



PORT OF GUAM

ATURIDAT I PUETTON GUAHAN

Jose D. Leon Guerrero Commercial Port

1026 Cabras Highway, Suite 201, Piti, Guam 96925

Telephone: 671-477-5931/35 Facsimile: 671-477-2689/4445

Website: www.portguam.com



Lourdes A. Leon Guerrero
Governor of Guam

Joshua F. Tenorio
Lieutenant Governor

Performance and Development Evaluation

Public Law 29-61

Review Period: 01/08/2020 to 01/07/2021

The Board of Directors of the Port Authority of Guam makes public that the General Manager of the Port Authority of Guam, Mr. Rory J. Respicio, has earned an exceptional performance evaluation rating relative to the performance factors adopted by the Board. The evaluation was based on the following areas:

Leadership

Commitment to the Port's Mission, Vision and Values

Management Practices

Relational Skills

Commitment to Diversity

Resource Management

Communication Skills

Accountability

Responsiveness and Customer Service

Decision Making and Problem Solving

Work Environment and Safety

As a result of this evaluation, the Board of Directors has confidence in Mr. Respicio's skills and capabilities and will retain him as General Manager of the Port Authority of Guam.

Adopted this 28th day of January 2021.



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GENERAL MANAGER PERFORMANCE AND DEVELOPMENT EVALUATION FORM

Name of General Manager: Rory J. Respicio	Name of Reviewer/Title: Francisco G. Santos, Port Board Chairman
Period Covered: From: 01/08/2020 To: 01/07/2021	Date of Review: January 27, 2021

GENERAL INSTRUCTIONS:

1. This form is to be used for initial and bi-annual performance evaluation for the General Manager. The performance evaluations are to occur six (6) months into the General Manager's employment with the Port Authority of Guam and every twelve (12) months thereafter.
2. The ratings to be assigned by the Rater for each individual factor are indicated in Part I; for each individual Performance Objective in Part II; and for the Overall Rating in Part III.
3. The Performance Objectives and factors may be weighted at the Rater's discretion.
4. The Reviewer is the Board of Directors.

PART I: CORE PERFORMANCE FACTORS

1. The Board of Directors evaluates the General Manager's proficiency in the following performance factors using a single rating on the following scale:

A = Exceptional Performance
B = Superior Performance
C = Average Performance
D = Acceptable Performance
E = Needs Improvement

Performance Factors	Rater's Rating
<p>1. Leadership</p> <p>Displays courage, passion and caring in work. Sets a professional example. Motivates other to work toward common goals. Uses authority responsibly. Addresses problems proactively. Gains support and seeks buy-in-through participation of others. Demonstrates interest in professional growth of others. Shows good judgment and accepts ownership for decisions in areas of responsibility.</p> <p>Supportive Information: See attached.</p>	<p style="text-align: center;">A</p>
<p>2. Commitment to the Port's Mission, Vision and Values</p> <p>Articulates or shows appreciation for the importance of shared vision. Demonstrates civility in relations with others. Requires supervised employees to show civility in their relations toward others. Participates regularly in activities beyond immediate areas of responsibility which support the mission of the Port. Demonstrates consideration of the Port's values when making decisions. *(Diversity and civility are examples of University values to be considered.)</p> <p>Supportive Information: See attached.</p>	<p style="text-align: center;">A</p>
<p>3. Management Practices</p> <p>Demonstrates commitment to good customer services. Demonstrates competency in labor-management relations activities necessary to effectively manage the areas of responsibility. Questions existing practices for continued relevancy. Effectively initiates and promotes necessary change in the areas of responsibility. Sets and enforces performance standards effectively. Recognizes and rewards good performance. Plans effectively and shows good project management skills. Shows awareness of "good practices" for areas of responsibility. Encourages employees to improve performance and grow by actively supporting and encouraging employees to participate in training and development activities.</p> <p>Supportive Information: See attached.</p>	<p style="text-align: center;">A</p>

Performance Factors	Rater's Rating
<p>4. Relational Skills</p> <p>Works effectively with others. Works collaboratively and negotiates effectively. Maintains confidentiality. Accepts constructive criticism without offense. Demonstrates sensitivity to the rights and opinions of others, even in disagreement. Presents a positive image of the Port to external publics. Respects cultural differences and embraces activities which support a diverse community.</p> <p>Supportive Information: See attached.</p>	<p>A</p>
<p>5. Commitment to Diversity</p> <p>Respects cultural differences and embraces activities which support a diverse community. Utilizes recruitment strategies designed to attract diverse applicant pools. Actively engages in diversity initiatives, such as, mentoring, training and employee networks. Displays a commitment to diversity.</p> <p>Supportive Information: See attached.</p>	<p>A</p>
<p>6. Resource Management</p> <p>Recruits, selects and retains capable, productive employees. Effectively deploys staff, equipment and technology to accomplish work. Shows good stewardship of financial resources. Demonstrates knowledge of budget and use of financial reporting systems. Displays creativity/innovative in managing resources.</p> <p>Supportive information: See attached.</p>	<p>A</p>
<p>7. Communication Skills</p> <p>Shares appropriate information with internal and external audiences in a timely and responsible manner. Manages meetings effectively. Possesses effective listening skills. Articulates clearly and writes effectively. Displays effective presentation skills.</p> <p>Supportive information: See attached.</p>	<p>A</p>

Performance Factors	Rater's Rating
<p>8. Accountability</p> <p>Takes responsibility for fulfilling job duties. Meets attendance and punctuality guidelines. Demonstrates accuracy and thoroughness. Completes work on time. Follows instructions and directions.</p> <p>Supportive Information: See attached.</p>	<p style="text-align: center;">A</p>
<p>9. Responsiveness/Customer Service</p> <p>Consistently demonstrates respect, responsiveness and professionalism. Provides each customer with the same high quality services. Fosters and models a commitment to customer service. Builds customer and confidence and increases customer satisfaction. Makes customers and their needs a primary focus. Developing and sustaining productive customer relationship.</p> <p>Supportive Information: See attached.</p>	<p style="text-align: center;">A</p>
<p>10. Decision Making/Problem Solving</p> <p>Identifies and understands issues, problems and opportunities. Make timely and rational decisions based on analysis of relevant information/data Accepts responsibility for decisions and takes proper action when necessary. Uses effectively approaches for choosing a course of action or developing appropriate actions. Takes action that is consistent with available facts, constraints, and probable consequences.</p> <p>Supportive information: See attached.</p>	<p style="text-align: center;">A</p>
<p>11. Work Environment/Safety</p> <p>Promotes and supports a respectful workplace; comply with laws, policies and procedures. Models ethical behavior and decision making and ensures compliance.</p> <p>Supportive information: See attached.</p>	<p style="text-align: center;">A</p>

PART II: JOB SPECIFIC PERFORMANCE OBJECTIVES

Instructions: Part II creates the performance deliverable which will be measured. The General Manager and Board of Directors should identify below between 5 and 8 significant deliverable in the form of major initiatives or projects. They may include annual program objectives or project-related work. The intent is that there should be some collaboration between the General Manager and Board of Directors when assigning the deliverables and they should be prioritized if at all possible, with the most important in block 1, next most important in block 2, etc. If more than 8 deliverables require listing, those in excess of 8 may be listed in the back of the last page. (NOTE: It is typical for some priorities to change over the course of the year, and it also foreseeable that some objectives set at the beginning of the cycle may prove unachievable for reasons outside the General Manager’s control.)

Job Specific Performance Objectives	Rater’s Rating
<p>1. Objective:</p> <p><i>Refer to attached memorandum for performance objectives and expected results.</i></p>	
<p>Expected Results:</p>	
<p>Actual Results:</p>	
<p>2. Objective:</p>	
<p>Expected Results:</p>	
<p>Actual Results:</p>	
<p>3. Objective:</p>	
<p>Expected Results:</p>	
<p>Actual Results:</p>	

Job Specific Performance Objectives	Rater's Rating
4. Objective:	
Expected Results:	
Actual Results:	
5. Objective:	
Expected Results:	
Actual Results:	
6. Objective:	
Expected Results:	
Actual Results:	
7. Objective:	
Expected Results:	
Actual Results:	

Job Specific Performance Objectives	Rater's Rating
8. Objective:	
Expected Results:	
Actual Results:	

The General Manager and the Board of Directors have met, discussed and agreed to the above initiatives as measurable deliverables for the performance cycle.

Employee' Signature: 	Date: 1/27/21
Board Chairman's Signature: 	Date: 1-27-21

PART III: SUMMARY OF OVERALL PERFORMANCE:

The space below is provided for a narrative summary of the General Manager's performance over the immediate cycle to be completed by the Board of Directors (Rater).

Refer to attached memorandum.

PART IV: OVERALL PERFORMANCE EVALUATION RATING: (Please checkmark √)

Exceptional Performance

Superior Performance

Average Performance

Acceptable Performance

Needs Improvement

PART V: PERFORMANCE DEVELOPMENT PLAN:

In the blocks below, the Board of Directors should make specific recommendations designed to identify strategies to enhance the General Manager's current competencies (first block) or correct performance issues (second block).

Professional Growth Strategies:


Refer to attached memorandum.

Remedial Strategies:

Refer to attached memorandum.

PART VI: SIGNATURES:

The General Manager and Board of Directors are required to sign the instrument after completing it and concluding the performance interview. The General Manager is only attesting to having been afforded the opportunity to review the evaluation and discuss the evaluations with the Board of Directors. The General Manager's signatures does not necessary indicate that he/she agrees with the Board of Directors' measurement of his/her performance. Employee's comments are optional.

Board Chairman's Signature: 	Date: 1-27-21
Employee' Signature: 	Date: 1/27/21

Employee comments:	Date:
I would like to discuss with the Board of Directors: <input type="checkbox"/> Yes <input type="checkbox"/> No As requested, the Board of Directors discussed report.	
Board Chairman's Signature:	



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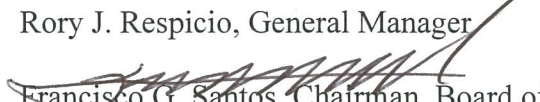


Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

January 27, 2021

MEMORANDUM

TO: Rory J. Respicio, General Manager

FROM:  Francisco G. Santos, Chairman, Board of Directors

SUBJECT: Performance Evaluation – January 8, 2020 to January 7, 2021

Hafa Adai! Title 12 Guam Code Annotated, Chapter 10, Section 10111(c), authorizes the Board of Directors to employ and compensate under the terms and conditions fixed by at the pleasure of the Board for the General Manager position. Title 5 Guam Code Annotated, Government Operations, Chapter 43, Boards and Commissions, Article 2, Performance Evaluation of Agency Heads, required the Board to issue performance reviews of the General Manager six (6) months after employment and every twelve (12) months thereafter.

On January 28, 2020, the Board of Directors approved the performance evaluation for your first year as General Manager. At this meeting, the Board provided you with the following goals and objectives we would like for you to achieve within the second year of employment.

- Port Master Plan Update
- Revenue Bond Projects and Port Modernization Program
- Gantry Crane Purchase
- Real Estate Issues
- Fuel Facility
- Recycling Enterprise Zone
- Current leases with option years and pending leases.
- Audit Report
- Removal of Port Inoperable Assets
- Delegation of Procurement Authority
- Staffing and Manpower Requirements
- Guam Customs Inspection Feasibility Study
- RFP for Specialized Legal Services
- Training Certification and Re-certification of Employees
- Five-year Equipment Replacement Plan
- Capital Improvement Projects.
- Port's Classification and Compensation Plan

Two months into your evaluation period, international news media was reporting on the rise of the Coronavirus, also known as COVID-19, into the Asia Pacific Region, which the U.S. President declared the virus as a public health emergency. Immediately after the President's declaration, you issued guidelines to all shippers, agents, and Port staff providing appropriate measures to reduce the COVID-19 risk to our tenants and employees. Your guideline provided the shipping agents with a process outlining what to do if a crew member was ill and suspected to have COVID-19 and guidance to employees on what they are prohibited from doing when on the vessel during operations. Then in March 2020, the Governor declared a public health emergency pandemic because of the positive COVID-19 cases in Guam.

We witnessed how you and your management team sprang into action, taking every step possible to protect the Port's employees, tenants, and our customers who have business with the Port. Our employees were encouraged to exercise these precautionary measures, both at work and at home, which forced you and them to quickly adopt different working, learning, and connecting ways.

Through the Governor and Director of Public Health's approval, a Port Clinic was established and staffed with Public Health and Department of Education nurses. The Port Clinic, which had more than 44,232 visits, serviced Port employees and the transiting vessel crew members, Port tenants, users, and the communities nearby.

While this crisis brought unprecedented challenges for our employees, you were able to alleviate their fears by implementing the following initiatives to help safeguard the employees, our partners, and valued customers:

1. Guidance on prevention (good hygiene practice, social distancing and require employees who returned from off-island to self-quarantine).
2. Established with the Governor and Director of Public Health's approval, a Port Clinic staffed by healthcare professionals 24/7 on Port premises. The Port Clinic staff provides temperature screening and monitoring of the Port's employees, tenants, agents, and anyone concerned about being exposed to COVID-19. As of today, the clinic has had more than 44,232 visits by employees, tenants, transiting vessel crew members, and customers.
3. Updated the Port's Pandemic Plan on Influenza and distributed it to all employees.
4. Created a group of emails to reduce face-to-face contact between employees, agents, and tenants to minimize the face-to-face interaction.
5. Procured hand washing stations around the Port premises.
6. Generated Port E-advisories on:
 - a. Dispel misinformation of employees who allegedly tested positive;
 - b. Protocol procedures for healthcare professionals at the Port on fever, signs, and lower respiratory illness symptoms;

- c. Mandatory social distancing;
- d. If symptoms are being experienced to immediately self-quarantine and notify the physician and supervisor;
- e. Employees report to their regular duty station unless they are seen and cleared by a nurse at the Port clinic; and
- f. Encouraged employees to be checked at the Port clinic daily.

First-hand, we saw how Port employees worked tirelessly to remain 100 percent operational to ensure the flow of goods and supplies into our community and throughout the region were not interrupted.

In August 2020, the agency experienced an increase in employees exposed to COVID-19. You immediately established the Port's Contact Tracing Team with employees who volunteered to take on additional duties and become certified. You also took the on-line training from the Center for Disease Control to be a certified contact tracer. Together with the six other contact tracers from the Port, your work helped ease the burdens placed on Department of Public Health and Social Services by conducting their own contact tracing, planning for testing, and keeping the employees updated and informed through the consistent circulation of the Port E-advisories. The mental anguish experienced by those employees who had to isolate themselves because of exposure to the disease was minimized through you and your management team in delivering care packages consisting of sanitization and health monitoring products and communicating with them daily.

The threat of COVID-19 became a reality when one of our front-liner employees, +Mr. Henry San Nicolas, passed away in November 2020 because of this disease. We also saw immense grief among the Port employees who lost their immediate family members and friends to this disease. Through your coordination, Guam Behavioral Health and Wellness Center counselors were available to talk to our Port employees about the grief and anxiety brought on by this pandemic.

In December 2020, you submitted a recommended vaccination plan to the Department of Public Health and Social Services, which listed the following priorities: (1) Operations & Maintenance departments; (2) employees at high risk for severe COVID-19 illness due to an underlying medical condition, or high-risk group and (3) less high-risk group of employees at the Administration and Finance and Compliance & Control departments.

Throughout this period, we saw how the employees worked tirelessly during the pandemic to remain 100 percent operational and ensure that the flow of goods and supplies into our community and our region was not interrupted under your leadership as General Manager of the Port Authority of Guam.

Aside from the superb performance you displayed during the pandemic, you also were able to accomplish the following significant milestones:

1. **Procurement Delegation**: After 14 years after the Port lost its procurement delegation, the Chief Procurement Officer, through the close work relationship with you and the Deputies,

restored the full delegation of procurement authority in May 2020. In September 2020, the Chief Procurement Officer continued to grant the Port with the full delegation of procurement authority for Fiscal Year 2021.

2. **Port Modernization Program/Port Master Plan Update**: You continued to push on with the modernization program by leveraging federal funding resources, enhancing revenue generation by deploying a more robust financial management system, and efficiently working towards completing legislatively approved capital improvement projects funded by its 2018 Port Revenue Bonds.

One of the milestone achievements is the collaborative efforts between the Port and the Governor's Office, resulting in \$1.6 million from the Office of Economic Adjustment (OEA) to update the Port's 2013 Master Plan. This funding allowed the Port to work with its Owner's Agent Engineer (OAE), WSP, on a massive initiative to update the plan and layout the framework for the Port's near and long-term vision to modernize its facilities, infrastructure, systems, and operations.

In July 2020, you held a kick-off meeting with the consultants to begin the groundwork for the master plan update. The purpose of the plan is to help the Port define its near-term and long-term approach to modernize, maintain fiscally sustainable operations, and promote increased awareness and consensus on its approach among all affected stakeholders and the ratepayers of Guam.

The goals to achieve were:

- Provide a comprehensive overview of the Port's current conditions, including governance, financial, operation, and physical attributes.
- Assess the current and projected cargo opportunities based on Guam's market drivers, consisting of military expansion, tourism, transshipment, and organic growth.
- Determine near-term improvements and operational adjustments to accommodate the peak of the military build-up and future deployments of military assets.
- Estimate the Port's capacity and ability to meet the projected demand and tenant requirements.
- Identify long term modernization efforts targeted towards continuing operational and economic sustainability.
- Establish optimal requirements for operations, maintenance and repair and capital improvement projects.
- Validate the efficient and effective use of the Port's resources and assets.
- Present commercial strategies for or to diversify its revenue base and enhance its financial self-sufficiency, including a comprehensive tariff assessment and its economic impact thereof.
- Assess the impact of the recommended strategies on Guam's economic conditions; and

- Prepare an implementation program to support a coordinated approach of continuous Port improvement balanced with sustainability.

Based on the projected timeline, we expect the master plan update to be presented to the Governor in October 2021 and Guam Legislature by December 2021 for their approval.

3. **Revenue Bond and Federal or Port Funded Projects:** As a result of your efforts to make sure the Port meets the expectations of our bond investors; we were able to achieve the following:

- Rehabilitation of Hotel Wharf: After MARAD approves the environmental assessment and FONSI for Hotel Wharf and notice to proceed on the rehabilitation project, we were able to relocate the coral head, which was situated near the wharf. Our consultants have conducted monitoring work on the coral head and reported its findings to Guam EPA. We acquired PUC's approval on the additional grant funding for our Owner's Agent Engineer consultants' contract and additional funding for the expanded environmental services. The cost negotiations for the construction management services have been finalized, and the award recommendation is before the Board for approval. We should anticipate the procurement for Hotel Wharf's rehabilitation to be awarded in May 2021, with construction work to commence no later than December 2021.
- Removal of Port's Inoperable Assets: The military build-up peak is expected to occur in 2023. To ensure the Port can stage the increase of cargoes in its terminal facilities and accommodate the additional vessels calling Port, a solicitation of procurement was prepared by a committee comprised of Port staff and our consultants, WSP. The multi-step invitation of the bid was issued on December 31, 2020. We expect an award to occur in February 2021 which is another success since the Port assets' removal was unable to move forward since 2016.
- Revenue Bond Projects: The A&E design and consulting services for the first capital improvement projects funded by the revenue bond proceeds were awarded in 2020. They are:
 - (1) Structural repairs for Golf Pier;
 - (2) Repair and expansion of the Equipment Maintenance & Repair building;
 - (3) Repair of Warehouse 1; and
 - (4) Replacement and relocation of waterlines.

We understand that the Engineering staff is currently reviewing the estimated engineering costs to ensure that the appropriate funding has been budgeted to proceed with the bid procurement packages' invitation.

The other projects funded by the Port's revenue bonds is the Enterprise One Financial Management System. This project aims to upgrade the Port's 20-year Oracle JDE World financial management to a more robust and technologically updated Oracle JDE Enterprise One System. We expect the project to be completed by April 2021.

Your team submitted a grant application with the U.S. Economic Development Administration (EDA) for the Port's fuel connectivity project. The Guam's Acting SHPO issued Section 106 Concurrence, which paved the way for EDA to move to the next step in finalizing the Port's grant award. The total project amount is \$3.016 million with EDA's share of \$2.41 million and Port's share of \$603,000. The monies allocated initially for this project in the revenue bond proceeds may be used for those projects outlined in the legislation.

Engineering and Planning staff are working effortlessly to assess the structural integrity of the Administration Building and the replacement costs for the infrastructure.

- Port and Federal Funded Projects: Other projects currently in progress and/or completed are:
 - Terminal Boom & CMU wall repainting and replacement of the barb wire;
 - Container yard striping;
 - Load center rehabilitation and upgrade;
 - CCTV and Access Control System Upgrades;
 - Agat Marina Dock B demolition and repair;
 - Harbor of Refuge repair; and
 - Environmental, health and safety program development.

Those projects in progress are expected to be completed by the end of the calendar year.

4. **Tariff Simplification**: One of the tasks under the OEA grant was to have the consultants provide the Port with future tariff support. You and your team saw a need to restructure the terminal tariff using the guiding principles below:
 - Revenue neutral: ensure the revisions will result in neither a material increase nor decrease in Port revenues;
 - User-friendly: present schedule of rates table in front of the tariff to allow customers to calculate fees quickly and easily;
 - Transparent: itemized details, rules, and regulations associated with combined rates via hyperlink in latter sections of the tariff;
 - Streamlined: consolidate charges to align with all-inclusive port services and performance reports;
 - Modernized: support the integration of the Port's NAVIS Terminal Operating System and JDE Financial System;

- Timesaving: minimize/eliminate manual data entry of charges and provide invoices to users expeditiously; and
- Cost-effective: reduce administrative costs, manual entry errors, disputes, and delayed payments.

The consultants have been meeting with the Port staff on a weekly basis and using the following methodology:

- Issue 1: Vessel handling charges of dockage, line handling, and port entry fee are in cargo handling rates: The recommended action would be to separate vessel handling rates from cargo handling rates while maintaining revenue-neutral approach.
- Issue 2: Handling charges are difficult to fully calculate with different rates in different locations of the tariff, such as fuel, security, etc. The recommended action would be to determine a flat rate for common charges and provide a summary of charges at the beginning of the tariff—vessel handling and cargo handling “flat rates.”
- Issue 3: Tariff has throughput condition (less than ten containers or 50 revenue tons) that require manual entry for charges on invoices. The recommended action is to remove throughput condition and evaluate and minimize the impact on smaller shippers.

Once this task has been completed, the recommendations will be transmitted to the Board for approval and then PUC for their concurrence. We would like this task to achieve the ultimate results to allow the terminal operating and financial management systems to communicate and streamline the invoicing, and we believe that you and your team, together with the Port’s consultants, are headed in the right direction.

5. **Area A Feasibility:** After the management agreement with Mobil was amended to carve out Area A from their oversight, and you presented a determination of need to solicit interest to petroleum companies or interested parties to submit proposals in rehabilitating the tanks and area. Such solicitation was issued in January 2021. You continue to work with the consultants in developing incentives to develop fuel capacity at Area A and propose a tiered fee tied to volume for transshipment of fuel for petroleum companies.
6. **Training:** The following trainings conducted during this period were:
 - a. **Certification:** For several years, the Port did not conduct annual and bi-annual training certifications as required by the Code of Federal Regulations for OSHA, U.S. Department of Transportation, and U.S. Coast Guard. Upon the reinstatement of Human Resources staff, you and your Deputies hit the ground running and ensured employees who are required to possess certifications completed the training.

- b. Basic Supervisory and Leadership Workshops: About 120 employees occupying supervisory and leader positions participated in the Basic Supervisory and Leadership workshops. The feedback provided by the employees who participated in these workshops was positive.
 - c. Work Performance Appraisal System Training: In 2019, we were advised that the Port was supposed to transition into the new performance evaluation forms by 2012. However, the forms, procedures, and Key Performance Indicators (KPIs) were held in abeyance by former management. The Board directed management to implement the KPI as the basis on which all Port employees will now be evaluated. A lot of work has been done in the past year to develop the KPIs for each position, and the Work Performance Appraisal System training is another component of this plan's rollout. In December 2020, the Personnel Services Administrator conducted a virtual training for the managers and supervisors. This training provided hands-on interaction and step-by-step instructions in completing the new evaluation forms and understanding its procedures. After ten years of being held in abeyance, we will be implementing the new evaluation system for Fiscal Year 2021.
7. **Legal Services**: With the sudden departure of the Port's in-house counsel in February 2020, and in order to ensure the procurement processes are not further delayed, you proactively worked with the Attorney General in designating the GSA's Administrative Counsel as the Special Assistant Attorney General for the period the Chief Procurement Officer was assigned to the Port. Then in October 2020, the Attorney General assigned Assistant Attorney General Tom Keeler to assist the Port in reviewing procurement packages. However, his assignment was only for a temporary period. In December 2020, the Port made an offer to an attorney for the in-house counsel position, namely Christine Claveria, which she accepted. This was good news as it enables all procurement activities, such as the bond and CIP projects, to proceed without any further delay.
8. **Finances**: Since the beginning of this administration, you and your management team forged ahead and focused on improving its finances. With the hard work and sacrifice, you were able to turn the finances around from a loss of \$103,000 in Fiscal Year 2018 to earning nearly \$7.5 million in just one year for Fiscal Year 2019. Despite the on-going pandemic, the Port posted a projected net income of \$4.1 million for Fiscal Year 2020.
9. **Gantry Crane Purchase and Maintenance**: In the last evaluation, you reported that a grant application was submitted to MARAD under the Port Infrastructure Development Program to acquire two ship-to-shore gantry cranes. Although our application was not approved, we immediately started discussions with the U.S. Economic Development Administration (EDA) and the U.S. Department of Agriculture (USDA) on the grant application and a potential loan. Your team was able to submit the first draft application for the direct loan to USDA and is working closely with the Port's consultants in compiling the estimated project costs for the application to EDA. The estimated cost under the EDA

grant is \$30 million for two STS cranes, and with the Port's \$15 million share for the purchase of the third STS crane.

The performance management contract (PMC) procurement solicitation to assist the Port in maintaining and repairing our cranes was finally issued and is currently being reviewed by the committee.

10. **Guam Customs Inspection Facility:** You and your team worked closely with Customs representatives in identifying the site where the new customs inspection, holding, and securing area will be located. The Port coordinated with the Department of Land Management on the survey and transfer of the property from Port to Customs and Department of Public Works on the clearing of the property. Our OAE consultant provided proposed facility design layouts on the 4-acre parcel adjacent to the main terminal gate, which Customs has agreed on one of the layouts. The preferred layout design's objective is two-fold: (1) allowed Customs to conduct their privacy operations inside the facility and (2) mandated the use of the Department of Public Works' weigh stations by the truckers.
11. **Port Wharves Assessment and Upgrades:** The OAE consultants reviewed the diving reports on the wharves' condition, which provided a realistic picture of what piers would need immediate repair. Based on their review, WSP reported the dolphins for F1 were in a much more serious condition than what was originally assessed. You immediately engaged with OEA subcontractors to provide analysis on the berthing and mooring of vessels on F-1. This effort was done to provide proper guidance to our fuel managers on the safe capacity of berthing at the pier. At your direction, the Planning staff is preparing federal grant applications to submit to funding the repair work for the wharves and Engineering reviewing the current structural integrity of the wharves to determine the safe loads it can handle.
12. **Federal Grants and Grant Opportunities:** You and your management team worked closely with Planning staff and respective division heads on the following federal grants:
 - a. We were approved for \$500,000 to support Harbor of Refuge's repair work and \$512,759 for the Agat Marina Dock B construction by Department of Agriculture. A draft Memorandum of Understanding is currently with Department of Agriculture for their review.
 - b. An application for the hardening of Port wharves service life extension in the amount of \$22,391,342.00 was submitted under the FEMA Hazard Mitigation Grant Program – FY2020 Building Resilient Infrastructure & Communities Grant.
 - c. The Port has partnered with Commonwealth Northern Marianas Island (CNMI) for a joint route designation and project designation for consideration under MARAD's America's Marine Highway Program. If approved by MARAD, this joint

designation will allow both ports (Guam and CNMI) to apply for grant opportunities for infrastructure upgrades or equipment acquisition.

13. **Abandoned Derelict Vessel Project:** You and your team worked closely with Guam Environmental Protection Agency and Guam Power Authority to remove 14 abandoned derelict vessels within the navigational hazards that pose significant threats to commercial and natural resources in Apra harbor. A port water tour was done in December 2020, which allowed the Governor and Lt. Governor to observe first-hand the locations of these vessels and be briefed on the type of work is to occur in the removal of such vessels. After the boat tour, the Governor signed an executive order forming a group to remove the abandoned vessels from the Port harbor.

14. **Real Estate Issues:** During this period:
 - a. The Port finalized negotiations of Mobil's lease option year, which was approved by the Board. The contract is favorable to the Port in terms of an increase in our revenues for business development.

 - b. South Pacific Petroleum Corporation exercised their option to renew their Sublease Agreement. The Board approved management's recommendation to renew the agreement at a valuation rate of 14.5%.

15. **Information Technology Consulting Firm:** As the Port journeys in improving its technology system, there is a need to contract an Information Technology Consulting Firm who will be collaborating with our IT division in the analysis, design, implementation of the IT infrastructure and cybersecurity compliance. The firm will be required to:
 1. Assess and analyze the Port's IT systems, application, networks, and data infrastructure.
 2. Review, develop and implement virtualization.
 3. Provide recommendations and oversee the implementation of network hardening with end-to-end security and other infrastructure improvements.
 4. Implement an identity management system using Microsoft Active Directory installed on a virtualized environment.
 5. Implement an upgrade or complete replacement of the yard wireless system.
 6. Implement and install a corporate wireless system.
 7. Assist in the planning of IT infrastructure designs/requirements for the Port buildings.
 8. Implement a document management system.
 9. Implement a reliable voice over internet protocol phone system port wide.
 10. Perform other related tasks as directed by the Port.

The procurement for this service was issued in December 2020. We expect the award to occur in the first quarter of 2021.

16. **Solar Power Feasibility Study:** You continue to work closely with our OAE consultants in the feasibility of installing a solar panel system on several of the Port building rooftops to reduce our power consumption.
17. **Policy on Financials:** The Board amended the policy on petty cash disbursement procedures to adjust the limit from \$50.00 to \$400.00 due to inflation of goods and services and to be in line with the procurement rules for small purchases.
18. **Union Contract:** The Board approved the amended version of the collective bargaining agreement on November 19, 2019, as agreed upon by the Port and GFT. The Attorney General had expressed concerns regarding the effective date of the agreement, arbitration clause and exclusive recognition. Both GFT and Port had agreed to the suggestions made by the Attorney General and made changes to the agreement. After the Attorney General had signed the agreement, the Governor signed the collective bargaining agreement on January 20, 2020.
19. **Guam Zero Waste Working Group – Biosolids Compost Pilot Project:** According to Executive Order 2019-28, the Port was named as a partner and member of the Zero Waste Working Group (ZWG). The group is responsible for developing, making recommendations, adopting, implementing, and overseeing all aspects of any ZWG initiatives/projects. The initial project adopted was the Biosolids Composting Demonstration Project, which will determine the viability of processing biosolids into a recyclable usable product. The project is located on a small portion of the Old Hawaiian Rock site.
20. **Overtime Comparison between Old and New Work Schedule:** In Fiscal Year 2019, Operations implemented the old gang schedule from October 2018 to May 2019 at 10 hours for day and night shift. In June 2019, the Port Operations implemented the new schedule of 8 hours for employees in dayshift and night shift. A comparison between the average overtime from October 2018 to November 2019 with the old and new work schedules showed that there was 14.6% decrease in overtime costs.
21. **RSM Project:** One of the participative discussions held with PUGG was the initiative to digitize the cargo tracking, which would provide for greater efficiencies for fee capture and revenue retention for the Port, as well as developing a robust, user-friendly shared interaction that is instantaneously accessible to the Port, Customs & Quarantine Agency and PUGG.

This project would address the safety and security policies of the Port. The objectives by the parties involved are:

- Port: improved efficiencies in operations, billing, collections, going paperless, and meeting PUGG's operational needs.

- PUGG: going paperless, pre-clearing of cargo containers, improving operational efficiencies, digital sharing of the manifest.
- Customs: Automation, going paperless, advance clearing of cargo containers, significantly reduce front-facing clearances, searchable bill of lading, digitized manifest, interdiction of drugs, bio securities, terrorism, and improved collections of use tax.

22. **OPA Report:** You and your deputies worked closely with the Office of Public Accountability to review unclassified employees' pay raises and bonuses. The review's findings were published and pointed out deficiencies in the pay raises for the former General Manager and Deputy General Managers. The audit findings are currently with the Attorney General for his perusal.

23. **Demolition of Derelict Vessel at Seaplane Ramp:** The Port was able to demolish a derelict vessel "Azuma" that had been abandoned for 9 years with Department of Public Works' assistance. After several beatings from numerous storms that hit Guam, the vessel began to take on water at the Agat marina. To prevent it from sinking, it was drained from all remaining fuel, cleared of all toxins, and tugged to Seaplane Ramp.

24. **Interpersonal Relationships:**

a. Internal:

- (1) Familiarization of Operations: To enhance the working relationship from the administration, operations, and maintenance, you and your deputies led the administration employees to tour the operations facilities. The approach allowed the employees to see first-hand how cargo operations and movement of containers/breakbulk are processed. This activity bridges the administration folks with the waterfront employees so that each division can continue to appreciate the labor force and human resources put into cargoes' movement.
- (2) Port Week: This year's 45th anniversary was unlike past celebrations which all of the events were held virtually due to the COVID-19 pandemic. The events were broadcasted on the Port's Facebook and YouTube and allowed our customers, employees, and the public to view its opening ceremony consisting of a flag-raising ceremony followed by a parade of trucks, proclamation signing by the Governor and Lt. Governor, resolution presentation by our Legislative Speaker and Oversight Chair, and ending with a video honoring the front-liners. A Virtual Town Hall celebration and Employee Awards Ceremony took place with Port employees joining in on the zoom meeting or watching live via Port's Facebook and YouTube page. At this celebration, over 80 awards were given for years of service, sick leave, and retirement appreciation. We also premiered live the "Port Modernization – We Keep Guam Moving," which honored this agency's men and women and was very emotional. We were proud to know that

all the videos were filmed, compiled, and produced by the reinstated staff of the Marketing Division.

b. External:

- (1) Marina User Group: You are creating a marina user group, similar to the Port Users Group, to provide a forum to better serve our marina tenants and users and the Island's recreational, sustenance, and commercial boating communities by enabling all marina users an opportunity to address their concerns or ideas to the Port. A user survey that speaks of the marina's strengths/weaknesses, pressing needs, opinion on fee structure, dock replacement, etc. was disseminated to the users. The marina users were informed that a dedicated link on the Port's website was created to provide them with a wealth of information.
 - (2) Adopt-A-School Program: The Port helped JP Torres Success Academy school relocate its office materials, classroom furniture, supplies, and electronic equipment due to the deterioration of its facility in Santa Rita. The items, furnishing and equipment were relocated to Southern High School and Tiyan.
 - (3) COVID-19 support: The Port aided Department of Education in the food drive by coordinating with the shippers to use refrigerated containers and Department of Public Health COVID-19 testing sites.
 - (4) Monthly Newsletters: To ensure communication with our employees and customers are constant, the Port reactivated its monthly newsletter, which provides updates on projects and essential information.
25. **Application of FOIA to Settlement Agreements:** The past legal counsels representing the Port had opined that employee settlements were not public documents. You disagreed with their stance and asked the Public Auditor to address the issue. On July 20, 2020, the Attorney General issued an opinion clarifying that settlements were indeed public documents. In order to comply with the Attorney General's opinion, the settlement agreements were then immediately posted on the Port's website.
26. The most prestigious accomplishment under your watch was the **Accountability and Transparency Awards.** We were very humbled and honored to be recipients of awards from Association of Government Accountants Guam Chapter for the 1st place Platinum "Excellence in Citizen-Centric Reporting Award" and the "Accountability and Transparency in Citizen-Centric Award. This national and local recognitions are first-time awards for the Port.

As a result, the overall evaluation for the year is **Exceptional Performance.**

As required in Policy Memorandum No. 09-03, the following areas of responsibilities, objectives and measures for the upcoming rating period is being provided:

1. **Revenue Bond Projects, Hotel Wharf and Other CIP Projects.** Continue to work with Engineering and Planning staff on the progress of projects awarded. Follow-up with Procurement and Port Staff Attorney on the required review of procurement packages to be issued.
2. **Removal of Port's Inoperable Assets:** Upon awarding the procurement solicitation, work with the Deputy General Managers to coordinate with divisions under their purview the removal of such assets from the Port premises.
3. **Standard Operating Procedures:** Continue to work with division heads under their purview in updating their standard operating procedures for review and approval by management or the Board whichever is applicable.
4. **Staffing and Manpower Requirements:** Continue to update the Port's human resources assessment for all divisions. Coordinate with the Deputy General Manager, Administration and Finance, to issue the procurement for temporary staffing to supplement human resources needs when the military build-up ramps up.
5. **Union Contract Provisions:** Continue to monitor and provide status on the implementation of the agreement's provisions.
6. **Cyber Security System Plan Implementation:** Continue to work with the Deputy General Managers in developing the framework in implementing the program and the financing of the plan through grants.
7. **Federal Grants:** Continue to work with Deputy General Managers on applying grants for the acquisition of equipment and projects related to the modernization program.
8. **Update of Rules and Regulations and Standard Operating Procedures:** Continue to work with the Deputy General Managers in updating rules and regulations and standard operating procedures.
9. **5 Year Equipment Plan:** Continue to work with respective division heads under your purview to refine the five-year equipment replacement need, which will serve as a planning tool and long-range perspective of the Port's equipment needs over the next 20 years.
10. **Training, certification, and re-certification of employees:** Continue to work with the Deputy General Managers and respective division heads:

- a. Re-establish the apprenticeship program so employees may obtain the necessary academic knowledge and specific on-the-job training of the positions' trades.
- b. Develop a mentoring program and identify employees who have specific skills and knowledge with individuals who need or want the same skills and advantages to move up in work, skill level, or performance.
- c. Ensuring training certifications required by the federal government are provided before their expiration.

11. Real Estate Issues: Continue to work with in-house Staff Attorney:

- a. Aqua World: present recommendations to the Board on whether to continue its lease arrangement or pursue the desire to terminate the leasehold.
- b. GEDA Leases: review Supreme Court decision on Guam YTK and the impact it may have on GEDA master leases that were conveyed to the Port in 1988 and present findings to the Board.

12. Micronesian Cruise Ship Development: Because of the COVID-19 pandemic, discussions were temporarily ceased. When the island begins to return to normalcy, reach out to GEDA and GVB regarding developing the strategy for a regional small ship cruise industry.

This memorandum will be attached to your performance evaluation to justify Exceptional Performance's overall evaluation and provide specific performance objectives for the next rating period.

We humbly thank you and your team for a job well done.