

COMMITTEE ON INFRASTRUCTURE

DATE	ACTIVITIES	DISCUSSION POINTS/HIGHLIGHTS OF DISCUSSION
January 6, 2014	Committee Meeting	<p>1. Water</p> <ul style="list-style-type: none"> • President and CEO, Hon. Florante S. Gerdan met with the representatives of Balibago Waterworks System, Inc. on December 11, 2013. <p>2. DPWH Road Projects</p> <ul style="list-style-type: none"> • Accomplishments as of December 31, 2013 <p>1. Construction of road leading to the Poro Point Lighthouse</p> <p>Planned – 79.40 % Actual – 71 %</p> <p>Issues: Due to the issue on the fiber optic of Voice of America.</p> <p>2. Rehabilitation/Repair of Main Access Road/Road leading to the Poro Point Management Corporation (PPMC)</p> <p>Planned – 91.56% Actual – 82%</p> <p>Issues: Due to the road-right-of-way problem (Shipside property) and the obstruction of utility post/electrical post within the alignment of the proposed drainage project site.</p> <p>3. Rehabilitation/Repair of Mayor Lorenzo L. Dacanay Avenue, (formerly California Avenue), San Vicente – Pagudpud Road, Road in front of the San Fernando Airport</p> <p>Planned – 80% Actual – 82%</p> <p>3. Development of the Poro Point Lighthouse</p> <ul style="list-style-type: none"> • PPMC already sent the Terms of Reference to BCDA last December 12, 2013. <p>4. Master Development Plan of the remaining 146 has. Poro Point Freeport Zone</p>

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- On December 13 and December 17, 2013, a meeting at BCDA was held to discuss the Financials.

5. Survey at the San Fernando Airport

- Completed. Ongoing plotting of the individual lot technical description.

February 3, 2014

Committee Meeting

1. Water

- Ms. Eliza M. Maconocido received a letter dated Jan. 28, 2014, thru email from Mr. Julio Jude A. Montinola of the Business Development Division of Balibago Water Works System Inc. requesting for information needed in order for them to prepare their formal proposal to become a possible Operations and Maintenance Concessionaire of the water supply within the Poro Point Freeport Zone.

2. DPWH Road Projects

- Accomplishments as of January 31, 2014

1. Construction of road leading to the Poro Point Lighthouse

Planned – 75.62 %
Actual – 76.00 %

2. Rehabilitation/Repair of Main Access Road/Road leading to the Poro Point Management Corporation (PPMC)

Planned – 92.00%
Actual – 91.25%

Issues: Due to the road-right-of-way problem (Shipside property) and the obstruction of utility post/electrical post within the alignment of the proposed drainage project site.

3. Rehabilitation/Repair of Mayor Lorenzo L. Dacanay Avenue, (formerly California Avenue), San Vicente – Pagudpud Road, Road in front of the San Fernando Airport

Planned – 93%
Actual – 91%

		<p>3. Development of the Poro Point Lighthouse</p> <ul style="list-style-type: none"> • A meeting between officers of PPMC and PCG is scheduled on February 4, 2014 to discuss some issues on the Implementing Agreement. <p>4. Master Development Plan of the remaining 146 has. Poro Point Freeport Zone</p> <ul style="list-style-type: none"> • On January 21, 2014, a meeting at BCDA was held to discuss the Financials. <p>No date yet for the final presentation to PPMC and BCDA.</p> <p>5. Survey at the San Fernando Airport</p> <ul style="list-style-type: none"> • Ongoing plotting of the individual lot technical description.
April 7, 2014	Committee Meeting	<p>1. Water.</p> <ul style="list-style-type: none"> • The Committee agreed to set a meeting with the officers of Metro San Fernando Water District
May 5, 2014	Committee Meeting	<p>1. Water</p> <ul style="list-style-type: none"> • Ms. Josefa Catherine T. Bada Maconocido and Engr Cerila A. Corpuz met Engr. Renie Soriano of TPHRI and Ms. Sarah Campanilla of QB Systems, Inc. on April 25, 2014 regarding the possible supply of water by the MSFWD. PPMC wrote TPHRI on April 28, 2014 asking for TPHRI's water consumption and minimum guaranteed water consumption which can be used to negotiate with MSFWD on the water rates.
June 2, 2014	Committee Meeting	<p>1. Water</p> <ul style="list-style-type: none"> • Still waiting for the reply of TPHRI on PPMC's letter dated April 28, 2014. <p>2. Others</p> <ul style="list-style-type: none"> • Telecommunications <p>Engr Cerila A. Corpuz met with the Engineers of Globe Telecom, Inc. namely: Bryan Marquez, Adrian Mozo, Jimmy Bautista and Aldrin Gonzales and conducted a site inspection of the zone. Globe will submit its project proposal as possible telecommunications provider for</p>

July 7, 2014	Committee Meeting	<p>the zone.</p> <p>1. Water</p> <ul style="list-style-type: none"> • PPMC received a letter from TPHRI dated June 4, 2014 requesting for the issuance of all permits necessary in order for TPHRI to commence installation of water pipeline from its deepwell located outside of the Poro Point Freeport Zone (PPFZ) to its leased area in the PPFZ. • Engr. Cerifa A. Corpuz called up Engr. Renie B. Soriano of TPHRI last June 13, 2014 informing them that PPMC can only issue permits from the main gate up to TPHRI's leased area. Permits outside of PPFZ should be secured from DPWH and barangays affected by the pipeline. <p>2. Others</p> <ul style="list-style-type: none"> • Telecommunications) <p>Still waiting for the proposal from Globe Telecom, Inc.</p> <ul style="list-style-type: none"> • Power <p>Ms. Eliza Maconocido already sent to Dir. Nicolas Tabora and San Miguel Corporation (SMC) the projected power demand based on the masterplan. PPMC is still awaiting for the proposal from SMC.</p>
August 4, 2014	Committee Meeting	<p>1. Water</p> <ul style="list-style-type: none"> • PPMC wrote Thunderbird Pilipinas Hotels and Resorts, Inc, (TPHRI) on July 30, 2014 in connection to their letter dated June 4, 2014 requesting for the issuance of all permits necessary in order for TPHRI to commence installation of water pipeline from its deepwell located outside of the Poro Point Freeport Zone (PPFZ) to its leased area in the PPFZ. • In said PPMC letter, PPMC reiterated that PPMC can only issue permits from the main gate up to TPHRI's leased area. Permits outside of PPFZ should be secured from DPWH and barangays affected by the pipeline. In addition, TPHRI was advised that the water to be drawn from their outside deepwell should only be for the use of the golf course and not the hotel

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September 1, 2014	Committee Meeting	<p>1. Water</p> <ul style="list-style-type: none"> Thunderbird Pilipinas Hotels and Resorts, Inc. (TPHRI) wrote PPMC on August 5, 2014 in connection to PPMC letter dated July 30, 2014 requesting for the issuance of all permits necessary in order for TPHRI to commence installation of water pipeline from its deepwell located outside of the Poro Point Freeport Zone (PPFZ) to its leased area in the PPFZ. In said TPHRI letter, TPHRI informed PPMC that they have started coordinating with DPWH for the required permits and that the water to be sourced from the deepwell located outside PPFZ shall be solely for the maintenance of TPHRI's golf course.
October 10, 2014	Committee Meeting	<p>1. Baywalk</p> <ul style="list-style-type: none"> Discussion on the proposed design for baywalk commercial spaces or units <p>2. Water</p> <ul style="list-style-type: none"> The Committee agreed to set a meeting with the officers of Metro San Fernando Water District.
November 3, 2014	Committee Meeting	<p>1. Baywalk</p> <ul style="list-style-type: none"> Discussion on the proposed design guidelines for baywalk commercial spaces or units <p>2. Water</p> <ul style="list-style-type: none"> The Committee agreed to set a meeting with the officers of Metro San Fernando Water District
December 15, 2014	Committee Meeting	<p>1. Utilities</p> <ul style="list-style-type: none"> Discussion on the meetings with various utility companies such as the La Union Electric Company, Inc. (LUECO), Metro San Fernando Water District (MSFWD) and Philippine Long Distance Telecommunications (PLDT).

Prepared By:


Engr. Cerjla A. Corpuz

Vice President for Infrastructure Management

AUDIT AND RISK OVERSIGHT COMMITTEE MEETING

Date	Activities	Discussion Points/Highlights of Discussion
January 22, 2014	Committee Meeting	Discussed the following: Proposed Audit Plan for CY 2014 Accomplishment Report for CY 2013
March 24, 2014	Committee Meeting	Discussed the following: Status of Implementation of PPMC Board Resolutions Accomplishment Report for January to February 2014 Interim Financial Statements for CY 2013
April 07, 2014	Committee Meeting	Discussed the following: Query of the Board Finance Committee to the Board Audit & Risk Oversight Committee on whether the Internal Audit Service Office(IASO) can do pre-audit of transactions of PPMC.
May 05, 2014	Committee Meeting	Discussed the following: Status of Implementation of PPMC Board Resolutions Accomplishment Report for March to April 2014
November 03,2014	Committee Meeting	Discussed the following: Confirmation of Internal Auditor
November 17,2014	Committee Meeting	Discussed the following: Accomplishment Report for July to August 2014 Status of Implementation of PPMC Board Resolutions Revision in format of the Audit Manual & Charter for QMS requirement
December 15,2014	Committee Meeting	Discussed the following: Audit of Financial Records

Prepared by:

Rubilyn P. Cabiles
Secretariat

**COMMITTEE ON INVESTMENT AND PROMOTION
CY 2014**

Date	Activities	Discussion Points/Highlights of Discussion
January 6, 2014	1 st Committee Meeting	<ol style="list-style-type: none"> 1. Intent of Poro Point Marine Enterprises Corporation (PPMEC) to lease 3,500 square meters at the PPFZ <ul style="list-style-type: none"> • The Committee discussed the Contract of Lease and the application of PPMEC was approved by the Committee for endorsement to the PPMC Board for approval. 2. Airport Matters <ol style="list-style-type: none"> a. Request for the re-alignment of budget from Runway End Identifier Lights to purchase an Automated Weather Observation System Server b. Inception Report on the Transaction Advisory Services for the Upgrading of the San Fernando Airport c. Status of efforts to bring back Commercial Flights 3. Status of last year's inquiries (StarTek, Inc.) <ul style="list-style-type: none"> • The Committee discussed that StarTek, Inc. is still interested to locate at the PPFZ but is also looking for building developer/provider. 4. Effect of TPLEX <ul style="list-style-type: none"> • The Committee discussed the possible effect of the completion of TPLEX on the resumption of commercial flights at the San Fernando Airport.
January 22, 2014	2 nd Committee Meeting	<ol style="list-style-type: none"> 1. Asset Disposition Program/Plan for the leasable areas of PPFZ <ul style="list-style-type: none"> • The Committee together with the Business Development Team of BCDA discussed the Asset Disposition Program /Plan of PPMC for the leasable areas of the PPFZ pursuant to the new Master Development Plan for PPFZ 2. Letter from Poro Point Marine Enterprises Corporation (PPMEC) dated January 17, 2014 regarding its locatorship application <ul style="list-style-type: none"> • The Committee discussed the various requirements of PPMEC with regard to its application. 3. Renaming of San Fernando Airport to Poro Point (San Fernando) Airport <ul style="list-style-type: none"> • The Committee decided to defer the discussion on the change of name since the airport is being privatized under PPP Scheme and to give due respect to the prospective owner.
February 3, 2014	3 rd Committee Meeting	<ol style="list-style-type: none"> 1. Proposed Revision of Poro Point Marine Enterprises Corporation (PPMEC) on the Draft Contract of Lease <ul style="list-style-type: none"> • The Committee discussed the proposed revision of PPMEC on the Contract of Lease particularly on the area; the lease rate; and the use, development and restrictions 2. Proposed Revision of the Philippine Coast Guard (PCG) on the Implementing Agreement for the Development of

		<p>the Poro Point Lighthouse</p> <ul style="list-style-type: none"> The Committee discussed the proposed revisions of PCG on the Implementing Agreement <p>3. Re-alignment of Budget to Purchase an Automated Weather Observation System (AWOS) Server and Aviation Barometer</p> <ul style="list-style-type: none"> The Committee recommended the re-alignment and was endorsed to the PPMC Board for its approval. <p>4. Requirement of Minimum Investment of US\$250,000.00 to Enterprises with Foreign and Local/Domestic Ownership for Granting of Certificate of Registration</p> <ul style="list-style-type: none"> The Committee discussed the results of the public consultation meeting on the IRR of PPFZ particularly on the required minimum investment.
March 24, 2014	4 th Committee Meeting	<p>1. Application of QB Systems Asia, Inc. as PPFZ Registered Enterprise</p> <ul style="list-style-type: none"> The Committee discussed the application of QB Systems Asia, Inc. and recommended for approval of the PPMC Board. <p>2. Intent of COVA Construction and Consulting Services Philippines, Inc. to lease the PPMC Old Admin Office</p> <ul style="list-style-type: none"> The Committee decided to defer the discussion of the lease of the PPMC Old Admin Office considering the legal study being done on the property. <p>3. BCDA Financial Policy 150-0 entitled "Guidelines for New and Renewal of Lease Contracts"</p> <ul style="list-style-type: none"> The Committee discussed the BCDA's Financial Policy particularly on the guideline wherein all new and renewal of lease contracts shall be subject to the approval of BCDA regardless of the amount involved.
April 7, 2014	5 th Committee Meeting	<p>1. Application of COVA Construction and Consulting Services Philippines, Inc. to lease the PPMC Old Admin Office and to lease 5,000 square meters area for construction of building for ICT-BPO Companies</p> <ul style="list-style-type: none"> The legal study on the lease of the PPMC Old Admin Office was discussed. The application of COVA was approved by the Committee for endorsement to the PPMC Board for approval. The Committee discussed the letter of intent sent by COVA regarding its intent to lease at least 5,000 square meters area. <p>2. Proposed Lease Rates</p> <ul style="list-style-type: none"> The Committee discussed the proposed lease rates for the leasable areas of the Zone and was endorsed to the PPMC Board for its comments. <p>3. Proposed Asset Disposition Plan</p> <ul style="list-style-type: none"> The Committee discussed the various concepts on how to dispose the leasable areas of the Zone through retail (negotiated) and wholesale (public bidding). <p>4. Update on the Long-Term Lease and Development of the</p>

		<p>Poro Point Lighthouse</p> <ul style="list-style-type: none"> The Committee discussed update on the on-going negotiation with Philippine Coast Guard (PCG) on the lease period of 25 years and the 10% share on the land lease. <p>5. San Fernando Airport Status of Operation and Development</p> <ul style="list-style-type: none"> The Committee discussed the update on the on-going feasibility study of the San Fernando Airport and the result of the presentation before the Provincial Government of La Union.
April 22, 2014	6 th Committee Meeting (Joint Meeting of Committee on Investment and Promotion and Committee on Good Governance, Legal & Regulatory)	<ol style="list-style-type: none"> Application of COVA Construction and Consulting Services Philippines, Inc. to lease 5,000 square meters area for construction of building for ICT-BPO Companies <ul style="list-style-type: none"> The Committee discussed the update on the application of COVA including the area to be offered to COVA. Proposed Lease Rates <ul style="list-style-type: none"> The proposed lease rates were discussed and approved by the Committee for endorsement to the PPMC Board for approval. Memorandum of Agreement (MOA) by and among the member-agencies of the Philippine Investments Promotion Plan (PIPP) <ul style="list-style-type: none"> The Committee discussed the draft MOA the PIPP for the contribution and support in funding the development/production of common investment promotion collaterals and activities of the PIPP Group in the amount of PhP100,000.00. Letter from Office of the Solicitor General (OSG) Re: 50-hectare Industrial Area <ul style="list-style-type: none"> The Committee discussed the letter of OSG to BCDA reiterating OSG's position on the disposition/development of the 50-hectare Industrial Area Update on the Poro Point Lighthouse <ul style="list-style-type: none"> The Committee discussed the revenue share of PCG on the development of the lighthouse as part of the Implementing Agreement.
May 5, 2014	7 th Committee Meeting (Joint Meeting of Committee on Investment and Promotion and Committee on Good Governance, Legal & Regulatory)	<ol style="list-style-type: none"> Application of COVA Construction and Consulting Services Philippines, Inc. to lease 5,000 square meters area for construction of building for ICT-BPO Companies <ul style="list-style-type: none"> The Committee discussed the update on the application of COVA Update on the 50-hectare Industrial Area <ul style="list-style-type: none"> The Committee discussed the issue on the development of the Industrial Area in view of the Office of the Solicitor General's letter to BCDA Letter of BCDA to TPHRI Re: 7.5% Share on Real Estate <ul style="list-style-type: none"> The Committee discussed the position of PPMC on

		<p>the imposition of the 7.5% Share on Thunderbird's Real Estate Project particularly on the sale of the Condotel.</p> <p>4. Terms of Reference (TOR) of the Arbitration Case of PPMC and PPA</p> <ul style="list-style-type: none"> The Committee discussed the arbitration case regarding the construction of a Private Pier.
May 19, 2014	8 th Committee Meeting	<p>1. Application of ZOOP 3S as PPFZ Registered Enterprise</p> <ul style="list-style-type: none"> The Committee discussed the offer/proposal of ZOOP 3S in line with its application for registration and decided that some of the offer should be renegotiated with ZOOP 3S. <p>2. BCDA and PPMC Board Committee on Business Development Meeting on May 20, 2014</p> <ul style="list-style-type: none"> The Committee discussed the Agenda Items to be discussed during the Joint Committee Meeting <p>3. Update on the Application of COVA Construction and Consulting Services Philippines, Inc.</p> <ul style="list-style-type: none"> The Committee discussed the update on the requirements to be complied by COVA regarding the proposed BPO Project.
June 2, 2014	9 th Committee Meeting	<p>1. Application of ZOOP 3S as PPFZ Registered Enterprise</p> <ul style="list-style-type: none"> The Committee discussed the revised offer/proposal of ZOOP 3S and endorsed the same for approval of the Board. <p>2. Application of COVA Construction and Consulting Services Philippines, Inc. to lease an area for the Construction of a BPO Building</p> <ul style="list-style-type: none"> The application of COVA and was discussed and approved by the Committee for endorsement to the PPMC Board for approval. <p>3. Proposed Entrance Fee for Lighthouse and Industrial Area (for joggers and bikers)</p> <ul style="list-style-type: none"> The Committee discussed the proposal to collect an entrance (e.g. joggers' and bikers' fee) for the outsiders who wish to enter the premises of the PPFZ.
June 16, 2014	10 th Committee Meeting	<p>1. Application of COVA Construction and Consulting Services Philippines, Inc. to lease an area for the Construction of a BPO Building (Letter from COVA dated June 12, 2014)</p> <ul style="list-style-type: none"> The Committee discussed the capability of COVA to put-up an investment in the amount of PhP400 Million and endorsed the Contract of Lease by and between PPMC and COVA for approval of the Board. <p>2. Application of ZOOP 3S as PPFZ Registered Enterprise</p> <ul style="list-style-type: none"> The Committee discussed the proposed Project Implementation Plan (PIP) of ZOOP 3S. <p>3. Update on the Negotiation with Philippine Coast Guard</p>

		<p>(PCG) on the Development of the Poro Point Lighthouse</p> <ul style="list-style-type: none"> The Committee discussed the request for considerations of PPMC on salient issues/concerns on the proposed revisions of PCG.
July 21, 2014	11 th Committee Meeting	<ol style="list-style-type: none"> Intent of Leading Edge International Aviation Academy, Inc. (LEIAAI) to lease an additional area at the San Fernando Airport <ul style="list-style-type: none"> The Committee discussed the lease of additional area of 800 square meters for the expansion of LEIAAI's hangar and endorsed the area for approval of the Board. Update on the Negotiation with Philippine Coast Guard on the Finalization of the Implementing Agreement for the Development of the Poro Point Lighthouse <ul style="list-style-type: none"> Discussed the proposed revision of PCG to the Implementing Agreement Request for COVA Construction and Consulting Services, Inc. for a 3-year Exclusivity <ul style="list-style-type: none"> Discussed the request of COVA's proposed tenant, StarTek, Inc. for the grant of 3-year exclusivity
August 5, 2014	12 th Committee Meeting	<ol style="list-style-type: none"> Additional Projected Revenue and Marketing Plan for CY 2015-2019 <ul style="list-style-type: none"> The Committee discussed the additional projected revenue stream of PPMC for 2015 to 2019. The revenue on the lighthouse was already reflected including the revenue from the 3-hectare Mixed-Use Commercial Area and the Phase 1A and 1B of the MDP. The marketing plan was based on the asset disposition program of PPMC as well as the marketing and promotion plan/activities of PPMC. Intent of Leading Edge International Aviation Academy, Inc. (LEIAAI) to lease an additional area at the San Fernando Airport <ul style="list-style-type: none"> The Committee discussed the increase of the additional area of LEIAAI from 800 square meters to 1,000 square meters and endorsed the area for approval of the Board. Implementing Agreement by and between PPMC and Philippine Coast Guard <ul style="list-style-type: none"> The Committee discussed that the revised Implementing Agreement was already formally transmitted to PCG and that the revisions pursuant to previous discussions was likewise incorporated. Letter from COVA Construction and Consulting Services Philippines, Inc. regarding the request of the BPO Operator for a Five (5)-year exclusivity <ul style="list-style-type: none"> The Committee discussed and suggested to give a counter offer of 3-year exclusivity rights to COVA and StarTek. Airport Management Update

		<ul style="list-style-type: none"> The Committee discussed the major final outputs (MFO) of the airport particularly the number of aircraft movement, the lease out of additional area, the number of new written agreements with flying schools and the no downgrade. The committee also discussed the update on the ongoing feasibility study for the privatization of the San Fernando Airport.
September 1, 2014	13 th Committee Meeting	<ol style="list-style-type: none"> Approval of the Implementing Agreement by and between PPMC and Philippine Coast Guard <ul style="list-style-type: none"> The Implementing Agreement was discussed and approved by the Committee for endorsement to the PPMC Board for approval. Proposed Revisions on the Contract of Lease by and between PPMC and ZOOP 3S <ul style="list-style-type: none"> The proposed revisions on the Contract of Lease were discussed and approved by the Committee for endorsement to the PPMC Board for approval. San Fernando Airport Incident Report <ul style="list-style-type: none"> The Committee discussed the crashed of a single engine Cessna 172 plane of Leading Edge International Aviation Academy, Inc.
October 10, 2014	14 th Committee Meeting (Joint Meeting of Committee on Investment and Promotion and Committee on Infrastructure)	<ol style="list-style-type: none"> Development of Baywalk/Promenade <ul style="list-style-type: none"> A proposed construction of a baywalk/promenade along the accretion area of the industrial area was discussed. The Infrastructure Management Office will prepare the detailed guidelines of the commercial strip and the Business Development will prepare the Cost-Benefit Analysis. Utilities <ul style="list-style-type: none"> Power and Water Connection/Installation at the Cliffwalk Area Update on Water (Metro San Fernando Water District) Update on the Development of the Poro Point Lighthouse <ul style="list-style-type: none"> Discussed the proposed schedule of investment of PhP800 Million Inquiry from a prospective locator <ul style="list-style-type: none"> The inquiry on putting up a Solar Farm inside the Zone was discussed. The committee proposed that the Solar Farm may be put up outside the Zone since PPMC is not capable of providing the 15 hectares are requirement of the prospective locator. Update on the Project/Proposal of COVA <ul style="list-style-type: none"> The Committee reported that negotiation of COVA with StarTek, Inc. is still ongoing.
October 20, 2014	15 th Committee Meeting	<ol style="list-style-type: none"> Revised Terms of Reference (TOR) for the Long-Term Lease and Development of the Poro Point Lighthouse <ul style="list-style-type: none"> The revised TOR was discussed and approved by the

		<p>Committee for endorsement to the PPMC Board for approval.</p> <p>2. Red Coral Group Visit to Poro Point Freeport Zone on October 23-25, 2014</p> <ul style="list-style-type: none"> The itinerary of the visit was discussed.
November 3, 2014	16 th Committee Meeting	<p>1. Letter from Thunderbird Pilipinas Hotels and Resorts, Inc. (TPHRI) on the proposed redevelopment and sublease of its administrative building</p> <ul style="list-style-type: none"> The request of TPHRI was discussed and approved by the Committee for endorsement to the PPMC Board for approval. <p>2. Realignment of Budget for Marketing and Promotion</p> <ul style="list-style-type: none"> The proposed realignment was discussed and approved by the Committee for endorsement to the PPMC Board for approval. The realignment will be used for the expenses for the publication in national broadsheet the Invitation to Bid for the Lighthouse and other marketing and promo expenses until the end of the year. <p>3. Third Party Liability Insurance Coverage of PPFZ Locators</p> <ul style="list-style-type: none"> It was discussed that PPMC will now require all new PPFZ locators to have a Contractors' All-Risk Insurance with third party liability coverage during its construction period and a Public Liability or General Liability/Third Party Liability Insurance coverage when the locators is already operational. <p>4. PPMC Web Hosting and Website</p> <ul style="list-style-type: none"> It was discussed that PPMC could avail a bigger space package with the current web host. It was discussed that PPMC has coordinated and sent formal communication to DOST requesting the registration of PPMC's domain (.gov.ph). It was discussed that a Facebook Page should be created for PPMC. <p>5. The Use of the Old Field Office for Events to Generate Traffic inside the Zone</p>
December 2, 2014	17 th Committee Meeting	<p>1. Proposed increase of the leased area of Poro Point Marine Enterprises Corporation (PPMEC)</p> <ul style="list-style-type: none"> PPMEC requested for an additional area of 640 square meters and a relaxation or non-payment of lease rental for the additional area for 3 months. The request of PPMEC was discussed and approved by the Committee for endorsement to the PPMC Board for approval. <p>2. Request for Reconsideration of Leading Edge International Aviation Academy, Inc. (LEIAAI) regarding the lease of an additional area at the San Fernando Airport</p> <ul style="list-style-type: none"> LEIAAI requested for the exclusion of the provision on escalation on the new Contract of Lease and the

		<p>grant of a lease period jointly for the two lease agreements possibly simultaneously expire after twenty years or specifically on February 18, 2035.</p> <ul style="list-style-type: none"> The request of LEIAAI to lease was discussed and the Committee recommended that the conditions and provisions previously approved by the PPMC Board still remain that there should be an escalation clause of 10% every 3 years and the lease period should be coterminous with the existing Contract of Lease. <p>3. Proposed Baywalk with Commercial Strip</p> <ul style="list-style-type: none"> Discussed the cost estimates of the baywalk with commercial strip project. The costing should include utilities such as water line, electricity and sewerage. Discussed the lease rates for the lease of the lots at the Commercial Strip. The funding for Phase 1 and Phase 2 of the baywalk will be requested from BCDA. <p>4. Initial Report on ISO Certification Stage 2 Audit</p> <ul style="list-style-type: none"> For Business Development to define clearly when a lease term should be 25 years, 15 years and below 15 years are allowed/Policy on lease period as an opportunity for improvement.
December 15, 2014	18 th Committee Meeting	<p>1. Intent of Leading Edge International Aviation Academy, Inc. to lease an additional area at the San Fernando Airport</p> <ul style="list-style-type: none"> The request of LEIAAI including the Contract of Lease was discussed and approved by the Committee for endorsement to the PPMC Board for approval subject to the proposed additional provisions on the Contract of Lease. <p>2. Request for Reconsideration of Poro Point Marine Enterprises Corporation (PPMEC) on its Lease Rental Interest and Penalty for Late Payment</p> <ul style="list-style-type: none"> The request of PPMEC was discussed and approved by the Investment & Promotion and Finance Committee for endorsement to the PPMC Board for approval subject to conditions and requirements to be complied/submitted by PPMEC. <p>3. COVA Construction and Consulting Services Philippines, Inc.'s (COVA) Application to Lease an Area for the Construction of a BPO Building</p> <ul style="list-style-type: none"> The revised Contract of Lease by and between PPMC and COVA was discussed and approved by the Committee for endorsement to the PPMC Board for approval.

Prepared by:

Josefa Catherine T. Bada
JOSEFA CATHERINE T. BADA

Vice President for Airport Management/Secretariat

Eliza M. Macanocido
ELIZA M. MACONOCIDO

Business Development Manager/Secretariat

**CORPORATE GOVERNANCE, LEGAL & REGULATORY CONCERNS
COMMITTEE**

HIGHLIGHTS OF THE COMMITTEE MEETING

Date	Activities	Topic/Discussions
January 6, 2014	131 st Regular Board Meeting	-The committee believes that the obligation of the 5% share of TPHRI in the sublease of condotel units and 7.5% share on net sales of real estate acting different things could stand together. The committee recommends that the management will negotiate with Thunderbird to impose the payment of BCDA/PPMC on the share of real estate projects by 7.5%. -The comments of SCAD were not incorporated in the PPFZ IRR but will not be ignored. PPMC has to carry on what has been approved through referendum subject for further review by the management to amend the same.
February 3, 2014	132 nd Regular Board Meeting	Board Resolution to file case in court re: Replevin -The committee was apprised of the vehicle subject of car loan by former PPMC Dir. Reynaldo O. Dyquiango who incurred Php 272,183.00 unpaid balance and failed to return the vehicle despite demand. Thus, the committee will recommend the filing of replevin case to recover the vehicle and that the board resolution for the purpose.
March 24, 2014	139 th Special Board Meeting	Draft Terms of Reference re: Dyquiango Case -The Committee members were furnished with a copy of the Terms of Reference (TOR) consisting of six (6) pages. Initial discussion was made but deferred to make recommendation considering that the same shall be transmitted to BCDA legal for comment and review prior to approval by the PPMC Board.
April 7, 2014	134 th Regular Board Meeting	The committee was informed that BCDA legal has not yet transmitted an official comment to the draft TOR in Arbitration case between PPMC and PPA. Likewise, after discussion in the application of COVA and the lease contract. The committee recommends the Board approval via resolution the application of COVA to lease the old PPMC Admin Building and separate board resolution to approve the lease contract appurtenant thereto.
May 5, 2014	135 th Regular Board Meeting	Term of Reference re: Arbitration Case PPMC vs. PPA - The committee after discussion unanimously moved to recommend to the Board the approval of the draft TOR in connection with the Arbitration case before OGCC. It was noted by the BCDA Legal Service and Finance Department.
May 19, 2014	141 st Special Board Meeting	Issue on the transfer of Regulatory Powers in the San Fernando Seaport of BCDA/PPMC to PPIC. -The committee discussed whether or not the regulatory power of BCDA through PPMC as its implementing arm can be transferred to PPIC by a

**CORPORATE GOVERNANCE, LEGAL & REGULATORY CONCERNS
COMMITTEE**

HIGHLIGHTS OF THE COMMITTEE MEETING

Date	Activities	Topic/Discussions
		MOA entered with by the officers if the two corporate bodies. There was an OGCC opinion which provides that while PPIC is a joint venture with PPMC/BCDA, it does not authorize PPIC to take over governmental function of JPDC. The committee noted that there was a board resolution authorizing then JPDC President Gen. Abat (Ret) to sign the MOA with PPIC.
June 16, 2014	142 nd Special Board Meeting	The committee discussed the legal in the replevin case filed to recover the vehicle from Mr. Dyquiango. The trial court granted the application for the issuance of writ of replevin and the exemption from filing replevin bond.
July 7, 2014	137th Regular Board Meeting	The committee discussed the proposal of Delta Air to PPMC to waive the payment of interest.
July 21, 2014	143rd Special Board Meeting	The committee unanimously turned down the proposal of Ace Pilot Aviation Academy, Inc. for being unconscionable and disadvantageous to the interest of PPMC.
September 1, 2014	139th Regular Board Meeting	<p>PPMC legal was instructed to coordinate with handling lawyers in the Interpleader case to see to it that Shipline and Globe comply with the court order. It was learned that Shipline and Globe had entered into a Contract of lease over the same property.</p> <p>The Committee approved the revised PPMC Manual of Corporate Governance and recommend to the Board for approval.</p> <p>Copy of the Compromise Agreement was distributed to the committee. Dir. Cadano commented that Delta Air proposal to be excused from paying the interest is not violative because there was no stipulation to pay interest. This was supported by Dir. Claver and Dir. Hidalgo. Recommend to the Board the approval of the agreement.</p>
September 29, 2014	145th Special Board Meeting	The committee was informed that the Compromise Agreement had been signed and submitted to the Court for approval.
October 20, 2014	146th Special Board Meeting	The committee discussed the required document to be submitted such as Secretary's Certificate, endorsement of GCG and BCDA. It directed legal office to coordinate with the BCDA. The Committee clarified that the increase of capital stock was approved during the Stockholders' meeting.

**CORPORATE GOVERNANCE, LEGAL & REGULATORY CONCERNS
COMMITTEE**

HIGHLIGHTS OF THE COMMITTEE MEETING

Date	Activities	Topic/Discussions
November 3, 2014	141st Regular Board Meeting	The decision affects 4 parcels of land covered by OCT No. O-381 in the name of Rafael Galvez situated in the Camp Wallace Air Station. The Committee noted that although the title of Galvez was voided by the Court, the Register of Deeds failed to execute the same within the reglementary period. The OSG lost because of prescription. It also learned that, portion of OCT No. O-381 was under Expropriation by BCDA. Thus, it recognized the ownership of Shippside, Inc.
November 17, 2014	147th Special Board Meeting	GCG's letter regarding the request of PPMC to increase capital stocks. The Committee discussed the purpose of the increase from Php80 Million to Php300 Million increase of capital stock. Recommend to the Board the comment of GCG regarding the approval of BCDA Board.
December 2, 2014	140 th Regular Board Meeting	The committee reported the outcome of the meeting with BCDA in connection with the letter of Ultron's request for reimbursement of the Php 100,000.00 paid as advance payment for the 623 sq. meter to PPMC.

Prepared by:


ATTY. MARLOU P. PACLEB
Legal Counsel/Committee Secretariat
December 4, 2014

PORO POINT MANAGEMENT CORPORATION
INFORMATION ON BOARD COMMITTEES AND THEIR ACTIVITIES
 FOR THE YEAR 2014

Finance Committee		
Date	Activities	Discussion Points/Highlights of Discussion
January 22, 2014	Committee Meeting	Discussed the following: 1. Implementation of the Amended Performance Agreement with BCDA 2. News Articles on Disallowances of GOCC Bonuses 3. Organizational Structure
February 18, 2014	Committee Meeting	Discussed the following: 1. Negative Retained Earnings 2. Finance-related Items in the Agenda of the Board Meeting 2.1 Re-alignment
March 24, 2014	Committee Meeting	Discussed the following: 1. Responses to COA Audit Observations pertaining to Employee Benefits 2. Renaming of the VP for Finance to Finance Manager position 3. Status of Application for PBB
May 5, 2014	Committee Meeting	Discussed the following: 1. Treatment of Regulatory Fees 2. Recognition of Management Fees in the books of PPMC 3. Authorized Government Depository Bank of PPMC
June 2, 2014	Committee Meeting	Discussed the following: 1. Letter to the Department of Finance (DOF) dated 09 May 2014 requesting authority to maintain deposit accounts at Philippine National Bank (PNB) 2. Request for approval to invest funds at the Development Bank of the Philippines (DBP) and Land Bank of the Philippines (LBP)
June 16, 2014	Committee Meeting	Discussed the following: 1. Letter to BCDA dated 16 June 2014 re: Request for reconsideration for the reversal of CY-2003 Opex Fund amounting to PhP23,978,056.55 from PPMC Equity to PPMC Revenues. 2. Recording of airport assets amounting to PhP14,771,881.44 and the corresponding

		accumulated depreciation amounting to PhP7,135,378.40 to BCDA books.
July 21, 2014	Committee Meeting	Discussed the following: <ol style="list-style-type: none"> 1. Accounting Instruction issued by BCDA on July 21, 2014 re: Transfer of airport assets from PPMC books to BCDA books. 2. Financial Report for April and May 2014 3. Annual Audit Report for CY 2013 4. Statement of Audit Suspensions, Disallowances and Charges as of June 30, 2014
August 5, 2014	Committee Meeting	Discussed the following: <ol style="list-style-type: none"> 1. Collection Protocol 2. Letter to CAAP dated 31 July 2014 requesting collection assistance of airport receivables 3. Letter to PAGCOR and Thunderbird re: verification and witnessing of gaming revenues at the Thunderbird Casino 4. Letter of the Department of Finance (DOF) re: disapproval of PPMC's request to maintain deposits with the Philippine National Bank (PNB). 5. Financial Report for June 2014
August 19, 2014	Committee Meeting	Discussed the following: <ol style="list-style-type: none"> 1. Accounting Instruction issued by BCDA on 15 August 2014 re: reversal of 2003 Opex Fund from Equity to Revenues. 2. Proposed Corporate Operating Budget for CY 2015 3. Five (5)-Year Financial Plan 4. Status of collection of airport receivables
September 1, 2014	Committee Meeting	Discussed the following: <ol style="list-style-type: none"> 1. Revision of the Proposed Corporate Operating Budget for CY 2015 2. Financial Report for July 2014
September 29, 2014	Committee Meeting	Discussed the following: <ol style="list-style-type: none"> 1. Request for approval on the availment of PPMC to the ATM Payroll Servicing of DBP 2. Request for approval to use the DBP account in paying to the BIR through e-FPS 3. Highlights of PPMC Budget Presentation to the BCDA Finance and Investment

		<p>Committee on 5 September 2014</p> <p>4. Reply to COA re: Annual Audit Report for CY 2013</p>
October 10, 2014	Committee Meeting	<p>Discussed the following:</p> <ol style="list-style-type: none"> 1. Request for approval re: opening of Capex account at DBP 2. Letter of Postal Bank re: offering its services to PPMC 3. Request for approval re: Memorandum of Agreement (MOA) regarding pick-up deposit arrangement with LBP 4. Request for approval to settle the compromise fee charged by BIR amounting to PhP25,000.00 5. Status of Collection of Airport Receivables 6. Financial Report for August 2014
October 20, 2014	Committee meeting	<p>Discussed the following:</p> <ol style="list-style-type: none"> 1. Letter to BIR requesting abatement of compromise fee of PhP25,000.00 2. Letter to the Department of Finance (DOF) requesting authority to place short-term time deposit accounts at Postal Bank 3. Request for approval to re-align repair and maintenance projects.
November 17, 2014	Committee Meeting	<p>Discussed the following:</p> <ol style="list-style-type: none"> 1. Reply letter of BIR regarding PPMC's request for abatement of compromise fee amounting to PhP25,000.00 2. Request for approval to re-align Capital Outlay budget (from Runway End Light to Close Circuit Television Camera for the San Fernando Airport Runway) 3. Interest charges for CY 2008 tax audit of BIR
December 2, 2014	Committee Meeting	<p>Discussed the following:</p> <ol style="list-style-type: none"> 1. Request for approval of the BCDA-approved PPMC Corporate Operating Budget for CY 2015 2. Request for approval to re-align budget for the Poro Point Adventure Exposition held on November 28-30, 2014 3. Financial Report for October 2014
December 15, 2014	Committee Meeting	<p>Discussed the following:</p> <ol style="list-style-type: none"> 1. Revised Budget for the PPMC Christmas Party on December 15, 2014 2. Letter of Poro Point Marine Enterprises (PPMEC) requesting consideration for interest and penalty charges.

Prepared by:


LENIMA B. JUDAN

Finance Manager/Secretariat

EXECUTIVE COMMITTEE MEETING HIGHLIGHTS

Date	Activities	Discussion Points/Highlights of Discussion
29-Sep-14	Committee Meeting	Discussed the Revised Terms of Reference for the Long-Term Lease and Development of the Poro Point Lighthouse
3-Nov-14	Committee Meeting	Discussed the Compromise Agreement between Bases Conversion and Development Authority (BCDA), and Bulk Handlers, Inc. (BHI)

Prepared by:


ABIGAIL Q. PERALTA
Board Secretary

COMMITTEE ON NOMINATION AND HR		
Date	Activities	Discussion Points/Highlights of Discussion
January 22, 2014	Committee Meeting	Discussed the following: <ol style="list-style-type: none"> 1. Implementation of the Amended Performance Agreement with BCDA 2. News Articles on Disallowances of GOCC Bonuses 3. Organizational Structure
March 24, 2014	Committee Meeting	Discussed the following: <ol style="list-style-type: none"> 1. Responses to COA Audit Observations pertaining to Employee Benefits 2. Renaming of the VP for Finance to Finance Manager position 3. Status of Application for PBB
May 5, 2014	Committee Meeting	Discussed the following: <ol style="list-style-type: none"> 1. Performance-Based Bonus 2. Directors and Officers Liability Insurance 3. Request to Rename VP for Finance to Finance Manager 4. COA Observation on Employee Benefits
July 7, 2014	Committee Meeting	Discussed the following: <ol style="list-style-type: none"> 1. Hiring of Internal Auditor
August 5, 2014	Committee Meeting	Discussed the following: <ol style="list-style-type: none"> 1. Proposed Organizational Structure 2. TOR Selection of Certifying Bodey for ISO 9001:2008 3. MOA between PPMC and PMAP-La Union Chapter
August 19, 2014	Committee Meeting	Discussed the following: <ol style="list-style-type: none"> 1. Proposed Salaries and Job Levels
September 1, 2014	Committee Meeting	Discussed the following: <ol style="list-style-type: none"> 1. Organizational Structure
November 3, 2014	Committee Meeting	Discussed the following: <ol style="list-style-type: none"> 1. Stage 1 Audit for ISO Certification 2. SILLAG Proposed Schedule of Activities and Update 3. Status of Ms. Rubilyn P. Cabiles as Internal Auditor

December 2, 2014	Committee Meeting	Discussed the following: <ol style="list-style-type: none">1. Results of Stage 2 Audit for ISO Certification2. Training and CSR Project Under the Partnership between PPMC and PMAP-La Union Chapter3. GCG Memorandum Circular Nos. 2014-05 and 2014-06 on the 2014 Interim Performance-Based Bonus and 2014 Interim Performance-Based Incentive System for Appointive Directors/Trustees of GOCCs Covered by R.A. No. 101494. Proposed PPMC Christmas Celebration
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Prepared by:


Maria Victoria De Guzman-Soriano
Vice President for HR & Administration/Committee Secretariat