



PORT OF GUAM

ATURIDAT I PUETTON GUAHAN

Jose D. Leon Guerrero Commercial Port

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Lourdes A. Leon Guerrero
Governor of Guam

Joshua F. Tenorio
Lieutenant Governor

REGULAR MEETING OF THE BOARD OF DIRECTORS

Jose D. Leon Guerrero Commercial Port

Thursday, June 16, 2022

Virtual Board Meeting

3:00 p.m.

A G E N D A

- I. CALL TO ORDER
- II. ELECTION OF OFFICERS – *Vice Chairman and Board Secretary*
- III. APPROVAL OF MINUTES
 1. April 28, 2022 – Regular Board Meeting
- IV. PUBLIC COMMENTS:
 - a. Public Comments
 - b. Employee Comments
 - c. PAGGMA Association
- V. GENERAL MANAGER’S REPORT (deferred to Old/New Business Items)
- VI. OLD BUSINESS
- VII. NEW BUSINESS
 1. IFB-PAG-CIP-022-001 Renovation and Repairs of Harbor of Refuge Phases 2 thru 5 Bid Award
 2. IFB-PAG-CIP-022-002 Rebid of Construction Rehabilitation of Hotel Wharf and Highway 11 Roadway Reconstruction Bid Award
 3. IFB-PAG-CIP-022-004 Construction of Agat Marina Dock B Bid Award
 4. IFB-PAG-CIP-022-006 Design-Build Agat Marina Bathrooms Bid Award
 5. Resolution No. 2022-13 relative to petitioning the Public Utilities Commission for the approval of the award to AIC International, Inc. for the construction of Agat Marina Dock B
 6. Resolution No. 2022-14 relative to petitioning the Public Utilities Commission for the approval of the award to Sumitomo Mitsui Construction Company for the Rebid of Construction Rehabilitation of Hotel Wharf and Highway 11 Roadway Reconstruction
 7. Employee Incentive Events; Request for \$50K
 - o GovGuam Liberation Day Festivities / Labor Day / Port Week Celebration
 8. Sponsorship Request for 78th Guam Liberation Day July 21st – Gold Package \$20K
 9. Sponsorship Request for Association of Pacific Ports 108th Annual Conference September 25-28, 2022, Saipan – Admiral Package \$5K
- VIII. ADJOURNMENT



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**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, April 28, 2022**

I. CALL TO ORDER

There being a quorum, the regular meeting of the Board of Directors was called to order at 3:05 p.m., Thursday, April 28, 2022. Present at the meeting were:

Francisco G. Santos, Chairman
Isa Marie C. Koki, Board Secretary
Dorothy P. Harris, Board Member
Dr. Judith P. Guthertz, Board Member
Rory J. Respicio, General Manager
Dominic G. Muna, Deputy General Manager, Operations
Luis R. Baza, Deputy General Manager, Admin/Finance
Atty. Christine K. Claveria, Port Counsel

Present was Office of Public Accountability-Benjamin Cruz; Deloitte & Touche-Lee Vensel; and Port Staff.

II. APPROVAL OF MINUTES

a. **March 24, 2022 – Regular Board Meeting:** Director Koki made motion to approve the minutes of March 24, 2022, subject to correction. The motion was seconded by Director Harris and was unanimously passed.

III. PUBLIC COMMENTS

- a. **Public Comments:** None.
- b. **Employee Comments:** None.
- c. **PAGGMA Association:** None.

IV. GENERAL MANAGER'S REPORT

1. **Bill No. 298-36 Revenue Bond Proceeds.** Through Board Resolution No. 2022-10, I was authorized by the Board to engage the Port Oversight Chairperson Telena Nelson on any possible legislative remedies to remove the funding caps associated with the Port revenue bond projects as outlined in PL 34-70 and 35-44. I am proud to announce that Bill No. 298-36 was recently introduced, which is *"An Act to amend section 4(a) of Public Laws 34-70 and 35-44, relative to the financing or refinancing improvements and capital improvements of the Jose D. Leon Guerrero Commercial Port, and other related facilities and operations of the Port, through revenue bond proceeds."* I have informed GEDA Administrator Melanie

Mendiola of this good news and she will likewise advise Bond Counsel to provide support once a legislative hearing is scheduled.

2. **Port Achieves 3rd Consecutive Year Designation as a Low-Risk Auditee.** The Port Authority of Guam has once again achieved low-risk auditee status. This is the third consecutive year in a row that the Port got this designation since the time that it failed to get this designation in Fiscal Years 2017 and 2018. Independent auditors Deloitte and Touche, LLP, rendered the unmodified (clean) opinion of the Port for FY 2021 financial statements and compliance over major federal programs. Also, no material weaknesses and significant deficiencies in internal controls were identified by the auditors. This audit affirms that we have been on target with the directives put in place by Governor Lou Leon Guerrero, Lt. Governor Josh Tenorio, Board Chairman Frank Santos, and the Board. We are working very hard to complete the Port Modernization program and improve employee morale, productivity, and efficiencies. These audit findings, in particular the low-risk designation, brings us the credibility needed to seek funding to replace the Port's aging gantry cranes, rehabilitate the wharves to ensure resiliency, and replace our aging facilities so that the Port does not become a choke point for discharging and deploying military assets and commodities. We also recognize the Port's Financial Affairs Controller Jojo Guevara, and our Finance Team for their hard work.
3. **Power Outage Does Not Effect Port Operations.** On April 12, 2022, a power outage took place that affected all of Cabras Island. According to the Guam Power Authority dispatcher, the P-3 feeder near the Cabras Power Plant went down and crew members were making repairs to restore power to the area. GPA and GWA crews were on site and the Port's maintenance and facilities all worked together to ensure uninterrupted port operations. Since the time power went offline, the Port has remained 100 percent operational. Our generators were all online and have been providing full power to continue daily business as usual.
4. **Port Police Arrest Man on Drug Charges.** On April 7, 2022, Port Police Officers were conducting a routine patrol when they noticed a red sedan parked on the corner of the Seaplane Ramp area. They approached the vehicle to conduct a wellness check. The individual in the vehicle showed signs of nervousness and stuttered when responding to questions. As a result, officers searched the vehicle and discovered a plastic case that allegedly contained drug paraphernalia and crystal methamphetamine, also known as "ice." John A. Salas Rosario, 29, of Mangilao was booked and released to GPD in connection with possession of a schedule 2 controlled substance. I want to commend Police Chief Jesse Mendiola for his leadership and the officers who worked on this case. We remain vigilant in keeping the Port safe and drug-free.
5. **Port Safety Officers Respond to Oil Spill.** There was an oil spill that occurred on April 6, 2022, at the Cargo Storage Facility lot within the container yard. As the equipment operator was conducting his routine pre-operation safety check on a top loader, the main hydraulic hose of the spreader busted, spewing oil in the area. The Port Authority's response team from Safety Division, Transportation and Stevedoring conducted initial mitigation measures by

deploying absorbent materials to contain the oil spill. The US Coast Guard was notified of the incident and Unitek Environmental was activated to thoroughly and completely clean up the spill. The mechanics from the Maintenance Division assessed the damage to the equipment and have made the necessary repairs.

6. **Workshop, Legislative Summit & Congressional Meetings.** From March 28 thru April 6, 2022, Chief Planner Joe Javellana, CIP Coordinator Clarence Lagutang and I attended the following:

- **Insular Areas Climate and Infrastructure Workshop, Hawaii– March 28-30, 2022.** DOI's Office of Insular Affairs convened U.S. Territories, Federal agencies, and other important partners to work together to deliver significant climate and infrastructure support provided by President Biden's Bipartisan Infrastructure Law (BIL). The objective is to carry on the momentum from the 2022 Interagency Group on Insular Areas (IGIA) Conference to further explore Territorial infrastructure needs and focus on strategies to support the successful implementation of projects supported by the BIL. Topics covered included: built infrastructure, natural infrastructure, broadband, energy, legacy pollution, and other important issues and concerns impacting all territories.

Attendees included Congressional staff, Senior White House officials, and leadership from the following federal agencies: Department of the Interior, White House Office of Intergovernmental Affairs, Department of Agriculture, Department of Commerce, Department of Energy, Environmental Protection Agency, Department of Transportation, Department of Treasury, and Department of Veterans Affairs.

- **2022 AAPA Legislative Summit, Washington DC – March 29-31, 2022.** The AAPA Legislative Summit is the premier port industry government affairs and advocacy forum held annually in Washington, DC. The Summit brings together senior Port Executives from around the nation with Federal government leaders to discuss issues important to one of the most critical national industries. Discussions included infrastructure, energy, digitalization, and next-generation technology investment. AAPA planned and managed one on one meetings with Congressional leadership for port executives as part of the essential purpose of the event.

Key Topics Discussed in the Summit:

- **US Department of Transportation Secretary Pete Buttigieg.** Delivered keynote address providing an update to participants on the implementation of the Infrastructure Investment and Jobs Act – the largest appropriation to ports in history; shared the national benefit and economic impact of the infrastructure stimulus; and honed on how ports can best take advantage of the funds the bill provides and next steps including ways the ports can be safer, more efficient, greener and better connected to achieve global competitiveness.

- **Now We Build! Roundtable Forum.** Different high-level speakers talked about the opportunity for capacity expansion and modernization that the IJJ Act brings to ports around the country. The discussion also focused on how infrastructure projects can be implemented in a prudent and impactful way. Different executives shared their views on how they plan to oversee and leverage the federal investment in the context of ever-growing freight volumes.
- **US Dept. of Labor Martin J. Walsh.** Discussed how important all areas of the supply chain as it stands now. Shared how the pandemic, shipping delays, port crises, severe weather events, supply and labor shortages, the sharp rise in costs, and other developments over the past two years have converged - exposing supply chain weaknesses that global leaders are struggling to deal with. In order to survive and thrive, business leaders must address challenges head-on.
- **Congressional Meetings in DC - April 4-6, 2022.** In the Port's final stages of completing the update of its 2013 Master Plan. The 2022 Master Plan update primarily seeks to present to the Department of Defense (DOD) the opportunity to utilize the Jose D. Leon Guerrero Commercial Port of Guam to provide critical support for Guam's military readiness and the Indo-Pacific Strategy.

"The Washington DC meetings are critically important as Governor Lou Leon Guerrero and Lt. Governor Josh Tenorio are firm believers that the Port of Guam must be viewed as part of the solution for the rapid discharging and deploying of military assets and its commodities in the Pacific, especially about the Pacific Deterrence Initiative." I had expressed this message, noting how important the implementation of the PDI and its components are.

Further expressed to Congressional Leaders was: "As America's "Tip of the Spear" in Asia, it is important to keep the Port of Guam in the foremost of considerations relative to the Indo-Pacific Strategy. A critical element in the Military's Readiness plan is for the nation to provide the Port of Guam with the wherewithal to ensure successful military operations in the Pacific. With the current geopolitical landscape involving Russia's war on Ukraine and the imminent threat of China's massive development of its military forces, Guam's strategic importance should now, more than ever, be at the forefront of the nation's leadership priorities. This necessitates investment in not only military readiness and infrastructure on Guam but also in the island's supporting civilian infrastructure."

Meetings held in Washington DC were with key Congressmen and Senators, along with their respective Legislative Assistants: Congressman John Garamendi, Congressman Joe Wilson, Congressman Adam Smith, and Senator Mark Kelly.

7. **Port Receives By-Partisan Support in Congress Expansion.** U.S. Congressman Joe Wilson (R-SC), a member of the House Armed Services Committee, wrote a letter yesterday to Admiral John C. Aquilino, Commander United States Indo-Pacific Command, raising a critical point that funding the Port's needs, such as three new gantry cranes, rehabilitation of its wharves and the replacement of 50-plus year old facilities is critical to the military's mission on Guam and in the region. Wilson made known, in his letter to Aquilino, his support for the expansion of the Port Authority of Guam in the context of the important role it provides in the military's Indo-Pacific strategy. "Recently, I had a meeting with former Guam Delegate Madeleine Z. Bordallo and the Port Authority of Guam regarding the Port's 2022 Masterplan, which is currently underway thanks to funding from the Office of Local Defense Community (OLDCC). This meeting was secured at the urging of Governor Leon Guerrero and Lt. Governor Joshua F. Tenorio," wrote Wilson (R-SC).

Immediately following up this meeting, we confirmed that Wilson continues to be an advocate for Guam and knows that Guam's strategic location requires that there be great focus on what Congress and the Department of Defense must do to ensure that the Port of Guam does not experience uninterrupted operations.

We asked Wilson's assistance in seeking support from INDOPACOM or DOD to fund the Port of Guam's readiness program along with statutory authorization for the execution of funds, so that the Port does not become a choke-point in the deployment of military and civilian commodities.

"I believe the Port of Guam should be viewed as part of the solution for the rapid discharging and deploying of military assets and its commodities in the Pacific, especially with regard to the Pacific Deterrence Initiative," Wilson wrote "The implementation of the Pacific Deterrence Initiative and its components including the Guam Defense System requires that we, once again, provide the resources to build capacity and resiliency at the Port of Guam by replacing its aging 50-year-old facilities. In particular, I have been informed there is a pressing need for the acquisition of three new STS Gantry Cranes and the hardening of its wharves. As a member of the House Armed Services Subcommittee on Readiness, I understand the significance of Guam in our INDOPACOM strategy and am committed to advocate for Guam's needs."

During this same trip, Lt. Governor Joshua Tenorio, Bordallo, Chief Planner Joe Javellana, CIP Coordinator Clarence Lagutang and I also met with Congressman John Garamendi who is on the Chairman, of the Subcommittee on Readiness and the Committee on Transportation and Infrastructure to seek his assistance in obtaining additional opportunities for federal funding and exploring every possibility for the Port on how best to secure funds.

In making the case for Guam, we emphasized that the Port must expand its terminal yard otherwise it will become a chokepoint for the Guam Military Buildup and the island's local infrastructure. In meeting with Congressman Wilson and Garamendi and other key staff members of the House and Senate has opened up the way in seeking additional opportunities

for federal funding within INDOPACOM and the Pentagon. This letter from Congressman Wilson is monumental and it gives Governor Leon Guerrero, and Lt. Governor Tenorio a solid case in requesting funds for the Port's Readiness Plan, and other funding opportunities for the construction of a new Hospital and medical campus and other critical civilian infrastructure, to name a few.

8. **General Manager's Notes for YTD Finances, as of March 31, 2022.** We are providing the following summary:

REVENUES AND CARGO THROUGHPUT:

- The Port's Total YTD Operating revenue for March 31, 2022, is \$28.9 million, 3.5% or \$972K higher than the YTD March FY 22 budget projection of \$27.9M.
- The total number of containers handled as of March 31, 2022, is 44,039, which is 5.6% or 2,328 containers higher than last year's March 2021 total of 41,711.

OPERATING EXPENSES:

- Overall YTD Operating expense, as of March 31, 2022, is \$24.9 M, which is 2.5% lower than the YTD budget as of March of \$25.5M, or \$646 K in YTD cost avoidances.

OVERTIME EXPENSE AND DIRECT LABOR REVENUE:

- Overtime YTD for Divisions involved in Operations is \$903,757 which is 37.8% or \$248K higher than the YTD overtime budget of \$655,836. The OT for March is \$140K, which is 13% or \$21,458 lower than the overtime for February.

Direct Labor reimbursement is \$2.0 million, which is 21% or \$348K higher than the FY22 budget of \$1.6M.

Here is the breakdown:

Direct Labor Revenue:	\$2,001,362
Operations Overtime:	<u>\$ 903,757</u>
Variance:	\$1,097,605

YTD OPERATING REVENUES MINUS YTD EXPENSES:

- Operating revenues minus operating expenses resulted in an operating income of \$4.0 million. The final result for March is a net income of \$15.9 million, after adding a net of Other Income/Expenses totaling \$11.9M. In February, the Port received \$15 million from the American Rescue Plan Act 2021 Fiscal Recovery Funds.

Note: \$11.9M is a net balance of Other Income and Expense which is composed of Interest Income, Interest Expense, Federal Reimbursements, Federal Expenses, Retirees COLA, Supplemental, Medical and Dental, and Other Non-Operating Income & Expenses.

Other Financial Highlights, as of March 31, 2022:

- The debt service ratio as of March 31, 2022, is 1.94. This is 55% higher than the Bond Indenture Debt service ratio requirement of 1.25.
- Days Cash on Hand is 1,033 days, which is 106% or 533 days higher than the 500 days requirement of Moody's Rating agency.

DEBT SERVICE RATIO - MARCH 2022

Projected Annual Debt Service Coverage	1.94
Debt Service Coverage Requirement	1.25
Variance	.69
% Above the Indenture Requirement	55%

9. **Grant Awards and Ongoing Grant Submissions.**

- **Fuel Pipeline Connectivity Project.** RFP-PAG-022-003 was posted on April 11, 2022. A pre-proposal conference and site visit was held on April 19, 2022. Five (5) prospective offerors were in attendance. The submission deadline is May 13, 2022.
- **Department of Agriculture Grant (DoAG).** PAG will be requesting to the grantee a no-cost schedule modification to September 30, 2023, due to the active procurement process of the following projects.
 - **Harbor of Refuge Repairs.** The bid packet is under review and discussions are ongoing between PAG and the contractor.
 - **Agat Marina Dock B Repair.** The bid closing is scheduled for May 5, 2022.
 - **Repair of Agat Marina's Boat Ramp Bumpers.** On April 11, 2022, the Official NTP was issued to ProPacific Builders Corporation (Contractor). The contractor will submit its application for Federal Consistency Determination or waiver certifications from GCMP and GEPA. The contractor has five months to complete the project.
- **Gantry Crane Acquisition.**
 - **USDA Direct Loan.** Planning and Finance Divisions continues to work on finalizing the formal loan application package for submission to USDA and anticipates submission of the loan application by June 2022.

- **EDA Grant Application.** In light of EDA's funding cap of \$3M (million) per application, the PAG will not submit the proposed project as previously planned. However, the PAG will pursue grant funding under the U.S. Department of Transportation's Multimodal Project Discretionary Grant Opportunity, due by May 23, 2022.
 - **MARAD MEGA Grant Program.** Port's planned grant application to acquire STS Gantry Cranes to EDA has been changed; the application for 3 STS Gantry Cranes will be submitted to MARAD's mega grant program with an anticipated submission date of May 23, 2022.
 - **MARAD Marine Highway Program.** Planning has collaborated with Maintenance and Operations Divisions to finalize and prioritize the Port's acquisition program to the tune of over \$7M. Grant submission is in June 2022. The Port has requested and received letters of support from several stakeholders supporting the project.
 - **Office of Local Defense Community Cooperation (Formerly Office of Economic Adjustment – OEA).** Port Consultant WSP continues to work with the Port Team and all stakeholders in the 2022 Master Plan Update. The MP is scheduled to be completed in October–November time frame. A new grant application is in its final draft to rehabilitate the Port wharves that includes a site assessment, concept development, and a Military Readiness Support component.
 - **EPA Diesel Emissions Reduction Act (DERA) Program.** The PAG team continues to work with GEPA to move the project forward. IFB-PAG-006-022 was advertised on March 8, 2022, as an indefinite quantity bid for one (1) year with a delivery period of 270 days upon the availability of funds. The bid close date was on April 8, 2022; one bid submission was received. On April 26, 2022, a meeting was held with end-users, Procurement, and Port legal counsel to discuss the next steps.
 - **US DOT Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program.** A meeting was held between PAG and MARAD's Director of Environmental Compliance for all things NEPA-related, Section 106 of the NHPA must be completed before finalizing NEPA, and that NEPA must be completed before the execution of the grant agreement. Progress meeting ongoing between PAG and MARAD. PAG will engage WSP to commence NEPA-related studies on behalf of PAG.
10. **Port Revenue Bonds Project Status.** As of April 25, 2022, the attachment provides information on the status of the revenue bond projects that consist of rehabilitation of the hotel wharf, golf pier repairs and improvements, waterline replacement/ relocation, EQMR building, and warehouse 1 repair/upgrades, new admin annex building, and other priority projects.

At this time and without objections, the members agreed to entertain item 1 of New Business:

1. **Port Audit Fiscal Year 2021.** At this time, the members recognized the presence of Mr. Benjamin Cruz, Public Auditor, Guam Office of Public Accountability (OPA). The Public Auditor thanked the members and said the reason for coming before this Board is to express concerns on the untimely submission of the Port's Audit for Fiscal Year 2021 to the OPA. He mentioned that the Port's audit was finally released on April 22, 2022 which has gravely missed the mark of February 28th. He understands there were issues where additional time was granted through March, but was dismayed by the fact that it took through the month of April instead, which is unacceptable. The Public Auditor expressed that the Port knew since last October 2021 that its audit report is due by February 28, 2022 to the OPA. He stated for the next audit submission to the OPA is by February 28, 2023 – complete or incomplete. The OPA will provide a disclaimer for any incomplete audit submissions. The Public Auditor strongly suggests to the Board to advise Management to prepare a gantt chart that provides sufficient time for draft review so the final audit is submitted to OPA in a timely fashion. He expressed that with the delays of the government agency departments audit submittals, further delays the GovGuam-Wide Audit to be published on time. The Chairman thanked the Public Auditor for voicing his concerns and had directed Management to heed to the Public Auditors instructions. The General Manager thanked the Public Auditor as well and commented that the reason for the delay was due to the transition from the Port's old Financial Management System to the new system. He assured the Board members and the Public Auditor that the Port will get its audit out timely.

At this time, the Board recognized the presence of Mr. Lee Vensel, Deloitte & Touche. Mr. Vensel thanked the members and said the Port Authority's report on the financial position for the year ending September 30, 2021 is an unqualified opinion, which generally means the financial statements is a clean audit. This is the third year that the Port achieved the designation of a low-risk auditee.

Mr. Vensel highlighted the following:

Statement of Net Position – Assets and Deferred Outflows of Resources

- Total current assets increased at \$3M from \$72M to \$75M because of total cash.
- Total assets decreased at \$1M from \$239M to \$238M due to a reduction of restricted expendable cash – which are funds that are restricted for construction.
- Total deferred outflows of resources increased about \$11M from \$37M to \$48M completely because of other post-employment benefits.
- Total assets and deferred outflows of resources increased at \$10M from \$276M to \$286M.

Statement of Net Position – Liabilities, Deferred Inflows of Resources and Net Position

- Total current liabilities decreased about \$4M from \$11M to \$7M largely due to payables have gone down.

- Total liabilities are up about roughly \$2M which is mostly due to the other post-employment benefits.
- Total deferred inflows of resources is up almost \$10M due to the other post-employment benefits.
- Net Position which is the Port's equity and it went from \$16M down to \$13.8M.

Statement of Revenues, Expenses and Changes in Net Position

- Operating revenues is a slight increase of about \$300K.
- Operating expenses was up at \$2.5M largely due to other post-employment benefits.
- Nonoperating revenues – was a *revenue* this year as oppose to an *expense* in the prior year largely because of US federal government operating grants.
- Capital grants last year was \$2.5M, this year about \$200K and ended up with a decrease in net position of \$2.2M this year.

Mr. Vensel pointed out that GASB 87 relates to leases that took effect on October 1, 2021, which means that this requirement will now be included in the Port's financial statement for FY22 audit. He stated there will be a bit of accounting movement that has to be made to incorporate the operating leases onto the Port's financial statements, so there is quite a bit of work to be done on this requirement. He also pointed out that GASB 89 which talks about capitalization of interest - took effect on October 1, 2021 as well. The Port was able to increase its income for 2020 by about \$1.5M capitalizing on interest; however, with GASB 89, the Port will no longer be able to capitalize on interest. To the point of GASB 87, the General Manager mentioned that he will work with Management and the Finance team to determine the best course of action for this requirement.

The Board members congratulated and commended Management for working diligently on the Port FY2021 Audit Reports and in managing the Port in a way that is fiscally responsible. It is very encouraging to receive the third clean audit in a row. Congratulations Port Authority!

V. OLD BUSINESS

1. **Request for Creation of Position of Capital Improvement Projects Manager (motion to approve the creation of position transparency compliance as mandated by Title 4, GCA, §6303.1).** The General Manager presented that at the previous meeting, the Board has authorized management to proceed with the transparency process for the creation of position – Capital Improvement Projects Manager position. To comply with the transparency process as mandated by 4 GCA Section 6303.1, the creation of documents was posted on Port's website, port employees were notified as well as the media. There were no comments received by the port employees or the general public. Based on this, the transparency requirements have been met and Board approval is being requested for adoption of the Capital Improvement Projects Manager position and that it be established in the classified service at a Pay Grade N. Director Guthertz made motion to adopt the transparency process for the creation of the Capital Improvement Projects Manager position, seconded by Director Koki. Motion was unanimously approved.

2. **Request for Creation of Position of Port Chief Engineer (motion to approve the creation of position transparency compliance as mandated by Title 4, GCA, §6303.1).** The General Manager presented that at the previous meeting, the Board has authorized management to proceed with the transparency process for the creation of position – Port Chief Engineer position. To comply with the transparency process as mandated by 4 GCA Section 6303.1, the creation of documents was posted on Port’s website, port employees were notified as well as the media. There were no comments received by the port employees or the general public. Based on this, the transparency requirements have been met and Board approval is being requested for adoption of the Port Chief Engineer position and that it be established in the classified service at a Pay Grade P. Director Guthertz made motion to adopt the transparency process for the creation of the Port Chief Engineer position, seconded by Director Koki. Motion was unanimously approved.

VI. NEW BUSINESS

2. **Resolution No. 2022-11 Creation of Position of Capital Improvement Projects Manager.** Director Guthertz made motion to approve Resolution No. 2022-11 relative to approving the creation of Capital Improvement Projects Manager position in the classified service as authorized under Title 4, Guam Code Annotated, Sections 6303(d) and 6303.1. Motion was seconded by Director Koki and was unanimously approved.

3. **Resolution No. 2022-12 Creation of Position of Port Chief Engineer.** Director Guthertz made motion to approve Resolution No. 2022-12 relative to approving the creation of Port Chief Engineer position in the classified service as authorized under Title 4, Guam Code Annotated, Sections 6303(d) and 6303.1. Motion was seconded by Director Koki and was unanimously approved.

VII. ADJOURNMENT

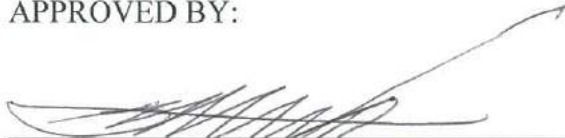
There being no further business to discuss, it was moved by Director Guthertz and seconded by Director Koki to adjourn the meeting at 3:51 p.m. The motion was unanimously passed.



Digitally signed by Isa Koki
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ISA MARIE C. KOKI, Board Secretary
Board of Directors

APPROVED BY:



FRANCISCO G. SANTOS, Chairman
Board of Directors





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Lieutenant Governor

General Manager's Report for Board of Directors June 16, 2022

- 1. Board Appointment to the Port Board of Directors.** On March 11, 2022, Governor Lou Leon Guerrero appointed Ms. Conchita S.N. Taitano to fill the seat of Ms. Isa Marie C. Koki, whose term has expired. We proudly announce and welcome Ms. Taitano to the Port Authority Board of Directors as she received legislative confirmation on June 2, 2022. Congratulations Ms. Taitano.
- 2. General Manager's Notes for YTD Finances.** We are providing the following summary for April and May 2022:

For May 31, 2022, Year-to-Date Finances:

REVENUES AND CARGO THROUGHPUT:

- The Port's Total YTD Operating revenue for May 31, 2022, is \$38.3 million, 3.0% or \$1.1 M higher than the YTD April FY 22 budget projection of \$37.2M.
- The total number of containers handled as of May 31, 2022, is 58,005, which is 3.3% or 1,847 containers higher than last year's May 2021 total of 56,158.

OPERATING EXPENSES:

- Overall YTD Operating expense, as of May 31, 2022, is \$33.3 M, which is 3.5% lower than the YTD budget as of May of \$34.5M, or \$1.2 M in YTD cost avoidances.

OVERTIME EXPENSE AND DIRECT LABOR REVENUE:

- Overtime YTD for Divisions involved in Operations is \$1,227,545 which is 40% or \$353K higher than the YTD overtime budget of \$874,448. The OT for May is \$156K, which is 6% or \$10,645 lower than the overtime for April.

Direct Labor reimbursement is \$2.6 million, which is 17.7% or \$389K higher than the FY22 budget of \$2.2M.

Here is the breakdown:

Direct Labor Revenue:	\$ 2,592,676
Operations Overtime:	\$ <u>1,227,545</u>
Variance:	\$ 1,365,131

YTD OPERATING REVENUES MINUS YTD EXPENSES:

- Operating revenues minus operating expenses resulted in an operating income of \$4.9 million. The final result for May is a net income of \$16.5 million, after adding a net of Other Income/Expenses totaling \$11.5M. In February, the Port received \$15 million from the American Rescue Plan Act 2021 Fiscal Recovery Funds.

Note: \$11.5M is a net balance of Other Income and Expense composed of Interest Income, Interest Expense, Federal Reimbursements, Federal Expenses, Retirees COLA, Supplemental, Medical and Dental, and Other Non-Operating Income & Expenses.

Other Financial Highlights, as of May 31, 2022:

- The debt service ratio as of May 31, 2022, is 1.83. This is 46% higher than the Bond Indenture Debt service ratio requirement of 1.25.
- Days Cash on Hand is 1,017 days, 104% or 518 days higher than the 500 days requirement of Moody's Rating agency.

DEBT SERVICE RATIO - MAY 2022

Projected Annual Debt Service Coverage	1.83
Debt Service Coverage Requirement	1.25
Variance	.58
% Above the Indenture Requirement	46%

For April 30, 2022, Year-To-Date Finances:

REVENUES AND CARGO THROUGHPUT:

- The Port's Total YTD Operating revenue for April 30, 2022, is \$33.7 million, 3.4% or \$1.1 M higher than the YTD April FY 22 budget projection of \$32.5M.
- The total number of containers handled as of April 30, 2022, is 51,072, which is 3.5% or 1,717 containers higher than last year's April 2021 total of 49,355.

OPERATING EXPENSES:

- Overall YTD Operating expense, as of April 30, 2022, is \$30.0 M, which is 4.1% lower than the YTD budget as of April of \$30.2M, or \$1.2 M in YTD cost avoidances.

OVERTIME EXPENSE AND DIRECT LABOR REVENUE:

- Overtime YTD for Divisions involved in Operations is \$1,070,974, 40% or \$306K higher than the YTD overtime budget of \$765,142. The overtime for April is \$167K, 19% or \$27,261 higher than the overtime for March.

Direct Labor reimbursement is \$2.3 million, which is 20.2% or \$389K higher than the FY22 budget of \$1.9M.

Here is the breakdown:

Direct Labor Revenue:	\$ 2,317,465
Operations Overtime:	<u>\$ 1,070,974</u>
Variance:	\$ 1,246,491

YTD OPERATING REVENUES MINUS YTD EXPENSES:

- Operating revenues minus operating expenses resulted in an operating income of \$4.7 Million. The final result for April is a net income of \$16.2 million, after adding a net of Other Income/ Expenses totaling \$11.5M. In February, the Port received \$15 million from the American Rescue Plan Act 2021 Fiscal Recovery Funds.

Note: \$11.5M is a net balance of Other Income and Expense composed of Interest Income, Interest Expense, Federal Reimbursements, Federal Expenses, Retirees COLA, Supplemental, Medical and Dental, and Other Non-Operating Income & Expenses.

Other Financial Highlights, as of April 30, 2022:

- The debt service ratio as of April 30, 2022, is 1.95. This is 56% higher than the Bond Indenture Debt service ratio requirement of 1.25.
- Days Cash on Hand is 1,022 days, 104% or 522 days higher than the 500 days requirement of Moody's Rating agency.

DEBT SERVICE RATIO - APRIL 2022

Projected Annual Debt Service Coverage	1.95
Debt Service Coverage Requirement	1.25
Variance	.70
% Above the Indenture Requirement	56%

- 3. Port Donates Face Masks to Schools.** On May 2, 2022, the Port donated more than 25,000 3M masks to five southern elementary and middle schools. The recipients on behalf of each school who received twelve boxes amounting to 6,000 masks were: Inarajan Elementary School Principal, Inarajan Middle School Principal Derrick Santos, Merizo Martyrs Memorial School Counselor Cabrini Rivera, Talofoto Elementary School Acting Principal Mike Perez, and MU Lujan Elementary School Principal Elias Taisipic received five boxes of 3M masks accounting for 2,500 masks. Giving masks to our children so they may continue to remain safe as we navigate the COVID-19 pandemic together shows how much our Port employees care about our community. The Port Strong Spirit shines so brightly when we continue giving back to Guam's people. Many thanks to the Port staff who helped organize this event on behalf of all PAG employees.
- 4. Port Police Arrest Man on Drug Charges.** On May 18, 2022, Port Police held a joint federal and local law enforcement operation to conduct surprise regulatory inspections of all containers coming into and out of the Port terminal. Port Police were joined by officials from the U.S. Coast Guard and Guam Customs for the Multi-Agency Strike Force Operation (MASFO). Inspections were made to detect narcotics and hazardous materials and proper safety protocols. During the operation, Port Police Officers searched the cab of a semi-truck in the outbound area of the terminal when they discovered a small resealable plastic bag that allegedly contained crystal methamphetamine, also known as "ice." They also reportedly found drug paraphernalia. Officials from the U.S. Coast Guard conducted a field test with the substance in the small clear bag and the paraphernalia, and the items resulted in a presumptive positive for methamphetamines. The amount of illegal drugs allegedly discovered was reflective of personal use only. Kyle Marcus Cruz, 31, of Dededo, was booked and released in connection with possession of a Schedule II controlled substance.

Most notably, no evidence exists that drugs are coming through the Port Authority of Guam. We will continue to work with all local and federal law enforcement partners on these random and routine inspections. We will do everything possible to keep the Port safe and continue this Administration's efforts to secure our borders.

5. **Guam Power Authority - Interruptible Load.** On May 23, 2022, Mr. John Benavente, General Manager, Guam Power Authority (GPA), reached out to the Port seeking assistance with power generation due to the high peak demand between 6 pm to 10 pm. With two base load units down for the next several days, GPA wanted to avoid any possible power disruption to its customers. In doing so, the Port was to isolate from the GPA grid, which would help distribute power to the island community. The Port had isolated from GPA grid using Load Centers 2 thru 5 from May 24 to June 13.
6. **Canteen Demolition & Retaining Wall Along Route 11.** Former tenant AR Sunriser Canteen/Catering Restaurant contracted the work with UMS Heavy Equipment Company. Still, this project could not proceed with demolishing the canteen and retaining wall along Route 11 due to financial reasons. The canteen structure lays atop pipelines (underground) owned by Tristar, which is a matter of significant concern to both PAG and Tristar. We then engaged with Tristar on the possibility of exercising the provision under the F-1 Management Agreement that will allow Tristar to engage with UMS in completing the demolition of the structure and retaining wall. Tristar agreed to this approach. PAG issued the notice to proceed on May 13, 2022, in the project amount of \$16K, a cost shared between Tristar and the Port. This derelict building and adjacent retaining wall was demolished on May 25, 2022.
7. **Meetings with Department of Defense Officials in Hawaii and D.C.** From May 20-26, 2022, Chief Planner Joe Javellana, CIP Coordinator Clarence Lagutang, and I held meetings with the following:
 - **U.S. Army Corps of Engineer** - Nani Shimabuko, Project Manager, and Jennifer Moore, Program Manager
 - Discussed upcoming Army Corps projects in Guam and closely coordinated with PAG. PAG and USACE partnership in maintaining safe ports navigation and flood control is critical to support all watercraft's usage
 - **Homeland Security Protective Services** - James Cruz, DHS Protective Officer
 - Discussed the Regional Resiliency Assessment Report (RRAP) and the need for the Port to have this kind of high-level, critical assessment of the Port. We partnered with the Commonwealth Port Authority and

- submitted one grant application. Grant was awarded recently, and we are working on the next steps to execute this grant.
- PAG was nominated by Cybersecurity & Infrastructure Security Agency (CISA).
 - PAG was selected and will be awarded the RRAP that will result in receiving funds to perform a robust assessment of cybersecurity impact across all CIS and provide solutions that will build cyber/physical resilience and economic sustainability.
- **Senate Armed Services Committee** - Congresswoman Madeleine Bordallo, Senator Jack Reed (Chairman, Senate Armed Services Committee)
 - We discussed with Senator Reed's Legislative Director and staff the PAG's critical need for gantry cranes and exempting Guam from Buy America Act.
 - **Naval Facilities Engineering Command Headquarters** - Congresswoman Madeleine Bordallo, Rear Admiral Korka; Commander Jennifer La Torre, Business Director; Andy Sanders - Legal; Katherine Langbeine, Congressional Liaison; Dave Curfman, Chief Engineer; Cindy Readal, Contracting Officer; Captain Omar Tobias, Executive Officer; Captain Dan Turner, Operations
 - We discussed Guam Port's critical role in the buildup and DoD's support for Port to obtain three (3) gantry cranes. We advocated on the Port's behalf to include the need for the Port to be ready for the Military's Readiness program to succeed. We also discussed how the Port could support current and future DoD missions that Port facilities can be utilized for both military and commercial use, namely:
 - Area A
 - Hotel Wharf
 - Golf Pier
 - F-1
 - We also discussed the Port's critical role in the National Defense and contingency support as to how the Port can meet the Navy's needs by providing the necessary funding to increase the Port's capacity.
 - **Defense Logistics Agency Headquarters** - Congresswoman Madeleine Bordallo, Vice Admiral Michelle Skubic, Director; Brad Bunn, Vice Director; Rear Admiral Doug Noble, Director, Operations J3; John Miller, Legislative Affairs; Marty Binder; Strategic Initiative Group; Ruth Vetter, General Counsel
 - We discussed Guam Port's critical role in the Indo-Pacific area of responsibility and DLA's support for the Port to obtain three (3) gantry cranes. We advocated on the Port's behalf to include how the Port can

support its current and future DLA's missions. Specifically, the Port's facilities can be utilized to fuel/de-fuel waterborne assets, and load/unload cargo.

- Area A can be utilized by DLA contractor (Tristar) to expand POL storage and handling of fuel to support DoD mission.
- Hotel Wharf to support future DLA mission for cargo/military assets handling.

8. **Maritime Response to Infectious Disease - Ebola Full Scale Exercise.** A MRID Ebola Full Scale Exercise took place on June 1-3, 2022. This exercise involved a suspected infectious disease (Ebola) case at the Port Authority. The U.S. Coast Guard spearheaded this exercise, with agency representatives from the Office of the Governor, Guam Homeland Security, Department of Public Health and Social Services, Guam Fire Department, Guam Memorial Hospital, Guam Police Department, the Port, and Guam Environmental Protection Agency.
9. **GCC Summer Program Tour.** Students from Guam Community College Summer Transportation Institute toured the Port facilities on June 9, 2022. Twenty-two (22) middle-school students and two instructors participated in the tour. The students got a first-hand look at the Port's operations. They went dockside to view the gantry cranes and wharves where operations occur. They could see the different sections within the terminal facilities, i.e., maintenance, gatehouse, CFS, reefer section, and walked along F5. This program is a federally funded program sponsored by U.S. Department of Transportation's Federal Highway Administration. The purpose of the program is to expose participants to the different sectors of transportation that include air, land, sea, and safety components of the industry in hopes of generating interest and developing a career path for these individuals in this field.
10. **PAG Citizen-Centric Report.** The Port released its annual Citizen-Centric Report on June 14, 2022. This report gives the public a glimpse into the Port's FY 2021 progress compared to previous years and provides an overall performance review to include our current challenges and future outlook. With it, we aim to provide transparency of the Port to our stakeholders and the community we serve. According to the report, operating revenues increased 0.7% in FY2021 by \$432K, from \$54.7M in FY 2020 to \$55.1M in FY 2021. Total operating expenses increased by \$2.6M, from \$55.7M in FY 2020 to \$58.3M in FY 2021, or 4.6%. This increase was largely due to a rise in post-employment benefits and pension costs. Despite the struggles brought on by the COVID-19 pandemic, the Port showed an increase in handling container cargo and non-containerized cargo at 1.9% and 11.8%, respectively. Other improvements reflected in the report include a reduction of time spent by a vessel at the port's waterfront and higher crane productivity. In FY 2021, the Port received a low-risk

auditee designation for the third consecutive year. Moody's Investors Service also raised its outlook for the PAG from negative to stable, pointing to low leverage, strong liquidity, and the Port's ability to remain fully operational during the coronavirus pandemic. Future initiatives outlined in the report include F1 to Golf Pier fuel pipeline connectivity, welding shop renovations, tractor replacements, the harbor of refuge moorage repairs, port security updates, wharves service life extension, the construction of dock B at the Agat Marina, repair of boat ramp bumpers at the Agat Marina, and acquiring gantry cranes.

11. Department of Youth Affairs Summer Youth Employment. In anticipation of the upcoming DYA 2022 Summer Youth Employment Internship Program, the Port Authority will be hosting up to thirty-five (35) summer youth employment participants tentatively scheduled to start on June 20, 2022. This program will allow selected youth to gain work experience and skills in the varying career paths at the Port.

12. Port Visit and Tour. We had an opportunity to present our port modernization program to the following:

- **Chamber of Commerce Youth Professionals** - Representatives of Docomo Pacific, M-80 Systems, PHRS, Atkins Kroll, Chamber of Commerce, Matson, Guam Copier, JCA Guam, and Guam Bonita Botanical on May 3.
 - The Planning Division presented ongoing and planned projects, allowing our young professionals to see first-hand the maritime and transportation industry and its impact on our economy. Visit ended with a tour of the Port Terminal.
- **Cross-Cultural Business Study Abroad Program** - Professors and Students from Mississippi on June 14.
 - Planning and Finance provided presentations on ongoing and planned projects and the FY 2021 Citizen-Centric Report. Discussions included operational impacts of the COVID-19 pandemic, the Port's financial status, and our high employee morale. Their visit ended with a tour of the Port's Terminal Yard.
- **Maritime Administration (MARAD)** - Sharon Cuevas, Regional Transportation Representative, Region IX, USDOT Office of Intelligence, Security and Emergency Response on June 15.

- o The Planning Division provided a presentation on ongoing and planned projects. Deputy General Manager Luis Baza, Financial Affairs Controller, and I met with Ms. Cuevas and USCG LCDR Al Blaisdell, LT Henry Dunphy, and Joshua Blocker to discuss the current challenges faced by the Port and the intent to regain Strategic Seaport Designation. Ms. Cuevas and the Coast Guard Officials toured the Port's Terminal Yard. We also pitched the need to replace the Port's 3 STS Gantry Cranes and discussed our grant submission to MARAD and our recent meetings with DoD. At the end of our meeting, Ms. Cuevas said she would take the information she received during her visit and share it with her senior management to emphasize the Port's critical and strategic importance.
13. **Relay for Life of Guam:** The Relay-for-Life "Fight for the Future" culminating event is scheduled for Saturday, July 30, 2022, from 2 pm - 8 pm at the Skinner Plaza in Hagatna. So far, we have raised \$780.00 through t-shirt sales. Our goal this year is to reach \$3,690.00 by June 24.
14. **Relative to Bill No. 114-36 (COR).** *An Act to Amend §73102, §73107, §73109, §73141, and §73142 of Chapter 73, Title 5, Guam Code Annotated, Relative to Powers of Customs Officers, Definitions, Guard on Vessels, Place of Inspection, and Release of Sealed Cargo at Guam's Ports of Entry, and to Further Updating the Penalties in Violation of these Statutory Requirements.*

In my capacity as Port General Manager, I submitted written testimony requesting that Bill 114-36 be held in abeyance so that the Attorney General can render a legal opinion on the constitutionality of this legislation. The Public Hearing for Bill 114-36 is scheduled for today at 3 pm in the Legislature's Public Hearing Room.

We are submitting this testimony as part of the GM's Report, so it'll be made part of our record. In our testimony, we took the opportunity to convey to the legislature that the Port has been extremely supportive of Customs and Quarantine since the inception of our administration. Governor Lou Leon Guerrero, Lt. Governor Joshua Tenorio, and our Board have directed me, as Port General Manager, to do whatever possible to assist Customs and Quarantine with its mandate to inspect all cargo coming into our island through our island's only commercial seaport, and even coming through the Port's marinas. We are working closely with Customs and Quarantine to support its mandate to STOP illicit drugs, invasive species, and counterterrorism activities from entering our island. And, over the past three and a half years, significant improvements have been made with the working relationship between the Port and Customs and Quarantine.

For instance, accommodating a new office space for Customs at the Port - free of charge; granting all access pass within port terminal facilities to carry out its mandates; identifying 4-acre parcel of land for their cargo inspection facility; included in our port 2020 master plan update a Customs Inspection Feasibility to be used to assist Customs in obtaining funding; ensured Customs direct involvement in discussions on Port and PUGG's Initiative for systems integration; dedicated a gated secured area for their inspection; dedicated an area at Seaplane Ramp for marine interdiction task order office and boathouse; allowed use of Port washdown station; accommodated an office space at the Hagatna marina; authorized access to Port's surveillance cameras at the marina and terminal yard; and facilitated immediate repair to their X-Ray Van.

We also highlight our concerns over the constitutionality and ambiguous authority being proposed to Customs. Therefore, we request Sen. Telena Nelson, the Port's Oversight Chairperson and sponsor of Bill 114-36 (COR), to hold this bill in abeyance until the Attorney General has rendered an opinion.

15. **Relative to Matters Raised by Former Deputy General Manager Felixberto 'Alfred' Duenas to Public Utilities Commission (PUC), and Our Response to Mr. Duenas' Concerns.** The Port petitioned PUC on March 30, 2022, to review and approve the contract award to JJ Global Services for the Port's IFB-PAG-CIP-021-010. This project is for repairing and upgrading the Port's EQMR Building.

We are attaching Mr. Duenas' letter to the PUC, and our response, which addresses every single one of his concerns, backed up by facts. PUC approved PAG's petition by an affirmative vote on March 31, 2022.

16. **Grant Awards and Ongoing Grant Submissions.**

- **Fuel Pipeline Connectivity Project.** RFP-PAG-022-003 was posted on April 11, 2022. A pre-proposal conference and site visit was held on April 19, 2022. Five (5) prospective offerors were in attendance. Three proposals were submitted on May 13, 2022. The procurement process is ongoing.
- **Department of Agriculture Grant (DoAG).** PAG will be requesting to the grantee a no-cost schedule modification to September 30, 2023, due to the active procurement process of the following projects.
 - **Harbor of Refuge Repairs.** The Harbor of Refuge Repairs project will be presented under New Business for Board action. The work consists of installing a mooring system and repairing anchor blocks. The amount for

this project is \$870,000.00 with a period of performance of 180 calendar days from the issuance of Notice to Proceed.

FWS Grant Award: \$606,582.20 / PAG Funds: \$263,417.80

- **Agat Marina Dock B Construction.** This project will also be presented to the Board for action under New Business. The amount for this project is \$1.4M. The project's period of performance is 240 calendar days from the issuance of Notice to Proceed, beginning with the A/E Design and permitting process to ending construction and acceptance of the project by PAG.

FWS Grant Award: \$500,000.00 / PAG Funds: \$994,750.00

- **Repair of Agat Marina's Boat Ramp Bumpers.** On April 11, 2022, the Official NTP was issued to ProPacific Builders Corporation (Contractor). The contractor is working with DPW Building Inspection & Permits Section Application for Permit.
- **Gantry Crane Acquisition.**
 - **USDA Direct Loan.** The application with USDA direct loan of \$15M has been put on hold pending the PAG's MEGA Grant Application.
 - **MARAD MEGA Grant Program.** Port's planned grant application to acquire STS Gantry Cranes through Economic Development Administration (EDA) has been changed. The 3 STS Gantry Cranes application was submitted for MARAD's mega grant program on May 20, 2022. Pending review by USDOT.
- **MARAD Marine Highway Program.** Planning has collaborated with Maintenance and Operations Divisions to finalize and prioritize the Port's acquisition program to over \$7M. Grant submission is in June 2022. The Port has requested and received letters of support from several stakeholders supporting the project. Status Quo.
- **Office of Local Defense Community Cooperation (Formerly Office of Economic Adjustment-OEA).** No cost, one-year grant extension has been submitted to the Office of the Governor and OLDCC for consideration. Port Consultant WSP conducted site visits/meetings in Guam from May 16-20, 2022.

- **EPA Diesel Emissions Reduction Act (DERA) Program.** The PAG team continues to work with GEPA to move the project forward. IFB-PAG-006-022 was advertised on March 8, 2022, as an indefinite quantity bid for one (1) year with a delivery period of 270 days upon the availability of funds. The bid close date was April 8, 2022; one bid submission was received. On April 26, 2022, a meeting was held with end-users, procurement, and Port legal counsel to discuss the next steps. Currently under review.
- **US DOT Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program.** U.S. DOT/MARAD, Ms. Kris Gilson - Director of Environmental Compliance, will be conducting an on-site visit on June 29, 2022, of Wharves F1 through F6. In addition, PAG and Ms. Gilson will host and conduct a roundtable discussion of the proposed project with local and federal regulatory agencies. (e.g., DOAg, NOAA EFH, Guam EPA, BSP FedCon/Coastal Management, SHPO, NOAA Section 7, and US Army Corps of Engineers). We are coordinating efforts ongoing with local and federal agencies.

17. **Port Revenue Bonds Project Status.** As of June 13, 2022, the attachment provides information on the status of the revenue bond projects that consist of rehabilitation of the hotel wharf, golf pier repairs and improvements, waterline replacement/relocation, EQMR building, and warehouse 1 repair/upgrades, new admin annex building, and other priority projects.

Respectfully submitted,


Rory J. Respicio
General Manager

2018 Port Revenue Bonds Status Report
As of June 13, 2022

Bond Project	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
Rehabilitation of "H" Wharf (Federal Share & Port Share)	\$10,000,000.00 \$13,774,255.00	\$0.00 \$1,166,742.17	\$10,000,000.00 \$12,607,512.83	Construction Management PO No. 17043- OF for \$2,249,945.54 awarded to GHD Inc.	On 06/10/2022, PAG issued a Notice of Intent to Award/Letter of Acceptance that was signed by GM and Sunnito Mitsu Construction Co., Ltd. (SMCC) Next steps: (i) GM to present bid proposal to PAG Board of Directors and PUC for their review and approval; (ii) Once approved by BOD and PUC, Contractor will notify PAG of Bond/Contract Performance Payment - due two weeks from date of Contract Award; (iii) PAG to review Bond and Contract Payment due three weeks after Contract Award; (iv) Once approved, SMCC to notify PAG of Pre-Construction meeting - due five weeks after Contract Award.
Golf Pier Repairs and Improvements	\$2,000,000.00	\$372,147.93	\$1,627,852.07	RFP No. 2019-02: A&E Design for \$484,000.17 awarded to NC Macario	Reissuance of IFB to be determined by management.
Waterline Replacement and Relocation	\$6,000,000.00	\$319,086.18	\$5,680,913.82	RFP No. 2019-03: A&E Design for \$1,406,427.48 awarded to NC Macario	Project is currently pending SHPO review.
EQMR Building Repairs and Upgrades	\$3,628,800.00	\$447,013.13	\$3,181,786.87	RFP No. 2019-03: A&E Design for \$1,406,427.48 awarded to NC Macario	Engineer of record provided update designs. These designs are currently under review.
Warehouse 1 Repairs	\$2,000,000.00	\$447,013.13	\$1,552,986.87	RFP No. 2019-03: A&E Design for \$1,406,427.48 awarded to NC Macario	Engineer of record provided update designs. These designs are currently under review.
Other Priority Projects 1. Repair of F-1 Fuel Pier and wharves F-2, F-3, F-4, F-5, and F-6 waterfront facilities 2. Upgrade of the Port's IT system and integration of TOS	\$4,980,745.00	\$0.00	\$4,980,745.00	See status	1. The PAG was awarded \$17,941,997.00 toward the total project cost of \$22,427,496.00 as part of the MARAD RAISE grant program. This project seeks to make structural repairs to enhance the capacity of the existing berths from F1 - F6. 2. TOS upgrade work is ongoing in collaboration with Port OAE Consultant WSP and sub-contractor Cargo Velocity. Ongoing.
Other Priority Projects - EnterpriseOne Financial Management System	\$2,500,000.00	\$1,969,488.35	\$530,511.65	See status	Job costing for CIP went live in April 2022 and work is ongoing for further improvements. ACH payments have gone live and are pending additional vendor/registrations.
New Admin Annex Building	\$10,445,000.00	\$0.00	\$10,445,000.00	See status	1. Three draft layout options for the Admin Building has been completed by the PAG's OAE and is being reviewed by Management. 2. No decision on which option will be selected has been determined.
Grand Total	\$55,328,800.00	\$4,721,490.89	\$50,607,309.11		



PORT OF GUAM

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Lourdes A. Leon Guerrero
Governor of Guam

Joshua F. Tenorio
Lieutenant Governor

June 16, 2022

The Honorable Telena C. Nelson
Senator & Chairperson
Committee on Education and Infrastructural Advancement,
Border Protection and Maritime Transportation,
Guåhan Preservation and Self-Determination, and
Federal and Foreign Relations
173 Aspinall Avenue, Suite 202A
Ada's Plaza Center
Hagatña, Guam 96910

Subject: Testimony Not in Support of Bill 114-36 (COR)

Dear Chairperson Nelson and Members of your Committee:

Buenas yan Hafa Adai! I am submitting this written testimony in my official capacity as General Manager of the Port Authority of Guam ("PAG"), registering our non-support for Bill 114-36 (COR) – *An Act to Amend Sections 73102, 73107, 83141, and 73142 of Chapter 73, Title 5, Guam Code Annotated, Relative to Powers of Customs Officers, Definitions, Guard on Vessels, Place of Inspection, and Release of Sealed Cargo at Guam's Ports of Entry, and to Further Updating the Penalties in Violation of these Statutory Requirements.*

Since the beginning of this administration, Governor Lou Leon Guerrero, Lt. Governor Joshua Tenorio, and our Board have directed me, as Port General Manager, to do whatever possible to assist Customs and Quarantine with its mandate to inspect all cargo coming into our island through our island's only commercial seaport, and even coming through the Port's marinas. We are working closely with Customs and Quarantine to support its mandate to STOP illicit drugs, invasive species, and counterterrorism activities from entering our island. And, despite the complete turnaround, over the past three and a half years and significant improvements made with the working relationship between the Port and Customs and Quarantine, Lines 9- 17, Page 2, of Bill 114-36 (COR) states:

I Liheslaturan Guåhan finds that Airport and Seaport operators did not honor the authority of the Director of CQA asserted in designating Places of Inspection and the executive responsibility of the Director to establish controls for persons, conveyances, vehicles, aircraft, vessels, and other contrivances present at Guam's ports of entry, at customs areas of enforcement, at customs jurisdictions, at Guam's borders, at places that exist as functional equivalents of the border, and places of unlawful arrival and entry, and places of inspection designated by the Director. I Liheslaturan Guåhan incorporates clear language to reinforce their intent to make clear the authority and power of the Director and Customs officers.

This notion of restricting Customs officers is a thing of the past, a complete misrepresentation of the facts, and the statement in this Bill's legislative intent is not indicative of today's reality. Moreover, Madam Chair, over the past three and half years, we have worked closely with Guam Customs and Quarantine Chief Ignacio Peredo and Customs officers to achieve the following:

- The Port entered into a Memorandum of Understanding with Customs regarding the new office space at the Port. Customs now occupies 2,700 square feet of office space at the former Horizon Building and have since vacated their former office in the Port Administration Building. Their rent and utilities REMAIN free of charge.
- Immediately upon my hire as General Manager of the Port, I issued a directive to grant Customs Officers an all-access pass within the Port terminal facilities to carry out its mandates of inspecting everything within Port property.
- The Port identified the 4-acre parcel of land within 30 days of the Leon Guerrero Administration, which is adjacent to the main terminal gate, as a local office and cargo inspection facility. This matter between the prior General Manager and Customs has been ongoing for several years, and we have resolved this within 30 days.
- We included in the Port's 2020 master plan update a Customs Inspection Feasibility Study, which has recently been completed and will be used to assist Customs in obtaining funding for the construction and operations of this cargo inspection facility.
- The Port's Owner-Agent Engineer consultants worked with Customs to validate their requirements and confirmed the planned facilities would integrate with the current traffic flow.
- We ensured that Customs is directly involved in discussions with the Port and the Port Users Group's initiative for Systems Integration that will provide an improved information sharing/reporting between stakeholders involved in the cargo supply chain.
- The Port dedicated a gated secured area in the CFS warehouse for Customs inspection.
- The Port dedicated an area at Seaplane Ramp for marine interdiction task order office and boathouse.
- The Port allowed Customs to use the Port's equipment wash down station. This is something that was disallowed by the past General Manager.
- The Port provided office space at the GDP marina to be co-shared with Port Police and access to Port's surveillance cameras at the marina and terminal yard.
- The Port facilitated the immediate repair of the ZBV X-Ray Backscatter Van, which the Port secured funding, and Guam Customs Officers operated through an MOU. This X-Ray machine was inoperable for 10-months, and all that was needed was \$12,000 for the part and the service cost.
- The Port authorized Customs and Quarantine to access the Port's CCTV camera system. We are waiting for Customs to settle in their new area, outfitted with their control room.

Last year, when you introduced Bill 114-36, we met with Guam Customs and Quarantine Agency representatives and the Guam International Airport Authority regarding this proposed legislation. The consensus at that time, which is still the consensus today, is that the Attorney General must review the impact of the proposed legislation, as it is fraught with many issues of

ambiguity and constitutionality. We must recognize the regulatory control that the Captain of the Port (Commander of the U.S. Coast Guard) has over the Port Authority of Guam. As General Manager of the Port, it is my duty to execute the Port's Facilities Security Plan at all times.

A legal opinion from the Attorney General has yet to be rendered. Nonetheless, we reviewed the proposed legislation, together with our in-house counsel, and would like to register the following concerns respectfully:

1. Definitions for the Port of entry, the functional equivalent of a border, and areas of inspection designated by the Customs Director are very broad and vague. If passed, the authority granted to our law enforcement personnel in our enabling act may be diminished or infringed on in the federal government's authority due to this proposed legislation.

The bill includes the Port of entry for Antonio B. Won Pat International Airport Terminal, Hagåtña Boat Basin, Agat Marina, Andersen Air Force Base, U.S. Post Office, and Apra Harbor. Our concern is the designation of Apra Harbor, which includes U.S. Navy and privately managed wharves in addition to the Port's wharves. Will this definition also contain the buildings and fenced properties owned by the Port or leased to private companies? Will this definition include the entire Cabras Island, or just controlled regulatory areas within Cabras Island, i.e., the Port terminal facilities and leased areas outside the terminal facilities?

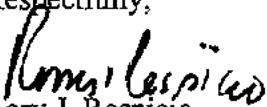
2. We suggest that a legal opinion be sought regarding the constitutionality that may arise due to the proposed provisions in the bill. Specifically, concerns may stem from the 4th amendment rights violation if unwarranted searches occur due to their expanded border jurisdiction, i.e., reasonable suspicion versus probable cause.
3. On Page 7, line 26 regarding the authority to "discontinue or suspend unloading during the continuance of unfavorable weather," Port operations are guided by the Port's Heavy Weather Condition Plan, as well as the guidance and instructions issued by the Captain of the Port, who is the Commander of the U.S. Coast Guard. This proposed enhanced authority can potentially disrupt shipping commerce and affect the distribution of goods to the island residents. Was the intent of this proposed expanded authority to Customs supposed to supersede the existing local and federal regulations of the Harbor Master or Captain of the Port?
4. On Page 13, starting on line 25, this section indicates the Customs' authority regarding places of inspection. Prohibiting armed persons in areas designated as inspection areas is also problematic. The ambiguity of this definition expands Customs' authority and, in effect, limits that of the Port's law enforcement personnel and U.S. Coast Guard law enforcement officers/agents. This provision will adversely affect the Port's law enforcement personnel, which are mandated to be armed while on Port premises. It will restrict their presence to those "designated inspection sites" that are undoubtedly under the jurisdiction of the Port. This provision may also impact the U.S. Coast Guard's ability to carry out its mission.

Letter to Sen. Telena Nelson/Testimony on Bill 114-36 (COR)
June 16, 2022
Page 4 of 4

In light of the above, we respectfully request that the proposed legislation be held in abeyance until the Attorney General has rendered an opinion and confirms our analysis of Bill 114-36 (COR). In the meantime, Madam Chair, you and your colleagues, as well as proponents of this proposed legislation, can rest easy knowing that there is NOTHING that the Port Authority of Guam is doing that is impeding Officers of the Guam Customs and Quarantine from carrying out its mandate of inspecting cargo at the Port Authority of Guam, or at any of the Port's two marinas, for that matter.

Thank you again, Madam Chair and members of your legislative committee, for the opportunity to provide testimony to Bill 114-36 (COR). Please let us know if you have any questions or concerns specific to this issue or any issue you would like us to address. *Si Yu'os Ma'ase!*

Respectfully,


Rory J. Respicio
General Manager

Cc: Hon. Lourdes A. Leon Guerrero, Governor of Guam
Hon. Joshua F. Tenorio, Lt. Governor of Guam
36th Guam Legislature
PAG Board Chairperson & Board of Directors
Ike Peredo, Director, Customs & Quarantine
John Quinata, Executive Manager, GIAA
USCG CAPT Nicholas Simmons
Joe Cruz, Chairman, Port Users Group



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Lourdes A. Leon Guerrero

Governor of Guam

Joshua F. Tenorio

Lieutenant Governor

April 21, 2022

Mr. Felixberto Alfred Duenas
66B Nimitz Drive
Piti, Guam 96925

Hafa Adai Mr. Duenas:

We received a copy of your letter, dated March 30, 2022, addressed to Dr. Jeffrey J. Johnson, Chairman of the Public Utilities Commission (PUC). In your letter, you had recommended that the Commission disapprove the Port's petition to award the construction to repair and upgrade the EQMR Building to JJ Global Services under IFB-PAG-CIP_021-010.

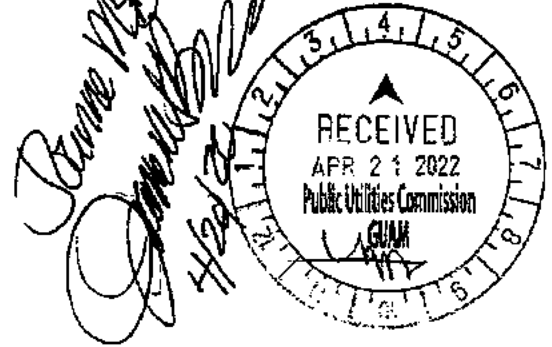
This letter, therefore, is an attempt to understand your objections to the Port's petition to award such construction procurement and to address the misinformation that you have recklessly provided to the PUC. To recap, your arguments to disapprove our petition are as follows:

- "The awarded cost for this procurement bid was more than the project cost authorized by the Port's revenue bonds operating statement;
- [The] Port should have rejected the bids due to a high price and re-issued the construction procurement solicitation package."

In an attempt to understand your objections over IFB-PAG-CIP_021-010, which was the item before PUC, you talked about other non-germane matters. I will provide a recap of your digressions for your quick reference. In your letter to Chairman Johnson, you made the following assertions:

- *Your Assertion:* Relative to the Hotel Wharf project: You allegedly blamed WSP, the Port's Owner Agent Engineer, for this construction project not being shovel-ready, which may have contributed to the substantial delays and additional cost.
 - *Our Response:* Previous management, to which you were the Deputy General Manager for Administration and Finance (DGMA), instructed WSP to do a design-build drawing and promised WSP that it was going to be the Construction Manager for H-Wharf promising them a \$1M contract. I, as General Manager, put an immediate stop to this because (1) this CM would have to be competitively awarded pursuant to Guam's procurement law and (2) the inherent conflict of interest in that the engineer of record cannot serve as the CM. For the record, WSP was an innocent party to this promise by former Port management, however, it was extremely uncomfortable for us to not be able to fulfill a promise, albeit made by you and your team, simply because of its potential illegalities.

*Felixberto Duenas
4-21-22*



- *Your Assertion:* Port should have disqualified WSP's proposal as the Port's Owner Agent Engineer consultants for "not meeting the requirements of its then existing contract and deceptive practice."
 - *Our Response:* We believe the only deception here is the promise made by prior Port management and the manner in which the whole H-wharf project was set up. We inherited a messy situation with H-wharf, and all of the other 2018 Revenue Bond funded CIPs, to which you thankfully admitted in your letter that the H-wharf project was not shovel-ready. Included also that all the 2018 Revenue Bond funded CIPs were also not shovel ready. And, even more egregious, you and the previous Port management failed miserably in your 2014 construction costs estimates.

- *Your Assertion:* JoyJean Arceo's assignment to General Services Agency resulted in a huge gap in procurement knowledge which you firmly believed that her "non-involvement played a major role in the inability of PAG to prepare a successful RFP."
 - *Our response:* We disagree!

- *Your Assertion:* Port's reliance on Public Law 35-44 which you believed to be considered "fraudulent because GEDA and the 35th Guam Legislature could not in unison reprogram the bond proceeds." You stated that "The Official Statement provides the mechanism to allow reprogramming. The Public Law is not the mechanism."
 - *Our response:* We never stated that Public Law 35-44 is "fraudulent because GEDA and the 35th Guam Legislature could not in unison reprogram the bond proceeds."

I will elaborate, at least for the public record, on the factual events relative to the H-Wharf project, which occurred during your tenure as DGMA from July 1, 2015, up to your separation with the Port on December 21, 2018. I invite you to direct your attention to the following:

- On September 18, 2018, the Port requested National Marine Fisheries Service (NMFS) a request to initiate Essential Fish Habitat (EFH) consultation for the proposed project to repair the Hotel Wharf and adjacent access roadway.

- On October 24, 2018 in an email Ms. Valerie Brown of the National Oceanic & Atmospheric Administration (NOAA) U.S. Department of Commerce disagreed with the Port's determination of minimal adverse effects to EFH and recommended expanded EFH consultation be initiated for NMFS to fully evaluate the quantitative EFH data and provide highly specific conservation recommendations to the Port. Ms. Brown stated that the Essential Fish Habitat (EFH) Assessment prepared by AMEC Environmental and Infrastructure, Inc., who was the Port's Owner Agent Engineer environmental sub-consultant for H-Wharf rehabilitation project used an incorrect definition of EFH and used U.S. Fish and Wildlife Guidelines from 1982 to guide its analysis. She further stated in 2013 AMEC was advised that their report should include the wharf expansions impact and asked them to collect quantitative data on coral and other invertebrates. She advised the Port that the report did not include this information which prevented NMFS from fully analyzing the project impacts.

- A letter addressed to the Port signed by Mr. Gerry Davis, Assistant Regional Administrator, Habitat Conservation Division of NMFS of NOAA dated October 24, 2018 detailed their rejection of the report prepared by AMEC.

Based on the above chronological events, prior Port management knew that since 2013, this report needed to include those items required by NMFS. You and your General Manager, at that time, should have transmitted a completed report to NFMS, ensuring that these requirements were included. Had this been done by you and the former General Manager, then that submission would not have been rejected by NMFS in 2018.

When we came on board on January 8, 2019, the following events occurred:

- On February 8, 2019, we requested to meet with NOAA staff to discuss the ongoing additional environmental work that is critical to completing all NEPA requirements for the project.
- On February 14, 2019, we met with NMFS Valerie Brown, WSP staff Linda Cruz and Duenas, Camacho and Associate staff Devin Keogh and Claudine Camacho. We discussed (1) the EHF consultation for H-Wharf project; (2) the survey approach and methodology to be used by the team; and (3) the timelines needed by NOAA for consultation.
- On March 7, 2019, the U.S. Department of Transportation Maritime Administration (MARAD) David Bohnet, Program Manager Jeff Baldwinsson, Environmental Specialist Kris Gilson informed the Port that the \$10 million TIGER grant timeline submitted by the prior Port management, that if that timeline was not revised and pushed up by a few months (July, 2019 instead of September, 2019), the Port was going to lose this \$10 million TIGER grant, if we stuck to prior management's plan.
- On March 22-23, 2019, Port Board Chairman Frank Santos, Chief Planner Joe Javellana, and myself met with MARAD in Washington D.C. We presented the status of the H-Wharf rehabilitation project, particularly with the additional environmental work update. The Port and WSP consultants and its subcontractor Duenas & Associates were able to meet the REVISED April, 2019 deadline imposed by MARAD, with their additional environmental requirements.
- On April 9, 2019, we transmitted to NMFS, the Port's EFH Expanded Consultation for Hotel Wharf and access road maintenance and repair project for review.
- On July 8, 2019, MARAD issued a Finding of No Significant Impact for the Port's proposed H-Wharf and Access Road Maintenance and Repair Project.
- On January 22, 2020, we transmitted to NMFS the Final Compensatory Mitigation Plan for the project which incorporated the commitment made by the Port with agencies under Fish and Wildlife Coordination. Such commitment was to mitigate for the loss of ecological functions and services resulting from the direct impacts to coral reef habitat from the proposed construction activities in waters for H-Wharf.

As you can see in our factual chain of events, prior Port management's inaction, placed the \$10 million TIGER grant in jeopardy. Thankfully, through the dedication and hard work of our planning division

under our very decisive and prescriptive leadership together with our partners, submitted to NMFS its EFH Expanded Consultation for Hotel Wharf and access road maintenance and repair project for review. These additional environmental requirements were submitted on-time, and three months after our submittal, MARAD issued to the Port, a "Finding of No Significant Impact."

We, therefore, disagree with your statement that the "Port should have disqualified WSP's proposal as the Port's Owner Agent Engineer consultants." As a matter of fact, the services and deliverables provided by WSP to date have been instrumental in providing us with the technical know-how, together with Port personnel, need for us to make educated decisions.

Regarding your statement that the Port and Guam Legislature cannot in unison reprogram the bond proceeds and the Official Statement provides the mechanism to allow reprogramming and that a public law process does not. We herein disagree with your statement, and provide you with the following facts:

- The Port's modernization program is designed to meet the island's growth including the expansion of the military and growing tourism. The key project initiatives justified to the bond market investors were: (1) expansion of wharf space to accommodate larger vessels and increase vessel handling capacity; (2) upgrade of the Port's terminal operating system to allow for automated cargo invoicing, cargo and container tracking, financial management, and maintenance management; (3) expansion of existing facilities to support fishing and cruise line industries; and (4) replacement of gantry cranes at the end of its useful life to maintain continuous uninterrupted cargo movement.
- Public Law 34-70, enacted into law on December 5, 2017, authorized the Port to issue revenue bonds in the amount of \$71.44 million specific in statute the capital improvement projects and amounts. This public law listed the following capital improvement projects to finance: (1) local match for the TIGER grant program funding for Hotel Wharf rehabilitation and access road in the amount of \$14.2 million; (2) replacement Administration Building in the approximate amount of \$17.5 million; (3) replacement and relocation of waterline in the Port's terminal yard, in the approximate amount of \$6 million; (4) repair and expansion of Equipment Maintenance & Repair Building (EQMR) in the approximate amount of \$3.628 million; (5) repair of Warehouse 1 in the approximate amount of \$2 million; (6) repair of Golf Pier in the approximate amount of \$2 million; and (7) to refinance all or a portion of outstanding loans of the Port.
- On July 20, 2018, Pro Marine Technology submitted an underwater assessment and inspection services of F-1, F-3 to F-6 and highly recommended that repairs to the waterfront structures be made.
- In early 2019, we became aware prior to rehabilitating Golf Pier that a connectivity fuel line would need to be installed at F1 to allow discharged/loaded fuel to be routed to/from petroleum fuel companies' storage tanks; the Terminal Operating and Financial Management systems would need to be integrated along with an upgrade of the Port's current information technology system so accurate financial data on the expenses rendered to vessel operations and related services versus revenues received are known.

- The 2007 Port Master Plan provided recommendation for the current Port Administration Building to be extended with an annex and a bridge connecting the existing building, but such project was changed in 2013 Master Plan Update. Not surprisingly, we saw in the 2013 Master Plan Update that a “new large building be constructed and the current administration building be demolished.” We maintained that if the prior Port management pursued the 2007 Master Plan recommendation, then a portion of the \$17.5 million earmarked for the construction of the administration building could be used to address the deficiencies of the Port’s revenue-generating waterfront facilities, a connectivity line between Golf Pier and F-1 and improvements needed for the Port’s Information Technology systems.
- Discussions were held with our bond investors as well as Guam Economic Development Authority representatives in 2019 on the possibility of reprogramming revenue bond proceeds earmarked for the construction of the new administration building could be used to address the deficiencies of the Port’s revenue-generating facilities, a connectivity line between Golf Pier and F-1, and improvements needed for the Port’s Information Technology systems. We were informed by Bond Counsel that:
 - under the Tax Certificate of the Authority, Section 1.5 (c), Purpose of Financing, 40% of the \$17.5 million can be reprogrammed without triggering the 40% taxable income ratio; and
 - amendment to Public Law 34-70 would need to be made in order to reprogram such bond proceeds to fund the repairs of the waterfront facility, install the connectivity line and upgrade/integrate the information technology system.
- Based on these discussions, we informed Governor Lou Leon Guerrero, who then lent her support, together with the Port’s Board of Directors. The Port Board passed Resolution No. 2019-03 on March 29, 2019 authorizing management to present to the Governor of Guam and 35th Guam Legislature Oversight Chairperson a request to introduce proposed legislation to amend Public Law 34-70 relative to projects funded by revenue bonds.
- We then presented to Governor Leon Guerrero, and the 35th Guam Legislature a draft bill. The 35th Guam Legislature unanimously agreed that an amendment to Public 34-70 be made to allow for the reprogramming of such bond proceeds needed to address these deficiencies of the Port’s revenue-generating facilities, the connectivity fuel line between Golf Pier and F-1, and improvements needed for the Port’s information systems and remaining balances if any be allocated to provide for supplemental funding for the procurement of a new gantry cranes.
- On October 16, 2019, Governor Leon Guerrero signed Public Law 35-44 which authorized the reprogramming of the revenue bond proceeds and amending the capital improvement projects.
- Subsequently, the Port received the architectural and engineering designs for the Port’s revenue bond projects, and based on the engineering estimates provided in the designs, the construction costs associated with the repairs exceeded the outlined in Public Laws 34-70 and 35-44. We learned during that time that engineering estimates outlined in the revenue bond mandates were obtained in 2014, and the reality is that costs of construction pegged at 2014 are all severely underfunded. Because the mandates specifically identified the revenue bond project costs to be funded by the revenue bond proceeds, it did not allow the Port to reallocate revenue bond

proceeds to address the anticipated shortfalls of the construction costs for those which has specific costs associated in the mandates. To help address this dilemma, the Board of Directors passed Resolution 2021-07 on July 29, 2021 authorizing the General Manager to use Port revenues, Port unrestricted funds and/or other revenues and federal grants to supplement the funding of revenue bond projects, all of which shall remain subject to procurement and Public Utilities Commission's statutory requirements.

- Subsequently after the passage of Resolution 2021-07, the Port held procurement solicitation openings for several of the revenue bond projects resulting in either no offers being submitted or procurement construction bid submittals exceeding between 10 to 156 percent of the legislative funding cap of the respective projects.
- We reviewed other revenue bond mandates for other autonomous agencies and notated that the Port's revenue bond legislation is the only legislation that specifically stated the proceeds are to "finance certain Authority capital improvements, including, but not limited to..." and each project had an associated funding cap versus other autonomous agencies' revenue bond legislations which simply stated the project(s) and the total amount authorized to borrow. Although the Board authorized the General Manager to use other funding sources, it appeared that the Port's revenue bond legislation disallowed the Port from exceeding the cost associated with the project outlined in Public Laws 34-70 and 35-44.
- To ensure that the Port accomplished its commitment to ensure that our modernization program is NOT further delayed, or jeopardized as a result of the legislative funding caps strictly tied to the 2018 Revenue Bonds, the Board of Directors on March 24, 2022 passed Resolution 2022-10 authorizing management to present to the Governor and 36th Guam Legislature Oversight Committee a request to introduce proposed legislation to amend Public Law 35-44 relative to projects funded by the revenue bonds.

Based on the above events, we need to stress that during our conversations with the bond investors and GEDA representatives, they did not inform us that the mechanism to reprogram bond proceeds is through the Official Statement. It was at their recommendation that the Port seeks an amendment to Public Law 34-70 to reprogram such bond proceeds to fund the repairs of the waterfront facility, install the connectivity line and upgrade/integrate the information technology system.

Lastly, your statement regarding JoyJean Arceo's assignment to General Services Agency resulted in a huge gap in procurement knowledge which you firmly believed that her *"non-involvement played a major role in the inability of PAG to prepare a successful RFP."* Be advised that her assignment to the Chief Procurement Officer (CPO) of the General Services Agency (GSA) is for training purposes.

However, take note that the CPO again granted a full delegation of procurement authority to the Port for FY 2022. This delegation of procurement could not be achieved under your time as Port's DGMA, and we were able to do this in our first year, after losing its procurement delegation of authority for 14 years. Through our leadership, and guidance provided to the procurement and supply staff, as well as legal guidance from the Port's Legal Counsel, and under the Port's current Acting Procurement Manager, the Port accomplished the following for FY 2022:

Letter to Felixberto Alfred Duenas

April 21, 2022

Page 7 of 7

- a. processed 511 purchase orders;
- b. minimized the overstocking of parts and supplies which lessened the cost overruns and waste;
- c. issued the following procurement solicitations:
 - i. Eleven (11) Construction Invitation for Bids;
 - ii. Four (4) Professional Services Request for Proposals; and
 - iii. Seven (7) Goods and Services Materials.

These solicitations are more than the total number of solicitations that the Port has issued over the last five years. One of the huge accomplishments under this Procurement and Supply Division was issuing and awarding the demolition and removal of Port's inoperable assets. Based on historical records, the Port attempted to dispose of these inoperable equipment for over a decade. As a result of this procurement award, the Port will now be able to expand the use of its container yard, access the container yard, and free up wharf and waterfront area, increasing our Wharfage and dockage revenues.

We hope that you will rest easy now that you have been reminded of the facts surrounding your assertions. Thankfully, your letter to the PUC had zero impact on our petition in that it was approved. Surely, you would want the Jose D. Leon Guerrero Commercial Port of Guam to succeed, despite whoever is its General Manager, and with that we invite you to join us and to be a part of the solution.

Very truly yours,



Rory J. Respicio
General Manager

Cc: Senator Joanne M.S. Brown
PUC Chairman Jeffrey Johnson
PAG Board of Directors

FELIXBERTO ALFRED DUENAS

66B NIMITZ DR.

PITI, GUAM 96915

(671) 685-4757



March 30, 2022

Mr. Jeffrey C. Johnson

Chairman, Guam Public Utilities Commission

Suite 207 GCIC Building

414 West Soledad Avenue

Hagatna, Guam 96910

Buenas yan Hafa Adai Chairman Johnson,

My name is Felixberto Alfred Duenas, I am currently employed by the Thirty Sixth Guam Legislature, Office of Senator Joanne MS Brown as a Chief Policy Analyst. Prior to my reemployment with the Guam Legislature, I was the Deputy General Manager, Finance and Administration. I organized the PAG team to prepare and finalize the Port's bond financing package. I am familiar with Capital Improvement Projects funded by bond proceeds, projects to be funded by 100% federal funds, projects funded by federal funds requiring a Port match, and projects to be funded by Port revenue. This list is part of the Final-2018 Consulting Engineer's Report which is part of the Official Statement (OS). Among the information contained in the Official Statement are the PAG's covenants for the benefit and protection of the Port and the Bond investors.

PAG Docket 22-03, Petition of the Port Authority for PUC Review and Approval of the Procurement Contract Award to JJ Global Services for the Construction to Repair and Upgrade the EQMR Building IFB-PAG-CIP_021-010.

I recommend the Petition be disapproved because it is more than the Project Cost authorized by the Official Statement (OS). The total Project Cost to be funded by 2018 Bonds as listed in the OS is \$3,629,000, this cost includes a 12-17

percent contingency. The PAG Board of Directors on February 24, 2022, adopted Board Resolution No. 2022-05 which identified the lowest bid amount of \$3,980,000. This lowest bid, combined with the cost of Macario & Associates services and any other cost associated in finalizing the Bid Package should be the Total Cost of the Project based on the OS.

A review of the Bid documents provided by PAG Procurement listed 6 same Firms attending both the Pre-Bid Conference and Site Visit. The PAG Board Resolution 2022-05 stated 2 firms submitted their proposal. Port Procurement should have rejected the bids due to High Price and schedule a re-bid. The BOS does not provide any provision for cost overrun other than the built-in contingency.

A google search on JJ Global Services identifies its business type as Construction (20%); Service (80%). The search also revealed 2 separate GSA Bids were rejected due to High Price. These red flags should have been sufficient to trigger a re-bid.

IMPLEMENTATION PLAN

BOND FUNDED CIP's

Hotel Wharf was the first Bond Project on our timeline for implementation of Projects. MS. Dora Perez was the Lead Staff who worked on the Tiger Grant Application. She and WSP along with USEPA staff determined the studies and reports required for USEPA to approve the Permit application. WSP assured PAG that all requirements have been met and the project is shovel ready. This status and PAG's willingness to cost share the project led to the project's approval.

Ms. Dora Perez was tasked to reach out to both USEPA and GEPA and initiate the formal Permit Application. Ms. JoyJean Arceo was to dialogue with Department of Labor to have Hotel Wharf listed as a Defense related project to qualify for alien labor visa waiver program. PAG's Engineering Division was to prepare the Scope of Work for Contract Manager for the Bond Project.

SUBSEQUENT EVENTS

WSP's assurance that the project is shovel ready was not substantiated. USEPA stated that they gave WSP a list of additional studies which had to be performed before the issuance of a Permit. WSP admitted that they somehow failed relay this information to PAG. This led to substantial delays and additional cost to the

project. Refer to PUC Docket 20-03. This would have been sufficient to disqualify WSP's proposal for RFP-PAG-021-003 due to not meeting the requirement of its then existing contract and deceptive practice.

JoyJean Arceo who is the Chief Procurement Officer for PAG was released from her duties as Chief Procurement Officer and assigned to GSA to handle Line Agencies procurement needs. There is a huge gap between Ms. Arceo's procurement knowledge and experience as compared to the Port's remaining procurement staff, (see attachment). I firmly believe that her non-involvement played a major role in the inability of PAG prepare a successful RFP.

Ms. Arceo was with the Department of Public Works Federal Highway Program. This Division is responsible for Federal Highway Funds awarded for construction and rehabilitation of Guam's major roadway. Based on her experience, she was hired by the Port to be the over-all Professional Staff to oversee the Bond Projects. She had hands-on participation starting with Port's meetings with Bond Counsel, Bond Rating Agencies and culminating with meetings with potential Bond investors.

PAG's Board of Director's reliance on Public Law 35-44 which could be considered fraudulent because GEDA and the 35th Guam Legislature could not in unison reprogram the bond proceeds. The Official Statement provides the mechanism to allow reprogramming. The Public Law process is not the mechanism.

I will commend PAG for successfully contracting GHD, INC. to provide Construction Management Service for Hotel Wharf. We extrapolated the project cost of the various waterfront projects at Big Navy to derive at the project cost for Hotel Wharf.

Thank you for taking time to read this letter. Although I work for Senator Joanne MS Brown, I did not solicit, nor did we discuss the content of this letter. It would be in the best interest for PAG to re-bid this project.

Regards,


Felixberto Alfred Duenas

Attachment

submit a counteroffer. On May 18, 2021, the Port submitted a counteroffer to Ledge Light Technologies Pacific. On May 20, 2021, Ledge Light Technologies Pacific officially accepted the Port's counteroffer.

Before the Port took further action on the procurement, it was revealed that the Port had previously been provided a list of deliverables and assessments from its prior contractor, information unknown, prior to soliciting the above referenced RFP. While it is true that there is much work to be done in order for the Port to improve its cybersecurity requirements, consummating a contract at this time would not be in the best interest of the Port as it does not specifically address the deliverables to help the Port meet its objectives at this time. Consequently, as a contract for duplicative services would not be in the best interest of the Port, the Port must cancel the award of the contract for the above referenced RFP. The Port, however, intends on re-soliciting a revised RFP once it can properly build a scope of work to address its specific shortcomings and an infrastructure in support of the Port's Operations and Cyber Security. Therefore, for the reasons set forth above, it is determined that in the best interest of the Port to not move forward with the award of the contract to Ledge Light Technologies Pacific, and Board approval is being requested to cancel and disapprove such contract for the above referenced RFP.

Director Harris made motion to cancel the notice of intent to award to Ledge Light Technologies Pacific pursuant to RFP-PAG-021-001 for Information Technology Consulting Services, seconded by Director Koki. Motion was unanimously approved.

3. **Resolution No. 2021-07 Authorization for General Manager to Use Port Funds to Supplement the Funding of Revenue Bond Projects.** Director Koki made motion to approve Resolution No. 2021-07 relative to authorizing the General Manager to use port revenues, port unrestricted funds and/or other revenues and federal grants to supplement the funding of revenue bond projects, all of which shall remain subjected to procurement and Public Utilities statutory requirements. Motion was seconded by the Vice Chairman and unanimously approved.

4. **Relative to Rescinding Board of Directors Policy Memorandum No. 2009-02.** The General Manager mentioned that the Port Authority of Guam Board of Directors Policy Memorandum No. 2009-02 Subject: Designation of Emergency First Responders and On-Call Emergency Management Personnel, allows certain employees within the Port Authority of Guam to utilize Port vehicles on a twenty-four (24) hour basis. However, a recent legal review reveals a prohibition from allowing any employee to take home a vehicle.

Title 4 GCA §1103, governing Government Vehicles and Use, is quite clear: "No such vehicles shall be used for the transportation of any government officer or employee between his place of abode and place of employment ..." and further states that this restriction does not apply to any vehicle assigned for the use of *I Maga'lahaen Guahan*, *I Segundu na Maga'lahaen Guahan*, the Speaker of *I Liheslaturan Guahan*, the Presiding Judge of the Superior Court of Guam, and the Chief Justice of the Supreme Court of Guam. The law also provides a narrow exception for

ATTACHMENT



PORT OF GUAM
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Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

Port Authority of Guam
Board of Directors Regular Board Meeting
June 16, 2022

Executive Summary
Invitation to Bid IFB-PAG-CIP-022-001
Renovation and Repair of the Harbor of Refuge Phases 2 thru 5

PURPOSE: Request the Board of Directors to approve the award to ART Constructors, LLC. for IFB-PAG-CIP-022-001 Renovation and Repair of the Harbor of Refuge Phases 2 thru 5.

BACKGROUND:

On December 1, 2021, an Invitation for Bid (IFB) was issued and published in the Guam Daily Post. The IFB was to solicit qualified companies/firms to provide services to Renovate and Repair the Harbor of Refuge Phases 2 thru 5. Twelve (12) Companies registered and downloaded IFB packets from the port's website, while only one (1) company participated in the bid opening. The bid opening date for the above referenced bid was February 25, 2022, in the Port Authority Board of Directors Conference room. During the bid opening process, a review of the required documents for bidding was reviewed for all bids submitted. It was determined that the only responsible and responsive bidder with the lowest price was ART Constructors, LLC, with a submitted bid amount of *One Million Six Hundred Seventy-One Thousand Six Hundred Seventy-Six Dollars and Forty-Six Cents (\$1,671,676.46)*.

Upon further review and consideration for the high price, the Port GM determined the Port would make a request to the bidder to negotiate the price, scope of work, specifications and terms and conditions of this project in accordance with Title 2 GARR, Division 4, Chapter 3, § 3102 (c)(1)(C) which allows the Port Authority of Guam to reject the bid offer and apply the Sole Source method of procurement, wherein both parties may negotiate a fair and reasonable price, when only one bid submittal is received. On April 28, 2022, ART Constructors, LLC (ART) agreed to and signed a Letter to Negotiate the price, specifications, scope of work, and terms and conditions for the above subject Invitation for Bid (IFB).

On May 26, 2022 ART and the Port met to finalize the negotiations for this project, in which the cost as identified in Option 2 was in the amount of \$870,000.00, and the application for the use of the stainless steel U-Bolts instead of eye-bolts was agreed to by both parties. Also agreed to, was the performance period for this project, as the Port and ART have agreed to remove Part A from the bid schedule which then reduces the performance period of this contract. Port CIP division suggested a reduction in the performance period to 180 days (120 days for actual work and 60 days for permitting) of which both parties agreed to as well.

The Port has agreed and accepted ART's offer of *Eight Hundred Seventy Thousand Dollars and Zero Cents (\$870,000.00) for IFB-022-001 Renovation and Repair of the Harbor of Refuge Phases 2 thru 5*. Furthermore, the terms and conditions, new period of performance, scope of work and specifications will remain the same as agreed to in Option 2 and be adhered to. The Letter of Acceptance was signed by ART Constructors, LLC on June 8, 2022.

LEGAL REVIEW:

The necessary documents pertaining to this project are under constant review by the Port's Special Assistant Attorney General for procurement compliance. Upon Board's approval, the contract will be routed for all parties to sign. When contract is fully executed, a pre-construction meeting will be scheduled where the Purchase Order and Notice to Proceed will be issued.

FINANCE REVIEW:

This project is made possible through Federal Funds and Port Local funds.

RECOMMENDATION:

Management requests the Board of Directors' approval of this award to **ART Constructors LLC**, for the *Invitation for Bid No.: IFB-PAG-CIP-022-001 Renovation and Repair of the Harbor of Refuge Phases 2 thru 5*. **ART Constructors, LLC** has been deemed to have met all the requirements and specifications set forth in the IFB, and is consistent with the Guam Procurement Regulations.



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Website: www.portguam.com



Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

Port Authority of Guam
Board of Directors Regular Board Meeting
June 16, 2022

Executive Summary
Invitation to Bid IFB-PAG-CIP-022-002
Rebid of the Construction Rehabilitation of Hotel Wharf and Highway 11 Roadway Reconstruction

PURPOSE: Request the Board of Directors to approve the award to Sumitomo Mitsui Construction Company (SMCC) for IFB-PAG-CIP-022-002 Rebid of the Construction Rehabilitation of Hotel Wharf and Highway 11 Roadway Reconstruction.

BACKGROUND:

On October 27, 2021, an Invitation for Bid (IFB) was issued and published in the Pacific Daily News. The IFB was to solicit qualified companies/firms to provide services to Construct and Rehabilitate Hotel Wharf and Highway 11 Roadway Reconstruction. Fifteen (15) Companies registered and downloaded IFB packets from the port's website, while only one (1) company participated in the bid opening. The bid opening date for the above referenced bid was January 28, 2022 at 2:00pm, in the Port Authority Board of Directors Conference Room.

During the bid opening process, a review of the required documents for bidding was reviewed for the one bid submitted. It was determined that the responsible and responsive and *only* bidder with the lowest price was SMCC, with a submitted bid amount of *Fifty-Nine Million Six Hundred Eighty-Three Thousand Sixty-Five Dollars and No Cents (\$59,683,065.00)*.

Upon further review and consideration for the high price, the Port made a request to the bidder to negotiate the price, scope of work, specifications and terms and conditions of this project in accordance with the Title 2 GARR, Division 4, Chapter 3, § 3102 (c)(1)(C) which allows the Port Authority of Guam to reject the bid offer and apply the Sole Source method of procurement, wherein both parties may negotiate a fair and reasonable price, when only one bid submittal is received.

On February 24, 2022, SMCC agreed to and signed a Letter to Negotiate the price, specifications, scope of work, and terms and conditions for the above subject Invitation for Bid (IFB).

On March 4, 2022 our initial negotiations meeting took place with SMCC, additional cost negotiation meetings were held on May 17, 2022, June 3, 2022 and June 9, 2022.

The Port has agreed and accepted SMCC offer of *Forty-Six Million Three Hundred Thirty-One Thousand Eight Hundred Ninety-Five Dollars and Zero Cents (\$46,331,895.00)* for IFB-022-002 Rebid for the Construction Rehabilitation of Hotel Wharf and Highway 11 Roadway Reconstruction. Furthermore, the terms and conditions, period of performance, scope of work and specifications will remain the same as agreed to by both parties and be adhered to.

As part of the procurement process, a Letter of Acceptance/Notice of Intent to Award will be issued requesting SMCC to submit their Performance Bond and Labor and Material Bond within 15 days of receipt, covering 100% of the project cost.

Upon Board approval of this award, a contract will be issued to SMCC in the amount of Forty-Six Million Three Hundred Thirty-One Thousand Eight Hundred Ninety-Five Dollars and Zero Cents (\$46,331,895.00), to perform the Construction Rehabilitation of Hotel Wharf and High 11 Roadway Reconstruction for a period of performance of seven hundred thirty-five (735) calendar days from the issuance of the Notice to Proceed.

LEGAL REVIEW:

The necessary documents pertaining to this project are under constant review by the Port's Special Assistant Attorney General for procurement compliance. Port's Legal Counsel has provided guidance to award this project. Upon Board's approval, a resolution is requested to petition the PUC for contract review and approval in accordance with the PUC's contract review protocol as indicated in PUC Docket 09-01. Upon PUC's approval a contract will be finalized for all parties to sign.

FINANCE REVIEW:

This project is made possible through Federal Funds (Maritime Administration (T.I.G.E.R. Grant), American Recovery Program Funds (ARP) and Port Bond Funds and Port Local Funds.

RECOMMENDATION:

Management requests the Board of Directors' approval of this award to Sumitomo Mitsui Construction Company for the Invitation for Bid No. IFB-PAG-CIP-022-002 Rebid of the Construction Rehabilitation of Highway 11 Roadway Reconstruction has been deemed to have met all the requirements and specifications set forth in the IFB, and is consistent with the Guam Procurement Regulations.



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Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

Port Authority of Guam
Board of Directors Regular Board Meeting
June 16, 2022

Executive Summary
Invitation to Bid IFB-PAG-CIP-022-004
Construction of the Agat Marina's Dock B

PURPOSE: Request the Board of Directors to approve the award to AIC International, Inc. for IFB-PAG-CIP-022-004 Construction of the Agat Marina's Dock B.

BACKGROUND:

On March 18, 2022, an Invitation for Bid (IFB) was issued and published in the Guam Daily Post. The IFB was to solicit qualified companies/firms to provide services for Construction of the Agat Marina's Dock B. Thirteen (13) Companies registered and downloaded IFB packets from the port's website, while only two (2) companies participated in the bid opening. The bid opening date for the above referenced bid was May 19, 2022 at 2:00pm, in the Port Authority Board of Directors Conference Room.

During the bid opening process, a review of the required documents for bidding was reviewed for all bids submitted. It was determined that the responsible and responsive bidder with the lowest price was AIC International, Inc., with a submitted bid amount of *One Million Four Hundred Ninety-Four Thousand Seven Hundred Fifty Dollars and No Cents (\$1,494,750.00)*.

As part of the procurement process, a Notice of Intent to Award was issued on June 7, 2022 requesting AIC International, Inc. to submit their Performance Bond and Labor and Material Bond within 10 days of receipt, covering 100% of the project cost.

Upon Board approval of this award, a contract will be issued to AIC International, Inc. in the amount of One Million Four Hundred Ninety-Four Thousand, Seven Hundred Fifty Dollars and No Cents, (\$1,494,750.00), to perform the Construction of Agat Marina's Dock B for a period of performance of two hundred and forty-three days from the issuance of the Notice to Proceed.

LEGAL REVIEW:

The necessary documents pertaining to this project are under constant review by the Port's Special Assistant Attorney General for procurement compliance. Port's Legal Counsel has provided guidance to award this project. Upon Board's approval, a resolution is requested to petition the PUC for contract review and approval in accordance with the PUC's contract review protocol as indicated in PUC Docket 09-01. Upon PUC's approval a contract will be finalized for all parties to sign.

FINANCE REVIEW:

This project is made possible through Federal Funds and Port Local funds.

RECOMMENDATION:

Management requests the Board of Directors' approval of this award to AIC International Inc. for the *Invitation for Bid No.: IFB-PAG-CIP-022-004 Construction of the Agat Marina's Dock B. AIC International, Inc.* has been deemed to have met all the requirements and specifications set forth in the IFB, and is consistent with the Guam Procurement Regulations.



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Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

Port Authority of Guam
Board of Directors Regular Board Meeting
June 16, 2022

Executive Summary
IFB-PAG-CIP – 022-006
Design-Build Agat Marina Bathrooms

PURPOSE: Request the Board of Directors to approve the award for the invitation for bid to contract, IFB-PAG-022-006 for the Design-Build of the Agat Marina Bathrooms.

BACKGROUND:

On March 18, 2022, an Invitation for Bid (IFB) was issued to solicit Construction Companies to provide bids for the Design-Build of the Agat Marina Bathrooms by advertising a public notice through the Guam Daily Post. The deadline to submit proposals was on April 20, 2022. Twelve (12) companies expressed their interest by registering and obtaining the IFB package. One (1) company officially submitted their bid offer in response to the IFB.

After the opening of the sealed bid and determining that the bidder, Pro Pacific Builders, was responsible, the submitted bid was determined to be the only responsible and responsive offer with a price of Three Hundred Forty-Five Thousand, \$345,000.

As part of the procurement process, a Notice of Intent to Award was issued on May 17, 2022 requesting Pro Pacific Builders submit their performance and material bond within 10 days of receipt, covering 100% of the project cost.

Upon Board approval of this award, a contract will be issued to Pro Pacific Builders in the amount of Three Hundred Forty-Five Thousand, \$345,000, to perform the design-build construction of the Agat Marina Bathrooms for a period of performance of three hundred sixty (360) days from the issuance of the Notice to Proceed.

LEGAL REVIEW:

The necessary documents pertaining to this project have been prepared and will be forwarded to and reviewed by the Port's legal counsel. Upon Board's approval of this award and legal's approval of the contract to form, the agreement will be executed by both parties, and work will commence shortly thereafter.

FINANCE REVIEW:

Funding for the contract is made possible through Local Port Funds.

RECOMMENDATION:

Management requests the Board of Directors' motion to approve this award of this IFB contract to **Pro Pacific Builders** in the amount of \$345,000 with a period to perform within three hundred sixty days from the notice to proceed. The bidder has been deemed to have met all the requirements set forth in the IFB and is consistent with the Guam Procurement Regulations.

BOARD OF DIRECTORS
Francisco G. Santos, Chairman
Dorothy P. Harris, Vice Chairperson
Dr. Judith P. Guthertz, Board Secretary
Conchita S.N. Taitano, Member



Resolution No. 2022-13

**RELATIVE TO PETITIONING THE PUBLIC UTILITIES COMMISSION (PUC)
FOR THE APPROVAL OF THE AWARD TO AIC INTERNATIONAL, INC.
FOR THE CONSTRUCTION OF AGAT MARINA DOCK B**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PORT AUTHORITY OF GUAM:

WHEREAS, on March 18, 2022, the Port Authority of Guam (PAG) issued an Invitation for Bid IFB-PAG-CIP-022-004 for the construction of Agat Marina Dock B; and

WHEREAS, a total of two (2) firms submitted their proposals by the deadline of May 19, 2022; and

WHEREAS, during the bid opening process, a review of the required documents for bidding was reviewed for all bids submitted. It was determined that the responsible and responsive bidder with the lowest price was AIC International, Inc. with a submitted bid amount of One Million Four Hundred Ninety-Four Thousand Seven Hundred Fifty Dollars and Zero Cents (\$1,494,750.00); and

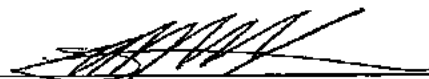
WHEREAS, this project is made possible through Federal Funds and Port Local Funds; and


WHEREAS, the Port Authority Board of Directors at its regular meeting of June 16, 2022 approved the contract award to AIC International Inc. for the Invitation for Bid No. IFB-PAG-CIP-022-004 for the construction of Agat Marina Dock B; now therefore be it

RESOLVED, the Port Authority Board of Directors authorizes Management to petition the Public Utilities Commission (PUC) to review and approve the contract award to AIC International Inc. in accordance with the PAG Docket 09-01 Contract Review Protocol for the Port Authority of Guam; and be it further

RESOLVED, the Chairman certify to, and the Secretary attest to, the adoption hereof and that a copy of this resolution be sent to the Public Utilities Commission.

**PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF
DIRECTORS THIS 16th DAY OF JUNE, 2022.**


FRANCISCO G. SANTOS
CHAIRMAN, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM


DR. JUDITH P. GUTHERTZ
SECRETARY, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM



BOARD OF DIRECTORS
Francisco G. Santos, Chairman
Dorothy P. Harris, Vice Chairperson
Dr. Judith P. Guthertz, Board Secretary
Conchita S.N. Taitano, Member



Resolution No. 2022-14

**RELATIVE TO PETITIONING THE PUBLIC UTILITIES COMMISSION (PUC)
FOR THE APPROVAL OF THE AWARD TO SUMITOMO MITSUI CONSTRUCTION
COMPANY FOR THE REBID OF THE CONSTRUCTION REHABILITATION OF HOTEL
WHARF AND HIGHWAY 11 ROADWAY RECONSTRUCTION**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PORT AUTHORITY OF GUAM:

WHEREAS, on October 27, 2021, the Port Authority of Guam (PAG) issued an Invitation for Bid IFB-PAG-CIP-022-002 for the Rebid of the Construction Rehabilitation of Hotel Wharf and Highway 11 Roadway Reconstruction; and

WHEREAS, a total of one (1) company submitted their proposal by the deadline of January 28, 2022; and

WHEREAS, during the bid opening process, a review of the required documents for bidding was reviewed for the one bid submitted. It was determined that the responsible and responsive and *only* bidder with the lowest price was Sumitomo Mitsui Construction Company (SMCC) with a submitted bid amount of *Fifty-Nine Million Six Hundred Eighty-Three Thousand Sixty-Five Dollars and No Cents (\$59,683,065.00)*; and

WHEREAS, upon further review and consideration for the high price, the Port made a request to the bidder to negotiate the price, scope of work, specifications and terms and conditions of this project in accordance with the Title 2 GARR, Division 4, Chapter 3, § 3102 (c)(1)(C) which allows the Port Authority of Guam to reject the bid offer and apply the Sole Source method of procurement, wherein both parties may negotiate a fair and reasonable price, when only one bid submittal is received; and

WHEREAS, on February 24, 2022, SMCC agreed to and signed a Letter to Negotiate the price, specifications, scope of work, and terms and conditions for the above subject Invitation for Bid (IFB); and

WHEREAS, on March 4, 2022 our initial negotiations meeting took place with SMCC, additional cost negotiation meetings were held on May 17, 2022, June 3, 2022 and June 9, 2022; and

WHEREAS, the Port has agreed and accepted SMCC offer of *Forty-Six Million Three Hundred Thirty-One Thousand Eight Hundred Ninety-Five Dollars and Zero Cents (\$46,331,895.00)* for IFB-022-002 Rebid for the Construction Rehabilitation of Hotel Wharf and Highway 11 Roadway Reconstruction for a period of performance of seven hundred thirty-five (735) calendar days from the issuance of the Notice to Proceed. Furthermore, the terms and conditions, period of performance, scope of work and specifications will remain the same as agreed to by both parties and be adhered to; and

WHEREAS, this project is made possible through Federal Funds (Maritime Administration (T.I.G.E.R. Grant), American Recovery Program Funds (ARP) and Port Bond Funds and Port Local Funds; and

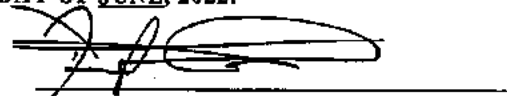
WHEREAS, the Port Authority Board of Directors at its regular meeting of June 16, 2022 approved the contract award to Sumitomo Mitsui Construction Company (SMCC) for the Invitation for Bid No. IFB-PAG-CIP-022-002 for the Rebid of the Construction Rehabilitation of Hotel Wharf and Highway 11 Roadway Reconstruction; now therefore be it

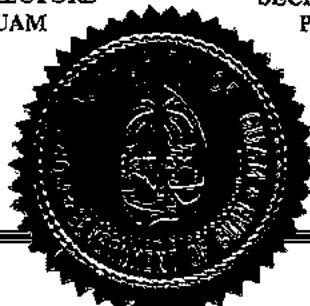
RESOLVED, the Port Authority Board of Directors authorizes Management to petition the Public Utilities Commission (PUC) to review and approve the contract award to Sumitomo Mitsui Construction Company in accordance with the PAG Docket 09-01 Contract Review Protocol for the Port Authority of Guam; and be it further

RESOLVED, the Chairman certify to, and the Secretary attest to, the adoption hereof and that a copy of this resolution be sent to the Public Utilities Commission.

**PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF
DIRECTORS THIS 16th DAY OF JUNE, 2022.**


FRANCISCO G. SANTOS
CHAIRMAN, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM


DR. JUDITH P. GUTHERTZ
SECRETARY, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM





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Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

June 13, 2022

MEMORANDUM

TO: Board of Directors

FROM: Rory J. Respicio, General Manager 

SUBJECT: Employee Incentive Events; Request for \$50K

Hafa Adai! It's been over two years since the covid-19 pandemic has plagued our island community and the rest of the world, holding us captive by restricting and limiting our social gatherings and way of life. Most recently, following the guidance of Executive Orders 2022-09 and 2022-13, lifted the social gathering, congregation, and social distancing as well as mask wearing leaving it optional for public settings. Rescinding these requirements and restrictions opened the gates for our port employees and the community to finally come together and celebrate government holidays and social events marked for this year.

Prior to covid, the Port Authority of Guam has always been an avid participant in celebrating the government of Guam holidays as well as commemorating the inception of our agency through Port Week festivities. This year, we hope to celebrate Liberation Day, Labor Day and Port Week honoring our port strong employees for their services and dedication giving them the opportunity to gather with their families, coworkers, and friends during these festive times.

In light of this, Board approval is being respectfully requested to authorize the use of \$50,000 to fund Liberation Day, Labor Day and Port Week events and that such funds are transferred to PAGGMA Association who will handle the disbursement of funds for these events. A financial expense report will be submitted to the Finance Division that accounts for the expenditures of these events. Any unused funds will be remitted back to the Port Authority.

I am available for any questions you may have.



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Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

June 13, 2022

MEMORANDUM

TO: Board of Directors

FROM: Rory J. Respicio, General Manager 

SUBJECT: Sponsorship Request for 78th Guam Liberation Day July 21st
– Gold Package \$20K

In a letter dated May 6, 2022, the Port Authority of Guam received a sponsorship request from the 78th Guam Liberation Committee. This year's theme is "*The Strength to Overcome, the Faith to Persevere!*". The sponsorship will assist in a series of events and celebrations for the island community to engage with family and friends – commemorating the islands' freedom and giving respect to the sacrifices of our elders.

As this is one of Guam's largest celebration for the people of Guam, it is being recommended for Board's approval to support this cause by authorizing management to sponsor this event by allocating \$20,000 for the Gold Package. The sponsorship package provides port logo on all print media, public service announcements, website, social media, reserved premium viewing spot during parade, and banner branding.

I am available for any questions you may have.

78TH GUAM LIBERATION COMMITTEE

PO Box 786 Hagåtña, Guam 96932

671-477-8464 / 671-472-6940 • visitguam.com/liberation78



May 6, 2022

Rory J. Respicio
General Manager
Port Authority of Guam
1026 Cabras Highway, Suite 201
Piti, GU 96915

RE: 78th Liberation Celebrations Sponsorship and Parade Participation

Håfa Adai, Mr. Rory Respicio:

It is with great excitement that we are able to celebrate this year's 78th Guam Liberation Day. This year's theme, "*The Strength to Overcome, the Faith to Persevere!*", recognizes our past, commends our present, and gives hope for our future. This July 21st will be a day full of meaning as we give respect to our manåmko' for their sacrifice, commemorate our freedom, and engage as a community after two years of enduring challenges caused by the COVID-19 pandemic.

Liberation Day has been Guam's largest celebration with many festivities such as a parade on Marine Corps Drive, a fireworks display, and solemn memorials and visits to massacre sites. The success of the activities and events is through the support of Guam's community. As such, we are kindly requesting your support in sponsoring a series of events and celebrations. On Thursday, July 21st, we are pleased to hold the 78th Liberation Parade and put together a drone light show and fireworks display in Paseo, Hagåtña. On Friday, July 22nd will be a special Fandanña Friday event, a Liberation Freedom Jump, and fireworks display in Ypao Beach Park, Tumon. (*Memorial events will take place between July 3rd and August 8th.*)

Please review the sponsorship opportunities. We hope you will acknowledge the benefits of each package. Further, we encourage you to also participate in the parade with a float to showcase your company. There is no fee associated with this participation. Thank you in advance for making the 78th Liberation Day festivities a successful one.

Senseramente,

CARL T.C. GUTIERREZ
President & CEO

The Strength to Overcome, the Faith to Persevere!
Minetgof Para Ta Hulaf, Hinengge Para Ta Usunil



78TH GUAM LIBERATION COMMITTEE

PO Box 786 Hagåtña, Guam 96932

671-477-8464 / 671-472-6940 • visitguam.com/liberation78



78TH LIBERATION CELEBRATIONS SPONSORSHIP

GOLD PACKAGE — \$20,000

- | | |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Pre-Event Media Campaign | Corporate Logo to appear on ALL print media (newsprint and calendar announcements) and end caps on TV PSAs
Verbal acknowledgment on TV and radio spots & appearances
Presence on website and social media promotion for pre-event, during, and post-event acknowledgments <ul style="list-style-type: none">• Web page: visitguam.com/liberation78• Facebook and Instagram: @78thguamliberation |
| Memorial Events | Company Listed as a Sponsor for Liberation Memorial events |
| Parade | Co-Presenting Sponsor at the Liberation Day Parade
Reserved Premium viewing spot along Marine Corps Drive for Liberation Day Parade
20 power poles for banner branding along Marine Corps Drive for 60 days

Authorized usage of the official 78th Guam Liberation logo |

SILVER PACKAGE — \$15,000

- | | |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Pre-Event Media Campaign | Corporate Logo to appear on ALL print media (newsprint and calendar announcements) and end caps on TV PSAs
Verbal acknowledgment on TV and radio spots & appearances
Presence on website and social media promotion for pre-event, during, and post-event acknowledgments <ul style="list-style-type: none">• Web page: visitguam.com/liberation78• Facebook and Instagram : @78thguamliberation |
| Memorial Events | Company Listed as a Sponsor for Liberation Memorial events |
| Parade | Reserved viewing spot along Marine Corps Drive for Liberation Day Parade
10 power poles for banner branding along Marine Corps Drive for 60 days

Authorized usage of the official 78th Guam Liberation logo |

BRONZE PACKAGE — \$10,000

- | | |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Pre-Event Media Campaign | Corporate Logo to appear on ALL print media (newsprint and calendar announcements) and end caps on TV PSAs
Verbal acknowledgments on TV and radio spots & appearances
Presence on website and social media promotion for pre-event, during and post-event acknowledgments <ul style="list-style-type: none">• Web page: visitguam.com/liberation78• Facebook and Instagram: @78thguamliberation |
| Parade | Reserved viewing spot along Marine Corps Drive for Liberation Day Parade
5 power poles for banner branding along Marine Corps Drive for 60 days

Authorized usage of the official 78th Guam Liberation logo |

The Strength to Overcome, the Faith to Persevere!
Minetgat Para Ta Hulaf, Hinengge Para Ta Usuni!





78TH GUAM LIBERATION COMMITTEE

PO Box 786 Hagåtña, Guam 96932

671-477-8464 / 671-472-6940 • visitguam.com/liberation78

78TH LIBERATION CELEBRATIONS SPONSORSHIP

Sponsorship Packages

- Gold Package — \$20,000
- Silver Package — \$15,000
- Bronze Package — \$10,000
- Supporter — \$1,000 or In Kind

Company: _____

Mailing Address: _____

Phone: _____

Email: _____

AUTHORIZED SIGNATURE
NAME (PRINT LEGIBLY)

SUBMIT FORMS TO: Angel R. Sablan, MCOG Executive Director
 Email: mcogadmin@teleguam.net
 Fax: (671) 477-8777
 Tel: (671) 472-6940 | (671) 477-8461

PLEASE MAKE CHECKS PAYABLE TO: MAYORS COUNCIL OF GUAM

The Strength to Overcome, the Faith to Persevere!
Minetgot Para Ta Hulaf, Hinengge Para Ta Usuni!





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Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

June 13, 2022

MEMORANDUM

TO: Board of Directors

FROM: Rory J. Respicio, General Manager *Rory J. Respicio*

SUBJECT: Sponsorship Request for Association of Pacific Ports 108th Annual Conference
September 25-28, 2022, Saipan – Admiral Package \$5K

The Port Authority of Guam has been a longstanding member and is also an officer of the Association of Pacific Ports. The association will be holding its 108th Annual Conference on September 25-28, 2022 in Saipan.

The Association of Pacific Ports (APP) is a trade and information for the purpose of promoting increased efficiency and effectiveness of the ports of the Pacific. Current members include ports in American Samoa, British Columbia, California, Hawaii, Marshall Islands, Guam, Saipan, Pohnpei, Oregon, Taiwan, Tonga, and Washington State. Programs of the APP are aimed at enhancing the technical and governance expertise of commissioners and other port officials through meetings, educational seminars, and the exchange of appropriate communications. These programs are also pertinent to the needs of ports' management and technical staff.

As an APP member and a Regional Representative on the APP Executive Committee, APP has requested for sponsorship support from the Port to assist with the annual conference. As such, Board approval is being requested to allocate \$5,000 for the Port Authority of Guam to host a luncheon – Admiral Package. This package includes port logo on APP website, communications, conference materials, advertisement, and a 10-minute presentation.

I am available for any questions you may have.

Building partnerships throughout the Pacific.



**ASSOCIATION OF
PACIFIC PORTS**

2022 ANNUAL CONFERENCE SPONSORSHIP OPPORTUNITIES

September 25 to 28, 2022 — Saipan, Northern Mariana Islands, USA

Benefits / Sponsor Level	Fleet Admiral (2 available) US\$10,000	Admiral (3 available) US\$5,000	Commodore (3 available) US\$4,000	Captain (5 available) US\$3,000	Lieutenant (10 available) US\$2,500	Crew (5 available) US\$1,000
Logo on www.pacificports.org with link to sponsor's site	✓	✓	✓	✓	✓	✓
Logo on all communications leading up to conference	✓	✓	✓	✓	✓	✓
Logo on conference agenda and on-site signage (including PowerPoint)	✓	✓	✓	✓	✓	✓
Insert in delegate bag	✓	✓	✓	✓	✓	✓
Title co-sponsor for Gala Dinner	✓					
Title sponsor for lunch		✓				
Title sponsor for breakfast			✓			
Title sponsor for break/networking session				✓		
Title sponsor for speaker session					✓	
One-eighth-page advertisement in conference on-site agenda					✓	✓
Quarter-page advertisement in conference on-site agenda			✓	✓		
Half-page advertisement in conference on-site agenda		✓				
Full-page advertisement in conference on-site agenda	✓					
"A word from our Sponsor" (10-minute presentation)	✓	✓				
Sponsor Spotlight Emails (x2)	✓	✓				

Opportunities for partnering on sponsor levels or sponsoring additional value-adds (e.g., lanyards, delegate bags, fishing/golfing events) are available.

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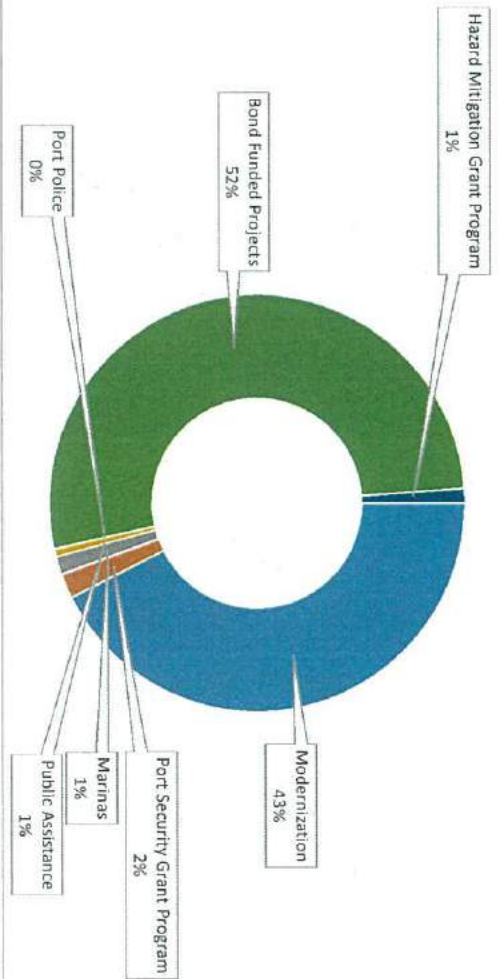
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www.pacificports.org / www.pacificportsconference.com



**FY 2022 Port Modernization Plan
Grant/Bond Strategy - Monthly Update
As of June 13, 2022**

PAG Federal and Bond Funding Percentage



Grant Program	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT #/RFP/PO Number	Status
Modernization	\$36,616,402.00	\$3,430,339.45	\$33,186,062.55		
DTMA91G1600007 - Rehabilitation of "H" Wharf	\$10,000,000.00	\$0.00	\$10,000,000.00		
GR982-19-04 - 2020 Master Plan Update	\$1,600,000.00	\$1,247,590.86	\$352,409.14		
GR982-20-06 - OAE Supplemental Support Services					

PO No. 17043-OF for \$2,249,945.54 awarded to GH0 inc. | Change Order No. 1 PO No. 17159-OF for \$198,140.16 | Approval of Change Order No. 2 on 10/07/2021, PO No. 17416-OS for \$18,670.13 | Approval of Change Order No. 3 on 10/21/2021, PO No. 17545-OS for \$15,414.86 | Approval of Change Order No. 4, No. 5, and No. 6 on 12/07/2021, PO No. 17585-OS for \$63,110.20 | Approval of Change Order No. 7 and 8 on 12/10/2021, PO No. 17696-OS and 17698-OS for \$51,706.83 | Approval of Change Order 9 on 02/21/2022 for \$11,492.77 | Approval of Change Order 10 on 03/25/2022 for \$9,211.12 | Approval of Change Order #11 for \$18,778.79, #12 for \$11,187.13, and #13 for \$7,963.82 | New Contract Amount: \$2,656,621.37

WSP conducted site visits/meetings on Guam from May 16-20, 2022. The Master Plan effort is a collaboration between Management, Port Division Heads, and the Port's OAE on the following initiatives: 1) Completion of the draft Customs Inspection facility feasibility study, 2) ISM Study - goal is information integration between and amongst carriers, the PUGG, Customs, and the PAG, 3) Tariff Simplification - streamlining and refining PAG rates and services, 4) SIS Crane Procurement Support, 5) PAG/GPA collaboration on proposed liquefied natural gas (LNG) capability at the Port, 6) Crane Demolition - removing of Gantries 2 and 3, Mobile Harbor Crane and Rubber Tyred Gantry (RTG) cranes, and 7) Solar Power Feasibility Study - PAG effort to utilize solar energy to reduce PAG dependence on GPA island power. GM signed updated MOA and work request, which is currently being processed for signature by AG and Governor. No cost, one-year grant extension has been submitted to the Office of the Governor and OILDCC for consideration.

**FY 2022 Port Modernization Plan
Grant/Bond Strategy - Monthly Update
As of June 13, 2022**

Grant Program	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT #/RFP/PO Number	Status
GR982-21-08 - PAG Construction Technical Oversight Services	\$1,500,000.00	\$11,148.04	\$1,488,851.96	P.O. No. 17424-OS for \$1,500,000.00	PUC approval obtained on September 30, 2021 meeting. Randall Unasky, WSP USA, Inc. signed contract agreement on October 20, 2021. Purchase Order signed on November 10, 2021. Task Order #11 services are ongoing. No cost, 1-year grant extension has been submitted to the Office of the Governor and OIGDCC for consideration.
Port Enterprise Fund - Port of Guam Construction Deficiencies and Equipment Purchases	\$2,844,530.00	\$2,171,520.55	\$673,009.45	<p>Project 1 - PO No. 15572-OF for \$139,449.00 awarded to American Builder LLC</p> <p>Project 2 - PO No. 15589-OF for \$82,940.00 awarded to Highway Safety Services LLC</p> <p>Project 3 - PO No. 15449-OF for \$10,311 awarded to AB Mer Construction</p> <p>Project 4 - PO No. 15213-OS for \$1,639,976 awarded to Morrico Equipment LLC</p> <p>Project 5 - PO No. 16866-OF for \$195,844.55 awarded to ProPacific Builder Corp. Change Order No. 1 PO No. 17034-OF for \$25,000.00 Change Order No. 2 PO No. 17157-OF for \$78,000.00 Total Project 5 - \$298,844.55</p> <p>Project 6 & 7 - The Purchase Orders were separated by funding source. The POs are as follows: PO No. 1750905 for \$703,934.19 - MABAD - \$673,009.45 & PAG Share - \$30,924.74 PO No. 1751005 for \$209,739.81 - PSECP - 150,146.08 & PAG Share - \$59,593.73 PO No. 1751105 for \$307,744.00 - PAG Share Total - \$1,221,418.00</p>	<p>Project 6 - 56 of the 62 cameras have been installed. CallPac received the DWV building permit for microtrenching which is scheduled to begin on June 15, 2022. Microtrenching will provide connectivity to several cameras throughout the container yard that do not have connectivity. Additionally, all ACS and CCTV software have been updated and workstations have been configured; however, repairs to the video wall are still pending.</p> <p>Project 7 - Upgrade Port's KANTECH Access Control and Web-Ready Security Management System - See Project 6.</p>
07-79-07614 - Ft. Pier to Golf Pier Fuel Connectivity Project	\$2,413,091.00	\$0.00	\$2,413,091.00		<p>SHIP's guidance on the project indicates the need for a HABSS/HMER Level 1 document prior to construction. Strategic Planning Division is coordinating this process with SHPO. EDA held a virtual meeting with PAG staff on January 7, 2022 to introduce new Project Officer. PAG transmitted A/E Design scope of services and other documents to new Project Officer for informal review and comments. EDA Project Officer conducted a site visit on February 18, 2022. PAG currently awaiting receipt of comments/approval from Project Officer regarding A/E Design scope of services. March 8, 2022, bi-weekly project update meeting held with EDA Project Officer and PAG Engineering Division. Engineering discussed Scope of Work for A&E Design, noted additional verbiage for Scope under development. March 17, 2022, planning sent additional verbiage to EDA Project Officer for review. The EDA Project Officer approved the changes. RFP-PAG-022-003 was posted on April 11, 2022. A pre-proposal conference and site visit was held on April 19, 2022. Five (5) prospective offerors were in attendance. Three proposals were submitted on May 13, 2022. Procurement process ongoing.</p>
D20APOOL36 - Phase 1: Port Authority of Guam - Wedding Shop	\$240,325.00	\$0.00	\$240,325.00		The HABSS/HMER draft scope has been provided to management for review. Once this process is complete, the project can begin.
D21APOOL42 - Phase 2: Port Authority of Guam - Wedding Shop	\$151,850.00	\$0.00	\$151,850.00		See above line item.

**FY 2022 Port Modernization Plan
Grant/Bond Strategy - Monthly Update
As of June 13, 2022**

Grant Program	Total Award		Total Draw Down	Total Remaining Balance		PROCUREMENT I/F/R/FP/ PO Number	Status
	Amount				Balance		
98727101 - Diesel Emissions Reduction Act (DEIRA) - Tractor Replacement	\$126,609.00		\$0.00	\$126,609.00			PAG signed MOA on October 15, 2021 and routed to GEPA. On October 25, 2021, PAG provided additional vehicle information requested by US EPA. PAG signed Intra-Government of Guam Work Request on October 26, 2021; GEPA picked up document on October 21, 2021. January 19, 2022, GEPA transmitted certified MOU/Contract, along with processed Intra Government of Guam Work Request. FB-PAG-006-022 was advertised on March 8, 2022, as an indefinite quantity bid for a period of one (1) year with a delivery period of 270 days upon availability of funds. Bid close date was on April 8, 2022; one bid submission was received. Recommendation by Procurement Division under review by Management.
MARAD RAISE - Wharves Service Life Extension Hardening of Wharves F1-F6	\$17,941,997.00		\$0.00	\$17,941,997.00			The PAG was awarded \$17,941,997.00 toward the total project cost of \$22,427,496.00 as part of the MARAD RAISE grant program. This project seeks to make structural repairs to enhance the capacity of the existing berths from F1 - F6. The PAG was notified on November 21, 2021, of the award and awaits further guidance from MARAD on the next steps for this project. Because of PAG's familiarity with U.S. DOT Cooperative Agreement for the Guam Commercial Port Improvement Program and TIGER Grant for the Rehabilitation of Hotel Wharf, a kick-off meeting was not necessary according to U.S. DOT MARAD's Senior Grants Manager. A meeting was had between PAG and MARAD's Director of Environmental Compliance for all things NEPA-related. Section 106 of the NHPA must be completed prior to finalizing NEPA, and that NEPA must be completed prior to the execution of the grant agreement. Progress meeting ongoing between PAG and MARAD PAG will engage WSP to commence NEPA-related studies on behalf of PAG. Estimated timeline and deliverables: 5-18 months. U.S. DOT/MARAD, Ms. Kris Gilson - Director of Environmental Compliance will be conducting an on-site visit on 06/29/2022 of Wharves F1 through F6. In addition, PAG along with Ms. Gilson will host and conduct a roundtable discussion of the proposed project with local and federal regulatory agencies; (e.g., DOAG, NOAA EPH, Guam EPA, BSP FedCon/Coastal Management, SHPO, NOAA Section 7, and US Army Corps of Engineer). Coordinating efforts ongoing with local and federal agencies.
Matinas	\$1,209,243.60		\$49,902.40	\$1,159,341.20			
F14A00191 - Harbor of Refuge Repairs - 1. Repair Plan of Mooring System and Anchor Block - 2. Wastewater Ejector Pump Station and Storage Facility	\$56,484.60		\$14,765.40	\$41,719.20			On 06/07/2022, PAG issued a Cost Negotiations for Bid IFB-022-001 - Letter of Acceptance in which cost as identified in Option 2 - Moorage Repairs, in the amount of \$870,000.00 dollars. Next steps: (i) Issuance of Notice of Intent to Award. (ii) Project's period of performance is 180 calendar days or 6 months from issuance of Notice to Proceed.
F15A00261 - Harbor of Refuge Moorage Repairs	\$200,000.00		\$11,895.00	\$188,105.00			See above line item.
F17A00485 - Harbor of Refuge Moorage Repairs	\$200,000.00		\$13,194.00	\$186,806.00			See above line item.
F19A00334 - Harbor of Refuge Moorage Repairs	\$200,000.00		\$10,048.00	\$189,952.00			On 06/03/2022, PAG issued a Notice of Intent to Award. Next steps: (i) GM to present bid proposal to PAG Board of Directors and PUC for their review and approval. (ii) Project's period of performance is 240 calendar days or eight (8) months from the issuance of Notice to Proceed, beginning with the A/E Design and permitting process to ending of construction and acceptance of the project by PAG.
F19A01199 - Guam Fisheries Development: Construction of Agat Marina's Dock 8	\$512,759.00		\$0.00	\$512,759.00			Contractor working with DPW Building Inspection & Permits Section Application for Permit.
F19A01210 - Repair of Agat Marina's Boat Ramp Bumpers	\$40,000.00		\$0.00	\$40,000.00			

**FY 2022 Port Modernization Plan
Grant/Bond Strategy - Monthly Update
As of June 13, 2022**

Grant Program	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT I/FB/RFP/ PO Number	Status
Port Security Grant Program					
EMW-2017-PU-00177-S01 - Maintenance and Sustainment Contract for Prime Power Generators	\$1,564,484.00	\$764,337.11	\$900,146.89	Year 1 - PO No. 16208-05 for \$75,207.00 Pacific Unlimited Inc. Year 2 - PO No. 16988-05 for \$75,207.00 Pacific Unlimited Inc. Year 3 - PO No. 17686-05 (Federal funds); PO No. 17687-05 (PAG funds) Pacific Unlimited Inc.	Grant close-out process ongoing with submission of final invoices and reconciliation of accounts. Because of May 31, 2022 grant POP end date, Jan-May 2022 services are funded by grant; June-Dec 2022 services are funded by PAG.
EMW-2017-PU-00177-S01 - Refurbishment and Hardening of Load Center Buildings Housing Prime Power Generators	\$384,469.00	\$306,948.80	\$77,520.20	PO No. 16150-0F for \$314,450.00 to Murphy Enterprises Inc	Grant close-out process ongoing with submission of final invoices and reconciliation of accounts.
EMW-2017-PU-00177-S01 - US Coast Guard Multi Agency National Association of State Boating Law Administrators (NASBLA) Training for Port Police	\$56,250.00	\$54,749.00	\$1,501.00		Grant close-out process ongoing with submission of final invoices and reconciliation of accounts.
EMW-2018-PU-00441-S01 - IDEN Technology Redundant Interoperable Communications System Monthly Service	\$94,944.00	\$79,954.28	\$14,989.72		Contract hold all its assets to IFE. IFE is now the service provider and support entity for the Port's IDEN Technology push to talk radios. Grant award funded 3-year contract (2018-2021). PAG submitted request to use remaining project balance to fund additional 9 months of service (Oct-May 2022). Request is pending FEMA review and approval.
EMW-2018-PU-00441-S01 - Maintenance and Sustainment Contract for FEMA-acquired AS&E ZBV Backscatter X-Ray Van	\$195,669.00	\$121,856.06	\$73,812.94	PO No. 17626-05 - American Science & Engineering 70,724.04.	Year 3 services have been executed and Purchase Order issued to AS&E. Request for 9-month extension has been approved. New POP End date is May 31, 2022.
EMW-2018-PU-00441-S01 - Replacement CCTV System Existing Analog Cameras with Digital IP Cameras	\$160,867.00	\$102,686.21	\$58,180.79	IFB-PAG-003-21	See Port Enterprise Fund - Project 6.
EMW-2019-PU-00295-S01 - Acquisition & Installation of Prime Power Generator & Components for Load Center 3	\$226,484.00	\$17,422.66	\$209,061.34	PO No. 174920S - Bagley Enterprises, Inc. - \$21,811.39 PO No. 174930S - Triple B Forwarders - \$1,570.00	Generator and components installation has been completed. Testing and commissioning services from June 8-10, 2022. Pending final inspection and turnover of equipment.
EMW-2021-PU-00230-S01 - Acquisition of Vessel Tracking/Radar Intrusion System	\$201,250.00	\$0.00	\$201,250.00		Final SOW and procurement documents submitted to Procurement Division for issuance of IFB.
EMW-2021-PU-00230-S01 - Acquisition of Transportation Worker Identification Credentialing (TWIC) System	\$165,001.00	\$0.00	\$165,001.00		Pre-bid conference held on June 9, 2022. Bid submissions due June 20, 2022.
43980R - Typhoon Mangpuat #6352	\$530,517.90	\$87,713.14	\$442,804.76		Project is ongoing. Request for extension to October 1, 2022 has been approved by the Guam Homeland Security Advisor.
Hazard Mitigation Grant Program					
Fendering System Hardening Project	\$963,104.00	\$0.00	\$963,104.00		Final SOW and Procurement documents submitted to Procurement Division on June 9, 2022 for issuance of IFB. Period of Performance end date is November 4, 2023.
Warehouse 1 Hardening Project	\$359,415.00	\$0.00	\$359,415.00		SOW and Procurement documents currently being prepared. Period of Performance end date is November 4, 2023.
Port Police					
PT22-03-03PPD - Operation A'jai He'Heo	\$20,000.00	\$8,735.75	\$11,264.25		The first round of enforcement activities concluded on May 4, 2022. Reimbursement requests have been submitted to the OHS for both OT (\$9,768.64) and Travel (\$3,987.11) as of May 27, 2022. Additionally, on June 7, 2022 the OHS entered the original ATP for \$5,000.00 OT to \$10,000.00. Port Police has been notified and is in the process of making a new overtime schedule.
Bond Funded Projects					
New Administration Building	\$45,328,800.00	\$4,711,490.89	\$40,607,309.11		Three draft layout options for the Admin Building has been completed by the PAG's CAE and is being reviewed by Management. No decision on which option has been selected as of this report. Status Quo.
Wireline Replacement and Relocation	\$6,000,000.00	\$319,086.18	\$5,680,913.82	RFP No. 2019-03 - A&E Design awarded to NIC Macario	Project is currently pending SHPO review.
ECMR Building Repairs and Upgrades	\$3,628,800.00	\$447,013.13	\$3,181,786.87	RFP No. 2019-03 - A&E Design awarded to NIC Macario	Engineer of record provided update designs. These designs are currently under review.
Warehouse 1 Repairs and Upgrades	\$2,000,000.00	\$447,013.13	\$1,552,986.87	RFP No. 2019-03 - A&E Design awarded to NIC Macario	Engineer of record provided update designs. These designs are currently under review.
Golf Pier Repairs and Improvements	\$2,000,000.00	\$372,147.93	\$1,627,852.07	RFP No. 2019-02 - A&E design for \$484,000 awarded to NIC Macario	Reissuance of IFB to be determined by management.

**FY 2022 Port Modernization Plan
Grant/Bond Strategy - Monthly Update
As of June 13, 2022**

Grant Program	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT #/B/RFP/PO Number	Status
Rehabilitation of "H" Wharf (Port Share)	\$13,774,255.00	\$1,166,742.17	\$12,607,512.83	PO No. 17043-01 For \$2,249,245.54 awarded to GHD Inc. Change Order No. 1 PO No. 17159-01 for \$198,140.16 Approval of Change Order No. 2 on 10/07/2021. PO No. 17416-05 for \$18,670.11 Approval of Change Order No. 3 on 10/21/2021, PO No. 17345-05 for \$15,414.88 Approval of Change Order No. 4, No. 5, and No. 6 on 12/07/2021, PO No. 17585-05 for \$63,110.20 Approval of Change Orders No. 7 and 8 on 12/10/2021. PO No. 17696-05 and 17698-05 for \$52,706.83 Approval of Change Order 9 on 02/21/2022 for \$11,492.77 Approval of Change Order 10 on 03/25/2022 for \$9,211.12 Approval of Change Order #11 for \$18,778.79, #12 for \$11,187.13, and #13 for \$7,963.82 New Contract Amount: \$2,656,621.37	On 06/10/2022, PAG issued a Notice of Intent to Award/Letter of Acceptance that was signed by GM and Sumitomo Mitsui Construction Co., Ltd. (SMCC). Next steps: (i) GM to present bid proposal to PAG Board of Directors and PUC for their review and approval, (ii) Once approved by BOD and PUC, Contractor will notify PAG of Bond/Contract Performance Payment - due two weeks from date of Contract Award, (iii) PAG to review Bond and Contract Payment due three weeks after Contract Award, (iv) Once approved, SMCC to notify PAG of Pre-Construction meeting - due five weeks after Contract Award.
Other Priority Projects	\$4,980,745.00	\$0.00	\$4,980,745.00		1. Please refer to MABAD RAISE - Wharves Service Life Extension Hardening of Wharves F1-F6 for more information. 2. TOS upgrade work pending WSP analysis of Cargo Velocity Ongoing.
Other Priority Projects - EnterpriseOne Financial Management System	\$2,500,000.00	\$1,969,488.35	\$530,511.65		Job costing for CIP went live in April 2022 and work is ongoing for further improvements. ACH payments have gone live and are pending additional vendor registrations.
Grand Total	\$86,534,551.50	\$9,062,558.74	\$77,471,992.76		

PORT AUTHORITY OF GUAM
CONTRACT SUMMARY UPDATE

No.	Consultant/Vendor	Type of Service	Solicitation Method Reference No.	Division	Contract Term	Initial Term	Expiration After Options	Next Renewal Due Date	Annual Amount (Comments, A/cct)
PROFESSIONAL SERVICES									
1	A1 - Guam WEBZ	Web Development, Hosting, Support and Maintenance Svcs	IFB-002-20	IT	3 years w/2 1 yr options	04/01/2020 to 03/31/2023 w/ 2 1yr options	03/31/25	03/31/23	Fees based on rates
2	AM Insurance	Insurance Coverages	GSA/PAG-020-17	Finance	5 years	10/01/2017 to 09/30/2022	09/30/22	09/30/21	Premium based
3	AM Insurance	Workers Compensation Coverages	IFB-PAG-008-19	Finance/Safety	3-years	3/20/20 to 3/19/23	03/19/23	03/19/23	
4	Matson	PMC for Gantry Cranes	RFP-020-005	EQMR	5 years with options to 20 years	11/05/21 to 11/05/26		11/05/26	\$200K per annum
5	Bank of Guam	Banking Services	RFP 020-004	Finance	5 years	5/14/21 to 5/13/26	05/14/26	05/14/26	
6	Mobil Oil Guam	Management and Operations of Golf Pier	RFP-PAG-021-002	Commercial	5 years				Currently under cost negotiations
7	OMEGA Safety	OSHA Training & Certification Services for Maritime Terminal Operations	RFP-017-003	Human Resources	3yr w/ 2-1yr options NTE 5 years	8/13/2018 to 8/13/2021	08/13/23	08/13/22	
8	Pacific Human Resources, Inc.	Drug Free Workplace Program	RFP-020-003	Human Resources	Initial 3yr term with 2 add'l one year options, not to exceed 5 yrs	06/15/20 to 6/14/2023	06/15/25	06/15/23	
9	Milo Appraisals	Real Estate Appraisal Services	RFP-021-004	Commercial	3yrs w/ 2 option	10/06/21 to 10/05/24	10/05/26	10/05/24	Task Order based
10	TakeCare dba: FHP	Medical Examination Services	RFP-017-002	Human Resources	3 yr. w/ 2 options NTE 5 years	9/21/17 to 9/20/20	09/20/22	09/20/22	
11	Tristar Terminal Guam	M & O of F-1 Fuel Pier Facility	RFP-019-004	Commercial	5 years	04/01/21 to 03/31/26	04/01/21	03/31/26	
12	Deloitte & Touche	Annual Independent Audit Services	RFP-018-003	Fiscal	FY18, FY19, FY20, w/ 1yr Option	FY18, FY19, FY20, w/ 1yr Option	12/31/2022	12/31/2021	Final Contract year
13	WSP USA Inc.	OAE - Owner Agent Engineer	RFP-021-003	Planning	2 yr w/ 3 options NTE 5 yrs	10/22/21 to 10/21/23	10/22/26	10/21/23	\$1.5M
14	N.C. Macarao & Associates	A/E Design and Consulting Services Golf pier	RFP 019-002	Engineering	3 years w/2 1 yr options	11/20/19 to 11/19/22	11/19/2024	11/20/2022	\$484K

PORT AUTHORITY OF GUAM
CONTRACT SUMMARY UPDATE

No	Consultant/Vendor	Type of Service	Solicitation Method Reference No.	Division	Contract Term	Initial Term	Expiration After Options	Next Renewal Due Date	Annual Amount (Comments/Notes)
15	N.C. Macario & Associates	A/E Design and Consulting Services EQMR, Warehouse No.1, Waterline Redlocation	RFP 019-003	Engineering	3 years w/2 1 yr options	02/05/20 to 02/04/23	2/5/2025	2/5/2023	\$1,406,427.48
16	GHD	Construction Management Services	RFP 020-002	Engineering	Initial 2 years with 3 add'l One year options not to exceed 5 yrs	3/15/21 to 3/14/23	3/15/2025	3/15/2023	Contract signed 3/15/2021
CONSTRUCTION CONTRACTS									
No	Consultant/Vendor	Type of Service	Solicitation Method Reference No.	Division	Contract Term	Initial Term	Expiration After Options	Next Renewal Due Date	Annual Amount (Comments/Notes)
1	Sumitomo Mitsui Construction Company	Rebid of the Construction Rehabilitation of I-Wharf and Highway 11 Roadway Reconstruction	IFB-022-002	CIP/Planning	730 Calendar days from NTP	Pending Board/PUC Approval			\$47M approx.
2	Guam Shipyard	Design Demolition of 5 Inoperable Port Cranes and One Barge at F-6	MS IFB 021-002	CIP/EQMR	100% Performance, Labor and material Bonding received, PO and NTP issued 9/10/21	410 calendar days			\$2,573,155.00
3	Guam Shipyard	Supply and Install of Fendering system at F-3	IFB 021-001	CIP	243 calendar day from NTP				\$297K NTP was issued
4	Cal Pac	Installation of CCTV Surveillance sys and ACS control replacement	IFB 003-21	Planning / CIP		210 days from NTP			\$1.2 million
5	Propacific Builders Corp.	Replacement of 125 each Reefer Receptacles	IFB -21-007	CIP	182 days from NTP	182 calendar days			\$600,000.00
6	Pacific Federal Management Inc.	Design Build and Replacement Of 3 Metal Gatebooths	IFB-0021-11	CIP		275 days from NTP			\$157,557.00
7	BME and Sons	Waterline Replacement Project	IFB -021-005	CIP	365 calendar days from NTP	365 calendar days			\$4.8M
8	SPPC	Ultra Low Sulfur Diesel Fuel Bid	IFB-022-002	Trans/Cops	3 years with 2 options	Awarded			\$450K approx.
9	ART Construction	Renovation and Repairs of the Harbor of Refuge Phases 2 thru 5	IFB 022-001	CIP/Planning	180 from NTP	Pending Board Approval			\$870,000.00
10	Pro Pacific	Design Build Agat Marina Bathrooms	IFB 022-006	CIP	360 calendar days from NTP	Pending Board Approval			\$345,000.00
11	AIC International Inc.	Construction of Agat Marina Dock B	IFB 022-004	CIP/Planning	242 Calendar days from NTP	Pending Board/PUC Approval			\$1.5M

**Port Authority of Guam
Active Project Status
Engineering Division**

As of June 14, 2022

Fact Sheet No. 115

Project:	A/E Services for Golf Pier Repair
Project No.:	RFP-PAG-019-002
Project Amount:	\$484,017.13
Amount Paid to date	\$372,237.93 remaining balance of \$111,779.20 is to be paid as post design services.
Funding Source:	PAG Bonded Project
Designer:	N.C. Macario and Associates
Construction Manager:	TBD
Notice to Proceed to Designer	January 6, 2020
Design Completion:	Performed within 6 months (July 5, 2020)
Work Status:	Related documents such as Drawings, Specifications, Scope, Bid Schedule, Requisition Process, Determination of Need Letter were completed and were submitted to the Procurement as IFB Documentation. On June 10, 2022 an alternate scope of work was transmitted by the Engineering Division as requested by the Procurement Division that involves a design-build IFB at an estimated cost.

Project	Golf Pier Repair and Improvements (Construction Phase)
Project No.:	IFB –PAG-CIP-021-006
Project Amount:	TBD
Amount Paid to date:	None
Funding Source:	PAG Bonded Project
Contractor:	TBD.
Designer:	N.C. Macario and Associates
Construction Manager:	PAG CIP/Engineering Division
Notice to Proceed:	TBD
Project Completion:	TDB.
Work Status:	Scheduled Bid openings so far have not produced any bidders (no Contractors participation). At this juncture, the Engineering Division suggests a two-step Design-Build Procurement approach involving several contractors. PAG Management has currently suspended the existing IFB until further notice.

Project:	A/E Services EQMR, WH I, Bldgs. & Relocation of PAG Water Line (Design Phase)
Project No.:	RFP-PAG-019-003
Project Design Fees:	\$1,406,427.48
Amount Paid to date:	\$1,187,186.76. Remaining Balance of EQMR and Warehouse #1 is (\$91,537.19) The Waterline Replacement Project balance to NC Macario is (\$81,777.86) are to be paid as post design services for all three design projects.
Funding Source:	PAG Bonded Projects
Designer:	NC Macario and Associates
Construction Manager:	TBD
Notice to Proceed to Designer:	February 17, 2020
Project Completion:	8 months (October 16,2020 was the initial deadline. However, due to COVID, POP was extended to December 4, 2020) Project design was completed by December 4, 2020.

Work Status: On May 20, 2022, PAG Engineering and N.C. Macario and Assoc. conducted a meeting in regards to reduction of scope of works for Warehouse 1 and EQMR Building. On June 10, 2022, N.C. Macario and Assoc. submitted a cost proposal for the Reduction of the SOW for Wh.1 and EQMR Building Upgrades reflecting life and safety concerns only that is pending approval by the Management and PAG Legal.

Project	Warehouse I Building Upgrades (Construction Phase)
Project No.:	IFB-PAG-CIP-021-009
Project Amount:	TBD
Amount Paid to date:	None
Funding Source:	PAG Bonded Project
Contractor:	TBD.
Designer:	N.C. Macario and Associates
Construction Manager:	PAG CIP/Engineering Division
Notice to Proceed:	TBD
Project Completion:	TDB.
Work Status:	On January 18, 2022, PAG Management issued a rejection of Bids to all contractors participated in the Invitation for Bid no. IFB-PAG-CIP-021-009 until further notice.

Project	EQMR Building Upgrades (Construction Phase)
Project No.:	IFB-PAG-CIP-021-010
Project Amount:	\$3,980,000.00
Amount Paid to date:	None
Funding Source:	PAG Bonded Project
Contractor:	JJ.Global Services
Designer:	N.C. Macario and Associates
Construction Manager:	PAG CIP./Engineering Division
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	JJ Global Services submitted their performance bond to PAG Procurement, Contractor is currently reviewing construction contract prior to execution and issuance of Purchase Order by PAG Procurement Division. A PAG internal meeting with participation of the Procurement, Legal, Finance and Engineering Divisions is arranged on June 15, 2022 to discuss NC Macario's proposal to design a reduced scope involving life and safety concerns only. On the above date, a decision as how to discuss the change of scope with JJ Global (the current lowest Bidder) shall be made.

Project	PAG Waterline Replacements (Construction Phase)
Project No.:	IFB-PAG-CIP-021-005
Project Amount:	\$4,856,568.91
Amount Paid to date:	None
Funding Source:	PAG Bonded Project
Contractor:	BME and Son's
Designer:	N.C. Macario and Associates
Construction Manager:	PAG Engineering CIP/Engineering Division
Notice to Proceed:	March 22, 2022
Project Completion:	365 calendar days after issuance of DPW Building Permit

Work Status: Contractor BME & Sons is in the process of obtaining the building permit. PAG Planning and Engineering Division is currently in communication with Department of Parks and Recreation regarding Archeological requirements for the project in order to finalize the building permit.

Project:	New Administration Building
Project No.:	TBD
Project Amount:	TBD
Amount Paid to date:	None
Funding Source:	PAG Bonded Project-Pending
Contractor:	TBD
Construction Manager:	TBD
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	Pending funding source.

Project:	Supply and Installation of New 24 Ea. Cylindrical Fendering System at F-3 and 10 Ea. New Rubber Leg Arch Fender at Wharf F-4 thru F-6
Project No.:	IFB. -PAG-CIP – 021-001
Project Amount:	\$298,259.00
Amount Paid to date:	None
Funding Source:	FEMA and PAG
Contractor:	Guam ShipYard (Guam Industrial Services Inc.)
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	June 10, 2021
Project Completion:	June 2022
Work Status:	As of February 8, 2022, according to the contractor the required fendering materials have not yet arrived on the island. Timely completion of this project using originally earmarked funds is becoming more challenging as the FEMA Grant portion has to be extended. The latest extended grant funding is anticipated to be in September 2022. The Contractor has requested for an extension due to the supply chain issues cited. Any final deadline is fast approaching during calendar year 2022.

Projects:	Harbor of Refuge Pump Station and Installation of Wastewater Ejector Pump and Harbor of Refuge Installation of Mooring Blocks
Project No.:	IFB-PAG-CIP-022-001
Project Amount:	TBD
Amount Paid to date:	N/A
Funding Source:	Dept. of Agriculture Fish and Wildlife Boating Infrastructure Grant
Contractor:	TBD
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	On May 26, 2022. A negotiation was conducted by the PAG Procurement, Engineering, Planning, Commercial, Port Legal Division and Art Construction LLC (the only bidder) pending approval by the Port Management. sole source bidder.

Project: Rehabilitation of H-Wharf and Access Road (Construction Phase IFB)
Project No.: Rebid IFB-PAG-022-002
Project Amount: \$23,000,000
Amount Paid to date: N/A
Funding Source: Tiger Grant and PAG Revenue Bond
Contractor: TBD
Construction Manager (CM): GHD Engineering
Notice to Proceed: TBD
Project Completion: TBD
Work Status: Three bid openings were conducted by the Procurement Division, two of which produced no bid. However, the third bid opened on January 28, 2022. Produced one bid by Sumitomo Construction in the amount \$59,683,065. Bid submittal is currently under review by PAG Procurement and Legal Divisions. The present design in our humble opinion is not conducive to bring the project cost near the existing budget. It is the Engineering understanding that the project may move forward however in phases.

Project: Installation of Canopy Fronting Building Maintenance Bay of EQMR Building
Project No.: IFB No. PAG-CIP-021-008
Project Amount: \$92,000.00
Amount Paid to date: \$92,000.00 on process to finance
Funding Source: PAG Budget 2021
Contractor: Pro Pacific Builders
Construction Manager: PAG Engineering
Notice to Proceed: August 31, 2021
Project Completion: September 15, 2022
Work Status: Contractor (PPBC) completed the project on May 31, 2022. Contractor submitted all close-out documents (certificate of completion, Warranty of 1 year, Release of Claims and A-built drawings). Pending final payment

Project: Replacement of 125 Each Reefer Outlets Receptacles
Project No.: IFB No. PAG-CIP-021-007
Project Amount: \$600,000.00
Amount Paid to date: N/A
Funding Source: PAG Budget 2021 and FY-2022 Budget
Contractor: PRO PACIFIC Builders Corporation (PPBC)
Construction Manager: PAG Engineering
Notice to Proceed: TBD
Project Completion: TBD
Work Status: As of this date, ProPacific Builders Corporation due to supply chain issues awaits the arrival of the approved reefer outlets, wires and the Panel Boards with circuit breakers by September 2022 in order to move the project forward. It is anticipated that an extension to the performance period (POP) will be necessary.

Project: Remove/Replace 3 Each Metal Gate Booths with Reinforced Concrete Structures
Project No.: IFB-PAG-CIP-021-011
Project Amount: \$159,557.00
Amount Paid to date: 00.00
Funding Source: PAG CIP Internally Funded Projects

Contractor: Pacific Federal Management
Construction Manager: PAG Engineering/CIP Division
Notice to Proceed: December 6, 2021
Project Completion: 243 calendar days is the POP from the NTP date.
Work Status: On June 15, 2022 a coordination meeting is scheduled with the Pacific Federal Management to discuss permitting, mobilization and the required documents prior to construction.

Project: Installation of the 569 KVA Generator, ATS and Fuel Storage Tank at LC-3
Project No.: RFQ-PAG-022-001-CIP
Project Amount: \$62,939.58
Amount Paid to date: N/A
Funding Source: 2019 FEMA Port Security Grant Program
Contractor: Top Builders
Construction Manager: PAG Engineering/CIP Division
Notice to Proceed: TBD
Project Completion: Project POP is 63 calendar days due to Change Oder No.1 and No.2
Work Status: On June 8 thru 10, 2022 Hawthorne technical representative conducted an inspection, test run and commissioning of the new Genset, ATS and the Fuel Storage Tank. On June 13, 2022 Hawthorne conducted a final test and commissioning run with actual load handled by the new Genset, ATS and fuel tank. Contractor to submit close-out documents following the final inspection.

Project: Design-Build Repair the Northside Catwalk by the Agat Marina Boat Ramp
Project No.: IFB-PAG-CIP-022-003
Project Amount: \$80,000
Amount Paid to date: N/A
Funding Source: PAG Budget 2022
Contractor: ProPacific Builders
Construction Manager: Port Engineering/CIP Division
Notice to Proceed: TBD
Project Completion: 180 Calendar Days
Work Status: Pro Pacific Builders completed the final design and is in the process of obtaining the building permits.

Project: Design, Demolition, Removal & Proper Disposal of 5 Inoperable Cranes and Optional Removal/Disposal of one Barge YFN 816
Project No.: IFB. -PAG-CIP – 021-002
Project Amount: \$2,573,155
Funding Source: PAG
Contractor: Guam Ship-Yard "GSY" (Guam Industrial Services Inc.)
Construction Manager: PAG
Notice to Proceed: February, 2022
Project Completion: October, 2023
Work Status: The demolition of the STS Gantry Cranes are estimated to commence in June 2022. The removal of Barges YFN 816 and Guahan remain pending. No disposal of the removed RTGs or MHC has taken place yet.

Project: Devanning Concrete Ramp Repair (Adjacent to the Old Weighing Scale)
Project No.: IFB
Project Amount: \$69,979.21
Amount Paid to date: N/A
Funding Source: PAG Budget 2022
Contractor: IAN Corporation
Construction Manager: Port Engineering
Notice to Proceed: April 11, 2022
Project Completion: 74 Calendar Days June 24, 2022
Work Status: IAN Corporation submitted a request for an extension for 14 days and was approved on June 10, 2022. New completion date is June 24, 2022.

Project: Harbor Master Roof and Miscellaneous Repair
Project No.: RFQ
Project Amount: \$63,500
Amount Paid to date: N/A
Funding Source: PAG Budget 2022
Contractor: Top Builders
Construction Manager: Port Engineering/CIP Division
Notice to Proceed: March 21, 2022
Project Completion: 122 Calendar Days
Work Status: Construction is on-going. Completion date is expected on July 22, 2022.

Project: Hagatna Marina Installation of Two (2) Gates in Dock A, B and Dry Dock Concrete Repair
Project No.: RFQ
Project Amount: \$45,000
Amount Paid to date: \$45,000.00 pending final payment from the Port
Funding Source: PAG Budget 2022
Contractor: ProPacific Builders Corporation
Construction Manager: Port CIP/Engineering Division
Notice to Proceed: March 21, 2022
Project Completion: 60 Calendar Days
Work Status: Project is 100% completed pending final payment from the Port Authority of Guam

Project: Painting of Exterior, Interior and Roof Coating of CFS Building
Project No.: IFB
Project Amount: TBA
Amount Paid to date: TBA
Funding Source: PAG Budget FY 2022
Contractor: TBD
Construction Manager: Port CIP/Engineering Division
Notice to Proceed: TBD
Project Completion: 180 Calendar Days
Work Status: Procurement Division is in the process of developing an IFB Packet for Bid advertisement.

Project: Installation of Dock "B" Agat Marina
Project No.: TBD
Project Amount: TBD
Amount Paid to date: N/A
Funding Source: Dept. of Interior, Dept. of Agri. Fish and Wildlife, DOA/WR and PAG 2021 Budget Share
Contractor: TBD
Construction Manager: PAG Engineering/CIP Division
Notice to Proceed: TBD
Project Completion: TBD
Work Status: Procurement conducted a bid opening on May 19, 2022. Two contractors submitted their bids. AIC International Inc. was the lowest bidder in the amount of \$1,494,750.00 and followed by ARI Contractors LLC in the amount of \$2,495,267. PAG Planning, Commercial Division is in the process of allocating additional funds prior to issuance of intent to award to AIC International.

Project: Design-Build Agat Marina Bathroom
Project No.: IFB-PAG-CIP-022-006
Project Amount: TBD
Amount Paid to date: N/A
Funding Source: PAG Budget 2022
Contractor: TBD
Construction Manager: Port CIP/Engineering Division
Notice to Proceed: TBD
Project Completion: 360 Calendar Days
Work Status: On March 29, 2022, PAG Procurement and Engineering Division conducted a bid opening of the project. The lowest bidder determined to be the ProPacific Builders in the amount of \$345,000.00. PAG Engineering requested a supplemental budget in the amount of \$95,000.00 and was approved on May 5, 2022. PAG Procurement is to award the contractor (PPBC).

Project: Agana Marina Clean Exist. OWS & Retrofit Double Barrel Outfalls with Check Valves
Project No.: RFQ
Project Amount: TBD
Amount Paid to date: N/A
Funding Source: PAG Budget 2022
Contractor: TBD
Construction Manager: Port CIP/Engineering Division
Notice to Proceed: TBD
Project Completion: 120 Calendar Days
Work Status: PAG Engineering is to submit the bid package to Procurement Division to advertise a Request for Quotation.

Project: Service and Repair of the Impressed Current Cathodic Protection at Wharf F-5
Project No.: RFQ
Project Amount: TBD
Amount Paid to date: N/A
Funding Source: PAG Budget 2022
Contractor: TBD

Construction Manager:	Port CIP/Engineering Division
Notice to Proceed:	TBD
Project Completion:	30 Calendar Days
Work Status:	PAG Procurement issued the Purchase Order on June 10, 2022 to the Top Builders. PAG Engineering is in the process to conduct a pre-construction meeting and submitting an Official Notice to Proceed shortly.

Port Authority of Guam
Operations Division Report
May 2022

I. **OVERVIEW**

Vessel Calls	15
Cans Handled	7,107
Special Service(s)	91

a. **Productivity**

Vessel Op	Avg NMPH	TOP GANG	M/Hr
Matson			
Domestics	24.9	1	33.1
Feeder	0.0	0	0.0
MSA			
Barges	21.0	4	26.4
Kyowa, Candor	16.4	2	24.0
Ambyth			
Mariana/Triton	0.0	0	0.0
MELL			
Kotas	20.4	3	24.8
APL CMA CGM			
Herodote/Dakar	23.7	1	28.2

b. **Equipment Status**

As of : 05/31/2022	ON			
	HAND	UP	RM	Repair
GANTRYs	3	3	0	
TOP LIFTERS	9	6	3	
20T FORKLIFT	2	2	0	
10T FORKLIFT	4	2	2	
5T FORKLIFT	8	8	0	
TRACTORS	23	20	3	

II. **YEAR TO DATE**

a. Vessels_YTD | 158

b. Can_Cnt YTD

May	FY21		FY22		Variance	
	I	E	I	E	I	E
Local	22461	22002	22569	22479	0%	2%
TS	3972	4076	4147	4364	4%	7%
TSMT	1845	1802	2230	2216	21%	23%
TTL	28278	27880	28946	29059	2%	4%

FY-22 WORK INJURY REPORT
(01/01/22 to 12/31/22)

<u>Divisions</u>	<u>*Lost-time</u>	<u>**Recordable</u>	<u>*** Refused Treatment</u>
Stevedoring	1	0	0
Transportation	1	0	1
Terminal	0	0	1
EQMR	0	0	0
Port Police	0	0	0
Admin	3	0	1
Total:	0	0	0

Work Injury Summary for this reporting period: 6/22/2022

Total Injuries for FY-22 to date: -8-Injury

5-- Lost-time

0- Recordable

3- Refused Medical Attention

Last disabling work injury was on: 06/13/22

Number of days since last disabling work injury: 1-day

Note: PAG best record was 222 days or 7 months w/o a disabling work injury

***Lost-time** = If an employee was injured on the job and medical doctor sent him/her home, his/her injury is considered a lost-time.

****Recordable** = If an employee was injured on the job and medical doctor treated him/her and released him/her back to work on the same day (Recordable because of medical charges).

*****Refused Medical Attention:** Filed WC Forms 201 & 202 for record purposes only.
