PORT AUTHORITY OF GUAM

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News Release

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PORT TRANSMITS FINAL MASTER PLAN

After a series of meetings and dialogue with various organizations and members of the community, the Port Authority of Guam (PAG) has officially transmitted the final version of the 2007 updated Master Plan to the Governor, setting out the road map and methodology on modernizing the port facility in order to meet the demands of upcoming US military build up. The military build up is anticipated to increase cargo into Guam by over 100% of the current volume from 100,000 cargo containers to almost 200,000. The new Master Plan outlines the necessity of modernizing the port to accommodate the increase of cargo as a result of the relocation of 8,000 marines from Okinawa along with their 9, 000 dependents.

"This master plan is crucial to addressing the infrastructure requirements of the port for the near term and long-term horizon at a span of 20 years starting with 2008. It is a sound and logical set of modernization plans for the port," explained Mr. Monte Mesa, Chairman of PAG.

The modernization plan sets out the vision of transforming the port facility into a first class terminal facility to serve Guam and as a transshipment hub for the entire Western Pacific region. The infrastructure upgrades recommended in the master plan is estimated at a cost of \$195 million over a four year period commencing in 2008. The modernization plan includes the following projects :

- nearly 15 acres of additional container storage area
- 900' of new a Berth referred to as F-7 wharf
- refurbishment of existing Berth F-5 and F-6
- reconfiguration of terminal area

- dredging along dock side to -42'

- updated security, IT, and terminal operating systems
- gantry cranes and other cargo loading equipment

At the same time, the plan includes a recommended mode of operation to maximize existing buildings and yard space, as well as address concerns regarding passenger cruise vessels, fishing industry operations and land use designations.

"As we look to the near future, when more customers will require efficient port services, we will rely on this plan to implement the needed improvements to better serve our customers as well as the people of Guam. This Master Plan lays out our targets in improving the port to meet the challenges of unprecedented cargo volume from the military build up," said Interim General Manager Carlos Salas.

"We have carefully considered the comments that have been made during the public hearings and public presentations and have asked our consultants, Parsons Brinckerhoff International, to incorporate these concerns in the final plan. This master plan represents the people's wishes on modernizing the port while maintaining a sustainable operations to better serve our customer."

"On behalf of the Board of Directors, I want to recognize the hard working employees of the Port who work 24/7 pushing cargo out of our gates so they can be delivered into the community. We also appreciate the outstanding assistance we received from all of the stakeholders as they gave valuable suggestions on our master plan," Salas further added.

The Governor will review the master plan and then transmit it to the Legislature for a final adoption. Both the Governor and the Legislature are expected to endorse the master plan and adopt it at anytime soon.