bonds.

(b) The provisions of this Article and any bond resolution authorizing the issuance of general revenue bonds shall be a contract with the bondholders and the duties of the Authority or any person under this Article and the conditions of any bond resolution shall be enforceable by any bondholder by injunction, mandamus, or other appropriate suit, action or proceeding in any court of competent jurisdiction, subject to any limitations set forth in the bond resolution.

SOURCE: GC § 62108, as reenacted by P.L. 16-93. Amended by P.L. 21-135:10.

§ 1210. Bond Resolution, Adoption; Concurrence Required; Contents.

(a) No special revenue bonds shall be issued unless authorized by the Board in a bond resolution adopted by it. Such resolution shall take effect only upon its approval by the Governor in writing and the Legislature by statute.

(b) The Board shall specify in the bond resolution the denomination or denominations in which the bonds shall be issued, the interest rate or rates the bond shall bear and the frequency with which interest payments shall be made upon them. The Board may provide in the bond resolution or any subsequent bond resolution that the bonds may:

(1) Bear the same or different dates.

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(2) Mature at such time or times not exceeding thirty-five (35) years from their respective dates.

(3) Be paid in certain mediums and at certain places.

(4) Contain terms of redemption with such premiums as may be fixed (but no special revenue bonds may be subject to redemption prior to its fixed maturity date unless such right of redemption is expressly set forth on the face of the special revenue bond).

(5) Contain terms, covenants and conditions set by the Board pursuant to § 1211 of this Article, and be in coupon or registered form.

(c) The bonds shall not be sold until the Board shall have adopted a second resolution authorizing the sale. Such resolution shall take effect only upon its approval by the Governor and the Legislature. The sale may be either public or private and shall be at such price as is set in the resolution authorizing the sale. If any special revenue bonds are to be sold at public sale, a notice of sale with respect thereto shall be published at least once not less than five (5) days prior to the date of sale in a newspaper of general circulation in Guam and in a financial newspaper published in any of the cities of New York, Chicago, Illinois or San Francisco, California.

SOURCE: GC § 62109, as reenacted by P.L. 16-93. Amended by P.L. 21-135:11.

§ 1211. Bond Covenants; Actions to Enforce.

(a) The Board may include in any bond resolution authorizing the issuance of special revenue bonds under this Article covenants as to:

(1) The purpose or purposes to which the proceeds of sale of the bonds shall be applied and the use and disposition thereof.

(2) The use and disposition of the revenue of the airports, including the creation and maintenance.

(3) The issuance of additional special revenue bonds payable from the revenue of the airports.

(4) The operation, maintenance and repair of the airports.

(5) The insurance to be carried by the Authority and the use and disposition of insurance moneys.

(6) Books of account and the inspection and audit thereof.

(7) Such other matters as are deemed necessary and required by the Board in order to properly secure such bonds.

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(b) The provisions of this Article and any bond resolution authorizing the issuance of special revenue bonds shall be a contract with the bondholders and the duties of the Authority or any person under this Article and the conditions of any bond resolution shall be enforceable by any bondholder by injunction, mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

SOURCE: GC § 62110, as reenacted by P.L. 16-93.

§ 1212. Bonds: Execution of; Validity of; Presumed Regular.

Bonds issued pursuant to this Article shall be executed by the Chairman of the Board and sealed with the seal of the Authority or in lieu thereof shall bear a lithographed or engraved facsimile of the signature of the Chairman or of such seal or both such signature and seal. The bonds shall be countersigned by the Secretary of the Authority, or in lieu thereof, shall bear a lithographed or engraved facsimile of the signature of the secretary. The coupons pertaining to the bonds shall be executed with the lithographed or engraved facsimile signatures of the Chairman of and Secretary of the Authority. The bonds bearing the signature of officers in office in an active or regular capacity on the date of signing thereof shall be valid and binding obligations notwithstanding that before the delivery thereof and payment therefor any or all the persons whose signatures appear thereon shall have ceased to be officers of the Authority. The validity of the bonds shall not depend upon nor be affected by the validity or regularity of any proceedings relating to the acquisition, purchase, construction, reconstruction, improvement, betterment or extension of the airports for which the bonds are issued. The Board may provide in the bond resolution authorizing the bonds that the bonds shall contain a recital that they are issued pursuant to the laws of Guam, which recital shall be conclusive evidence of their validity and of the regularity of their issuance.

SOURCE: GC § 62111, as reenacted by P.L. 16-93.

§ 1213. Same: Equality.

All general revenue bonds constituting a part of the same issue shall be equally and ratably secured, without priority by reason of number, date of bonds, date of sale, date of execution or date of delivery, by a lien and charge on the revenue pledged to the payment thereof in accordance with this Article and the bond resolution authorizing the issuance of such bonds; provided, this provision shall not be deemed to prohibit the issuance of general revenue bonds which are payable junior and subordinate to

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outstanding general revenue bonds. Any additional general revenue bonds which are payable out of the revenue of the airports may be issued on a parity with any general revenue bonds previously issued upon compliance with any conditions which may be prescribed in the bond resolution.

SOURCE: GC § 62112, as reenacted by P.L. 16-93.

§ 1214. Same: Source of Payment of; Not Full Faith and Credit Instruments.

All bonds issued under this Article shall be payable solely from and secured solely by the revenue or other security pledged to the payment thereof, and shall not constitute a general obligation of the Government or a charge upon the general fund of Guam, nor shall the full faith and credit of the Government be pledged to the payment of the principal and interest thereof. Each bond issued under this Article shall recite in substance that the issue of which such bond is a part and the interest thereof are payable solely from and secured solely by the revenue or other security pledged to the payment thereof, and that the bond is not a general obligation of the Government and the full faith and credit of the Government are not pledged to the payment of such principal and interest.

SOURCE: GC § 62113, as reenacted by P.L. 16-93.

§ 1215. Authority to be Self-sustaining.

The Board shall prescribe, impose and collect rates, rentals, fees or charges for the use and services of and the facilities and commodities furnished by the airports, including landing fees as permitted, and shall revise such rates, rentals, fees, charges and landing fees from time to time whenever necessary to keep the Authority on a self-sustaining basis. The rates, rentals, fees, charges and landing fees imposed and prescribed shall produce revenue which will be at least sufficient to:

(a) Make the required payments of the principal and interest of all general revenue bonds issued by the Authority.

(b) Pay the cost of operation of the Authority and the maintenance and repair of the airports, including reserves therefor.

(c) Carry out the covenants of the bond resolution or bond resolutions authorizing the issuance of bonds.

(d) Repay the Government for advances hereafter made for or on account of the Authority, including the allocable portions of principal and interest on rehabilitation loans made for or on account of the

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Authority, as disclosed by historic annual financial reports of relevant operations.

SOURCE: GC § 62114, as reenacted by P.L. 16-93.

§ 1216. Refunding Bonds.

The Board may authorize the issuance of refunding bonds for the purpose of refunding any bonds then outstanding and issued under this Article, whether or not such outstanding bonds have matured or are then subject to redemption. The Board may provide for the issuance of a single issue of bonds for the combined purposes of (1) financing the cost of improvement or expansion of the airports, and (2) refunding bonds which shall theretofore have been issued by the Authority and shall then be outstanding, whether or not such outstanding bonds have matured or are then subject to redemption. Nothing in this Section shall require or be deemed to require the Authority to elect to redeem or prepay bonds being refunded, or to redeem or repay bonds being refunded which were issued in the form customarily known as term bonds in accordance with any sinking fund installment schedule specified in the bond resolution authorizing the issuance thereof, or, in the event the Authority elects to redeem or prepay any such bonds, to redeem or prepay as of any particular date or dates. The issuance of such bonds, the maturities and other details thereof, the rights and remedies of the holders thereof, and powers, privileges, duties and obligations of the Authority with respect to the bonds shall be governed by the provisions of this Article insofar as those provisions may be applicable.

SOURCE: GC § 62115, as reenacted by P.L. 16-93.

§ 1217. Director of Administration as Trustee.

The Director of Administration or any fiscal agent designated by him shall act as trustee for the Authority and the holders of bonds issued hereunder if such provision is specifically contained within the bond resolution authorizing such bonds and the bond resolution may authorize the trustee to act on behalf of the bondholders or any stated percentage thereof, and to exercise and prosecute on behalf of the bondholders such rights and remedies as may be available to the bondholders. Notwithstanding any law to the contrary, a trustee designated pursuant to this Section or a paying agent designated for the bonds may in good faith buy, sell, own, hold and deal in the bonds and coupons or any other indebtedness of the Authority or the Government provided, that such a trustee or paying agent shall not receive with respect to a transaction involving the bonds any other

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compensation except that received for its service as trustee or paying agent. Within thirty (30) days of any transaction whereby the trustee or paying agent buys, sells, owns, holds or deals in the bonds or coupons the trustee or paying agent shall report to the Guam Legislature as to the transaction and its involvement in it. When acting as a trustee, the Director of Administration shall cause to be established suitable accounts for the deposit of all revenue and other moneys, and for the payment of the bonds and the interest thereon and for all other payments provided or required by this Article.

SOURCE: GC § 62116, as reenacted by P.L. 16-93.

§ 1218. Negotiability of Bonds.

The bonds and the coupons attached to them are negotiable instruments.

SOURCE: GC § 62117, as reenacted by P.L. 16-93.

§ 1219. Temporary Bonds Authorized.

The Board may provide in a bond resolution that, pending the actual issuance or delivery of definitive bonds, the Authority may issue temporary or interim bonds, to be exchanged for definitive bonds, when ready for delivery.

SOURCE: GC § 62118, as reenacted by P.L. 16-93.

§ 1220. Replacement Bonds Authorized.

The Board may provide in a bond resolution that lost, destroyed or mutilated bonds or coupons may be replaced.

SOURCE: GC § 62119, as reenacted by P.L. 16-93.

§ 1221. Bonds Tax Exempt.

[Repealed.]

SOURCE: GC § 62120, as reenacted by P.L. 16-93. Repealed by P.L. 21-135:12.

§ 1222. Bonds as Legal Investments.

Notwithstanding any other provisions of this Article, all general revenue bonds are legal investments for all trust funds and for the funds of all banks, both commercial and savings, and may be deposited as security for the performance of any act whenever any evidence of indebtedness of the Government may be so deposited, and may also be used as security for the deposit of public moneys in banks in the territory of Guam.

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SOURCE: GC § 62121, as reenacted by P.L. 16-93.

§ 1223. Repayment responsibility of Government.

The Government and not the Authority shall continue to make all payments for principal and interest due on the rehabilitation loans applicable to the airports.

SOURCE: GC § 62122, as reenacted by P.L. 16-93.

§ 1224. Other Indebtedness Authorized.

The Board may at any time, or from time to time, by resolution adopted by a majority of all the members of the Board and approved by the Governor, incur indebtedness for any lawful purpose for any period not exceeding five (5) years evidenced by a contract with any person or by one or more promissory notes executed as provided in this Article and delivered to any person. Any such indebtedness incurred shall be subject and subordinate to any contractual obligations of the Authority to the holders of any bonds and the principal thereof and interest thereon may be repaid either from revenue or, if incurred for a purpose for which bonus may be issued, from revenue or from the proceeds of sale of bonds.

SOURCE: GC § 62123, as reenacted by P.L. 16-93.

§ 1225. Construction of Article.

The powers conferred by this Article shall be in addition and supplemental to the powers conferred by any other law. The Authority may acquire, purchase, construct, reconstruct, improve, better and extend airports and support facilities and equipment, and bonds may be issued under this Article for these purposes, notwithstanding that any other law may provide for the acquisition, purchase, construction, reconstruction, improvement, betterment and extension of the airports, and without regard to the requirements, restrictions, limitations or other provisions contained in any other law. This Article shall be liberally construed in order to carry out the purposes for which it was enacted, and insofar as the provisions of this Article are in conflict with the provisions of any other laws, the provisions of this Article shall be controlling, and all existing laws in conflict with any provisions of this Article are superseded insofar as necessary to accomplish the purposes of and carry out the provisions of this Article.

SOURCE: GC § 62124, as reenacted by P.L. 16-93.

§ 1226. Pledge and Agreement by Government.

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The Government hereby pledges to and agrees with the holders of any bonds issued under this Article that the Government will not:

- (a) Limit or alter the rights hereby vested in the Authority to fulfill the terms of any agreements made with the bondholders,
- (b) in any way impair the rights and remedies of the bondholders,
- (c) acquire, operate or maintain or permit any instrumentality of the Government or any other public or private agency, entity or person to acquire, operate or maintain within the territory an airport facility competitive with the airports, or
- (d) transfer any additional non-airport operating responsibilities to the Authority without providing for the payment of the costs of such additional responsibilities. The Authority is authorized to include this pledge and agreement of the Government in an agreement with the holders of bonds.

SOURCE: Added by P.L. 21-135:13. [P.L. 21-135 states that this section was amended, but the Compiler can find no prior law where such a section was first added.]

ARTICLE 3

**A.B. WONPAT GUAM INTERNATIONAL AIRPORT AUTHORITY
AIRCRAFT RESCUE AND FIRE FIGHTING UNIT**

SOURCE: This Article 3 was added by P.L. 24-5:2.

- § 1301. Establishment.
- § 1302. Powers and Duties.
- § 1303. Officer in Charge at Scene of Fire.
- § 1304. Penalty, Obstruction of Operations.

§ 1301. Establishment.

There is hereby established within, and as a division of the A.B. WonPat Guam International Airport Authority, an Aircraft Rescue and Fire Fighting Unit. The underlying purposes and policies of the Act are to acknowledge that the GIAA has the duty to operate and maintain the A.B. WonPat Guam International air terminal and related facilities for civil aviation purposes on Guam, and that an Aircraft Rescue and Fire Fighting Unit is required to provide for: rescue and life saving; safety of persons,

equipment and facilities; and fire fighting and salvage of equipment and cargo.

§ 1302. Powers and Duties.

The Aircraft Rescue and Fire Fighting Unit shall have the power and duty to conduct and extinguish injurious or dangerous fires, and to remove that which is liable to cause such fires, assume complete charge of fire suppression, perform rescue operations and to enforce all laws relating to the preventing or spreading of fires and all laws pertaining to fire control and fire hazards within the Air Operations Area, as defined in GIAA's Master Plan. The GIAA Board of Directors, or its designee, with the assistance of the Chief of the Aircraft Rescue and Fire Fighting Unit, pursuant to the Administrative Adjudication Law, shall adopt reasonable rules and regulations to promote the purpose of this Act. Any violation of the rules and regulations regarding the Aircraft Rescue and Fire Fighting Unit shall be deemed a misdemeanor.

§ 1303. Officer in Charge at Scene of Fire.

The Officer of the Aircraft Rescue and Fire Fighting Unit at the scene of any fire shall have full power and authority to direct the operation of extinguishing the same and to take the necessary precautions to prevent the spread thereof. In the course of such operations he may prohibit approach to such fire by any person, vehicle, aircraft or thing, and may remove or cause to be removed and kept away from such fire any vehicle, aircraft or thing, and all persons not actually and usefully employed, in the judgment of said Officer, in the extinguishing of such fire or the preservation of property in the vicinity thereof.

§ 1304. Penalty, Obstruction of Operations.

Any person who shall in any way obstruct the operations of the Aircraft Rescue and Fire Fighting Unit in connection with any such fire, or who shall disobey any lawful command of the Officer of the Unit in charge at the scene of such fire, or of the Guam Fire Department or the Guam Police Department in cooperating with them, shall be guilty of a misdemeanor.
