



Jose D. Leon Guerrero Commercial Port of Guam

Modernization Plan

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Office of the Inspector General

Department of Defense

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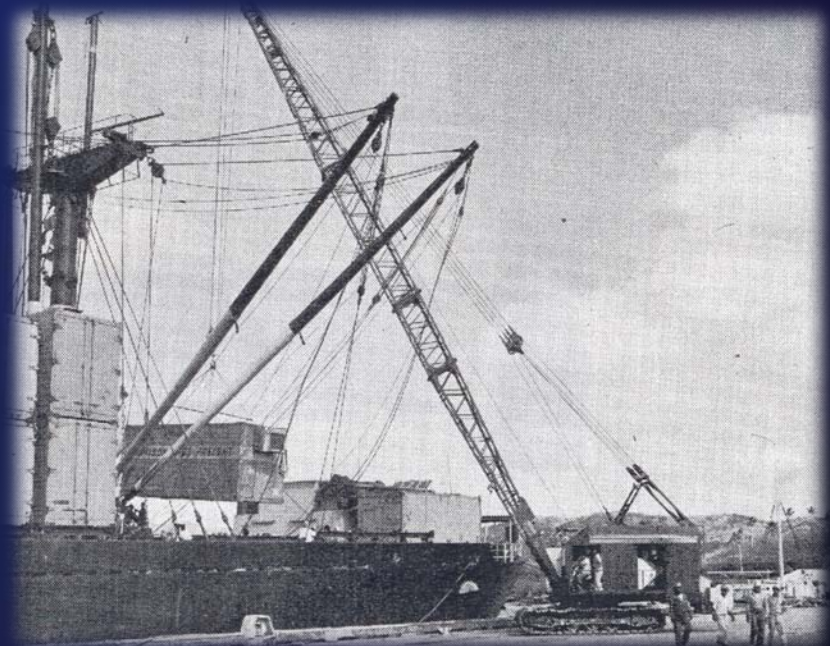
Aerial Photo





- ▶ Historically, Guam as a port of call, catered to Spanish and then later to the American shipping
- ▶ Guam served the interest of the Spanish Empire over a period of 300 years
- ▶ After the end of the Spanish-American War, the United States established the island as its **Western Pacific** coaling and shipping station

- ▶ Except for the two year occupation of Guam by the Japanese during WWII, the Naval Administration ran the Commercial Port until 1951



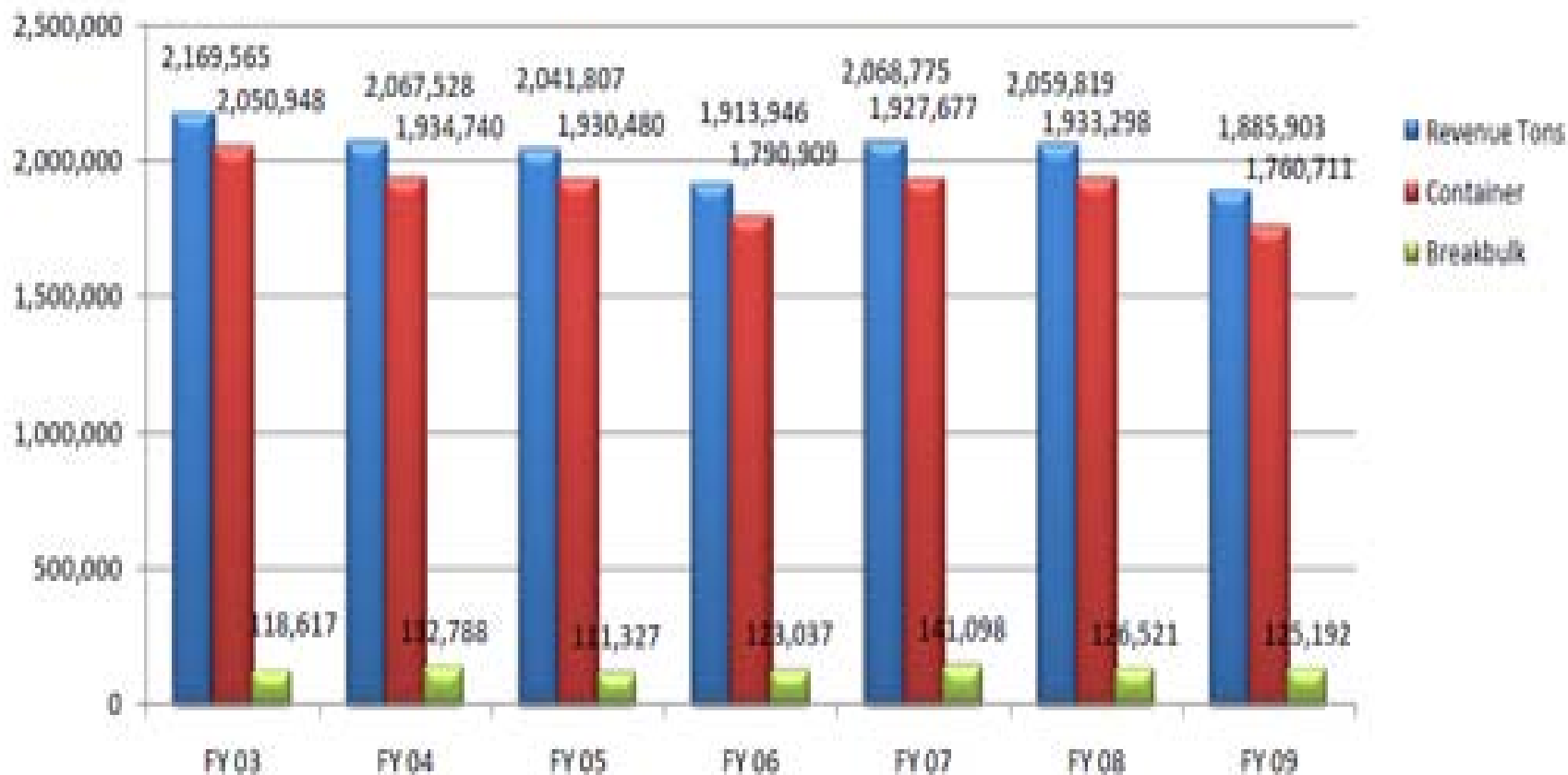
History (cont.)

- ▶ By the end of 1951, a year after civilian management, the Commercial Port of Guam, became a busy center of trade, handling about 1.8 to 2.1 million revenue tons of cargo



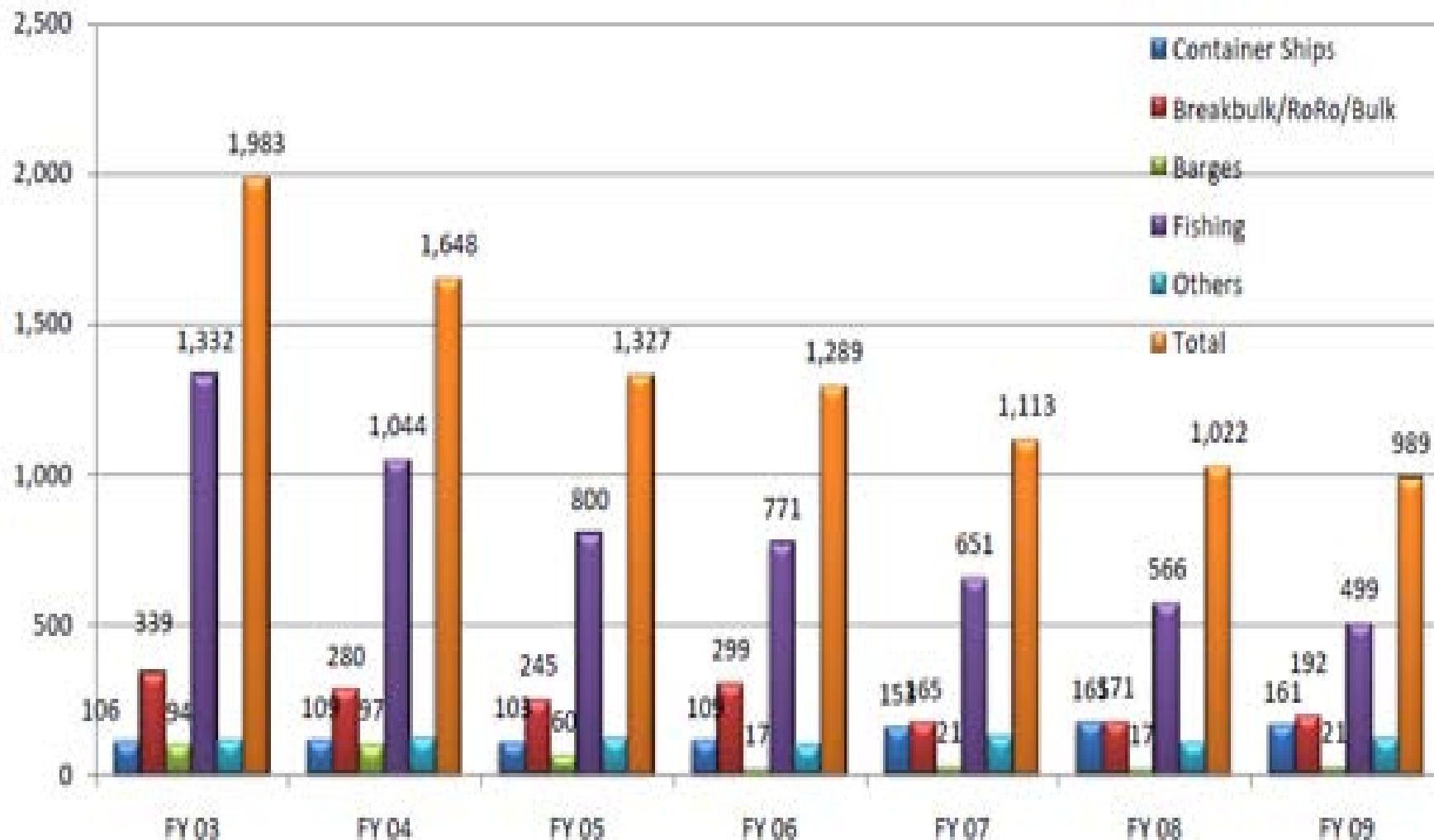


Cargo Statistics – Revenue Tons



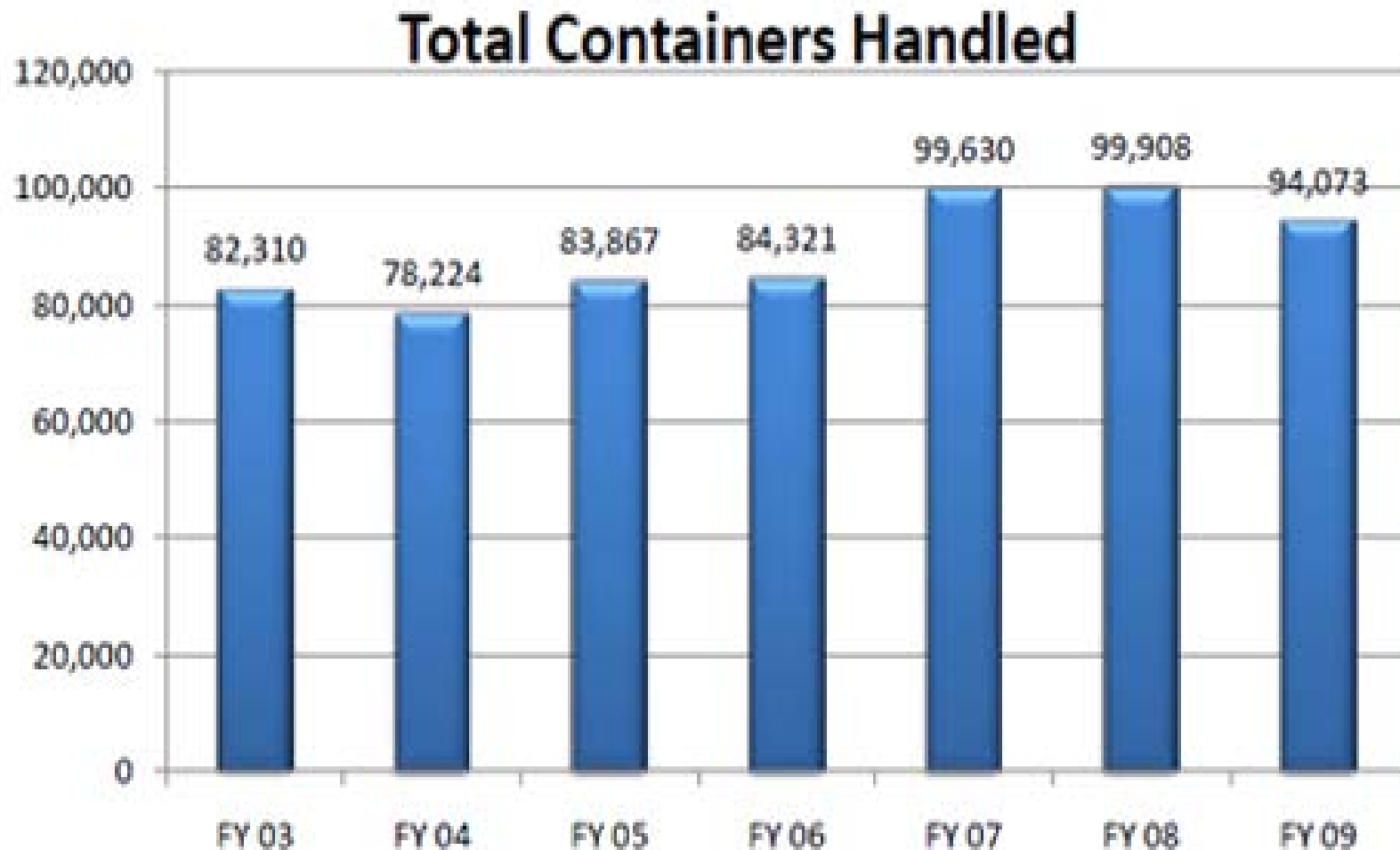


Cargo Statistics – Vessel Calls





Cargo Statistics – Total Containers Handled





Significance to Region



- ▶ The Port is the only commercial seaport in the Territory and as the primary seaport in Micronesia
- ▶ It serves as a transshipment point for the entire Western Pacific Region affecting a population of a half million people
- ▶ Equipped to handle the diversified interests of containerized, break bulk, bulk, fuel, oil tankers, fish, tourist related activities, as well as passenger traffic
- ▶ The Port provides direct service to Hawaii, the U.S. mainland, Asia, and Micronesia





Significance to Region - DoD



- ▶ In September 2009, the Port was designated by DoD as the 16th Commercial Strategic Seaport
- ▶ Listed among the nation's top 55 Militarily and Economically Significant (MES) ports
- ▶ Continue to coordinate with the DoD in preparations for the Guam military build-up program





Significance to Region - DoD



- ▶ In a letter to the Government of Guam, dated May 9, 2007, the Department of Navy, Ret. Major General David F. Bice identified the Guam Commercial Port as a critical lynchpin for support of the proposed Guam Military Build-up Program and sustained DoD operations after the construction phase is complete
- ▶ Currently, DoD traffic represents a significant portion of the commercial Port's overall operations





Port Overview



- ▶ The enabling act of the Jose D. Leon Guerrero Commercial Port of Guam calls for the Port to provide for the needs of ocean commerce, shipping, recreational and commercial boating and navigation of the territory of Guam
- ▶ The Port performs a crucial and indispensable role in the lives of the civilian and military population of Guam



Port Overview (cont.)



- ▶ 90% of the day-to-day goods and supplies consumed by its constituencies pass through the Port
- ▶ Port is a main lifeline of consumer goods into the island, and as such, recognizes its responsibility to deliver these goods in a timely and efficient manner
- ▶ Shipping lines depend on the Port to provide direct service to Asia and Micronesia

Current Capacities

- ▶ Five (5) rail mounted Gantry Cranes on 1,980 linear feet of gantry rails
- ▶ 105T Mobile Harbour Crane
- ▶ Cargo Handling Equipment – Top-lifters, Side-lifers, Tractors, Forklifts, etc.

G2 (79)

G3 (83)

3-Refurbished POLA Cranes MAT/HOZ (2009)

Mobile Crane

Current Capacities (cont.)

- ▶ Gangs work two 12-hour shifts
- ▶ 94,000 container lifts in FY 2009
- ▶ Productivity – 21 gross moves per hr./per gantry



Current Capacities (cont.)

- ▶ Four berths with 2,700 linear feet of wharf space alongside dredged depths of 28 to 35 feet
- ▶ Each of these four berths can service container vessels with a maximum beam of 100 feet
- ▶ Additional berths (Pier F-1 and Golf Pier) are managed by private counterparts for fuel tankers



Current Capacities (cont.)

- ▶ Current Maximum container space if on wheels – 1,553 TEUs
- ▶ Current Maximum Capacity if grounded and stacked 4 high/5 wide – 2,240 TEUs





Impact Due to Military Build-up



- ▶ DoD is projecting a proposed population change which includes active military, dependents, and associated support personnel **Source Final Environmental Impact Statement Executive Summary July 2010 JGPO*

Service	Permanent Military Personnel	Dependents	Transient Military Personnel	DoD Civilian Workforc e from off island	Subtotals by Service
Marines	8,552	9,000	2,000	1,710	21,262
Navy	0	0	7,222*	0	7,222*
Army	630	950	0	126	1,706
Subtotals by Population Type	9,182	9,950	9,222*	1,836	Total Proposed Actions Population = 30,190*



Impact Due to Military Build-up

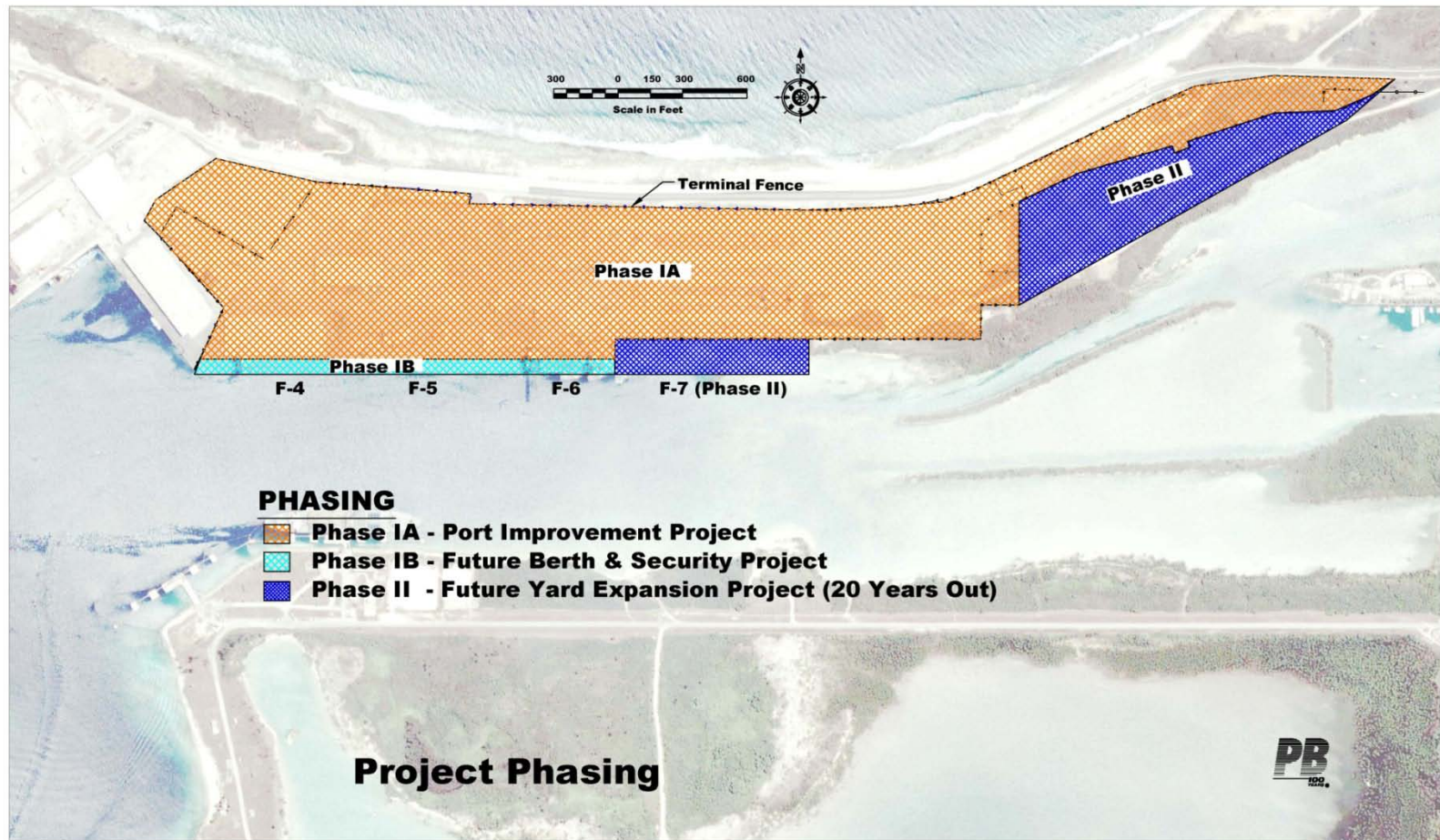


- ▶ DoD, civilians and private citizens coming for job opportunities
- ▶ Build-up will require massive improvement to the island's infrastructure including the Port
- ▶ Increased demands on Port infrastructure and equipment
- ▶ Impacts Port's role in supporting the neighboring islands

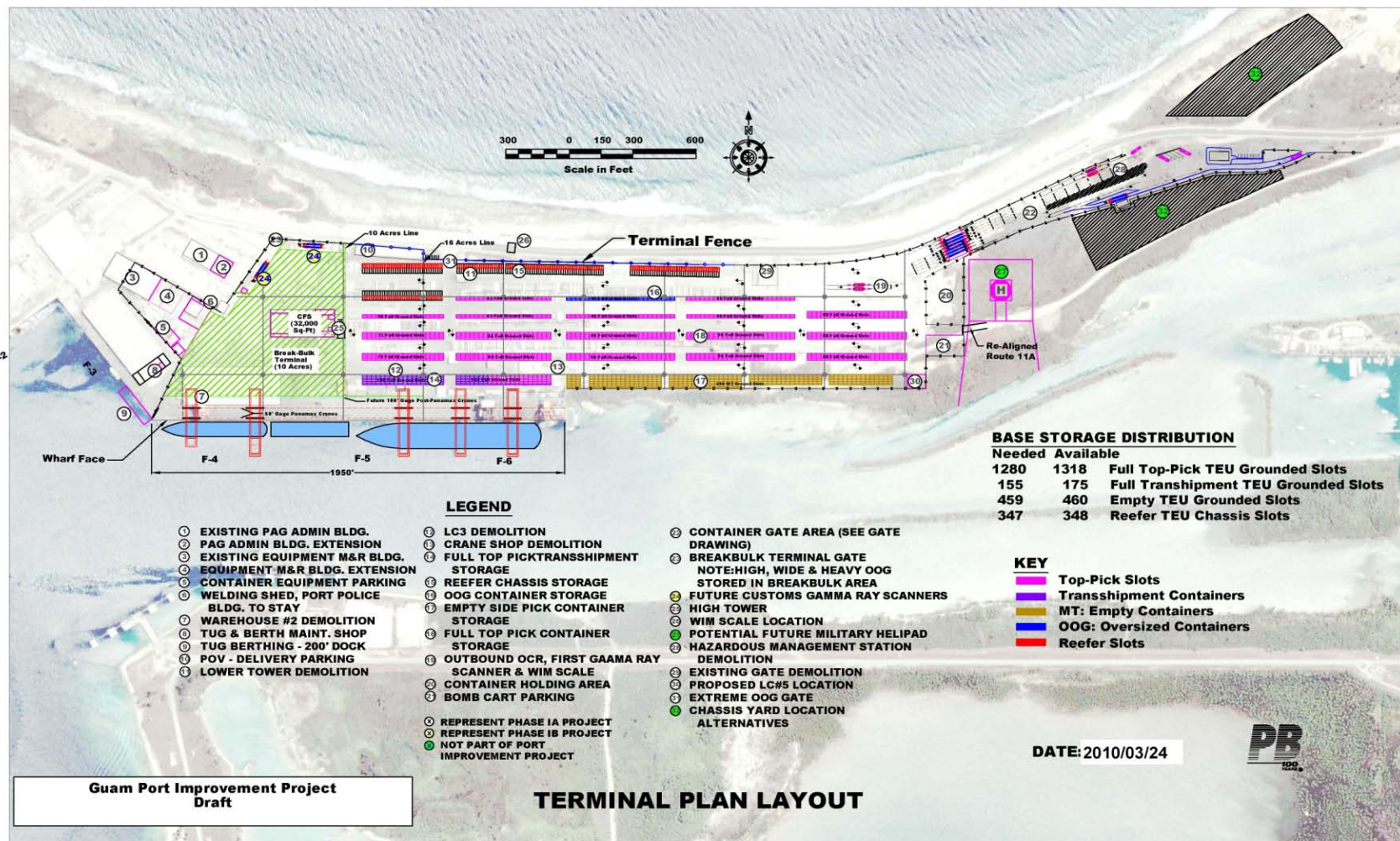




Master Plan To Address Increased Cargo



Proposed Terminal Layout





Start Dates & Capital Improvement Projects



2009-2010

Ongoing

Field Data, Environmental &
Preliminary Engineering

2011-2013

Phase I-A

Estimated Cost
\$105 Million

Add Efficiency, Capacity for "Port Readiness"
✓Site Development & Paving
✓Utilities (Storm, Sewer, Fire, Electrical, etc.)
✓Security Infrastructure Site Work & Paving
✓Gate & Yard Automation, Equipment &
Buildings

2013-2015

Phase I-B

Estimated Cost
\$110 Million

Longer Lead Wharf & Berth Site Improvements
✓Structural Rehab of Berths F-4, F-5, & F-6
✓Dredging
✓Purchase of Equipment

2031

Phase II

Wharf Expansion
•New F-7 Wharf & Berth
•Extend Yard



Cargo Terminal Capital Budget (2010\$)



ITEM DESCRIPTION	BUDGET Estimate
Mobilization and Demobilization	\$ 7,672,260
All Other Contract Work not stated below	\$ 2,300,000
Demolition	\$ 12,002,829
Berth F-5 to F-6 Modernization	\$ 27,624,542
Buildings	\$ 9,155,644
Terminal Paving	\$ 14,600,000
Power, Lighting & Electrical	\$ 9,342,600
Site Utilities	\$ 14,964,800
Security	\$ 9,083,624
Container Cranes	\$ 16,690,000
Top-Picks & Spreaders	\$ 3,337,966
Side-Picks	\$ 1,720,000
Other Yard Equipment	\$ 3,700,000
Terminal Operating System	\$ 3,450,000
Gates	\$ 3,110,000
CAPITAL COST ESTIMATE TOTAL	\$ 138,774,265
Contingency	29% \$ 40,562,809
Engineering/Permits/CM	19% \$ 27,582,926
TOTAL	\$206,920,000



Milestones in Anticipation of Build-up



MARAD - Federal Lead Agency	Oct 2008
Port Selects Owners Agent/ Engineer	Feb 2009
PUC Tariff Review	Jul 2009
Port Compensation Study (Implemented Oct 2009)	Jul 2009
Master Plan Passed in to Law	Sep 2009
ARRA TIGER I \$50M Grant Request – Denied	Sep 2009
USDA Loan \$50M Application	Sep 2009
Strategic Port Designation	Sep 2009
MARAD Announces PMT selection	Apr 2010
President signs H.R. 4899, the 2010 Supplemental Appropriations Act \$50 million funding for the Port of Guam	July 2010



Recent Events

- ▶ Communication between federal agencies continues
 - Bi-Weekly telecons for updates and action items
- ▶ Development of Protocol Manual
 - Funded by Office of Economic Adjustment
 - Outline roles and responsibilities of all players involved in the Modernization Program
- ▶ 30% Preliminary Design for Phase IA
 - Completed by Owner's Agent/Engineer
 - Working with MARAD / PMT EA for transition into design and construction



OPEN DISCUSSION



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