



PORT OF GUAM
ATURIDAT / PUETTON GUAHAN
Jose D. Leon Guerrero Commercial Port
1026 Cabras Highway, Suite 201, Piti, Guam 96915
Telephone: 671-477-5931/5 | Facsimile: 671-477-2689
Website: www.portofguam.com



Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

REGULAR MEETING OF THE BOARD OF DIRECTORS
Jose D. Leon Guerrero Commercial Port
Wednesday, February 26, 2025
Virtual Board Meeting
3:00 p.m.

A G E N D A

- I. CALL TO ORDER
- II. APPROVAL OF MINUTES
 1. January 23, 2025 – Regular Board Meeting
- III. PUBLIC COMMENTS:
 - a. Public Comments
 - b. Employee Comments
 - c. PAGGMA Association
- IV. GENERAL MANAGER'S REPORT
- V. OLD BUSINESS
- VI. NEW BUSINESS
 1. Adoption of Board Resolution No. 2025-08 relative to petitioning the Public Utilities Commission (PUC) for approval of IFB-PAG-CIP-021-005 Waterline Replacement Project Amendment No. 2.
 2. Adoption of Board Resolution No. 2025-09 relative to petitioning the Public Utilities Commission (PUC) for the approval of 2025 Tariff Rate Revenue Enhancement.
 3. Funding Request for Employee Incentive Events: Mes Chamoru, Liberation Day, Labor Day, Port Week, Thanksgiving, Christmas.
 4. Request for Creation of Positions – Tariff Technician II and Tariff Technician III.
- VII. ADJOURNMENT



PORT OF GUAM
ATURIDAT I PUETTON GUAHAN
Jose D. Leon Guerrero Commercial Port
1026 Cabras Highway, Suite 201, Piti, Guam 96915
Telephone: 671-477-5931/5 | Facsimile: 671-477-2689
Website: www.portofguam.com



Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, January 23, 2025**

I. CALL TO ORDER

The Chairperson called the regular meeting of the Board of Directors to order at 3:02 p.m., Thursday, January 23, 2025. Present at the meeting were:

Dorothy P. Harris, Chairperson
Conchita S.N. Taitano, Vice Chairperson
Fe R. Valencia-Ovalles, Board Secretary
Rory J. Respicio, General Manager
Dominic G. Muna, Deputy General Manager, Operations
Pacifico R. Martir, Deputy General Manager, Admin/Finance
Atty. Jamie L. Canto, Port Attorney

Also present was Port Authority Staff.

II. APPROVAL OF MINUTES

a. **December 20, 2024 – Regular Board Meeting:** Director Valencia-Ovalles made motion to approve the minutes of December 20, 2024, subject to correction. The motion was seconded by the Vice Chairperson and was unanimously passed.

III. PUBLIC COMMENTS

a. **Public Comments:** None.
b. **Employee Comments:** None.
c. **PAGGMA Association:** PAGGMA Vice President Steve Muna extended appreciation to the Planning Committee that coordinated the annual membership event held at the Hotel Nikko which was a great success. The next event the association is prepping for is the Super Bowl activity and *Mes Chamoru* celebration. The Board members expressed congratulations to the association, its planning committee as well as the port employees on a job well done for Thanksgiving, Christmas and the New Year's celebration. The Vice Chairperson inquired whether discussions have taken place on the Port's 50th Anniversary slated for October 2025. Mr. Muna Steve replied affirmatively, in that the association has started holding fundraisers to help off-set the expenses, and will continue to do so. He thanked the Board for their continued support.

IV. GENERAL MANAGER'S REPORT

1. **Record-breaking tenth cruise ship of the year sailed into Guam.** On December 30, 2024, the Port welcomed its record-breaking 10th passenger vessel of the year, marking a significant achievement for the island's only commercial seaport as well as Guam's tourism industry. The MS Asuka II, making its second voyage to Guam this year, arrived with 793 passengers and 493

crew members. This year, Guam has solidified its position as a premier destination in the Pacific, welcoming an unprecedented number of passenger vessels and cruise ships to its shores. With a record-breaking 10 luxury liners calling on the Port Authority of Guam in 2024, the island has set a new benchmark, reaffirming its growing reputation as a sought-after destination for cruise travelers. The significant influx of more than 18,000 passengers and crew members underscores Guam's appeal as a unique and enriching port of call in the region and the Port Authority's dedication to support our tourism industry. This accomplishment aligns with Governor Lou Leon Guerrero and Lt. Governor Josh Tenorio's strategic vision of positioning the Port of Guam as a cornerstone of economic growth for both our island and the region. The Port's ability to seamlessly host an increasing number of luxury vessels showcases the strength of our infrastructure and the dedication of our Port Strong workforce.

- 2. Port Earns Prestigious National Transparency Award for the 4th Time.** The Port Authority has received the Certificate of Excellence in Citizen-Centric Reporting from the national Association of Government Accountants (AGA) for its Fiscal Year 2023 Citizen-Centric Report (CCR). This is the fourth time the Port has been honored with this prestigious national recognition, having previously received awards for its FY 2022, FY 2021, and FY 2019 reports. The AGA commended the Port's unwavering commitment to government accountability and fiscal transparency. In their letter to the Port, AGA CEO Ann M. Ebberts stated, "AGA applauds your commitment to good government and responsible fiscal action reflected in the Citizen-Centric Report you produced on behalf of the Port Authority of Guam." She highlighted the Port's exceptional use of visuals such as charts, tables, and photos, and its ability to effectively communicate complex information in an engaging and accessible manner. The Port's FY 2023 Citizen-Centric Report was prepared by the Finance Division, under the direction of Chief Financial Officer Jose B. Guevara III, with the support of the Marketing Division. The report provides a concise overview of the Port's financial performance, accomplishments, and future outlook, fulfilling the requirements of local law for all Government of Guam agencies to publish such a report within 60 days of the independent audit release. Governor Lou Leon Guerrero expressed her congratulations, stating, "The Port Authority of Guam's achievement in receiving this prestigious award for the fourth time reflects the high standards of transparency and accountability we expect from our government agencies. This award-winning Citizen-Centric Report ensures that the people of Guam have the information they deserve about how their government is working for them." Lt. Governor Josh Tenorio added, "The Port has set an exemplary standard for effective communication and fiscal responsibility. This award highlights the dedication of the Port's leadership and team in fostering trust and ensuring our citizens are informed about the progress and challenges of one of Guam's most critical institutions." This award underscores our dedication to transparency and accountability. The Citizen-Centric Report is an important tool to ensure that the people of Guam have a clear understanding of how their government is utilizing taxpayer and ratepayer funds. I commend our Finance and Marketing Divisions for their outstanding work in producing this award-winning report. AGA reviewers specifically praised the FY 2023 CCR for having a well-organized layout highlighting leadership, mission, vision, and key Port Authority information and for being clear and visually engaging with bar graphs and narratives that connect agency performance to its mission. The award also states that the report was comprehensive yet had an uncluttered presentation of financial and performance data and contained a thorough description of challenges, including recovery from Typhoon Mawar, and the Port's projected future outlook.

3. **Port Hosts Kick-Off Meeting for \$2.4 Million Clean Ports Program Grant.** The Port Authority of Guam marked a critical milestone on January 16, 2025 by hosting a Kick-Off Meeting for its \$2,410,415 award from the U.S. Environmental Protection Agency's Clean Ports Program. The funding, part of the Climate and Air Quality Planning Competition, was among 55 projects selected across 27 states and territories to advance zero-emission equipment and climate planning. The meeting brought together key stakeholders, including representatives from WSP, the Port's owner agent, and Jacobs, its subgrantee, alongside Port leadership, environmental planners, and community partners. Vice Chairperson Conchita Taitano, who played a pivotal role in securing this grant, emphasized the Port's commitment to sustainability. Governor Lou Leon Guerrero and Lt. Governor Joshua Tenorio tasked the Port to lead in sustainability efforts, and this project underscores their vision and with Vice Chair Taitano's decades of experience at Guam EPA and her advanced certification through MIT's Sustainability Program, the Port is well-positioned to meet the ambitious goals of this initiative.

During the Kick-Off Meeting, participants discussed key objectives of the Net Zero Emissions Strategy Update and Implementation Plan, including:

1. Conducting a mobile emissions inventory,
2. Updating the Net Zero Emissions Strategy,
3. Preparing a workforce development plan,
4. Developing a resiliency strategy to assess climate risks and vulnerabilities, and
5. Creating an actionable implementation plan for decarbonizing and electrifying Port operations.

The meeting also highlighted the collaborative support of EPA Administrator Michelle Lastimoza and her team, who have been instrumental in ensuring the Port's alignment with national climate and air quality goals. By enhancing climate resilience and improving air quality, we're building a more sustainable future for Guam. The initiative also prioritizes community engagement, which will play a critical role in shaping the Port's sustainability and resiliency efforts. The Kick-Off Meeting served as a platform to gather input and build momentum as the Port begins implementation. The Port Authority of Guam remains steadfast in its commitment to environmental stewardship and innovative planning. This project is a major step forward in achieving the goals of its Sustainability and Resiliency Plan and reducing emissions across its operations.

4. **Port Earns 5-Year Certification for Temporary Hazardous Duty Pay.** The Port Authority of Guam (PAG) is proud to announce that it has successfully passed its 5-Year Certification for Temporary Hazardous Duty Pay following a thorough inspection conducted by officials from the Guam Department of Labor (GDOL) on January 16, 2025. During the inspection, labor officials conducted an on-site review of Port operations, observing employees across various divisions, including Port Police, Facility Maintenance, Terminal Operations, and Stevedoring, as they performed their duties in hazardous working conditions. The certification reaffirms the Port's compliance with all requirements for hazardous duty pay and recognizes the unique challenges and risks faced by Port employees in their day-to-day operations. This certification underscores the critical role our employees play in maintaining Guam's only commercial port under challenging conditions. The recognition from the Guam Department of Labor affirms our commitment to ensuring that our workforce is properly acknowledged and compensated for their

efforts. The Temporary Hazardous Duty Pay certification, issued by GDOL, is valid for a period of five years and highlights the following key divisions whose operations involve hazardous duties: Port Police, Maintenance Department, Facility Maintenance Section, Welding Section, Preventive Maintenance Section (Corrosion Control), Fleet Maintenance Division, Crane Maintenance Section, Transportation Division, Terminal Division, Stevedoring Division. This achievement reflects the Port Authority's continued dedication to upholding workplace safety standards and ensuring the welfare of its workforce. The Port Authority of Guam remains steadfast in its mission to support Guam's economy while ensuring a safe and productive work environment for all employees.

5. **Senators Tour Port Operations and Receive GM Briefing.** On January 21, 2025 members of the Guam Legislature toured the Port's facilities to gain a deeper understanding of its operations and strategic initiatives. The delegation included Senator Jesse A. Lujan, Chairman of the Committee on Transportation, Tourism, Customs, Federal & Foreign Affairs, and Utilities, along with Senator Vincent A.V. Borja, and staff from other senatorial offices. Following a comprehensive briefing, the senators toured key areas of Port Operations, observing firsthand the logistics and processes that keep Guam's only commercial port running efficiently. The visit provided an opportunity for open dialogue on the Port's strategic priorities, including infrastructure upgrades and the role of the Port in supporting Guam's economy and national security. These visits reflect the Port Authority of Guam's ongoing commitment to transparency, collaboration, and engagement with stakeholders to advance its mission.
6. **Port Legal Counsel Provides Training for Newly Hired Police Officers and Armed Security Guards.** The Port Authority of Guam took a significant step in strengthening its security operations by providing comprehensive legal overview training on January 14, 2025 for the 13 newly hired members of its Port Police Division. The training was conducted by Port Staff Attorney James L. Canto II, who offered invaluable insights on critical legal topics essential to law enforcement roles. The session, held at the Port's Command Center, covered key subjects, including: search and seizure procedures, Miranda Rights and their application, probable cause and its parameters, color of law and its implications, and numerous other legal principles critical to the duties of police officers and armed security personnel. The safety and security of our Port and community are paramount. Providing our new recruits with robust legal training ensures they are well-equipped to uphold the law and perform their duties responsibly, professionally, and in alignment with the highest standards. The recent additions to the Port Police Division include Armed Security Guards, Police Officer I, and Police Officer II roles, as part of the Port's ongoing efforts to enhance its security workforce. These new hires bring the Port closer to meeting its goals of maintaining a secure and resilient facility, safeguarding critical infrastructure, and supporting the island's economic and national security.

Attorney Canto emphasized the importance of legal knowledge in law enforcement, stating, "Understanding the legal framework governing their actions is essential for officers to make sound decisions and maintain public trust. This training is designed to ensure they are prepared for the complexities of their responsibilities." The Port Authority of Guam remains committed to providing its personnel with the tools and training needed to excel in their roles. This legal overview training is part of a larger initiative to ensure all Port Police Division members are not only highly trained but also fully prepared to handle the challenges of their positions effectively.

7. **Port Police and Armed Security Officers Complete 40-Hour HAZWOPER Training to Enhance Emergency Preparedness.** The Port Authority of Guam is proud to announce that nine members of its Port Police and Armed Security team have successfully completed the 40-hour Hazardous Waste Operations and Emergency Response (HAZWOPER) training under OSHA Standard 29 CFR 1910.120(e). This specialized training equips personnel with the skills and knowledge needed to safely and effectively respond to hazardous materials incidents, ensuring the continued safety and security of the Port and the community. The following officers are recognized for their dedication and achievement: Christopher Fruge, Christian Salonga, Gage Santos, Glen Topasna, Justin Cruz, Michael Duenas, Pedro Lizama, Rae Brigino, and Reggie Rechebong. HAZWOPER training is a comprehensive program mandated by the Occupational Safety and Health Administration (OSHA) for workers involved in the cleanup of hazardous waste or the response to emergencies involving hazardous substances. The 40-hour course provides participants with essential skills in hazard recognition, decontamination procedures, use of personal protective equipment (PPE), and incident command systems.

This training is a critical investment in the safety and readiness of our Port Police and Armed Security team. The completion of HAZWOPER training demonstrates their commitment to protecting not only the Port's operations, but also the environment and the health and safety of our community. The training is particularly important for the Port Authority of Guam as the island's only commercial seaport, which handles a wide range of cargo, including potentially hazardous materials. By equipping its personnel with advanced emergency response capabilities, the Port ensures it can effectively manage incidents that may arise, minimizing risks to employees, stakeholders, and the public. Emergencies involving hazardous materials require swift and knowledgeable responses. The successful completion of HAZWOPER training by our officers ensures that the Port remains prepared to handle these critical situations with the highest level of professionalism and care. Congratulations to these officers for their dedication to enhancing the Port's safety standards. Their training and expertise further strengthen the Port's position as a resilient and dependable gateway for commerce in the region.

8. **General Manager's Notes for YTD Finances.** We are providing the following summary for December 31, 2024:

REVENUES AND CARGO THROUGHPUT:

- The Port's total operating revenue as of December 31, 2024 (3 months), is \$14.2 million, which is 8.8% or \$1.4M lower than the YTD revenue budget of \$15.6 million as of December FY 2025. Total Cargo related revenue is down by 7.1% or \$897K while Facilities and other non-cargo revenue is down by 16.2% or \$473K.
- The total number of containers handled in December is 21,470, which is lower by 2.2% or 480 containers compared to last year's YTD total of 21,950 containers. The total tonnage for non-containerized cargo stands is 44K revenue tons, a 23% decrease from last year's December total of 57K revenue tons.

OPERATING EXPENSES:

- Overall operating expenses as of December 31, 2024, total \$14.8 million, which is 4%, or \$517K higher than the December FY25 budget of \$14.3 million. Some of the expenses

that are high in the first three months are General Insurance, Depreciation, Repairs and Maintenance, and Agency and Management Fees.

OVERTIME EXPENSE AND DIRECT LABOR REVENUE:

- Overtime for **all the divisions** for the month of December is \$512K, which is 14%, or \$61K, higher than the FY25 overtime budget of \$392K. The actual OT total for the first three months of the fiscal year is also higher by 48% as compared to the first three months of last fiscal year's total of \$346K.
- The total Direct Labor revenue as of December is \$1.1 million, 7.4% or \$74K higher than the FY25 budget of \$1.0 million.

YTD OPERATING REVENUES MINUS YTD EXPENSES:

- Operating revenues minus operating expenses resulted in an operating loss of \$634K. After adding the net Other Income/Expenses totaling -\$413K, the final result for YTD December is a net loss of \$1.0 million. There are no federal reimbursements booked in the past three months as compared to a federal reimbursement budget projection of \$532K.

2018 Bond Indenture Stats as of December:

- The total days cash on hand as of December is 766 days, which is 53% higher than the 500 days requirement by Moody's rating agency.

The first months of the fiscal year normally results into lower net income or a net loss because of lower volume of cargos and increases in expenses due to retirees COLA/ Supplemental billings and other divisions prior year purchases but were billed in the subsequent fiscal year. There are currently ongoing work by vendors that are federally funded. They haven't been billed to the federal agencies, so this will be additional revenues that will be recorded in the subsequent months.

9. Status of Ongoing Awarded Grant Activities and Updates on Planned Grant Acquisitions.

- **USDHS/FEMA Port Security Grant Program. Acquisition of Port Police Personal Protective Equipment (PPE).** *Update:* Port Police is currently scheduling officers for proper fitting of PPEs with the awarded vendor.
- **U.S. Economic Development Administration (EDA) Fuel Pipeline Connectivity Project.** *Update:* PAG Planning and Engineering staff met with Amorient on January 17, 2025 for the 90% Design review meeting. Amorient will update the 90% Design documents and provide 90% Pre-Final Design Drawings for use for potential supplemental funding requests. 100% Design Submittal is scheduled for February 3, 2025.
- **Gantry Crane Acquisition.**
Status Quo:
USDA Direct Loan.
 - PAG Finance is developing an RFP to select a lender for commercial loan financing to replace the PAG's ship-to-shore gantry cranes.

- Port team is working with local USDA office to complete the application process and the type of procurement the Port will execute.
- **MARAD Marine Highway Program.**
Update:
 - **PO 20412-OS** - PAG Planning is working with Maintenance and Finance staff to process the invoice for the 180-ft. telescopic boom lift. Vendor is working to resolve minor issues with equipment upon delivery, as well as providing outstanding documents.
 - **PO 19902-OS** - Nine (9) terminal yard tractors are being prepared for shipment in late January, per latest correspondence with the vendor, AMH.
- **Office of Local Defense Community Cooperation.** The PAG's recent grant application totaling \$1.45 million for its Owner's Agent/Engineer to conduct a Port Resiliency and Sustainability Study was granted by OLDCC through the Office of the Governor. *Status Quo* - WSP transmitted the final draft of the Port Resiliency and Sustainability Study report to the Port for review on November 4; Port completed its review, provided comments and is awaiting FINAL report.
- **EPA Diesel Emissions Reduction Act (DERA) Program.** *Update:* Grant application status pending review by US EPA. FY2022 DERA grant no. 98T77501 pending delivery of equipment by vendor AMH (PO 20063-OS).
- **US DOT Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program.** The USDOT Office of the Secretary, through MARAD, approved the Port's no-cost modification, reallocating funds from Pier F-1 to support repairs for Wharves F-2 through F-6. *Update:* The environmental assessment remains active, with progress guided by consultants and pre-NEPA consultations. Monthly updates are provided to Team MARAD. In November 2024, PAG requested HAER numbers for Pier F-1 and Berths F2 to F6 from NPS and awaited their assignment. In January 2025, NPS requested a copy of the signed MOA between PAG and Guam SHPO, which was promptly provided, along with inquiries about large-format black-and-white photography. During the same month, Guam SHPO reviewed the HAER Mitigation Report and Photos, raising concerns about photo quality, layout, and the inclusion of URLs and in-text citations. These issues will be addressed before the final HAER report is submitted to NPS and Guam SHPO. The NPS shared a draft review letter for the HAER documentation. PAG and consultants are reviewing the draft letter and checklist in preparation for the final submission of assigned HAER numbers from the NPS.
- **Office of Insular Affairs Maintenance Assistance Program (MAP).**
Update: **Port Welding Shop Phase 1 & 2 Project.** The contract and PO have been signed. Notice to Proceed (NTP) commenced on December 10, 2024. Work commenced on January 22, 2025. **Generator Maintenance Program.** Maintenance services are ongoing with the awarded contract to Hawthorne Pacific Corp. The PAG will submit a no-cost extension request from September 30, 2025 to May 31, 2026, to fully execute Year 3's technical service contract to fully utilize the grant funds and continue the maintenance of the gensets.

- **New Grant Award – U.S. EPA Clean Ports Program: Climate and Air Quality Planning Competition.** The U.S. EPA Clean Ports Program aims to reduce air pollution and greenhouse gas emissions at ports by supporting projects that adopt cleaner technologies and practices. *Update:* December 19, 2024, PAG received the Notice of Award/Grant Agreement of \$2,410,415 to fund the PAG Net Zero Emissions Strategy Update and Implementation Plan project. On January 16, 2025, PAG planning staff, along with its Subawardee, WSP, and Board Co-chairperson, Conchita Taitano, attended the Clean Ports Program Kick-Off meeting with U.S. EPA program staff. PAG is awaiting the draft Task Order from WSP by the week of January 20, 2025.
- **New Grant Opportunity – U.S. EPA Environmental and Climate Justice Community Change Grants Program / Inflation Reduction Act Community Change Grants Program.** *Status Quo:* The PAG is awaiting notice of selection under the Lead Applicant Community First Guam Federal Credit Union application, which was submitted on November 21, 2024 deadline to US EPA. Award notification are ongoing through Spring 2025. The three projects selected are (1) the PAG Installation of a Solar Photovoltaic (PV) System and Batteries Project, (2) the PAG Microgrid Feasibility Study Project, and (3) the PAG Route 11 Seawall Improvement Project.
- **New Grant Opportunity - 2024 NOAA Marine Debris Program- BoatUS Foundation Abandoned and Derelict Vessel (ADV) Removal Grant Program.** The Port submitted its application to BoatUS Foundation on November 21, 2024, with the revised project total of \$859,720.00, which includes the PAG's voluntary cost share of \$214,930.00. *Status Quo* - The Port is awaiting notice of selection.
- **New Grant Opportunity – Dept. of Commerce National Telecommunications and Information Administration (NTIA) Digital Equity Competitive Grant Program.** *Status Quo* - The Port has submitted its application and currently awaiting NTIA review and subsequent announcement.
- **Sport Fish Restoration and Sport Fishing and Boating Safety Act Program Maintenance of Public Boat Ramp at Agat Marina and Harbor of Refuge Improvements.** On October 1, 2024, PAG was awarded \$120,000 for the Agat Marina Southern Walkway Repairs under the assistance title 15.605 Sport Fish Restoration. Additionally, PAG received \$275,000 for the Pre-construction Planning Grant for a Gangway and Courtesy Dock at the Guam Harbor of Refuge under the assistance title 15.622 Sport fishing and Boating Safety Act. Both grants were provided by the U.S. Fish and Wildlife Service through the Guam Department of Agriculture. *Status Quo* - The draft MOU is currently under development by DOAg and is anticipated to be finalized in Q2 2025.
- **New Grant Opportunity - U.S.DOT Federal Highway Administration (FHWA) Low-Carbon Transportation Materials Program (LCTM).** On November 26, 2024, the PAG, with the assistance of its OAE WSP and subcontractor Jacobs, submitted its application to the FHWA LCTM program for its project, Port Authority of Guam Low-Carbon Transportation Materials Study, which proposes activities to identify and test locally sourced low-carbon recycled waste materials to determine suitability for use in eligible Federal-aid projects and

incorporation into future transportation plans or updates for Guam. The total project cost is \$2,309,829.00. *Update:* On January 4, 2025, PAG received an application Inquiry from the FHWA LCTM Team requesting further information on the LCTM Construction component of the project proposal. PAG, WSP, and Jacobs are working together to finalize the application revisions for submission by FHWA's deadline of January 23, 2025. The revisions include a budget increase, bringing the total project cost from \$2,309,829.00 to \$7,216,910.00.

10. Port Revenue Bonds Project Status. As of January 22, 2025, the attachment provides information on the status of the revenue bond projects, which include the rehabilitation of the hotel wharf, repairs and improvements to the golf pier, waterline replacement/relocation, upgrades to the EQMR building, repairs and upgrades to warehouse one, construction of a new admin annex building, and other priority projects.

At this time and without objection, in addition to the General Manager's Report, the General Manager reported that the Attorney General had recently made allegations on unlawful activities surrounding cement trucks that called port of Guam. The Attorney General also claimed that the Customs x-ray scanner was being blocked by the Port, construction heavy equipment were not screened by Customs, and cement trucks were brought outside the port, then brought back into the port terminal. He mentioned that he immediately directed Port Operations Manager and Assistant Operations Manager to conduct an administrative investigation into the Attorney General's allegations on what transpired, and juxtapose the gathered information against the Ports policies and procedures, then prepare the findings. The General Manager further stated that the report findings concluded that the alleged claim was inconclusive. In meetings held with the Port and Customs, Customs pointed out that they did inspect those cement trucks in question. For purposes of clarification, he stated that the issue of inspecting all containers is for Customs to address as well as container seals that the Attorney General is claiming that are being tampered with. He mentioned that although the Port Authority continues to provide support to Customs, the vested authority on inspecting containers and handling container seals is Customs, and not that of the Port Authority.

V. OLD BUSINESS

1. Abolishment of the Port Chief Engineer, Financial Affairs Controller, Supply Management Administrator, Inventory Management Administrator, Safety Technician I, Safety Technician II and Safety Technician III positions under the Port Authority of Guam's classification and compensation plan. (motion to approve the transparency and disclosure processes as outlined in Section 6303.1 of Title 4, GCA and Rule 4.200 of the Port's Personnel Rules and Regulations.) At the previous meeting, the Board of Directors, through Board Resolution No. 2024-21 authorized management to begin the transparency process to abolish the positions of Port Chief Engineer, Financial Affairs Controller, Supply Management Administrator, Inventory Management Administrator, Safety Technician I, Safety Technician II and Safety Technician III positions under Port Authority of Guam's classification and compensation plan. Such positions are duplicated, obsolete and no longer expected to be utilized by the Port Authority of Guam. The General Manager mentioned that to comply with the transparency process as mandated by 4 GCA Section 6303.1 and Rule 4.200 of the Port's Personnel Rules and Regulations, the abolishment of positions documents were posted on the Port's website, port employees were notified, and notification was

also provided to electronic and written media outlets. The postings and notifications were provided on January 7, 2025, and deadline to submit comments was on January 22, 2025. There were no comments received by the Port employees or the general public regarding the abolishment of the positions. Based on this, Board approval is being requested on meeting the transparency requirements on the abolishment of positions. Director Valencia-Ovalles made motion to approve the transparency and disclosure processes as outlined in Section 6303.1 of Title 4, GCA and Rule 4.200 of the Port's Personnel Rules and Regulations for the abolishment of positions as presented. Motion was seconded by the Vice Chairperson and was unanimously approved.

VI. NEW BUSINESS

1. **Adoption of Board Resolution No. 2025-01.** The General Manager mentioned that the resolution provides for revenue enhancement on the Port Terminal Tariff. He shared that in line with other prior initiatives that has been effectuated per the tariff includes: shift schedules on half-shift/full-shift and bare chassis billing management. Being presented before the Board is the labor charge-out rates of 2020 that has since evolved in 2025. The General Manager explained the need to align the labor charge-out rates with actual operational costs as outlined within the existing tariff structure. The resolution further provides the development of an implementation plan, engagement with carriers and stakeholders, information gathering, monitoring and accountability. At the next board meeting, a request to the Board will be made to petition the Public Utilities Commission (PUC) on this proposed initiative. Director Valencia-Ovalles made motion to adopt Board Resolution No. 2025-01 relative to memorializing efforts to enhance revenue since 2019 and implementing a methodology in order to secure continued revenue sustainability for the Jose D. Leon Guerrero Commercial Port, seconded by the Vice Chairperson. Discussion followed, and Director Valencia-Ovalles asked what the methodology would be based on and whether it would be sustainable. The General Manager explained that the resolution provides tables for the labor charge-out rates in 2020 and 2025. For example, Cargo Checkers in 2020 shows \$57.05, whereas for 2025 it would be \$64.02, showing a variance of \$6.97. He mentioned that this information will be provided to the carriers and stakeholders for their feedback. This way, would determine whether the variance is acceptable to fully implement or done through a phased in approach incrementally. The General Manager stated that the current tariff structure does not provide for an internal mechanism for automatic updates on labor charge-out rates. An analysis will be prepared on this initiative. The Chairperson mentioned that since 2019, the Port has not exercised a tariff increase. She stated that without these adjustments the Port will continue to bear the cost of increasing labor and operational costs, which would be troublesome for the Port. The Vice Chairperson commented that the resolution provides for management to submit an implementation plan for Board review and approval, such as developing a sliding scale, monitoring and accountability, engagement with stakeholders, gathering information, conduct data analysis, evaluate benefits, risks and impacts. As earlier stated, she understands that this initiative is not for a tariff increase, but rather, ensuring that the application of the tariff is applied accordingly. After discussion, the motion on the floor to adopt Board Resolution No. 2025-01 relative to memorializing efforts to enhance revenue since 2019 and implementing a methodology in order to secure continues revenue sustainability for the Jose D. Leon Guerrero Commercial Port was put to a vote and was unanimously approved.

2. **Adoption of Board Resolution No. 2025-02.** The General Manager mentioned that the Vice Chairperson is currently on a holdover period in accordance with 4 GCA, 2103.9(e) allows such member to continue serving for a period of 90 calendar days plus three legislative days. The holdover period is as follows:

(e) An appointed board or commission member may continue to serve for ninety (90) calendar plus three (3) legislative days in that persons position after that persons term has expired in an acting holdover capacity until that person, or another person, is appointed by I Maga'lahaen Guåhan [Governor] and confirmed by I Liheslaturan Guåhan [the Legislature].

He stated that the soonest a legislative session may take place is in March 2025. The General Manager hopes there continue to be adequate Board members to conduct port business; however, in the unfortunate event the Legislature fails to confirm the Governor's nominees, preventing the Board from meeting due to an insufficient constitution, the following objectives are adopted as the foundational framework for the General Manager's operations to ensure the Port's continued success and alignment with its mission:

- The FY2024 budget shall continue to serve as the operational and financial framework for the Port Authority of Guam in the absence of a superseding annual budget, unless otherwise directed by the Board.
- The General Manager is authorized to administer the FY2024 budget and exercise discretion to increase spending up to three percent (3%) compounded annually for each fiscal year subsequent to FY2024, ensuring financial adaptability and operational sustainability.
- In the event of a lack of quorum within the Board, the General Manager is empowered to present matters requiring Guam Public Utilities Commission approval without prior Board authorization, pursuant to 12 GCA § 12004 and PAG Docket Order 09-01.
- The Board, through the adoption of this resolution, underscores the continued prioritization of infrastructure modernization efforts, including updates to the Master Plan, gantry crane replacement, Hotel Wharf rehabilitation, and fuel pier upgrades, and the General Manager shall continue to explore federal and local grant opportunities to fund these projects.
- The Board directs the General Manager to develop and implement revenue enhancement methodologies, including mechanisms within the tariff for full utilization, and to strategize balancing operational costs with revenue growth.
- The Board shall ensure compliance with all applicable laws and PUC orders by updating internal policies, reviewing procurement procedures, and implementing equitable workload distribution practices through desk audits.

- The General Manager is instructed to advance the Port's zero-emission and zero-waste goals by investing in green technology and establishing community partnerships for environmental stewardship programs.
- Workforce development initiatives, including employee training, cross-training, and mentorship programs, shall be enhanced to improve operational efficiency and adaptability.
- The Board commits to community engagement by fostering public-private partnerships, maintaining transparent communication with stakeholders, and collaborating with local businesses and organizations.
- Contingency and resilience planning shall be strengthened to address natural disasters, global supply chain disruptions, and cybersecurity threats to the Port's operations.
- The Board supports strategic partnerships with federal agencies and regional ports to align with Guam's broader economic and national security goals; and be it further

He mentioned that the resolution is prepared for purposes of planning for these contingencies and being proactive. Director Valencia-Ovalles made motion to adopt Board Resolution No. 2025-02 relative to establishing provisions for the continuation of FY2025 budget allocations and budget ceiling adjustments for FY2026 and FY2027, if necessary, to ensure operational continuity, and authorizing the General Manager to temporarily exercise board powers to maintain operational capacity in the event of quorum issues due to the 38th Guam Legislature's failure to confirm Governor Lou Leon Guerrero's nominees, resulting in an insufficient constitution of the Jose D. Leon Guerrero Commercial Port Board Members, seconded by the Vice Chairperson. Discussion followed, and the Vice Chairperson commented that this resolution is forward thinking and recalled that the Port Board had experienced a similar predicament back in September 2023 where a members' term had expired and was on the holdover period and at that time the Board approved a survivability clause. She stated that it was not until eight months later that a quorum was then established. The Vice Chairperson further stated that the resolution being presented is for a similar situation and just in case, is to ensure port stability, financial adaptability and operational continuity. The Chairperson expressed the same sentiments and pointed out that this resolution is in place as a safeguard. With no further discussion, the motion on the floor to adopt Board Resolution No. 2025-02 relative to establishing provisions for the continuation of FY2025 budget allocations and budget ceiling adjustments for FY2026 and FY2027, if necessary, to ensure operational continuity, and authorizing the General Manager to temporarily exercise board powers to maintain operational capacity in the event of quorum issues due to the 38th Guam Legislature's failure to confirm Governor Lou Leon Guerrero's nominees, resulting in an insufficient constitution of the Jose D. Leon Guerrero Commercial Port Board Members was put to a vote and was unanimously approved.

3. **Adoption of Board Resolution No. 2025-03.** Director Valencia-Ovalles made motion to adopt Board Resolution No. 2025-03 relative to approving lease rates for real properties located at the Jose D. Leon Guerrero Commercial Port for compliance with Public Law 30-19, seconded by the Vice Chairperson. Motion was unanimously approved.

4. **Adoption of Board Resolution No. 2025-04.** The General Manager mentioned that Black Construction parent company was awarded the repair work of the Glass Breakwater project and has engaged with the Port on its interest in leasing port property, specifically hotel wharf and old Hawaiian rock for a period of four (4) years, with an option to renew for one (1) additional year, at the current rental rate of \$0.56 per square foot. For the record, Director Valencia-Ovalles disclosed the possibility of a conflict of interest with Black Construction top level management; however, having sought legal guidance from Port Attorney Canto, it was confirmed that no conflict of interest exist. The Vice Chairperson made motion to adopt Board Resolution No. 2025-04 relative to memorializing the General Manager's execution of a lease agreement between the Port Authority of Guam and Black Construction Corporation to support the Glass Breakwater repair project, a critical infrastructure project to ensure operational continuity for the Jose D. Leon Guerrero Commercial Port and Naval Base Guam. Motion was seconded by Director Valencia-Ovalles and was unanimously approved.

5. **Adoption of Board Resolution No. 2025-05.** Director Valencia-Ovalles made motion to adopt Board Resolution No. 2025-05 relative to approving the abolishment of Port Chief Engineer, Financial Affairs Controller, Supply Management Administrator, Inventory Management Administrator, Safety Technician I, Safety Technician II and Safety Technician III positions under the Port Authority of Guam's classification and compensation plan as authorized under the Title 4, GCA, Section 6303.1 and Rule 4.200 of the Port's Personnel Rules and Regulations. Motion was seconded by the Vice Chairperson and was unanimously approved.

6. **Adoption of Board Resolution No. 2025-06.** Director Valencia-Ovalles made motion to adopt Board Resolution No. 2025-06 relative to establishing a general reserve TDOA savings account for the Port Authority of Guam, seconded by the Vice Chairperson. The motion was unanimously approved.

7. **Adoption of Board Resolution No. 2025-07.** Director Valencia-Ovalles made motion to adopt Board Resolution No. 2025-07 relative to establishing a crane reserve sinking fund TDOA savings account for the Port Authority of Guam, seconded by the Vice Chairperson. The motion was unanimously approved.

VII. ADJOURNMENT

There being no further business to discuss, it was moved by Director Valencia-Ovalles and seconded by the Vice Chairperson to adjourn the meeting at 5:15 p.m. The motion was unanimously passed.



Fe R. Valencia-Ovalles, Board Secretary
Board of Directors

2/27/25

APPROVED BY:



Dorothy P. Harris, Chairperson
Board of Directors





PORT OF GUAM
ATURIDAT I PUETTON GUAHAN
Jose D. Leon Guerrero Commercial Port
1026 Cabras Highway, Suite 201, Piti, Guam 96915
Telephone: 671-477-5931/5 | Facsimile: 671-477-2689
Website: www.portofguam.com



Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

General Manager's Report for Board of Directors February 26, 2025

- 1. Port Welcomes its First Cruise Ship.** On February 23, 2025, the Port proudly welcomed the first cruise ship of the year - MS Asuka II carrying approximately 642 passengers and 511 crew members. The vessel marks the beginning of what is anticipated to be an exciting year for tourism and maritime activity on the island. The arrival of the MS Asuka II reaffirms Guam's status as a premier destination in the Pacific. Converting our terminal yard to accommodate a cruise ship takes careful planning and a lot of hard work, and I want to thank our Port employees for making it happen. Their dedication ensures a smooth and welcoming experience for every vessel that comes through. We look forward to more cruise liners visiting this year, bringing new opportunities for our island's tourism and economy.

The Port Authority of Guam remains committed to supporting the tourism industry and ensuring smooth, efficient operations for visiting passenger vessels. Currently, seven additional cruise ships are scheduled to arrive this year, including the Le Jacques on March 14, Le Soleal on March 31, Asuka II on April 29, Seabourn on September 12, Villa Vie Odyssey on October 13, Asuka III on December 30, and Mitsui Ocean Fuji on December 31, 2025.

- 2. Governor, MARAD, and Port GM Discuss Buy America Waiver and Urge Action on Gantry Crane Replacement.** Washington, D.C. – Governor Lou Leon Guerrero, officials from the U.S. Maritime Administration (MARAD), and I met on February 20, 2025 to discuss the newly amended Buy America waiver for the Pacific island territories and its impact on securing federal funding for critical infrastructure projects, including the replacement of Guam's aging ship-to-shore (STS) gantry cranes.

Governor Leon Guerrero stated, "This waiver acknowledges the unique challenges faced by Guam and other Pacific island territories and ensures that we can modernize our infrastructure without unnecessary delays or cost increases. The Port has applied for MARAD grant funding for new STS gantry cranes for the past two consecutive cycles, but those applications were denied due to Buy America requirements. With this waiver in place, we now have a real opportunity to secure the equipment needed to strengthen our supply chain and port operations. Lt. Governor Josh Tenorio, Port

General Manager Rory Respicio, and I have been requesting this waiver from MARAD because of the inability to meet domestic manufacturing requirements for STS gantry cranes, and we are pleased with this favorable result. However, we continue to urge action to recognize that port readiness equals military readiness. If just one of the Port's aging gantry cranes fails, the resulting delays could set back military readiness by four years due to the prolonged disruption caused by not having three fully operational cranes. Additionally, the service life of these three gantry cranes is set to expire in 2028, 2030, and 2032, respectively, making timely replacement critical."

This amended waiver, recently issued by the U.S. Department of Transportation (DOT), eliminates domestic sourcing requirements for iron, steel, manufactured products, and construction materials in federally funded projects in Guam, the Commonwealth of the Northern Mariana Islands (CNMI), and American Samoa. This is particularly critical for STS gantry cranes, which are not manufactured in the United States. Guam would find it nearly impossible to meet the previous Buy America requirements without them.

While STS cranes can now be procured if not sourced from China, officials noted potential flexibility under these exclusions. They encouraged continued coordination on future procurement needs. Additionally, the de minimis waiver remains in effect, allowing up to 5% of total material costs (including shipping) or \$1,000,000 to be exempt from Buy America restrictions. This waiver removes a major hurdle that has blocked federal funding for our ongoing efforts to secure three new STS gantry cranes. With this waiver now in place, we have a clearer path to competing for federal funding, including opportunities through MARAD, to acquire the STS gantry cranes needed to improve efficiency, reduce costs, and ensure the long-term reliability of Guam's only commercial seaport. This waiver and potential funding sources will allow us to avoid the purchase of China-made gantry cranes, ensuring Guam's port remains a cornerstone of economic and defense operations in the Indo-Pacific region.

The amended waiver, effective from January 10, 2025, to January 9, 2030, replaces a temporary exemption issued in April 2024. It revokes the previous waiver's extra reporting requirements, eliminating the need for additional justification that previously delayed projects. This streamlined process will help Guam move forward with key infrastructure investments that secure national security objectives, support economic resilience, and enhance regional trade.

"Guam's strategic importance to U.S. military operations in the Indo-Pacific cannot be overstated. Failing to replace these aging gantry cranes risks disrupting civilian supply chains and impacting military readiness for years. We thank MARAD for recognizing the unique challenges of the Pacific territories through this waiver. We will continue to push for strong federal support—including from the Departments of Defense, State, FEMA, and Interior—to address this urgent need for the sake of commerce, the defense of our nation, and resilience against natural or man-made disasters," said Governor Leon Guerrero.

MARAD officials reaffirmed their commitment to assisting Guam and other Pacific island territories in fully utilizing this waiver and providing technical assistance for this competitive grant process to secure funding for critical maritime infrastructure projects.

- MARAD Buy American Waiver.** Recently, the United States Department of Treasury issued the MARAD (Maritime Administration) Waiver of Buy America Requirements for the Pacific Island Territories and the Freely Associated States allows certain exemptions from the federal "Buy America" provisions for projects in these regions, including infrastructure developments like purchasing new cranes for the Port Authority of Guam. Under normal circumstances, "Buy America" requirements mandate that infrastructure projects funded by federal grants use American-made products and materials. However, the MARAD waiver specifically applies to the territories of the U.S. Pacific Islands and the Freely Associated States (such as the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau). The waiver was designed to address challenges faced by these regions in sourcing specific equipment and materials that may not be readily available or economically feasible to procure from American manufacturers. The waiver means that the Port Authority of Guam could have greater flexibility in procuring cranes and other infrastructure components for development projects, without strictly having to adhere to the "Buy America" rules. This could significantly reduce costs and time delays associated with importing specialized equipment that may not be manufactured in the United States.

In practical terms, the waiver enables the Port to:

- **Source equipment internationally:** The port could purchase cranes and other infrastructure materials from manufacturers outside the U.S. without being required to meet the Buy America stipulations, as long as they meet other criteria under the waiver.

- **Save on costs:** It might be more cost-effective for the Port Authority to purchase equipment from foreign manufacturers, particularly if comparable U.S.-made equipment is significantly more expensive.
- **Faster procurement:** Through the waiver, the Port Authority could expedite the procurement process and installation of cranes or other infrastructure, potentially shortening project timelines.

The MARAD waiver is particularly important because it recognizes the unique economic and logistical challenges faced by Guam and other territories in sourcing necessary and critical infrastructure, making it less challenging for the Port to modernize and expand our facilities.

4. **Congressional Staff Delegation Visits Port for Briefing and Facility Tour.** The Port welcomed a delegation of Congressional staff members from Washington, D.C., along with officials from Joint Region Marianas, for a comprehensive briefing and facility tour on February 19, 2025. The visit provided an opportunity for in-depth discussions on key infrastructure projects, including the Gantry Crane Proposal Upgrade and potential Capital Improvement Projects.

The Congressional delegation included:

- Daniel Ramirez, Military Legislative Assistant to Representative Joe Wilson (SC-02), specializing in military and national security policy.
- Megan Amen, Legislative Assistant to Representative Joe Wilson (SC-02), focusing on Defense, Oversight, and Government Reform.
- Alex Fink, Legislative Assistant for Congressman Juan Ciscomani, handling Appropriations, Veterans Affairs, and Defense.
- Grace Looney, Legislative Assistant to Representative Pat Fallon (R-TX), with expertise in Defense, Homeland Security, and Infrastructure.
- Rachel Everette, National Security Advisor for Congressman Jason Crow (CO-06), specializing in national security, defense, and foreign policy.

During the meeting, Port officials highlighted the Port's ongoing modernization efforts to enhance operational efficiency, resiliency, and capacity to support both commercial and military logistics as well as our efforts to obtain new gantry cranes.

Following the briefing, the delegation participated in a guided tour of the Port's facilities, gaining firsthand insight into the critical role the Port plays in the region's supply chain and national security objectives.

This visit underscores the strong collaboration between the Port Authority of Guam, through the Governor and Lt. Governor, and Joint Region Marianas as we work together to strengthen the Port's infrastructure and ensure it remains a reliable gateway for Guam and the broader Indo-Pacific region. The discussions on the need for the purchase of new Gantry Cranes and potential CIP projects reaffirm our shared commitment to enhancing port capabilities, benefiting both commercial stakeholders and military readiness.

5. **Port Strategic Growth at APP 2025 Winter Conference.** In a conference hosted by the Association of Pacific Ports (APP) from January 29 to 31, 2025, the Port Authority continues to take center stage in the Pacific's maritime industry. The conference brought together leading port executives, industry stakeholders, and policymakers to discuss the future of maritime commerce and infrastructure in the region.

During the Pacific Islands Round Table panel, I spoke to the audience about the Port Authority of Guam's strategic vision and key priorities and outlined the Port's transformational journey and ongoing commitment to economic growth, resilience, and national security. The presentation emphasized the critical role of the Port in Guam's economic stability, military readiness, and regional trade. I've also shared that the Port has transformed into a model of efficiency, transparency, and financial stability and have not only maintained full operations through every challenge—from the pandemic to natural disasters—but have also positioned the Port as a strategic asset in the Indo-Pacific region. Our focus on infrastructure modernization, workforce development, and operational resilience ensures that the Port remains a cornerstone of Guam's economic and national security future.

Some of the key takeaways from the Port's presentation included:

- **Strategic Infrastructure Investments** – The Port is prioritizing key Capital Improvement Projects (CIP), including the replacement of aging ship-to-shore gantry cranes, fuel pier rehabilitation, and terminal yard enhancements to increase operational capacity and efficiency.

- **Strengthening U.S. National Security & Indo-Pacific Partnerships** – The Port remains mission-critical to U.S. military logistics, supporting the Pacific Deterrence Initiative and ensuring readiness for regional operations.
- **Public-Private Partnerships (P3) & Revenue Growth** – PAG has secured federal funding and is actively exploring private investment opportunities to fund major projects without burdening local resources or increasing tariffs unnecessarily.
- **Workforce Development & Leadership Growth** – PAG is strengthening its workforce through mentorship programs, leadership training, and succession planning, ensuring a highly skilled team prepared to meet future demands.
- **Transparency & Fiscal Responsibility** – Under Respicio's leadership, the Port has transformed from a deficit to a surplus, improved bond ratings, and achieved repeated low-risk auditee status, demonstrating financial accountability and effective management.

The APP 2025 Winter Conference served as a platform for industry collaboration, reinforcing the need for continued investment in port infrastructure across the Pacific. Highlights from this year's conference included a keynote presentation from Mario Cordero, CEO, Port of Long Beach, as well as a state-of-the-industry address from MARAD Associate Administrator, William Paape. Additional sessions covering a diverse range of topics relevant for all sizes of ports were engaging and informative as indicated by survey responses. Presentations covering different geographical regions – e.g., the Pacific Islands Round Table and a panel on Changes to Federal Policies Under a New Presidential Administration – provided great perspective not only for representatives of Pacific Islands and the U.S., but for attendees from all jurisdictions. And presentations that focused on specific sectors of the port industry – e.g., The Past, Present and Future of Recreational Marinas by Scott Grindy (Pacific Coast Congress of Harbormasters and Port Managers) and The Changing Dynamics of Agriculture in the PNW with Jason Middleton, United Grain – offered insights that could be applied to a wider range of disciplines.

6. **Strengthening Guam's Maritime Infrastructure.** The AMHP grant, part of the Biden-Harris Administration's commitment to infrastructure investments, represents a transformative step for Guam's maritime industry. The addition of these container yard tractors will improve cargo-handling efficiency, reduce congestion, and enhance the Port's overall resilience in supply chain management.

As the Port awaits the final pieces of its grant-funded fleet, these strategic investments continue to position Guam as a key player in the region's shipping and logistics network, ensuring the timely and effective movement of goods for years to come.

- 7. 5.5 Earthquake Prompt Underwater Dive Inspection.** The Port Authority of Guam initiated a thorough underwater inspection of Wharves F3, F4, and F5 in response to the 5.5 magnitude earthquake that struck on January 21, 2025. This proactive measure was taken to ensure the safety and structural integrity of our port facilities following seismic activity in the region. The inspection involved a collaborative effort among the Harbor Master Office, Port Police, and PAG's Capital Improvement Program (CIP) and Engineering Divisions. Given the heightened vessel activity in the area, several dives were conducted to assess the underwater conditions of Wharves F3 to F6.

Divers meticulously examined the structures below the waterline, focusing on any potential damage or signs of structural compromise. After completing the visual inspections, the team is pleased to report that there was no visible damage observed on Wharves F3 to F6 as a result of the earthquake. This positive outcome reflects the resilience of our infrastructure and the effectiveness of our safety protocols. The Port remains committed to maintaining a safe and reliable port environment for all users. Our collaborative inspection efforts demonstrate our dedication to ensuring the continued safety and functionality of our facilities, especially in the wake of natural events.

We thank our dedicated team members from the Harbor Master Division, Port Police Division, and the CIP/Engineering Division for their swift and thorough response to this critical situation. As always, the safety of our community and infrastructure remains our top priority.

- 8. Port Leaders Share Expertise at AGA Guam & GSCPA Conference.** Two of our Port leaders took part as guest speakers at the AGA Guam Chapter & Guam Society of CPAs Training and General Membership Meeting, held on February 21, 2025, at the University of Guam's School of Business and Public Administration Lecture Hall.

Representing the Port were Jojo Guevara, CGFM, MBA, PMP, MPE, the Port's Chief Financial Officer, and Jessica Toft, Esq., the Port's Legal Counsel. Their participation highlighted the Port's leadership in financial governance, legal frameworks, and strategic project management—key components for Guam's economic infrastructure.

As a recognized expert in financial strategy and operations, Jojo Guevara led a session on "The Importance of Project Management in an Organization" from 8:30 AM to 10:10 AM. Guevara's presentation focused on the critical role of structured project management in ensuring efficiency, risk mitigation, and successful execution of major infrastructure projects—insights that are especially valuable in managing the complex operations of the Port Authority of Guam.

Following his presentation, Attorney Jessica Toft delivered an in-depth discussion on "Planning the Procurement of Professional Services" from 10:30 AM to 12:00 PM. As the Port's Legal Counsel, Toft provided key legal and regulatory considerations in procurement processes, emphasizing compliance, transparency, and best practices in acquiring professional services for public and private sector organizations.

The participation of Guevara and Toft as guest speakers underscores the Port Authority of Guam's commitment to fostering professional development, innovation, and excellence in financial and legal operations. As Guam's only commercial port, the agency continues to advance modern strategies to maintain efficiency, accountability, and compliance in an ever-evolving regulatory and operational landscape. The Port is honored to have our leaders share their expertise at such a prestigious event. Their leadership in finance, legal governance, and project management not only strengthens our organization but also benefits the broader professional community by contributing to the economic resilience of Guam.

The AGA Guam Chapter & Guam Society of CPAs conference provided attendees with 6.5 Continuing Professional Education (CPE) credits, ensuring that finance, accounting, and legal professionals remain equipped with the latest knowledge in governance, procurement, compliance, and industry best practices. As the Port continues to lead in financial sustainability, regulatory compliance, and infrastructure modernization, our team continues to showcase our commitment to professional excellence.

9. **Port Welcomes Fisheries Council Military Working Group for Site Tour.** On February 7, 2025 the Port Authority of Guam hosted a site tour for the Fisheries Council Military Working Group, showcasing the Hagatna Marina, Agat Marina, and the Harbor of Refuge (HOR). The delegation, consisting of 13 representatives, was guided by the PAG team, including Deputy General Manager of Operations Dominic Muna as well as officials from Commercial and Planning. The tour commenced at the

GDP Marina, where the PAG team picked up the Fisheries Council members and provided an overview of the Port's vital infrastructure and maritime operations. A highlight of the visit was the participation of former Port Board Member Dr. Judith Guthertz, adding valuable insights to the discussions.

Following the tour, Felixberto (Felix) S. Reyes, the Guam Island Coordinator of the Western Pacific Regional Fishery Management Council, praised the initiative and the Port Authority of Guam. In his statement, Reyes said, "Everyone not only learned a lot, but they also had fun doing it. Your staff were very professional, courteous, and are very open to continuing collaboration to find ways to support our fishermen and our fisheries."

This visit underscores the Port Authority of Guam's role in fostering collaboration with key stakeholders to strengthen maritime operations and promote sustainable fisheries. The Port remains committed to working alongside the Fisheries Council and other agencies to develop innovative solutions that support Guam's fishing industry and enhance maritime infrastructure.

10. General Manager's Notes for YTD Finances. We are providing the following summary for January 31, 2025:

• **REVENUES AND CARGO THROUGHPUT:**

- The Port's total operating revenue as of January 31, 2025 (4 months), is \$19.2 million, which is 7.3% or \$1.5M lower than the YTD revenue budget of \$20.8 million as of January FY 2025.
- The total number of containers handled in January is 28,877, which is lower by 1% or 291 containers compared to last year's YTD total of 29,168 containers. The total tonnage for non-containerized cargo stands is 58K revenue tons, a 20% decrease from last year's January total of 72K revenue tons.

• **OPERATING EXPENSES:**

- Overall operating expenses as of January 31, 2025, total \$20.4 million, which is 7%, or \$1.3M higher than the January FY25 budget of \$19.1 million. Some of the expenses that are high in the first four months are General Insurance, Depreciation, Utilities, and Agency and Management Fees.

- **OVERTIME EXPENSE AND DIRECT LABOR REVENUE:**
 - Overtime for all the divisions for the month of January is \$664K, which is 27%, or \$142K, higher than the FY25 overtime budget of \$523K. The actual OT total for the first four months of the fiscal year is also higher by 8% as compared to the first four months of last fiscal year's total of \$615K.
 - The total Direct Labor revenue as of January is \$1.4 million, 7.6% or \$102K higher than the FY25 budget of \$1.3 million.
- **YTD OPERATING REVENUES MINUS YTD EXPENSES:**
 - Operating revenues minus operating expenses resulted in an operating loss of \$1.1M. After adding the net Other Income/Expenses totaling -\$413K, the final result for YTD January is a net loss of \$1.4 million. The federal reimbursements booked year to date is \$305K.

2018 Bond Indenture Stats as of January:

- The total days cash on hand as of January is 769 days, which is 54% higher than the 500 days requirement by Moody's rating agency.

11. Status of Ongoing Awarded Grant Activities and Updates on Planned Grant Acquisitions.

- **USDHS/FEMA Port Security Grant Program. Acquisition of Port Police Personal Protective Equipment (PPE).** *Update:* Port Police received all helmets and vests on January 5, 2025.
- **U.S. Economic Development Administration (EDA) Fuel Pipeline Connectivity Project.**

Update: Amorient submitted the 100% Design Submittal; including the basis of design, drawings, and specifications on February 14, 2025. Amorient to submit pending items, to include BSP Federal Consistency Concurrence, cathodic protection stamped drawings and site certificate form.

- **MARAD Marine Highway Program.**

Update:

- **PO 20412-OS** - PAG Planning is working with Maintenance and Finance staff to process the invoice for the 180-ft. telescopic boom lift. Maintenance is coordinating with Finance and Procurement to process the requisition to conduct a load test for commissioning of the equipment.
 - **PO 19902-OS** - Nine (9) terminal yard tractors are scheduled to arrive on February 28, 2025 per correspondence with the vendor.
- **Office of Local Defense Community Cooperation.** The PAG's recent grant application totaling \$1.45 million for its Owner's Agent/Engineer to conduct a Port Resiliency and Sustainability Study was granted by OLDCC through the Office of the Governor.

Update: On February 20, 2025, the Port submitted Task Order #14 deliverables and final closeout report to the CDLO.

- **EPA Diesel Emissions Reduction Act (DERA) Program.** *Status Quo:* Grant application status pending review by US EPA.
- **US DOT Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program.** The USDOT Office of the Secretary, through MARAD, approved the Port's no-cost modification, reallocating funds from Pier F-1 to support repairs for Wharves F-2 through F-6.

Update:

- The environmental assessment remains active, with progress guided by consultants and pre-NEPA consultations. Monthly updates are provided to Team MARAD.
- February 2025: The PAG and consultants reviewed the draft letter and checklist in preparation for the final submission of the assigned HAER numbers from the NPS. The draft final has been prepared; however, it is still awaiting photos. The Guam EA office received the photos in February and is now working on labeling and packaging them, though additional materials may need to be ordered.

- **Office of Insular Affairs Maintenance Assistance Program (MAP).**
 - **Port Welding Shop Phase 1 & 2 Project.** The contract and PO have been signed. Notice to Proceed (NTP) commenced on December 10, 2024. Work commenced on January 22, 2025. *Update:* Work on roof is ongoing and exterior spall repairs have begun.
 - **Generator Maintenance Program.** Maintenance services are ongoing with the awarded contract to Hawthorne Pacific Corp. *Update:* On January 23, 2025, the PAG received approval for its no-cost extension request to September 30, 2026. This will allow the Port to fully execute Year 3 of the technical service contract. The PAG Facilities Maintenance Division has also begun the procurement for needed generator parts.
- **U.S. EPA Clean Ports Program: Climate and Air Quality Planning Competition.** The U.S. EPA Clean Ports Program aims to reduce air pollution and greenhouse gas emissions at ports by supporting projects that adopt cleaner technologies and practices.
 - December 19, 2024, PAG received the Notice of Award/Grant Agreement of \$2,410,415 to fund the PAG Net Zero Emissions Strategy Update and Implementation Plan project.
 - On January 16, 2025, PAG planning staff, along with its Subawardee, WSP, and Board Co-chairperson, Conchita Taitano, attended the Clean Ports Program Kick-Off meeting with U.S. EPA program staff.
 - PAG is awaiting the draft Task Order from WSP by the week of January 20, 2025.
Update: PAG is in the process of finalizing its review of the task order, while concurrently WSP works on revisions based on initial remarks.
- **New Grant Opportunity – U.S. EPA Environmental and Climate Justice Community Change Grants Program / Inflation Reduction Act Community Change Grants Program.**

Status Quo: Award notifications are ongoing through Spring 2025.

- The three projects selected are (1) the PAG Installation of a Solar Photovoltaic (PV) System and Batteries Project, (2) the PAG Microgrid Feasibility Study Project, and (3) the PAG Route 11 Seawall Improvement Project.

- **New Grant Opportunity - 2024 NOAA Marine Debris Program- BoatUS Foundation Abandoned and Derelict Vessel (ADV) Removal Grant Program.** The Port submitted its application to BoatUS Foundation on November 21, 2024, with the revised project total of \$859,720.00, which includes the PAG's voluntary cost share of \$214,930.00. *Status Quo* - The Port is awaiting notice of selection.
- **New Grant Opportunity – Dept. of Commerce National Telecommunications and Information Administration (NTIA) Digital Equity Competitive Grant Program.** *Status Quo* - The Port has submitted its application and currently awaiting NTIA review and subsequent announcement.
- **Sport Fish Restoration and Sport Fishing and Boating Safety Act Program Maintenance of Public Boat Ramp at Agat Marina and Harbor of Refuge Improvements.** On October 1, 2024, PAG was awarded \$120,000 for the Agat Marina Southern Walkway Repairs under the assistance title 15.605 Sport Fish Restoration. Additionally, PAG received \$275,000 for the Pre-construction Planning Grant for a Gangway and Courtesy Dock at the Guam Harbor of Refuge under the assistance title 15.622 Sport fishing and Boating Safety Act. Both grants were provided by the U.S. Fish and Wildlife Service through the Guam Department of Agriculture.

Status Quo - The draft MOU is currently under development by DOAg and is anticipated to be finalized in Q2 2025.

- **New Grant Opportunity - U.S.DOT Federal Highway Administration (FHWA) Low-Carbon Transportation Materials Program (LCTM).** On November 26, 2024, the PAG, with the assistance of its OAE WSP and subcontractor Jacobs, submitted its application to the FHWA LCTM program for its project, Port Authority of Guam Low-Carbon Transportation Materials Study, which proposes activities to identify and test locally sourced low-carbon recycled waste materials to determine suitability for use in eligible Federal-aid projects and incorporation into future transportation plans or updates for Guam. The total project cost is \$2,309,829.00.

On January 4, 2025, PAG received an application Inquiry from the FHWA LCTM Team requesting further information on the LCTM Construction component of the project proposal. PAG, WSP, and Jacobs are working together to finalize the

application revisions for submission by FHWA's deadline of January 23, 2025. The revisions include a budget increase, bringing the total project cost from \$2,309,829.00 to \$7,216,910.00.

Update: PAG submitted the requested application revisions on January 23, 2025, which included an increase in project cost to \$7,360,465.00. PAG is awaiting FHWA's review and notice of selection.

10. Port Revenue Bonds Project Status. As of February 24, 2025, the attachment provides information on the status of the revenue bond projects, which include the rehabilitation of the hotel wharf, repairs and improvements to the golf pier, waterline replacement/relocation, upgrades to the EQMR building, repairs and upgrades to warehouse one, construction of a new admin annex building, and other priority projects.

Respectfully submitted,



Rory J. Respicio

General Manager

**2018 Port Revenue Bonds Status Report
As of February 24, 2025**

Bond Project	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
Rehabilitation of "H" Wharf	\$46,331,895.00	\$1,740,063.86	\$44,591,831.14	PO No. 17043-OF for \$2,249,945.54 awarded to GHD Inc. New Contract Amount: \$2,656,621.37 I PO No. 18140-OS was issued to Sumitomo Mitsui Construction Company, Ltd. for \$46,331,895.00	Resolution No. 2024-01 authorized the PAG GM to temporarily pause H-Wharf construction, procure additional gantry cranes, and establish comprehensive strategic measures for port operational enhancement and financial reallocation. WSP finalized the design to ensure compliance with the latest engineering codes. UPDATE: Status Quo
Golf Pier Repairs and Improvements	\$2,000,000.00	\$372,147.93	\$1,627,852.07	RFP No. 2019-02: A&E Design for \$484,000.17 awarded to NC Macario	Golf Pier was rendered inoperable after Typhoon Mawar. The PAG along with its OAE have developed cost estimates that are currently under review by FEMA. This review is ongoing. UPDATE: FEMA recently published the BRIC NOFO where there is a ceiling of \$2M per applicant under the State/Territory Allocation program. The other 2 programs are the Tribal States (which also has a \$2M cap) and the National Competition Program which has a cap of up to \$50M for Hazard Mitigation projects and capacity building activities.
Waterline Replacement and Relocation	\$6,000,000.00	\$3,732,864.74	\$2,267,135.26	PO No. 177900S for \$4,856,568.91 awarded to BME & Sons Inc.	Pipe installation along wharves F4 to F5 is ongoing. The first section of the new waterline near the fire water tank has been connected. Work has begun near the main gate to connect the new waterline and additional work that includes the installation of new fire hydrants to meet fire code standards. UPDATE: A change order has been conditionally approved for the new fire hydrants. Installation of the waterline has progress to the deannexing ramp and Warehouse 1.
EDMR Building Repairs and Upgrades	\$3,628,800.00	\$2,902,549.73	\$726,250.27	PO No. 180070S for \$3,980,000.00 awarded to JJ Global Service	The repair & paint work as well as lead based paint abatement has been completed. Electrical work is ongoing. The next step is installation of the fire sprinkler system. Additional work has been approved that includes the installation an awning at the building's external work area. UPDATE: Status Quo
Warehouse 1 Repairs	\$2,000,000.00	\$510,715.68	\$1,489,284.32	RFP No. 2019-03: A&E Design for \$1,406,427.48 awarded to NC Macario	The Construction IFB was published on November 25, 2024. UPDATE: The bid opening was held on February 5, 2025. The bid analysis has been completed and submitted to the General Manager for consideration along with the Notice of Award.
Other Priority Projects 1. Repair of F-1 Fuel Pier and wharves F-2, F-3, F-4, F-5, and F-6 waterfront facilities	\$4,980,745.00	\$222,668.79	\$4,758,076.21	See status	1. Please refer to MARAD RAISE - Wharves Service Life Extension Hardening of Wharves F1-F6 for more information. 2. The TOS Upgrade scope of services is under Procurement and Legal review. UPDATE: Status Quo
2. Upgrade of the Port's IT system - EnterpriseOne Financial Management System	\$2,500,000.00	\$2,497,129.65	\$2,870.35	See status	Module updates are ongoing for vessels and SSRs. An RFP for joint comprehensive support services with GPA, GAAA, and the lead agency GWA is ongoing. The PAG is also exploring additional applications such as employee self serve and dashboards. UPDATE: The PAG is also exploring preventative maintenance modules and content management.
New Admin. Annex Building	\$10,445,000.00	\$0.00	\$10,445,000.00	See status	Project is currently on hold pending Management decision. Engineering has been instructed to develop Scope of Work to repair concrete cracks and spalling and made a priority. UPDATE: Status Quo
Grand Total	\$77,886,440.00	\$11,978,140.38	\$65,908,299.62		

BOARD OF DIRECTORS

*Dorothy P. Harris, Chairperson
Conchita S.N. Taitano, Vice Chairperson
Fe R. Valencia-Ovalles, Board Secretary*



Resolution No. 2025-08

RELATIVE TO PETITIONING THE PUBLIC UTILITIES COMMISSION (PUC) FOR APPROVAL OF IFB-PAG-CIP-021-005 WATERLINE REPLACEMENT PROJECT AMENDMENT NO. 2.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PORT AUTHORITY OF GUAM:

WHEREAS, the Port Authority Board of Directors adopted Resolution No. 2022-04 petitioning the Public Utilities Commission (PUC) for approval of the award to BME and Son's, Inc. for the Waterline Replacement Project in the amount of \$4,856,568.91; and

WHEREAS, on February 24, 2022, the Public Utilities Commission through PAG Docket 22-02 approved the Invitation for Bid Procurement Contract Award to BME and Son's, Inc. for the Waterline Replacement Project, IFB-PAG-CIP-021-005 and further authorized the Port Authority to expend the amount of \$4,856,568.91; and

WHEREAS, the Port Authority and BME and Son's, Inc. entered into a contract agreement on or about March 3, 2022; and

WHEREAS, the project's scope of work is based on the design, plans, and specifications produced by N.C. Macario and Associates' that is to construct a new domestic waterline piping system and fire protection pipe lines that will feed all infrastructure buildings inside the port yard and Cabras Island; and

WHEREAS, that although BME & Son's has diligently worked to execute the project as designed and has documented the progression of work thus far, the field conditions in specific locations of the project site have prevented BME & Son's from performing work as planned; and

WHEREAS, at several locations, work that is not included in the current scope has been identified and deemed necessary to have a complete working waterline system; therefore, the additional work is in line with the current scope as follows: (1) The route of the new waterline must be modified due to obstructions discovered in the field, (2) the point of connection in several locations needs to be modified due to the condition of the existing infrastructure, and (3) the existing fire hydrants must be replaced due to significant deterioration; and

WHEREAS, the additional Scope of Work in Amendment No. 2 will be added to the original scope of work and specification in the original bid; and

WHEREAS, BME & Son's has agreed to the negotiated price of Six Hundred Ninety-One Thousand Six Hundred Ninety-Eight Dollars and Sixty-Five Cents (\$691,698.65) to complete all the additional work. The Port CIP Manager has reviewed Amendment No. 2 and finds the amount to be fair and reasonable based on cost comparison and pricing data in the original bid; and

WHEREAS, the approval of Amendment No. 2 for IFB-PAG-CIP-021-005 Waterline Replacement Project will ensure and enhance the port's capability to supply the water necessary to contain and extinguish a fire. The Port receives, transports, and stores a variety of cargo and materials, some of which is highly flammable and/or explosive, and in addition to the cargo, the specialized equipment utilized at the port contain significant quantities of fuel and other flammable fluids; and


WHEREAS, the Port is required to comply, with exception as permitted, with 33 CFR § 149.403, § 149.415, and § 149.420 of this part, further, all required firefighting and fire protection equipment on a deepwater port must be approved by the Commandant (CG-ENG); now therefore, be it

RESOLVED, that in accordance with PAG Docket 09-01 Contract Review Protocol, Section 10, wherein states: "PAG shall not incur expenses for PUC approved internally financed contracts and obligations in excess of 10% over the amount authorized by the Commission without PUC approval", the Port Authority Board of Directors authorizes Management to petition PUC for review and approval of Amendment No. 2; and be it further

RESOLVED, that the Chairperson certify to, and the Secretary attest to, the adoption hereof, and that a copy of this resolution be sent to the Public Utilities Commission.

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 26th DAY OF FEBRUARY, 2025.


DOROTHY P. HARRIS
CHAIRPERSON, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM


FE R. VALENCIA-OVALLES
SECRETARY, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM



BOARD OF DIRECTORS
Dorothy P. Harris, Chairperson
Conchita S.N. Taitano, Vice Chairperson
Fe R. Valencia-Ovalles, Board Secretary



Resolution No. 2025-09

RELATIVE TO MEMORIALIZING EFFORTS TO ENHANCE REVENUE SINCE 2019, IMPLEMENTING A METHODOLOGY TO SECURE CONTINUED REVENUE SUSTAINABILITY, AND PETITIONING THE PUBLIC UTILITIES COMMISSION (PUC) FOR APPROVAL OF THE 2025 TARIFF RATES REVENUE ENHANCEMENT.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PORT AUTHORITY OF GUAM:

WHEREAS, the Port Authority of Guam (PAG) serves as a critical economic hub for Guam, facilitating trade, commerce, defense, and transportation essential to Guam's economic development, regional security, and geopolitical stability; and

WHEREAS, PAG has maintained financial stability despite external challenges such as the COVID-19 pandemic, ongoing recovery from Typhoon Mawar, and rising operational costs, demonstrating strong management, extremely dedicated Port Strong employees, a supportive industry, and leadership guidance from Governor Lou Leon Guerrero, Lt. Governor Josh Tenorio, Port Board Chairperson Dorothy Harris, Port Board Vice Chairperson Conchita Taitano, and Port Board Secretary Fe Valencia Ovalles; and

WHEREAS, PAG has implemented various initiatives to enhance revenue and sustain operations, including adjusting operational expenditures, pursuing federal and local funding opportunities, updating tenant agreements and lease terms pursuant to applicable public law, and streamlining operations through cost-saving measures; and

WHEREAS, the Board recognizes the importance of ensuring PAG remains competitive, resilient, and compliant with regulatory requirements while addressing fiscal challenges; and

WHEREAS, the Board further acknowledges the need for transparency, inclusivity, and data-driven decision-making through a revenue enhancement methodology to sustain revenue and implement future strategies; and

WHEREAS, the PAG Board of Directors adopted Resolution No. 2025-01 to memorialize efforts to enhance revenue since 2019 and implement a methodology to ensure continued revenue sustainability; and

WHEREAS, since 2019, PAG has undertaken significant financial stabilization efforts, including enhancing operational efficiencies, optimizing workforce utilization, implementing stricter financial controls, and making internal adjustments within the tariff, all while maintaining service reliability without imposing significant rate increases on stakeholders; and

WHEREAS, the proposed adjustments do not constitute a general tariff increase but rather an effort to fully utilize the existing tariff structure by ensuring that all applicable charges are properly billed, aligning revenue collection with the cost of services provided by PAG; and

WHEREAS, PAG acknowledges the cooperation and understanding of its carriers, who have thus far not tied their own operational increases to the Port's tariff adjustments; and

WHEREAS, the adjustments include billing for services that have historically been provided but not consistently charged—such as third and fourth gangs, supervisor overtime, mechanic/electrician night differentials, and the use of a third gantry crane—ensuring fairness and financial sustainability while minimizing disruption to stakeholders; and

WHEREAS, despite global supply chain disruptions, rising operational costs, and inflationary pressures, PAG has sustained financial stability through strategic cost management, reinvestment in critical infrastructure, adoption of technology for process improvements, and securing federal funding for key modernization projects; and



WHEREAS, on July 6, 2022, Governor Lou Leon Guerrero allocated \$15 million in American Rescue Plan (ARP) funds to the Port Authority of Guam, with PAG and its Board of Directors agreeing with the Governor to pause efforts for tariff adjustments or increases for Fiscal Years 2023 and 2024; and

WHEREAS, since 2019, the General Manager of PAG has continuously led a comprehensive review of the tariff structure and billing practices, identifying potential underbilling for services rendered and directing an analysis to confirm these assumptions and identify revenue opportunities, ensuring that PAG fully exercises the revenue mechanisms available under the existing tariff before seeking further adjustments; and

WHEREAS, on January 31, 2025, the General Manager of the Port Authority of Guam sent formal letters to carriers and shipping agents outlining the proposed revenue enhancement methodology, labor rate adjustments, and throughput rate adjustments, providing them the opportunity to submit feedback; and

WHEREAS, at the request of the General Manager of PAG, and with the support of the Port's Chief Financial Officer, together with Finance and Tariff personnel, WSP conducted a Tariff Revenue Opportunities Analysis (Task 14.6) to evaluate the current tariff structure, billing practices, and revenue collection processes, ensuring PAG collects all revenue it is entitled to under the existing tariff before implementing a simplified tariff; and

WHEREAS, the analysis confirmed the General Manager of PAG's assessment that the Port had been underbilling for certain services and required an independent validation by WSP, which subsequently identified underbilling issues, including missed charges for third and fourth gangs could have generated \$110,000 in six months (January-June 2024), supervisor overtime and mechanic/electrician night differentials could have added \$32,323 in revenue in six months, and the use of a third gantry crane, with potential revenue gains of \$143,162 in early 2024, and an estimated \$900,000 over three years; and

WHEREAS, recommendations from the analysis include aligning operational practices with billing, establishing clear vessel service standards, conducting regular cost studies, and implementing proactive billing mechanisms to prevent revenue leakage and enhance financial sustainability, all of which were immediately implemented despite initial internal resistance, with the full, uncontested cooperation from the industry; and

WHEREAS, stakeholders have been given sufficient opportunity to provide input, and PAG remains committed to addressing reasonable concerns while ensuring financial stability and compliance with tariff regulations, noting herein that PAG remains committed to direct stakeholder engagement and will continue proactive outreach efforts leading up to and throughout the PUC review process to ensure industry concerns are considered; and

WHEREAS, it is in PAG's best interest to proceed with submitting the petition to the Public Utilities Commission (PUC) to ensure timely review and implementation of necessary tariff adjustments; and

WHEREAS, PAG Finance Division reviewed the tariff rates and the salary rates of the positions included in the activity; and

WHEREAS, the tariff rates were last updated on October 1, 2020, with a 1% increase based on a 5-year tariff adjustment in accordance with PAG Docket 17-01 approved by the Public Utilities Commission in April 2017; and

WHEREAS, PAG Docket 17-01 recommended that PAG return to the Commission for possible rate revisions if Guam's CPI exceeds 4% per annum, cargo throughput deviates by 5% from projected growth, PAG loses an appeal requiring a \$15 million arbitration award, or if crane replacements are required earlier than planned; and

WHEREAS, the Guam Consumer Price Index, Cost of Living Section, issued for the 3rd Quarter of 2024, states the CPI average percent change was 3.8%, 7.9%, and 8.7% for 2021, 2022, and 2023 respectively; and



WHEREAS, to ensure a structured and measured adjustment, PAG proposes a phased-in approach to tariff rate adjustments, implementing an 8.5% increase for the first four months from the date of implementation, followed by a full 17% increase from months five through twelve. This phased approach is designed to mitigate financial impact on stakeholders, minimize abrupt cost burdens on carriers, and allow industry partners time to adjust operations accordingly while enabling PAG to address inflationary pressures and operational costs in a sustainable manner; and now therefore be it

RESOLVED, that the Port Authority Board of Directors authorizes the General Manager to petition the PUC for consideration, review, and approval of the 2025 tariff rate revenue adjustments, including the proposed phased implementation of an 8.5% increase for the first four months and a 17% increase from months five through twelve, ensuring a structured transition for stakeholders and financial sustainability for PAG, with the understanding that PAG has made reasonable efforts to engage stakeholders, will present any industry feedback received during the PUC process, and retains the flexibility to amend its approach based on substantive concerns raised, including those that may be formally submitted to the PUC by industry representatives; and be it further

RESOLVED, that the Chairperson certify to, and the Secretary attest to, the adoption hereof, and that a copy of this resolution be sent to the Public Utilities Commission.

**PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF
DIRECTORS THIS 26th DAY OF FEBRUARY, 2025.**

**DOROTHY P. HARRIS
CHAIRPERSON, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM**

**FE R. VALENCIA-OVALLES
SECRETARY, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM**





PORT OF GUAM
ATURIDAT I PUETTON GUAHAN
Jose D. Leon Guerrero Commercial Port
1026 Cabras Highway, Suite 201, Piti, Guam 96915
Telephone: 671-477-5931/5 | Facsimile: 671-477-2689
Website: www.portofguam.com




Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

February 24, 2025

MEMORANDUM

To: Board of Directors

From: Rory J. Respicio, General Manager 

Subject: Funding Request for Employee Incentive Events: *Mes Chamoru*, Liberation Day, Labor Day, Port Week, Thanksgiving, and Christmas.

Throughout the year, the Port Authority holds events as part of its employee incentive program celebrating the Port strong men and women of the Port Authority of Guam. This year especially marks a special occasion as we will be celebrating the Port's 50th year Anniversary.

The theme befitting the celebration of this year's Port 50th Anniversary: "*Port Strong: 50 years of grit, resilience, and service fueling local and regional economies, partnerships, and national security.*"

It's been the GRIT – defined by perseverance, passion, and unwavering commitment – of every Port Authority employee that has kept the Port strong and resilient. This 'Port Strong' spirit, a testament to pushing through challenges with dedication and resilience, is the backbone of Guam's economy and an essential pillar of our national security. We honor each individual, past and present, whose grit has shaped a legacy that keeps Guam and our region moving forward.

In preparation and coordination for all of this year's festive activities, Board approval is being requested to allocate funding in the amount of up to \$85K. To help subsidize and off-set expenses, the Port's PAGGMA association will continue to hold fundraising events and also looking into in-kind contributions. Any remaining balance from an event will be applied towards the next function.

As practiced, PAGGMA Association will handle the disbursement of funds. A financial expense report will be submitted to the Finance Division that accounts for the expenditures. Any unused funds will be remitted back to the Port Authority.

I am available for any questions you may have.



PORT OF GUAM
ATURIDAT / PUETTON GUAHAN
Jose D. Leon Guerrero Commercial Port
1026 Cabras Highway, Suite 201, Piti, Guam 96915
Telephone: 671-477-5931/5 | Facsimile: 671-477-2689
Website: www.portofguam.com



Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

February 24, 2025

MEMORANDUM

TO: Board of Directors

FROM: Rory J. Respicio, General Manager *Rory Respicio*

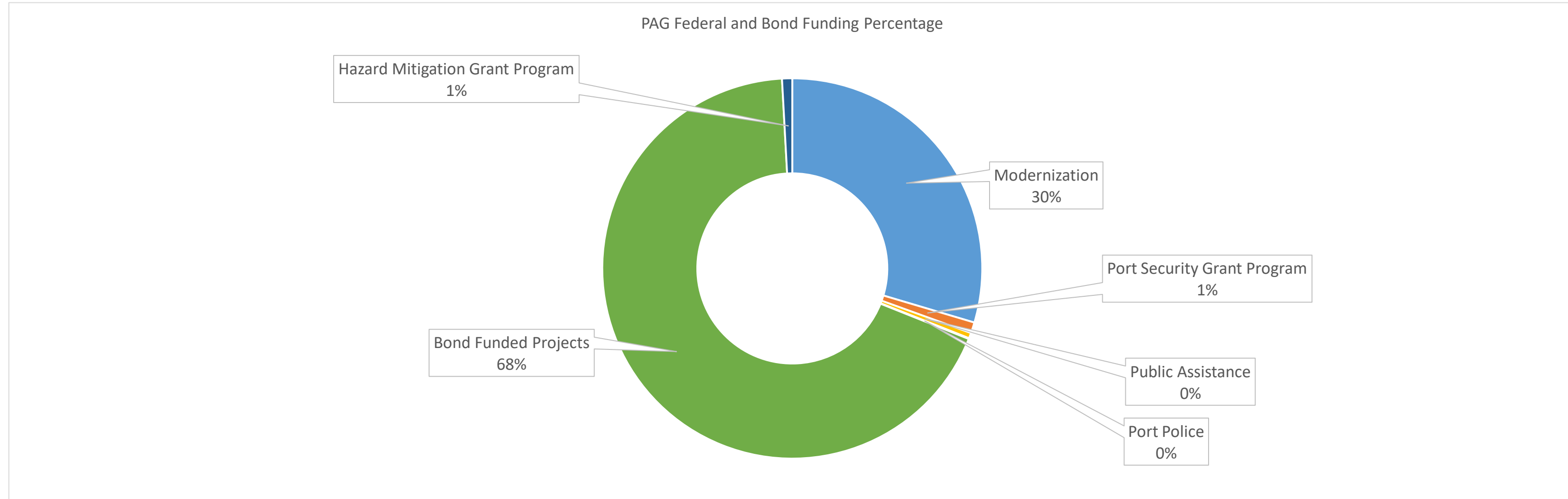
SUBJECT: **Request for Creation of Positions – Tariff Series**

In line with Board Resolution 2025-01 recognizing the implementation of various initiatives to enhance revenue and sustain operations, including but not limited to adjusting operational expenditures to ensure continued financial stability; continuing to pursue federal and local funding opportunities; ensuring tenant agreements and lease terms are updated pursuant to Public Law 30-19; and continuing to streamline operations and adopting cost-saving measures, Board approval is being requested to proceed in the creation of positions within the Tariff series.

As part of revenue enhancement efforts, prior initiatives have taken effect in accordance with the Port's terminal tariff, such as with shift schedules on half-shift/full-shift application and bare chassis billing management to include the labor charge-out rates that is currently underway. In ensuring the application of the tariff is applied accordingly, the creation of the tariff series will advance the progress and development as well as provide the necessary support in tariff management, coding, analysis, tariff regulation enforcement, preparation of reports/invoices, billings, and ensuring compliance.

Your approval in authorizing the creation of the tariff series is greatly appreciated. I am available for any questions you may have.

**FY 2025 Port Grant/Bond - Monthly Update
As of February 24, 2025**



Grant Funded Projects	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
Modernization	\$33,853,222.00	\$6,394,357.80	\$27,458,864.20		
GR882-21-08 - PAG Construction Technical Oversight Services	\$1,500,000.00	\$1,462,112.43	\$37,887.57	P.O. No. 17424-OS for \$1,500,000.00	Close out report and deliverables submitted to Community Defense Liason Office. NO UPDATES
GR882-22-02 Growth Port Authority of Guam In-Water Infrastructure Study	\$1,200,000.00	\$1,117,713.00	\$82,287.00		UPDATE: All invoices have been paid and reimbursement requests submitted to the Community Defense Liason Office, along with the grant closeout report and final deliverables. Tasks were completed under budget.
GR882-23-04 Port Owner's Agent Engineer Services	\$1,450,000.00	\$1,175,132.33	\$274,867.67		Grant award notification was recieved on August 1, 2023. MOA signed by Governor - October 4, 2023; TO #14 signed by GM - January 1, 2024. The POP concluded on November 30, 2024. UPDATE: Deliverables and final close out report were submitted to the CDLO on February 20, 2025. Pending submission of final reimbursement request in the amount of \$269,054.77.
07-79-07614 - F1 Pier to Golf Pier Fuel Connectivity Project	\$2,413,091.00	\$0.00	\$2,413,091.00	RFP-PAG-022-003 - A&E DESIGN CONSULTING SERVICES For The Installation of a Fuel Pipeline System for F1 Pier and Golf Pier Connectivity	UPDATE: Amorient submitted the 100% Design Submittal; including the basis of design, drawings, and specifications on February 14, 2025. Amorient to submit pending items, to include BSP Federal Consistency Concurrence, cathodic protection stamped drawings and site certificate form.
D20AP00136 - Phase 1: Port Authority of Guam - Welding Shop	\$240,325.00	\$0.00	\$240,325.00	PO No 20385OS for \$386,379.00 to Guam Evergreen Corp.	The Notice to Proceed (NTP) was issued on December 6, 2024 and commenced on December 10, 2024. Work began on January 22, 2025. UPDATE: Work on the roof is ongoing and exterior spall repair has begun.
D21AP10142 - Phase 2: Port Authority of Guam - Welding Shop	\$151,850.00	\$0.00	\$151,850.00		The procurement packet is being developed for the specialized welding equipment. UPDATE: Status Quo
D22AP00124- Generator Maintenance & Sustainment Program	\$165,375.00	\$20,291.04	\$145,083.96	PO#18867OS -1st year contract services for \$65,000.00 to Hawthorne Pacific Corp. PO#20005OS- 2nd year contract services for \$65,000.00 to Hawthorne Pacific Corp. Generator Parts POs: PO#193080OS and PO#193110S Landscape Management Systems Inc. \$4,314.00; PO#19310OS, PO#19313OS, PO#19315OS Far East Equipment Co. LLC. \$9,346.11; PO#19309OS, PO#19312OS, PO#19314OS Hawthorne Pacific Corp. \$11,046.35	Grant award notification was received on June 29, 2022. POP: May 19, 2022 - September 30, 2025. UPDATE: On Jan. 23, 2025, the PAG received approval for its no-cost extension request to September 30, 2026. This will allow the Port to fully execute Year 3 of the technical service contract. The PAG Facilities Maintenance Division has also begun the procurement for needed generator parts.

**FY 2025 Port Grant/Bond - Monthly Update
As of February 24, 2025**

Grant Funded Projects	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
98T27101/98T34801/98T77501 - Diesel Emissions Reduction Act (DERA) - Tractor Replacement	\$676,609.00	\$376,609.00	\$300,000.00		PAG Procurement issued PO no. 20063-OS on August 27, 2024 for the purchase of two units under grant 98T77501. Delivery is anticipated within 250 days. PAG submitted final reports for grants 98T27101 and 98T34801 on October 30, 2024. An application to replace two additional terminal yard tractors was submitted under the FY2024 DERA Territory Grant on December 6, 2024. UPDATE: STATUS QUO - FY 2024 Grant application status pending review by US EPA. FY2022 DERA grant no. 98T77501 - pending delivery of equipment (2 tractors), AMH (PO 20063-OS). Estimated Delivery Date: May 1, 2025
MARAD AMHP - Acquisition of Specialized Container Yard Equipment	\$5,703,560.00	\$2,242,500.00	\$3,461,060.00	PO Nos. 19083/84-OS for \$2,689,408.00 and 2,205,723.00, respectively.	The Grant Agreement for MARAD FY 2022 America's Marine Highway (AMH) Grant No. 693JF72340007 was effectuated on August 4, 2023. The telescopic boom lift, reefer generators, and nine (9) terminal yard tractors are anticipated to be delivered November 2024 (boom lift) and March 2025 (generators and tractors). 180-ft telescopic boom lift was delivered November 22, 2024. On December 11, 2024, MARAD Senior Grants Management Specialist notified the PAG of its approval to purchase five 5.5-ton forklifts under the BABA waiver for Pacific Island Territories. Contract and purchase order were issued on December 13, 2024. UPDATE: Maintenance is coordinating with Finance and Procurement to process the requisition to conduct a load test for commissioning of the equipment. Nine (9) terminal yard tractors are scheduled to arrive on February 28, 2025 per correspondence with the vendor.
MARAD RAISE - Wharves Service Life Extension Hardening of Wharves F1-F6	\$17,941,997.00	\$0.00	\$17,941,997.00	PAG's OAE Task Order 11, Subtask 11.9 - P.O. was issued to WSP to conduct the HABS/HAER Study mandated by State Historic Preservation Officer (SHPO). Task Order 15 - P.O. 19948-OS was issued to WSP to conduct an Environmental Assessment.	On August 22, 2024, the Office of the Secretary approved a no-cost scope modification request to address damages to berths F2 through F6. Before finalizing the grant agreement, pre-NEPA field surveys must be completed. To ensure project success, public scoping meetings were held with federal and local agencies to discuss the project details and benefits. On November 26, 2024, PAG requested Historic American Engineering Record (HAER) numbers for Pier F-1 and Berths F2 to F6 from the National Park Service (NPS) and is awaiting their assignment, along with feedback on the review of the HAER Mitigation Report and Photo Scans. The environmental assessment remains active, with progress guided by consultants and pre-NEPA consultations. Monthly updates are provided to Team MARAD. UPDATE: The PAG and consultants reviewed the draft letter and checklist in preparation for the final submission of the assigned HAER numbers from the NPS. The draft final has been prepared; however, it is still awaiting photos. The Guam EA office received the photos in February and is now working on labeling and packaging them, though additional materials may need to be ordered. Status: Ongoing.
U.S. EPA Clean Ports Program - Net Zero Emissions Strategy Update and Implementation Plan	\$2,410,415.00	\$0.00	\$2,410,415.00		On Dec. 19, 2024, PAG received the Notice of Grant Award/Grant Agreement to fund the PAG Net Zero Emissions Strategy Update and Implementation Plan project. On Jan. 16, 2025, PAG planning staff, with its sub-awardee, WSP, and Board Co-Chairperson Conchita Taitano, attended the Clean Ports Program Kick-Off Meeting with U.S. EPA program staff. UPDATE: PAG is in the process of finalizing its review comments on the proposed task order, while concurrently, WSP is updating it based on the initial feedback.
Port Security Grant Program	\$1,055,248.00	\$935,188.71	\$120,059.29		
EMW-2021-PU-00230-S01 - Acquisition of Vessel Tracking/Radar Intrusion System	\$267,773.00	\$267,773.00	\$0.00	PO No. 187300S- G4S Security System \$347,000.00	IFB-PAG-013-22 published on August 15, 2022. Bid opening held on 10/24/2022 with one (1) submission. A budget request to utilize portion of remaining IJ #2 funding to cover any shortfall of IJ #1 was reviewed and approved FEMA on 2/4/2023. Awarded to G4S Security Systems. Project was completed on November 6, 2023 and warranty is for one (1) year up to November 6, 2024. UPDATE: Project Completed.

**FY 2025 Port Grant/Bond - Monthly Update
As of February 24, 2025**

Grant Funded Projects	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
EMW-2021-PU-00230-S01 - Acquisition of Transportation Worker Identification Credentialing (TWIC) System	\$98,478.00	\$96,338.50	\$2,139.50	PO No. 182120S- ComPacific \$61,012.00 PO No. 190190S- ComPacific \$58,178.00 PO No. 178270S- DMR \$6,542.00	Award issued to ComPacific and equipment was delivered on September 29, 2022. Project Completed. A budget request to use remaining balance to purchase additional units was reviewed and approved by FEMA on 2/4/2023. On July 7, 2023 a second purchase order #190190S was cut for 6 additional TWIC handhelds and accessories as well as to cover the third year subscription service. The remaining TWIC handhelds and accessories were delivered on September 21, 2023. The remaining funds will be used to purchase a monitor to be used at Port Police's dispatch center to access the TWIC system. UPDATE: Procurement is currently ongoing for the monitor.
EMW-2022-PU-00149 - Acquisition of Unmanned Aerial Vehicles (UAV)	\$74,290.00	\$0.00	\$74,290.00		Revised DRAFT policy resubmitted to FEMA Program Manager on Nov. 14, 2024. Revisions made were based on FEMA's comments on first draft. This policy must be approved by FEMA prior to commencing the procurement process. Port Police re-submitted its revised UAV Policy and Procedures to FEMA for review and concurrence. Currently waiting on notification. UPDATE: Status Quo.
EMW-2022-PU-00149 - Primary Communications Replacement of Motorola Radio Units	\$405,478.00	\$404,107.16	\$1,370.84		Grant was awarded on September 1, 2022. On July 12, 2023 Procurement issued purchase order #190230S to Motorola and Port Police recieved the units on November 28, 2023. Port Police worked with Guam Police Dept. for radio programming and is working with Finance on tagging the assets. Distribution of radio units is in progress. UPDATE: Radio distribution to respective individuals and as determined by Port General Manager was completed.
EMW-2022-PU-00149- Integrated Digital Enhanced Network (iDEN) Technology Redundant Interoperable Communications System Service	\$84,450.00	\$48,790.79	\$35,659.21	PO No. 18297-OS IT&E \$35,013.36 PO No. 19528-OS IT&E \$47,058.00 PO No. 201610S IT&E \$48,174.00	Grant was awarded on September 1, 2022. iDEN Services are ongoing provided by IT&E (Period of October 1, 2022 - September 30, 2023.) Third year purchase order issued for the period of October 1, 2024- September 30, 2025. UPDATE: Status Quo. Communication service ongoing. For FY2025 PSGP, the Port will apply to ensure continuity of service.
EMW-2023-PU-00298 - Acquisition of Two (2) Port Police Boat Trailers	\$42,003.00	\$35,751.26	\$6,251.74		Guam Home Center was awarded Purchase Order #197420S on March 19, 2024. UPDATE: Project Complete. Trailers have been delivered to the Port.
EMW-2023-PU-00298 - Acquisition of Port Police Durabooks and Accessories	\$43,378.00	\$43,125.00	\$253.00		MD Wholesale was awarded Purchase Order #197770S on April 1, 2024. Laptops delivered to PAG IT and are currently being configured and distributed to Port Police. UPDATE: Project complete, laptop units have been distributed to Police personnel.
EMW-2023-PU-00298 - Port Police Division Acquisition of Personal Protection Equipment (PPE)	\$39,398.00	\$39,303.00	\$95.00	PO NO. 202110S Code 1 Law Enforcement Equip. & Supply \$39,303.00	Notice of award - August 25, 2023. UPDATE: Port Police received the fast helmets and plate carriers with plates on January 5, 2025.
Public Assistance	\$530,517.90	\$310,216.07	\$220,301.83		
4398DR - Typhoon Mangkhut #66352	\$530,517.90	\$310,216.07	\$220,301.83		Fendering project was completed on September 30, 2022. Requested no-cost time extension for the Management & Admin. project (CAT Z) Project #99994 up to March 1, 2023. All work was completed between December 2018 through September 30, 2022. The final reimbursement payment from GHS/OCD was recieved by the PAG on October 13, 2023. UPDATE: Project Completed and Reimbursed.
Hazard Mitigation Grant Program	\$989,564.00	\$537,824.38	\$451,739.62		
Fendering System Hardening Project	\$603,689.00	\$151,949.38	\$451,739.62		IFB-PAG-CIP-022-008 posted on August 26, 2022. Pre-bid conference held on Sept. 7, 2022 and Site visit conducted on Sept. 9, 2022. Bid opening held on Oct. 27, 2022, 2:00 pm. Contract awarded to Cabras Marine. Notice to Proceed was given to Cabras Marine on January 10, 2023. Original project scope was 15 arch fenders and 11 cylindrical fenders. After Typhoon Mawar, a request was submitted to descope the damaged fenders from this HMGP project and add rubber arch fenders not included in original SOW. PAG received notification that FEMA approved the amendment on August 28, 2024. POP end date is May 15, 2025. UPDATE: Pending acceptance of costs, contract will be amended to reflect the new scope. Request for extension to be submitted to GHS.

**FY 2025 Port Grant/Bond - Monthly Update
As of February 24, 2025**

Grant Funded Projects	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
Warehouse 1 Hardening Project	\$385,875.00	\$385,875.00	\$0.00		IFB-PAG-CIP-022-009 posted on Sept. 13, 2022. Pre-bid conference held on Sept. 20, 2022 and Site visit scheduled for Sept. 23, 2022. Bid opening was completed on October 20, 2022. There were two (2) bid submissions received by the deadline. Both bids were opened and the documents were reviewed by the Port Staff Attorney as well as the Procurement and Engineering divisions. Meeting held on December 7, 2022 with lowest bidder to discuss submission and specifications. Awarded to IAN Corporation. Notice to Proceed was given to IAN Corp on April 16, 2023. Grant Period of Performance end date is March 18, 2024. Project date of completion is March 1, 2024 with a one (1) year warranty period through March 2, 2025. UPDATE: Project Complete.
Port Police	\$80,000.00	\$0.00	\$80,000.00		
PT24-03-03PPD - Operation A'dai He'Hao	\$80,000.00	\$0.00	\$80,000.00		OHS has authorized the PAG to begin grant activities. Speed enforcement activities will be scheduled as soon as possible. UPDATE: Speed enforcement activities are pending the completed training of the new hires.
Bond Funded Projects	\$77,886,440.00	\$11,978,140.38	\$65,908,299.62		
New Administration Building	\$10,445,000.00	\$0.00	\$10,445,000.00		Project is currently on hold pending Management decision. Engineering has been instructed to develop Scope of Work to repair concrete cracks and spalling and made a priority. UPDATE: Status Quo
Waterline Replacement and Relocation	\$6,000,000.00	\$3,732,864.74	\$2,267,135.26	PO No. 177900S for \$4,856,568.91 awarded to BME & Sons Inc.	Pipe installation along wharves F4 to F5 is ongoing. The first section of the new waterline near the fire water tank has been connected. Work has begun near the main gate to connect the new waterline and additional work that includes the installation of new fire hydrants to meet fire code standards. UPDATE: A change order has been conditionally approved for the new fire hydrants. Installation of the waterline has progress to the devanning ramp and Warehouse 1.
EQMR Building Repairs and Upgrades	\$3,628,800.00	\$2,902,549.73	\$726,250.27	PO No. 180070S for \$3,980,000.00 awarded to JJ Global Service	The repair & paint work as well as lead based paint abatement has been completed. Electrical work is ongoing. The next step is installation of the fire sprinkler system. Additional work has been approved that includes the installation an awning at the building's external work area. UPDATE: Status Quo.
Warehouse 1 Repairs and Upgrades	\$2,000,000.00	\$510,715.68	\$1,489,284.32	RFP No. 2019-03 - A&E Design awarded to NC Macario	The Construction IFB was published on November 25, 2024. UPDATE: The bid opening was held on February 5, 2025. The bid analysis has been completed and submitted to the General Manager for consideration along with the Notice of Award.
Golf Pier Repairs and Improvements	\$2,000,000.00	\$372,147.93	\$1,627,852.07	RFP No. 2019-02 - A&E design for \$484,000 awarded to NC Macario	Golf Pier was rendered inoperable after Typhoon Mawar. The PAG along with its OAE have developed cost estimates that are currently under review by FEMA. This review is ongoing. UPDATE: FEMA recently published the BRIC NOFO where there is a ceiling of \$2M per applicant under the State/Territory Allocation program. The other 2 programs are the Tribal States (which also has a \$2M cap) and the National Competition Program which has a cap of up to \$50M for Hazard Mitigation projects and capacity building activities.
Rehabilitation of "H" Wharf	\$46,331,895.00	\$1,740,063.86	\$44,591,831.14	PO No. 17043-OF for \$2,249,945.54 awarded to GHD Inc. New Contract Amount: \$2,656,621.37 PO No. 18140-OS was issued to Sumitomo Mitsui Construction Company, Ltd. for \$46,331,895.00	Resolution No. 2024-01 authorized the PAG GM to temporarily pause H-Wharf construction, procure additional gantry cranes, and establish comprehensive strategic measures for port operational enhancement and financial reallocation. WSP finalized the design to ensure compliance with the latest engineering codes. UPDATE: Status Quo
Other Priority Projects	\$4,980,745.00	\$222,668.79	\$4,758,076.21		1. Please refer to MARAD RAISE - Wharves Service Life Extension Hardening of Wharves F1-F6 for more information. 2. The TOS Upgrade scope of services is under Procurement and Legal review. UPDATE: Status Quo
Other Priority Projects - EnterpriseOne Financial Management System	\$2,500,000.00	\$2,497,129.65	\$2,870.35		Module updates are ongoing for vessels and SSRs. An RFP for joint comprehensive support services with GPA, GIAA, and the lead agency GWA is ongoing. The PAG is also exploring additional applications such as employee self serve and dashboards. UPDATE: The PAG is also exploring preventative maintenance modules and content management.
Grand Total	\$114,394,991.90	\$20,155,727.34	\$94,239,264.56		

PORT AUTHORITY OF GUAM
CONTRACT SUMMARY UPDATE

No.	Consultant/Vendor	Type of Service	Solicitation Method Reference No.	Division	Contract Term	Initial Term	Expiration After Options	Next Renewal Due Date	Annual Amount (Comments / Notes)
PROFESSIONAL SERVICES									
1	A1 - Guam WEBZ	Web Development, Hosting, Support and Maintenance Srvcs	IFB-002-20	IT	3 years w/2 1 yr options	04/01/2020 to 03/31/2023 w/ 2 1yr options	03/31/25	03/31/24	New RFP issued, submittal date is 2/26/25
2	Allied Human Resources	Temporary Staffing Services	RFP 024-002	HR					Currently in Negotiations
3	AM Insurance	Insurance Coverages	GSA/PAG-015-22	Finance	5 years	10/01/2022 to 09/30/2023	09/30/27	09/30/24	Premium Based/Annual renewal
4	AM Insurance	Workers Compensation Coverages	IFB-PAG-011-23	Finance/Safety	3-years				In cost negotiations
5	Matson	PMC for Gantry Cranes	RFP-020-005	EQMR	5 years with options to 20 years	11/05/21 to 11/05/26		11/05/26	\$200K per annum
6	Bank of Guam	Banking Services	RFP 020-004	Finance	5 years	5/14/21 to 5/13/26	05/14/26	05/14/26	
7	Mobil Oil Guam	Management and Operations of Golf Pier	RFP-PAG-021-002	Commercial	5 years	Month to Month Lease Agreement			Golf Pier Damaged from Typhoon Mawar
8	Island CERTS Corp.	OSHA Training & Certification Services for Maritime Terminal Operations	RFP-024-001	Human Resources	5 years	05/24/24 to 05/23/29			
9	Pacific Human Resources, Inc.	Drug Free Workplace Program	RFP-020-003	Human Resources	Initial 3yr term with 2 add'l one year options, not to exceed 5 yrs	06/15/20 to 6/14/2023	06/15/25	06/15/24	Final Year
10	Milo Appraisals	Real Estate Appraisal Services	RFP-021--004	Commercial	3yrs w/ 2 option	10/06/21 to 10/05/24	10/05/26	10/05/24	Task Order based
11	International Health Providers IHP	Medical Examination Services	RFP-022-005	Human Resources	3 yr. w/ 2 options NTE 5 years	06/14/23 to 06/13/26 w/ Two 1yr options NTE 5yrs	06/13/28	06/13/26	Fees based on rates
12	Tristar Terminal Guam	M & O of F-1 Fuel Pier Facility	RFP-019-004	Commercial	5 years	04/01/21 to 03/31/26	04/01/21	03/31/26	
13	Ernst & Young	Annual Independent Audit Services	RFP 022-004	Fiscal	3 years w/2 1 yr option	FY22, FY23, FY24, (FY25 Option)	2025	2024	
14	WSP USA Inc.	OAE - Owner Agent Engineer	RFP-021-003	Planning	2 yr w/ 3 options NTE 5 yrs	10/22/21 to 10/21/23	10/22/26	10/23/25	\$1.5M

PORT AUTHORITY OF GUAM
CONTRACT SUMMARY UPDATE

No.	Consultant/Vendor	Type of Service	Solicitation Method Reference No.	Division	Contract Term	Initial Term	Expiration After Options	Next Renewal Due Date	Annual Amount (Comments / Notes)
15	N.C. Macario & Associates	A/E Design and Consulting Services Golf Pier	RFP 019-002	Engineering	3 years w/2 1 yr options	11/20/19 to 11/19/22	11/19/2024	11/20/2022	Did not renew
16	N.C. Macario & Associates	A/E Design and Consulting Services EQMR, Warehouse No.1, Waterline Relocation	RFP 019-003	Engineering	3 years w/2 1 yr options	02/05/20 to 02/04/23	2/5/2025 final year	2/4/2024	\$1,406,427.48
17	GHD	Construction Management Services	RFP 020-002	Engineering	Initial 2 years with 3 add'l One year options not to exceed 5 yrs	3/15/21 to 3/14/23	3/15/2025	3/14/2024	Did not renew
18	AM Orient	A&E Design of Fuel Pipeline System	RFP 022-003	Planning/CIP		6/28/23 to 6/27/25 w/ 1 option	6/27/2026	6/27/2025	\$471,588.55

CONSTRUCTION CONTRACTS

No.	Consultant/Vendor	Type of Service	Solicitation Method Reference No.	Division	Contract Term	Contract signed	Expiration After Options	Next Renewal Due Date	Annual Amount (Comments / Notes)
1	Sumitomo Mitsui Construction Company	Re-bid - Construction Rehab of H-Wharf and Hwy 11 Roadway Reconstruction	IFB-022-002	CIP/Planning	790 Calendar days from NTP	8/9/2022			\$47M approx.
2	Guam Shipyard	Design Demolition of 5 inoperable Port Cranes and One Barge at F-6	MS IFB 021-002	CIP/EQMR	410 calendar days	9/10/2021			\$2,573,155.00
3	BME and Sons	Waterline Replacement Project	IFB -021-005	CIP	365 calendar days from NTP. Amended to Extend to 12/31/24	3/9/2022			\$4.8M
4	Cabras Marine Corp	Supply/ Install New 11 ea. Cylindrical Fendering System at F3 & F5 Rubber Leg Arch Fenders at F4 to F6	IFB 022-008	CIP	243 calendar days from NTP. Amended to Extend to 12/31/24	12/22/2022			\$301,077.47
5	JJ Global	EQMR Building Repair & Maintenance Project	IFB 021-010	CIP	540 days from NTP Amended to Extend to 09/30/24	5/10/2022			\$2,798,009.83
6	Guam Evergreen Construction Corp	Welding Shop Repairs & Upgrades	IFB-024-002	CIP/Planning	365 calendar days from NTP	Pending 100% Bonding			
7	Guam Evergreen Construction Corp	Yard Pole Signage	IFB-024-005	CIP	274 calendar days from NTP signed 8/19/24	8/14/2024			\$324,000.00
8	Guam Evergreen Construction Corp	Roof Vent Repairs WH1	IFB-024-003	CIP	182 Calendar Days from NTP	9/4/2024			\$225,000.00
9	Surface Solutions	Painting of Various PAG Buildings	IFB-024-006	CIP	270 calendar days from NTP				\$85,999.15
10	Guam Evergreen Construction Corp	F3-F6 Bulkhead Repairs	IFB-024-007	CIP	270 Calendar Days from NTP				\$289,600.00
11	BME and Sons	WH1 Maintenance Project	IFB 024-004	CIP	540 Calendar days from NTP				\$4,838,000.00

Status as of February 21, 2025

Fact Sheet No. **131**

**Project Status
Post-Award Projects**

Project Title	EQMR Building Maintenance
Project Number	IFB-PAG-CIP-021-010
Project Amount	\$ 2,500,000.00
Work in Progress (WIP)	83%
Funding Source	PAG
Contractor	JJ Global Services
Designer of Record	NC Macario and Associates
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	January 3, 2023
Project Completion Date	05/26/2025
<p>Current Status: Removal and Installation of Electrical Components – Ongoing Retrofit of EQMR Canopy Approved. Design and Construction Preparation has been initiated. Fire Protection Installation forth coming.</p>	

Project Title	PAG Waterline Replacements
Project Number	IFB-PAG-CIP-021-005
Project Amount	\$ 4,856,569.00
Work in Progress (WIP)	77% Complete
Funding Source	PAG
Contractor	BME & Sons
Designer of Record	NC Macario and Associates
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	March 21, 2022
Project Completion Date	01/29/26
<p>Current Status: Installation of New waterline is on-going.</p>	

Project Title	Design, Demolition, Removal & Proper Disposal of 5 Inoperable Cranes and Optional Removal/Disposal on one Barge YFN816
Project Number	IFB-PAG-CIP-021-002
Project Amount	\$ 2,573,155.00
Work in Progress (WIP)	85% Complete
Funding Source	PAG
Contractor	Guam Shipyard (Guam Industrial Services, Inc.)
Designer of Record	PAG In-House
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	September 13, 2021
Project Completion Date	November 15, 2024
<p>Current Status:</p> <p>Demolition of All Cranes and YFN-816 has been completed.</p> <p>The entirety of YFN-816 Barge has been containerized. Disposal Pending.</p> <p>Disposal of Gantry #3 is ongoing. Concrete counter weights will require demolition in order to dispose of sill beam.</p> <p>Repair of pavement and concrete at Wharf F4 is needed.</p> <p>Remaining Material at the designated Route 11 laydown area remains to be disposed.</p> <p>NO ACTIVITY in February</p>	

Project Title	Rehabilitation of H-Wharf and Access Road
Project Number	IFB-PAG-CIP-022-002
Project Amount	\$ 46,331,895.00 (Original Amount: \$23,000,000.00)
Work in Progress (WIP)	30% Complete
Funding Source	TIGER Grant and PAG Revenue Bond
Contractor	Sumitomo Mitsui Construction Co. LTD (SMCC)
Designer of Record	WSP
Construction Manager	GHD Engineering
Notice to Proceed Issued	TBD (On-Hold)
Project Completion Date	TBD
<p>Current Status:</p> <p>On-Hold</p>	

Project Title	Yard Poles/Signage Replacement Project (34 EA.)
Project Number	IFB-PAG-CIP-024-005
Project Amount	\$324,000
Work in Progress (WIP)	95%
Funding Source	PAG Funds (FEMA Reimbursable)
Contractor	Guam Evergreen Corp.
Designer of Record	N/A
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	August 19, 2024
Project Completion Date	May 5, 2025
Current Status: All 36 Signage Poles have been Installed. Close-Out Process has been initiated.	

Project Title	Warehouse 1 Roof Vents Replacement Project
Project Number	IFB-PAG-CIP-024-003
Project Amount	\$225,000
Work in Progress (WIP)	38% Complete
Funding Source	PAG Funds (FEMA Reimbursable)
Contractor	Guam Evergreen
Designer of Record	N/A
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	September 4, 2024
Project Completion Date	March 5, 2025
Current Status: WH1 Roof Vents have been installed. Close-Out Process has been initiated.	

Project Title	Repainting of Misc. PAG Buildings
Project Number	IFB-PAG-CIP-024-006
Project Amount	\$85,999.15
Work in Progress (WIP)	Complete
Funding Source	PAG Funds (FEMA Reimbursable)
Contractor	Surface Solutions
Designer of Record	N/A
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	October 7, 2024
Project Completion Date	July 4, 2024
Current Status: Complete	

Project Title	Welding Shop Maintenance and Repair Project
Project Number	IFB-PAG-CIP-024-002
Project Amount	\$386,370
Work in Progress (WIP)	10%
Funding Source	OIA Grant + PAG funds
Contractor	Guam Evergreen Corp.
Designer of Record	N/A
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	12/10/24
Project Completion Date	12/10/25
<p>Current Status: Contractor has begun submitting project documentation. Contractor will begin exterior work on January 22, 2025.</p>	

Project Title	F3 – F6 Bulkhead Repair
Project Number	IFB-PAG-CIP-024-007
Project Amount	\$289,600
Work in Progress (WIP)	0% Complete
Funding Source	PAG Funds (FEMA Reimbursable)
Contractor	Guam Evergreen Corp
Designer of Record	
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	02/17/25
Project Completion Date	11/14/2025
<p>Current Status: Notice to Proceed issued on 2/14/25. Contractor to submit administrative submittals for review and approval.</p>	

Pre-Award Project

Project Title	Warehouse 1 Building Maintenance
Project Number	IFB-PAG-CIP-022-009
Project Amount	\$ 4,215,000.00
Work in Progress (WIP)	0% Complete
Funding Source	PAG Bonded Project
Contractor	TBD
Designer of Record	NC Macario & Associates
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	TBD
Project Completion Date	TBD
<p>Current Status: Bid Opening Complete. BME & Sons was identified as the Lowest Bidder. Award Pending.</p>	

Project Title	Harbor Master Office + Admin Structural Repairs
Project Number	TBD
Project Amount	\$ 250,000 (Estimate)
Work in Progress (WIP)	0% Complete
Funding Source	PAG Funds
Contractor	TBD
Designer of Record	TBD
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	TBD
Project Completion Date	TBD
<p>Current Status: SOW drafted and Cost Estimate developed, will request account number after comments are addressed.</p>	

Project Title	Golf Pier Replacement Project
Project Number	TBD
Project Amount	\$ 82.0 M
Work in Progress (WIP)	0% Complete
Funding Source	FEMA PA/HMGP
Contractor	TBD
Designer of Record	TBD
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	TBD
Project Completion Date	TBD
<p>Current Status: TS Mawar damages resulted in the pier's inoperability. Discussion with FEMA and USACE on-going with respect to design and construction cost.</p>	

Project Title	New Administration Building
Project Number	TBD
Project Amount	\$15-20 M (Current Estimate)
Work in Progress (WIP)	TBD
Funding Source	TBD
Contractor	TBD
Designer of Record	TBD
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	TBD
Project Completion Date	TBD
Current Status: Project is Pending fund allocation.	

Port Authority of Guam
Operations Division Report
JANUARY 2025

I. OVERVIEW

Vessel Calls	27
Cans Handled	7,462
Special Service(s)	98

a. Productivity

Vessel Op	Avg NMPH	TOP GANG	M/Hr
Matson:			
Domestics	27.7	2	31.6
Feeders	20.9	1	25.5
MSA:			
Barges/Merdian	23.9	5	30.0
Mariana	14.6	5	22.0
Triton	0.0	0	0.0
Kyowa	19.2	4	25.6
MELL:			
Kotas	24.6	4	26.7
APL:			
OCEANIA/ISLANDER/PRES	25.3	2	28.3

b. Equipment Status

As of : 01/31/2025	ON HAND	UP	RM	Repair
GANTRYs	3	3		0
TOP LIFTERS	11	4		7
SIDELOADERS	3	3		0
20T FORKLIFT	2	2		0
10T FORKLIFT	4	2		2
5T FORKLIFT	8	4		4
TRACTORS	27	12		15

II. YEAR TO DATE

a.

Vessels_YTD	97
-------------	----

b. Can_Cnt YTD

JANUARY	FY24		FY25		Variance	
	I	E	I	E	I	E
Local	11907	11827	11196	11185	-6%	-5%
TS	2004	1890	2494	2511	24%	33%
TSMT	759	781	695	796	-8%	2%
Others (OS/Sh/Reh)	491	490	150	163	-69%	-67%
TTL	15161	14988	14535	14655	-4%	-2%

FY-25 WORK INJURY REPORT
(01/01/25 to 12/31/25)

<u>Divisions</u>	<u>*Lost-time</u>	<u>**Recordable</u>	<u>*** Refused Treatment</u>
Stevedoring	0	0	0
Transportation	0	0	0
Terminal	0	0	0
EQMR	0	1	0
Port Police	0	1	0
Admin	0	0	0
Total:	0	2	0

Work Injury Summary for this reporting period: 2/20/2025

Total Injuries for FY-25 to date: 2–Injury

0-- Lost-time

2– Recordable

0– Refused Medical Attention

Last disabling work injury was on: 2/06/25

Number of days since last work injury: 14-days

Note: PAG best record was 222 days or 7 months w/o a disabling work injury

***Lost-time** = If an employee was injured on the job and medical doctor sent him/her home, his/her injury is considered a lost-time.

****Recordable** = If an employee was injured on the job and medical doctor treated him/her and released him/her back to work on the same day (Recordable because of medical charges).

*****Refused Medical Attention:** Filed WC Forms 201 & 202 for record purposes only.
