PORT AUTHORITY OF GUAM

JOSE D. LEON GUERRERO COMMERCIAL PORT

1026 Cabras Highway, Suite 201 Piti, GU 96915 Phone: (671) 477-5931 Fax: (671) 477-2689

Website: www.portguam.com



NEWS RELEASE

Analysis being conducted on condition of F-5 wharf

Temporary alteration of operations pending results of study

Piti, Guam, January 31, 2011: The Port Authority of Guam announced today that studies are being conducted on the F-5 wharf to determine the extent of unanticipated conditions discovered during a recently scheduled underwater inspection.

Port General Manager Pedro A. Leon Guerrero Jr. notes that the temporary alteration of operations is being done at the request of the Port's insurance company and will not disrupt the flow of goods into our island. Insurance company representatives advised the agency to protect the F-5 wharf pending the results of further analysis, which is being conducted by the Port's consultant, Parsons Brinckerhoff.

"During recent scheduled underwater inspections of all PAG waterfront facilities located in Apra Harbor, our consultants informed the Port of unanticipated conditions of the structure supporting F-5," Leon Guerrero said. "Representatives of the Port's insurance company have instructed the Port that per the requirements of the Port's insurance, operational changes are required as a preventative measure to reduce the risk of further damage. Once a complete investigation is complete, a re-evaluation of the operations will be made."

The Port has four berths, adjacent to its compound, with 2,700 linear feet of wharf space alongside dredged depths of 28 to 35 feet. The F-3 wharf is used primarily for fishing vessels and tenants performing fishing operations while Piers F-4, F-5 and F-6 accommodates containerships and general cargo vessels and passenger ships. Most cargo ships that arrive at the Port are serviced at the F-4, F-5 or F-6 wharfs. As such, operations will instead be moved to F-4 and F-6 pending the results. Similar steps were taken during the recent gantry rail replacement construction and the POLA cranes tie-down operation when they came to shore. Port officials have already informed carriers and Port users of the temporary change in operations pending the results of further testing. Those results are expected to be completed in the next few weeks.