



Office of the Governor of Guahan

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Felix P. Camacho
Governor

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Port Gets \$50M Transferred for Modernization Program

FOR IMMEDIATE RELEASE
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The Port Authority of Guam now has \$50 Million in the bank to begin the agency's much-anticipated Modernization Program.

Governor Felix P. Camacho and Port officials were notified early this morning that the Department of Defense had deposited \$50 Million into the Port of Guam Improvement Enterprise Fund which will be administered by the U.S. Maritime Administration (MARAD).

"This is great news for the Port and the people of Guam as we continue to move forward with our aggressive plans to transform the Port Authority of Guam into a world-class facility," Governor Camacho said.

The Port Modernization Program, as authorized by the Guam Legislature, spans a 30-year planning horizon and is valued at a little more than \$260 Million. Phase I-A and Phase I-B of the program should be accomplished over the next 5 years and are focused on critical maintenance and repair of waterfront facilities and the dredging and uplands expansion needed to handle near-term cargo demands of the military buildup. Phase II of the program will occur 30 years into the future and focuses on the expansion needed to address the cargo demands of the long-term organic growth of Guam and our neighboring islands.

Phase I-A will cost \$104.2 Million and involves the \$50 Million appropriation from the military which was deposited this morning combined with \$54.5 Million provided by the Port after it acquires loans from the U.S. Department of Agriculture. Phase I-A includes reconfiguration and expansion of the cargo terminals, creation of a new gate complex, reconfiguration and expansion of selected buildings, upgraded utilities and security features, and state-of-the-art terminal and gate operating systems.

Although funding for the Phase I-B project has yet to be identified, it will include wharf repairs, dredging, cranes, and additional security equipment.

The \$50 Million deposited today was the result of the FY 2010 Supplemental Appropriations Act which provided the Department of Defense the authorization to transfer up to a maximum of \$50 Million from the FY 2010 Operations and Maintenance Fund to the Port of Guam Improvement Enterprise Fund. Receipt of matching grant funds or similar funds was a condition that would allow the USDA to approve the \$50 million in loans since the Port's borrowing capacity was capped at \$54.5 Million.

"We have already finished our preliminary design work and have made significant progress on our Modernization Program," Port General Manager Rick Agustin said. "We just concluded a week of Transition Meetings at the Sheraton with MARAD and their Program Management Team, EA Engineering, Science and Technology, along with representatives of USDA and JGPO. We held these Transition Meetings this week in anticipation of the \$50 Million. We



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are preparing now to transfer the implementation of the construction to MARAD and EA Engineering and they will finalize the design and oversee construction of the Modernization Program.”

The Port Authority of Guam has tentatively scheduled a Kick-Off Ceremony for the Construction Phase of the Modernization Program to occur late next month.

For more information, please contact Charlene Calip at 475-9303, 788-0589 or through email at Charlene.calip@guam.gov. You may also visit the governor’s Web site guamgovernor.net.