

PORT AUTHORITY OF GUAM

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NEWS RELEASE

Port Board supports focus on uplands for Modernization *Agency also will pursue limited stabilization of the Port wharves*

Piti, Guam, October 24, 2011: The Port Authority of Guam Board of Directors has written to MARAD officials informing them of their desire to continue with original plans to focus the Modernization on the uplands portion of the program including yard expansion and technology upgrades.

“We believe by moving forward with this predominantly uplands Phase 1-A program, while simultaneously pursuing limited stabilization measures at Berths F3, F4 and F6, we will accomplish affordable cargo handling capacity improvement, set the stage for modernization, and achieve limited sustainability improvements for both the uplands and waterfront structures,” Port Board Chairman Daniel J. Tydingco noted in his letter to MARAD Administrator David T. Matsuda.

After months of meetings that included Port officials, MARAD, the Port Users Group and other stakeholders, all parties agreed upon a Scope of Work (SOW) that focused on the uplands work. However, MARAD officials recently notified the Port that they would like for the wharves to be a focus of this program and that the Port's Modernization Program would be adjusted to reflect the changes. That announcement was met with concern from Port Oversight Chairman Senator Tom Ada who encouraged MARAD to take a further look at the report conducted on the wharves by the Port's consultant, Parsons Brinckerhoff, which indicated that limited waterfront stabilization would be sufficient. Meanwhile, the Port Users Group wrote to Tydingco supporting the Port's desire to move forward with the uplands work as preferred by the Port Authority of Guam.

Tydingco stated in his letter to MARAD that the Port is legally bound by Guam law to have the Modernization Program focus on enhanced cargo handling capacity, enhanced operational efficiency through automation and reconfiguration and enhanced business management through technology upgrades. He added that the Port currently does not

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have the funding for a complete waterfront replacement solution and a complete uplands improvement solution.

“While we appreciate the desire to be flexible and responsive to changing military priorities, we must do so in a way that is fiscally viable to all stakeholders: the community-at-large, the Port Users Group of Guam, our Legislature, our Executive Branch and our commercial lenders,” Tydingco wrote. “To that end, we would like to solidify and advance the previously agreed upon SOW for the Phase 1-A program while we work with you and our major stakeholders to secure the necessary funding and long-term execution strategy that supports a more robust and complete solution for replacing our waterfront facilities.”

Meanwhile, Senator Ada will be holding a public hearing next week Thursday, October 27th regarding Resolution No. 254-31, Relative to the affirmation of a “Balanced Modernization,” as it relates to Phase 1-A of the Port Modernization Program and resulting sustainability and economic vitality of the Commercial Port of Guam.

Port officials will be in attendance to show their support for the resolution.

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Editor's note: Copies of the Board of Directors correspondence along with the Port User's Group correspondence are attached.

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