PORT AUTHORITY OF GUAM

JOSE D. LEON GUERRERO COMMERCIAL PORT



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News Release

Another Milestone Reached in Port Modernization

RFI issued today for public-private partnership

FOR IMMEDIATE RELEASE

January 30, 2009

The commercial Port is making progress in its modernization efforts, issuing an RFI today on the upcoming public-private partnership to upgrade facilities and accommodate economic growth.

The Request for Information released today asks interested companies to provide feedback on the Performance Management Contract, which will help increase efficiency and reduce costs.

"This partnership will help us make the Port a world-class facility," said General Manager Glenn A. Leon Guerrero. "The Performance Management Contract will increase productivity and efficiency and also give us more credibility throughout the international port and financial markets."

The Request for Information asks interested corporations to:

- Identify and recommend the level of funding that will be necessary for a Performance Management Contract;
- Identify and recommend an implementation plan for management of cargo terminal operations and maintenance of equipment and facilities;
- Assess & recommend operating inventory and back stock requirements;
- Assess and recommend employee certification and training programs;
- Identify and recommend a fully automated terminal operating and management information system;
- Identify and recommend quality assurance/quality control programs;
- Identify and recommend improvements to existing cargo handling productivity and performance while forging reduced, operating costs;
- Identify and partner with a world class PMC with the capacity to invest at least \$25 Million in the Port's overall modernization plan.

The deadline for companies to respond to the RFI is March 19, 2009.

Public Law 29-23

Today's RFI is authorized under Public Law 29-23, which allows the Port Board of Directors to issue appropriate procurement solicitations from qualified parties for the management, operation and maintenance of its cargo handling equipment. The scope of work includes the daily operation and maintenance of cargo handling equipment; any repairs required - inclusive of all parts and labor;

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performance monitoring requirements, preventive maintenance of all equipment and/or facilities directly associated with the equipment, including, but not limited to, the acquisition for replacement of such equipment.

Performance Standards

The Performance Management Contract also will require the private firm to institute performance standards that will provide criteria, guidelines and requirements to minimize costly downtime and maximize cargo handling equipment availability and its life span.

Overall Port Modernization

This RFI is a part of the ongoing efforts to implement the Port's updated master plan, which was unveiled in February of 2007. The master plan, which will modernize the Jose D. Leon Guerrero Commercial Port, calls for nearly \$200 million in capital improvement upgrades to the 34-year-old facility. The master plan received conditional approval from the Guam Legislature last month.

"Our goal is to prepare the Port for significant growth and ensure that our agency, which is the lifeline to our community, continues to move our island forward in these exciting times," Leon Guerrero said. "I'm proud to say that the men and women here at the Port are bringing us closer to that goal every day."

Other Milestones

Several key components of the modernization plan have already been launched, including the agency's agreement with MARAD, the U.S. Maritime Administration. In October of 2008 former President Bush signed a federal law designating the Maritime Administration as the lead Federal Agency for the "Port of Guam Improvement Enterprise Program." MARAD is working with Port and government of Guam officials on the issuance of a contract for a Program Management Team. This team will then oversee and conduct all work related to the \$195 Million modernization plan. The Port has also entered into a non-exclusive agreement for the use of its crane rails, allowing Matson and Horizon to bring in three gantry cranes to increase Port productivity. The cranes, worth a total of \$15 Million, are already en route to Guam on a barge and are expected to arrive here within the next week.

Members of the media who would like more information regarding this news release can contact Port Marketing Administrator Bernadette Meno at 477-5931 Ext. 545 or email bmeno@portguam.com

Companies wanting to respond to the RFI are asked to visit our website at www.portofguam.com or email rfipmc@portguam.com

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