



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

REGULAR MEETING OF THE BOARD OF DIRECTORS
Jose D. Leon Guerrero Commercial Port
Friday, May 31, 2024
Virtual Board Meeting
3:00 p.m.

A G E N D A

- I. CALL TO ORDER
- II. APPROVAL OF MINUTES
 1. April 25, 2024 – Regular Board Meeting
- III. PUBLIC COMMENTS:
 - a. Public Comments
 - b. Employee Comments
 - c. PAGGMA Association
- IV. GENERAL MANAGER'S REPORT
- V. OLD BUSINESS
 1. Realignment of Port Organizational Structure and Amendment of Job Standards.
REF: Board Resolution No. 2023-15 Relative to authorizing the General Manager to proceed with realignment of the PAG's organizational structure and to amend classified job specifications and to retire vacant, obsolete positions to streamline roles and responsibilities and optimize organizational effectiveness.
 2. Authorization to proceed with request for creation of position: Environmental Compliance Administrator.
- VI. NEW BUSINESS
 1. Adoption of Resolution No. 2024-05 relative to establishing a new checking account at Bank of Guam for the Port Authority of Guam.
 2. Adoption of Resolution No. 2024-06 relative to approving the realignment of the Port Authority of Guam's organizational structure and amendment of job standards as authorized under Title 4, Guam Code Annotated, Sections 6303 and 6303.1.
 3. Adoption of Resolution No. 2024-07 relative to authorizing the General Manager to seek Governor Lou Leon Guerrero and the 37th Guam Legislature's approval for the Jose D. Leon Guerrero Commercial Port to seek bond borrowing for purposes of addressing the Port's much needed strategic capital improvements in order to advance its port readiness objectives.
 4. Employee Incentive Programs; Request for \$50K.
 5. Request for \$5K Sponsorship for ATOSSCOM 49th Annual Conference, July 23-26, 2024, Majuro, RMI.
 6. Request for \$5K Sponsorship for Association of Pacific Ports (APP) 110th Annual Conference, August 11-14, 2024, Kaohsiung, Taiwan.
 7. Request for \$5K Sponsorship for the 26th Micronesian Islands Forum, June 3-5, 2024, Hyatt Regency Hotel, Guam.
- VII. ADJOURNMENT



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**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, April 25, 2024**

I. CALL TO ORDER

The Acting Chairperson called the regular meeting of the Board of Directors to order at 3:58 p.m., Thursday, April 25, 2024. Present at the meeting were:

Dorothy P. Harris, Vice Chairperson
Conchita S.N. Taitano, Board Member
Fe R. Valencia-Ovalles, Board Member
Rory J. Respicio, General Manager
Dominic G. Muna, Deputy General Manager, Operations
Pacifco R. Martir, Deputy General Manager, Admin/Finance
Atty. Jessica Toft, Port Staff Attorney

Also present was Port Staff.

II. ELECTION OF OFFICERS

Director Taitano made motion to nominate Ms. Dorothy P. Harris as Chairperson of the Port Board of Directors, seconded by Director Valencia-Ovalles. Motion was unanimously approved.

Director Taitano made motion to nominate Ms. Fe R. Valencia-Ovalles as Board Secretary of the Port Board of Directors, seconded by the Chairperson. Motion was unanimously approved.

Director Valencia-Ovalles made motion to nominate Ms. Conchita SN Taitano as Vice Chairperson of the Port Board of Directors, seconded by the Chairperson. Motion was unanimously approved.

III. APPROVAL OF MINUTES

a. **September 28, 2023 – Regular Board Meeting:** Director Valencia-Ovalles made motion to approve the minutes of September 28, 2023, subject to correction. The motion was seconded by the Vice Chairperson and was unanimously passed.

IV. PUBLIC COMMENTS

- a. **Public Comments:** None.
- b. **Employee Comments:** None.
- c. **PAGGMA Association:** None.

V. GENERAL MANAGER'S REPORT

1. **PAG Supports Bill No. 121-37 Relative to Marianas Yacht Club Term Lease Agreement.** PAG supports Bill No. 121-37 regarding the Marianas Yacht Club (MYC) term lease agreement. I testified before the Guam Legislature on September 28, 2023, advocating for a 30-year lease authorization under Bill 121-37. This bill, adopted by the Port Board of Directors as Resolution No. 2021-03 on February 25, 2021, incorporates the lease terms. During my testimony, I mentioned that MILO, a real estate appraisal company, assessed the property's value at \$720,000, with an annual fee simple market ground rental rate of \$57,600 and an improved rate of \$59,220. The draft lease terms reflect those in Public Law 21-62, enacted on November 14, 1991, which previously established a similar 30-year agreement. Since the expiration of the lease on November 7, 2021, it has continued on a month-to-month basis. On February 9, 2024, Bill No. 121-37 was enacted as Public Law 37-61. Note, however, that the legislature only approved a ten-year lease.
2. **S&P Global Ratings Maintains Port's Outlook at Stable.** On September 28, 2023, Standard and Poor's (S&P) Global Ratings maintained a stable outlook for the Port Authority of Guam and affirmed its 'A' long-term rating on the agency's outstanding series 2018 Port Revenue Bonds. S&P stated, "We consider the authority's management and governance strong, reflecting our view of the port's strategic positioning, risk and financial management, and organizational effectiveness, and that our assessment of the authority's financial risk profile as strong reflects our view of its strong financial performance, strong debt and liabilities capacity, and adequate liquidity and financial flexibility."

According to the report, "the stable outlook reflects our expectation that fiscal 2023 and 2024 port activity will continue to demonstrate resiliency in the aftermath of Typhoon Mawar, and that key financial metrics will remain sound, the port's debt capacity will remain strong, and cargo volumes will remain near current levels."

This news, along with the Port's low-risk designation over the past four years, provides the credibility needed to seek funding to replace the Port's aging gantry cranes, rehabilitate the wharves to ensure resiliency, and replace aging facilities, so that the Port does not become a choke point for discharging and deploying military assets and commodities.

The report stated that in S&P's view the following were the Port's key credit strengths: its essentiality to the island economy; strong financial performance, reflecting our expectation that coverage (S&P Global Ratings-calculated) will be maintained above 1.25x; and strong debt and liabilities capacity given the port's low additional debt needs.

3. **Moody's Issues Baa2 Credit Rating for Third Year in a Row.** On October 5, 2023, the Port Authority of Guam received positive financial news that Moody's Investors Service issued a Baa2 credit rating for FY 2022.

This rating was based on the Port's credit strengths for the fiscal year. Moody's report highlighted the following:

- **Very Stable Revenue Profile:** The port's credit is supported by a very stable revenue profile, which has proven resilient through the coronavirus pandemic. Despite an effective closure of the island's tourism economy, the port's operating revenue between 2020 and 2022 averaged \$55.8 million, in line with pre-pandemic figures.
- **Healthy Liquidity:** The port authority's liquidity position is healthy. Fiscal 2022 financials show unrestricted cash and cash equivalents of more than \$33 million, with unrestricted and discretionary reserves of \$57.5 million; days cash on hand for 2022 was 429 days, above the 361 in 2021. The port has held more than 300 days cash on hand since 2016, a trend we expect will continue at least through the outlook period.
- **Solid Debt Service:** The debt service coverage for the Port is solid and expected to remain around 2.7x on the net revenue basis.
- **Credit Strength:** The port derives credit strength from its role as the sole commercial port in Guam, handling around 90% of the territory's imported cargo and a significant portion of military cargo. The Port of Guam is the only port in the Micronesia region that has the infrastructure and equipment required to service container vessels with a capacity of up to 4,000 TEUs (twenty-foot equivalent units). The port faces limited restrictions to accommodate future growth related to the military build-up. The port's capacity limit is around 200,000 containers; in fiscal 2022, the port handled just over 89,000 containers, in line with volumes over recent years.
- **Quick Mawar Recovery:** The port is exposed to weather-related events that could affect revenue-generating activities. In late May, Typhoon Mawar shut down port activities for several days, though early and prudent preparations limited the extent of damage, with sustained damage quickly remediated by the port.

4. **Port Celebrates 48 Years as an Autonomous Agency.** The Port Authority celebrated its 48th Anniversary and held a series of events throughout October 14-20, 2023, that included softball, bowling, basketball, volleyball, tractor pull, ping-pong, and darts/billiards.

The celebration kicked off with the "Adahi i Tano" (Taking Care of the Land) Cleanup Project along Route 11 from USO Beach to Family Beach on October 14, 2023. The Port Week Opening Ceremony took place on October 15, 2023, with a flag-raising ceremony followed by a parade of trucks, proclamation signing by Acting Governor Josh Tenorio, and resolution presentation by the Guam Legislature.

5. **Port Issues FY22 Citizen-Centric Report.** We released the Port's annual Citizen-Centric Report on October 24, 2023. This report gives the public a glimpse into the Port's FY 2022 progress in comparison to previous years and provides an overall performance review, including our current challenges and future outlook.

Through this report, we continue to provide the highest level of transparency to the Port's stakeholders, including our local and regional communities we serve. Further provided in the report, it shows that the operating revenues increased by 4.79% in FY2022, by \$2.6M from \$55.06M in FY 2021 to \$57.7M in FY 2022. This is largely due to the increase in handling container cargo and non-containerized cargo at 2.5% and 29%, respectively. Other steady improvements reflected in the report include a reduction of time spent by a vessel at the port's waterfront and higher crane productivity since FY 2019.

Future initiatives outlined in the report include the acquisition of STS gantry cranes, fuel pier replacement, wharf replacement, area A fuel storage facility rehabilitation/upgrade, IT improvements, equipment acquisition program, and port buildings demolition and replacement.

- 6. INDOPACOM Meets with Port Management.** Representatives from INDOPACOM met with Port officials on November 6, 2023, to discuss the status of recovery efforts after Typhoon Mawar hit Guam in May 2023 and other concerns such as the Port's challenges in acquiring new ship-to-shore gantry cranes, the cranes' impact on the military buildup, and other capital improvement projects that fall under the Buy America regulations. INDOPACOM team members in attendance were Col. Jeffrey Hollman, Lt. Col. Jennifer Ng, Maj. Christina Knight, John Hallam, and Keith Shaw. Also present were FEMA PA Team members Janet Yocum (telecom), Keandra Lock, and John Emmerson.

The visiting team took a tour of Port properties after the briefing. INDOPACOM is committed to enhancing stability in the Asia-Pacific region by promoting security cooperation, encouraging peaceful development, responding to contingencies, and deterring aggression.

- 7. Advancing Maritime Safety: Port Receives New Radio Devices.** In November 2023, the Port Police Division, which operates 24/7 to ensure port security and response readiness, received 72 Motorola radios including accessories. The new radios will not only facilitate effective communication but also establish a direct line with key regulatory agencies such as the U.S. Coast Guard and the Guam Customs and Quarantine Agency.

This inter-agency interoperability enhances our collective ability to prevent, prepare for, respond to, and recover from potential incidents, including typhoons, earthquakes, marine disasters, and potential terrorist threats. By fostering seamless communication among government agencies, first responders, and facility security officers, the Port's investment contributes to a more resilient and prepared community. This commitment reflects the Port's dedication to maintaining a secure and resilient environment for the benefit of Guam and the broader Western-Pacific region.

- 8. All Three Cranes Taken Offline for Necessary Repair, Highlighting Critical Infrastructure Needs to Ensure Civilian and Military Readiness Throughput Capacity.** On November 14, 2023, the Port announced the successful repair and return to

service of all three gantry cranes. These vital pieces of critical infrastructure equipment are back online after Gantry 4 was out of service from November 8th to 11th to replace a faulty aftercooler, Gantry 5 was offline from November 3rd to 11th due to mechanical issues that have been addressed with a genset replacement, and Gantry 6 was offline for four hours on November 8th after an electrical cable shorted and blew a fuse.

These incidents underscore the Port's pivotal role in supporting not only our island and region's commercial and economic activities but also its critical role in military readiness in the face of looming geopolitical threats. We have been proactively communicating with the Department of Defense, Department of Transportation (MARAD), FEMA, INDOPACOM, key House and Senate members, and the Joint Region Marianas, emphasizing the crucial need for robust infrastructure support as a matter of commerce, economic growth, and, now more than ever, national security with growing geopolitical tensions. The downtime experienced by all three of the port's gantry cranes serves as a stark reminder of the vulnerabilities in throughput capacity that will impact military readiness programs. As a strategic asset in the national supply chain, the Port Authority, which is also a designated strategic port, plays an essential role in ensuring the effectiveness and readiness of military operations.

The recent disruption of all three downed STS gantry cranes has highlighted the urgent need for the Department of Defense to consider these gaps in infrastructure elements as critical components in their operational budget and to allocate sufficient funds as mitigation efforts to safeguard against such vulnerabilities. The successful repair of the gantry cranes was achieved through the dedicated efforts of our maintenance team, whose expertise and commitment ensured minimal disruption to our vessel operations.

The Port's gantry cranes are more than 40 years old. They were manufactured in 1983/1984 and belonged to the Port of Los Angeles. The Port of Guam acquired the used cranes from the Port of LA, and they were refurbished and brought to Guam in 2009. Based on consultant reports, they will reach the end of their expected service life and will need to be replaced by 2024. The acquisition of new STS gantry cranes would be the first new cranes the Port would procure in its 48 years of autonomy as past and current cranes have been second-hand equipment owned by other American ports.

- 9. GFT Union Upholds Port's Proper Administration of the Collective Bargaining Agreement.** On November 17, 2023, the Port Authority proudly reaffirms its steadfast commitment to the Collective Bargaining Agreement (CBA) established with the Guam Federation of Teachers (GFT) on January 20, 2020. This reassertion follows an in-depth dialogue with Robert Koss, GFT Union Representative, Dan Del Priore, GFT Chief Negotiator, several GFT stewards (observers), and Port management on November 16, 2023. The meeting centered on the operation of Port personnel and shift workers as stipulated under Section 4.B of the CBA.

This critical section of the CBA delineates the workweek for personnel directly engaged in cargo loading and unloading, contingent on vessel arrival and departure schedules. It

specifies twelve-hour workdays during vessel operations and mandates providing a two-week work schedule in advance, ensuring a guaranteed forty-hour workweek for all employees. During the meeting, PAG reassured the GFT of its ongoing compliance with both the Port's Personnel Rules and Regulations and the CBA since its inception.

The Port's interpretation of the CBA, particularly regarding work hours, is designed to prevent employees from working beyond 40 hours in weeks without vessel operations. This approach is in line with the original intent of the CBA's drafters to minimize unnecessary overtime and operational costs. As an Equal Employment Opportunity Employer, the Port is dedicated to treating all employees with equality and fairness, ensuring that our management decisions are in harmony with the Personnel Rules and Regulations, the CBA, and the Rule of Law. The Port sought out the Union's perspective on its interpretation of Section 4.B of the CBA, aiming to nurture a continued constructive partnership. This endeavor is geared towards securing a workplace environment where employees' rights are not only respected but also actively upheld.

Responding to the meeting's outcomes, Robert Koss commented, "The union has diligently monitored the implementation of the agreement, and we are satisfied with its application in policy terms. Despite the complexities inherent in Port operations, like personnel scheduling versus actual vessel arrivals, our primary objective is to ensure steadfast compliance with the CBA." He further added, "We can confidently affirm our approval of how the Port has managed its operations in accordance with the CBA. This period represents the most pro-employee stance we have observed from the Port in over a decade. We hope that the employees appreciate their management's efforts, and conversely, that management recognizes and values its employees' contributions. This meeting was a win:win for both the employees and management, and underscores fundamentally the reason the Port has excelled so much in these past five years under the present management."

10. DOI Assistant Secretary Visits the Port. On December 5, 2023, the U.S. Department of Interior's Assistant Secretary for Insular and International Affairs visited the Port. Assistant Secretary Carmen G. Cantor came to get a first-hand look at the facilities and the aging gantry cranes. We briefed Cantor on the 2023 Port Master Plan, which will assist the Port in defining its near-term and long-term approach to improving the port by maintaining fiscally sustainable operations, and promoting increased awareness and consensus on its approach among all affected stakeholders and the ratepayers of Guam. It was explained to the Assistant Secretary that the work being done is to ensure the future readiness and resiliency of a modernized facility through the hardening of the Port of Guam's assets and resources to address national security concerns in light of the current and anticipated geopolitical environment. Discussion also centered on the need to replace the Port's aging gantry cranes and efforts by the Port to seek funding support from the federal government to acquire three new STS Gantry Cranes. Following the meeting, Cantor said she was going to Joint Region Marianas to discuss with them the results of her meeting with the Port and our needs regarding federal funding.

11. Port Employee Survey: Gains in Satisfaction, Emerging Challenges. On January 2, 2024, we conducted the fourth annual employee survey, which revealed an increase in overall work experience among our staff. With an 84% participation rate (313 out of 372 employees), the survey provided comprehensive input on various aspects of working at the Port, assessing the work environment, morale, and job satisfaction. Notably, 98% of the employees reported positive work experiences, marking a 1% increase from the previous year. However, employee morale decreased from 98% in 2022 to 91% in 2023. Although overall morale at the Port still hovers at 91%, this 7% dip in morale demands our attention and action. It's essential to understand that such shifts in sentiment are part of the dynamic work environment and may arise from multiple factors. Our focus now is on identifying and addressing these factors to enhance employee morale.

In response to the survey findings, I immediately initiated employee focus groups led by division heads. These groups are responsible for collecting feedback and conducting regular pulse surveys to better understand employee sentiment, thus gaining deeper insight into their concerns and expectations. We introduced a new question in the survey for employees to rate their work-life balance, which is crucial for their well-being and job satisfaction. The positive response rate of 88% indicates that most employees are satisfied with their balance, even more so during recovery periods.

In light of the Port's recovery efforts following Typhoon MAWAR, 93% of the employees felt their work environment was safe, and a similar percentage felt well-informed throughout the recovery process. Furthermore, 91% reported having the necessary resources to perform their jobs safely, and 90% felt that management was concerned about their safety and well-being during these efforts.

While we have made positive strides in overall work experience, the decrease in morale reminds us that our success is deeply connected to our employees' well-being and job satisfaction. Our commitment to addressing the factors affecting morale demonstrates our dedication to continuous improvement and fostering a workplace that not only excels in productivity but also promotes a positive and supportive organizational culture suitable for all Port Strong employees.

12. Shift Schedule Bill of Rights. On January 19, 2024, we had established a Shift Schedule Bill of Rights that provides a clear and equitable guidelines for managing shift schedules, overtime, holiday pay, and related issues for personnel under the Union Agreement between the Port Authority of Guam and the Guam Federation of Teacher's Union. It aims to balance the Port's operational needs with employee rights and well-being. Emphasizing principles of fairness, transparency, and adherence to labor laws and policies, this Bill of Rights ensures consistent treatment of all affected personnel and uniform application of shift work rules.

This document upholds employee interests while ensuring the Port's operational efficiency and effectiveness, reflecting management's commitment to a respectful, lawful, and ethical

workplace. The rights outlined align with the Collective Bargaining Agreement, the Port's Personnel Rules and Regulations, and pertinent legal decisions, i.e. the Supreme Court Decision on Overtime, aiming to foster a positive, productive work environment. The following Articles provide:

- **Article I. Stability and Compliance in Shift Scheduling.** Personnel shall not be reassigned during a shift worker's five-day work schedule, except under circumstances permitted by the Collective Bargaining Agreement, Port's Personnel Rules and Regulations, and the Supreme Court Decision on overtime. If an employee's schedule changes, they acknowledge that their five-day work schedule will be adjusted accordingly, in compliance with relevant policies and laws.
- **Article II. Regulation of Overtime and Provided Exemptions; overtime work outside the regular five-day work period.** Employees who have completed their regular five-day shift schedule and earned overtime are ineligible for additional overtime outside their five-day work period, including for special service requests. Exceptions can only be authorized by the General Manager or his designee. Violations of this policy will lead to reimbursement of unauthorized overtime and disciplinary actions for those authorizing and certifying it, as per the Port's Personnel Rules and Regulations and the Rule of Law.
- **Article III. Restrictions and Authorization of Non-Operational Overtime; specific type of overtime (non-operational) within the five-day work week.** Overtime earned within the five-day work week, unrelated to vessel operations, is strictly prohibited unless authorized by the General Manager or his designee. Violations will result in repayment of the overtime and disciplinary actions for those involved in its authorization and certification. *Note: An exemption to Article III applies in cases where an employee is entering his/her fifth scheduled workday, having already accumulated over 40 hours, and his/her fifth workday involves normal operations, such authorization for non-operational overtime, in this instance, shall not be required.*
- **Article IV. Guarantee of Holiday Pay Regardless of Shift Schedule.** Employees are entitled to holiday pay, irrespective of the holiday's occurrence within their shift schedule.
- **Article V. Procedures for Early Completion of Weekly Work Hours.** Employees completing 40 hours by the fourth day and wishing to take the fifth day off must adhere to existing pre-approval processes for absences. For purposes of Article V, the employee covered by this Article shall not be required to sign leave for their fifth day of approved absence, provided they meet their minimum 40 hours for their weekly payroll coverage. These arrangements are subject to individual review and approval according to administrative procedures.

- **Article VI. Cancellation Pay (No Work Provided).** Whenever employees are assigned to work on vessels and the work assignments are canceled prior to the commencement of work, at the start of work or prior to completion, the employees shall be compensated in accordance with the Cancellation Pay as outlined in Policy Memorandum 79-08. The employee should be assigned to perform other Port work. If this is not feasible, the employee's Superintendent shall determine whether the employee should be released from duty with compensation also in accordance with Policy Memorandum 79-08. Employees must sign his/her timesheet at the Port Police Pedestrian Gate and indicate "No Work Provided" on his/her timesheet and shall not be considered towards the 40 hours of actual work to accrue overtime.
- **Article VII. Guaranteed Shift Pay.** If a vessel operation work assignment finishes before a shift or half shift ends, the employee will be paid for the unused hours at a straight-time rate, provided no other Port work is available for the rest of the shift. The employee's Superintendent shall decide if the employee should be released from duty, in line with the Guaranteed Shift Pay policy, for the remaining shift duration. Employees released before the end of their shift must sign the timesheet at the Port Police Pedestrian Gate, indicating "Guaranteed Shift Pay." These hours will not count towards the 40-hour requirement for overtime accrual.
- **Article VIII. Workweek Classification for Shifts Spanning Two Days.** Shifts that extend into two payroll weeks, like Saturday 7 PM to Sunday 4 AM, will not be split between these weeks. This approach ensures correct allocation of work hours within the employee's designated workweek, preventing any reduction in their regular 40-hour pay.

13. **MSC Bellissima Visits Guam.** The Port welcomed its first passenger vessel for the year with the arrival of the MSC Bellissima on January 3, 2024 carrying 5,700 passengers and crew members for a visit to our island. Visitors spent the day exploring the island, shopping, and enjoying Guam's dining establishments. The influx of passengers onboard the vessel is a boost to Guam's tourism industry and highlights Guam as a premiere luxury cruise destination.

Following MSC Bellissima, cruise ship arrivals include:

- Zuiderdam-February 18 and Artania-February 25; two vessels combined brought in approximately 2,190 passengers and 1,272 crew.
- Arrivals in March include: Asuka II, Queen Elizabeth, and Le Soleal. Collectively, visitors total 4,400.
- Carnival Luminosa – April 8 with approximately 2,895.
- Other passenger vessel arrivals expected this year is Seabourn in May and September; Le Soleal and Carnival in October; and Asuka II in December.

14. **Gantry 6 repairs highlight need for new cranes.** On February 8, 2024, the Port has repaired and returned Gantry 6 to service after nearly two days offline following necessary repairs. On January 5, 2024, Gantry 6 was not performing to standards. ABB engineers along with the Port's crane mechanics were able to diagnose that the computer needed replacement and communications between the Crane Maintenance Station (CMS) and Programmable Logic Controls (POC) needed to be reestablished. The computer was replaced and a secondary port was reconfigured so communications to both the CMS and POC were restored. The downtime experienced serves as a stark reminder of the vulnerabilities in throughput capacity that will impact military readiness programs.
15. **Distinguished Local Government Leadership Award – Association of Government Accountants (AGA).** On the February 29, 2024, I was presented with the AGA 2024 Distinguished Local Government Leadership Award during their Annual National Leadership Training event held in Washington D.C. This award formally recognizes local government professionals who exemplify and promote excellence in government financial management and who have demonstrated outstanding leadership in enhancing sound financial management legislation, regulations, practices, policies, and systems within the past year. The Port's strategic financial management and improvements have elevated the Port to a low-risk auditee status, enhancing bond ratings and earning recognition for transparency, including this distinguished award.

I give credit to our Port Strong Family for their dedication, especially acknowledging Chief Financial Officer Jojo Guevara and the financial division's role in achieving financial transparency.

I am grateful for the recognition of our efforts, highlighting the Port of Guam's essential role in national security and its strategic position in the Asia-Pacific amid growing geopolitical tensions. This national recognition reaffirms our high credibility and commitment to excellence, with the steadfast support of Governor Lou Leon Guerrero, Lt. Governor Josh Tenorio, our dedicated Board, and our partners in both government and the private sector. Together, we are committed to navigating these complex times, ensuring our port continues to be a vital link in the chain of global commerce and national security.

16. **FEMA prioritizes repair of Port Authority's fuel piers in wake of Typhoon Mawar.** On March 5, 2024, off-island FEMA officials took a tour of the Port's fuel piers that were damaged by Typhoon Mawar. FEMA's Michael Plostock, Acting Director, Recovery Division and Michael Gayrard, Region 9 Public Assistance Branch Chief, along with other FEMA officials visited both Golf Pier and F1 Pier to view damage sustained from Typhoon Mawar. Several of the Port's maritime and upland assets, to include Golf Pier (currently inoperable) and F1 Pier experienced substantial damage from the severe winds, wind-driven rain, and storm surges resulting from the Category 4 typhoon which struck the island on May 24, 2023. FEMA and the Port have made Golf Pier a priority for repairs.

After the site assessment, the priority for F1 Pier has also been elevated and will be addressed after Golf Pier scope and cost estimates are finalized. Repairs to these critical assets and restoring full operations to these piers are of utmost importance for the Port as these are the fuel and cement lifelines to our community. We are working closely with FEMA and our Owner Agent Engineer, WSP, to finalize cost estimates to expedite the repair and/or replacement of the piers. Other FEMA officials in attendance included Field Coordinating Officer Bern Ruiz, Infrastructure Branch Director Grace Tebarwa, Deputy Infrastructure Branch Director Colby Wright, External Affairs Specialist Antonio Joyce, and Public Assistance Program Coordinator Candise Aragon from the Guam Recovery Office. Other significant Typhoon Mawar related development is the Port's no cost scope modification request to MARAD on its \$22M Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant award. This proposal would take allocated funding for F1 Pier repairs and shift it to fund the entire repair for wharves F2 – F6.

17. Public Auditor Cites No Fraud or Abuse in Port Authority of Guam's Credit Card Audit. On March 20, 2024, the Office of Public Accountability (OPA) concluded an audit of the Port Authority's credit card policy and practices and found no instances of fraud or abuse in the transactions tested. This audit underscores the Port's commitment to maintaining ethical financial practices. The OPA's acknowledgment of no fraud or abuse within the Port's transactions is a testament to our dedication to ethical financial management.

In response to the audit's findings, we implemented several measures to strengthen its financial management systems, including: revision of policies and procedures to uphold the highest standards of accountability; enhancement of staff training programs to ensure adherence to updated procurement procedures; and a comprehensive review and update of travel policies to reflect the unique operational needs of the Port, distinguishing them from federal guidelines.

We are committed to transparency and integrity in our financial operations and is actively addressing the audit's recommendations to ensure that our efforts in financial management are recognized and that our practices going forward uphold the high standards we have placed on ourselves.

Public Auditor Benjamin Cruz also commented on the audit's outcomes, emphasizing the constructive nature of the process. He stated that, "The recent audit highlighted no instances of fraud or abuse, affirming the Port's commitment to ethical practices and financial integrity. Our audits aim to foster transparency and continuous improvement. This audit is not merely about finding faults but reinforcing the strong foundation the Port Authority operates on. We value our collaborative relationship with the Port and are committed to working together to implement the audit recommendations."

The Port remains dedicated to working closely with the OPA to address any concerns and continuously enhance its financial management systems, ensuring ongoing service excellence to the people of Guam.

18. Port Welcomes Board Member Fe Valencia-Ovalles. Ms. Fe Valencia-Ovalles is the newest member of the Port Authority of Guam Board of Directors. On March 22, 2024, the Guam Legislature unanimously confirmed Governor Lou Leon Guerrero's nomination of Valencia-Ovalles to serve on the Port's Board of Directors for a three-year term, from July 1, 2023, to June 30, 2026. She fills the expired term of Dr. Judith P. Guthertz. Valencia-Ovalles brings diverse experience in finance, management, and public service, positioning her as a strategic board member to assist the agency during these critical times.

Her fresh perspective and unwavering dedication to public service embody the qualities essential for effective board leadership, crucial for addressing the port's multifaceted programs and issues.

Confirming Valencia-Ovalles reaffirms the commitment to ensuring that Guam's only commercial seaport and nexus to the global supply chain remains uninterrupted for the continued prosperity of our community and the Western Pacific Region. Her previous government appointments include Special Assistant of Community Affairs/Medical Referral to Lt. Governor Michael Cruz, Special Assistant of Labor, Protocol and Ethnic Affairs to Governor Joseph F. Ada, Chief Passport Officer, and Deputy Director of the Department of Labor. She has also served on various boards and commissions, including the Board of Directors of Guam Mass Transit, the Guam Airport Authority, the Guam Housing Corporation, and the Guam Economic Development Authority. Additionally, she has been a Member of the Advisory Council of the Guam Regional Medical City and Chairwoman of the Board of Trustees for the Guahan Academy Charter School.

In a civic capacity, she is Charter President of the Guam Sunshine Lions Club, Charter Vice President of the Guamerica Lions Club, and a member of the Rotary Club of Northern Guam. Valencia-Ovalles is the President and CEO of Guam Marianas Management Services, Inc., which she founded in 1995.

19. Gantry 3 Disassembly. On April 12, 2024, the disassembly of the Port's Gantry 3 was completed, marking a significant milestone in the maintenance and development of the port. This operation reflects the port's commitment to ensuring the efficiency and safety of maritime operations in the region. The disassembly process involves intricate planning and coordination among various stakeholders, including engineers, technicians, and port operators. Each step is meticulously executed to guarantee the safety of personnel and preservation of equipment. Earlier in April 2024, the Guam Shipyard, with the assistance of their subcontractor Smithbridge, submitted cut sequence and lift study assessments to the Port team prior to beginning crane deconstruction.

Once plans were reviewed and approved to proceed, two mobile cranes were brought in to assist with the deconstruction of Gantry 3, and safety protocols have been strictly adhered to at every stage to mitigate potential risks and prevent accidents. Other ongoing projects at the port include preparing to remove a sunken barge, as well as Typhoon Mawar recovery measures such as floating a drydock along F3 which had sunk as a result of the storm, and removing and disposing of debris that remained along Highway 11.

The removal and proper disposal of these inoperable assets eliminate unsafe working conditions for Port employees and users, ensure the continued functionality of port facilities, and facilitate the smooth flow of maritime commerce for the region. As the Port evolves to meet the demands of a dynamic global economy, such strategic initiatives will play a vital role in sustaining its resilience for years to come.

20. Port Revives Physical Fitness Program. On March 13, 2024, the Port conducted a comprehensive Port Employee Wellness Check survey to assess employee general well-being, satisfaction, and participation with the Government of Guam's worksite wellness program. Responses to the survey indicated that 68.71% of participants feel they maintain a healthy work-life balance, while 48.55% were aware of the fitness programs offered and wellness resources available to them; the remaining respondents were not. This feedback prompts us to focus on increasing the visibility of our wellness resources and ensuring that every employee has the information and access necessary to benefit from them.

As a result, the Human Resources Division was instructed to enhance the Port's wellness program by encouraging employee participation and including other initiatives such as mental health support services, fitness programs, nutritional counseling, and stress management workshops. We acknowledge the challenges faced by our workforce, especially as they pertain to wellness resource utilization and work-life balance. Meanwhile, the Government of Guam held a re-launch of the Government of Guam worksite wellness program on March 19, 2024, at the University of Guam Field House.

The government-wide program, established in 2012 through an executive order, aims to improve the health, overall well-being, and productivity of all GovGuam employees by building a resilient, stronger workforce that lives longer, healthier lives.

21. U.S. Fish and Wildlife Service Visits Port. Officials from the U.S. Fish and Wildlife Service (FWS) visited the Port on March 13, 2024, highlighting the completion of key projects funded by FWS, the Guam Department of Agriculture, and the Port. These projects include: a public boat ramp (catwalk) completed in November 2022 for \$80,000, which allows the boating community access to and from waterways for recreational or commercial activities; a Harbor of Refuge moorage system completed in May 2023 for \$870,000 that enhances safety and capacity, accommodating boaters seeking refuge during inclement weather and transient vessels restocking supplies; and Agat Marina

Dock “B” and pile repairs, completed in February 2024 for \$1.49M, to rehabilitate and repair facilities for recreational boaters at the marina.

22. **40-Year-Old Gantry Cranes Pass OSHA Recertification.** On April 3, 2024, all three of the Port’s 40-year-old gantry cranes successfully passed the Occupational Safety and Health Administration (OSHA) recertification process. This achievement underscores the port’s commitment to maintaining the highest standards of safety and efficiency in its operations. OSHA’s rigorous recertification process ensures that equipment meets stringent safety standards, protecting workers and the surrounding environment.

The Port’s gantry cranes underwent comprehensive inspections, evaluations, and testing to ensure compliance with OSHA regulations. We acknowledge the unwavering dedication of the Port’s mechanics, welders, and the entire Port Strong family across all divisions. From the trials of COVID-19 and Typhoon Mawar, every employee proved essential, keeping the Port fully operational.

The collective effort of the port employees is a testament to the spirit of unity and resilience that stands at the core of our operations. To each and every member of our team—your hard work is recognized and deeply appreciated. However, the Port’s gantry cranes are nearing the end of their serviceable life, and the Port will continue to push for the replacement of gantry cranes to ensure capacity toward maintaining our island and region’s commercial and economic activities and military readiness in the face of looming geopolitical threats.

Securing new gantry cranes has been the Port’s top priority, affirming our commitment to enhance the Port’s operational strength. It is central to our strategy for modernization, and we are actively advancing our plans to ensure our yard equipment meets not only today’s standards but sets us up for the future. This dedication is key to maintaining the Port’s crucial position in supporting regional commerce and national security interests amidst growing geopolitical tensions.

23. **Port Authority of Guam Passes Coast Guard Inspection.** On April 9, 2024, the Port passed the U.S. Coast Guard’s annual inspection with no discrepancies noted by the Safety Office, alongside certain action items identified for the security safety enhancements, only limited to more clear signage. We want to express our sincere gratitude to all of the Port’s dedicated staff who worked tirelessly to prepare our facilities for the Coast Guard’s rigorous inspection. This demonstrates that our commitment to excellence is the foundation of our success, particularly highlighted by the flawless pass in our Safety Office’s evaluation.

The inspection by the U.S. Coast Guard includes the security area inspection of the Port’s Alternate Facility Security Officer, security measures and plans, training records, drills and exercises, Hazardous Waste and Emergency Response plans, signage, Facility Security Officer, TWIC security checks, CCTV, MARSEC and declaration of security. The U.S. Coast Guard also inspected the safety of the facility to include electrical, flammable storage,

fire extinguishers, eye wash stations, beacon lights, drum lot, emergency exits, smoke detectors, escape routes, LC 1-5 generators, housekeeping, lighting, International Shore connection and the entire Terminal Yard. The Coast Guard's inspection ensures compliance with security and operational standards, and while the Port has met the overall requirements, we have been tasked with improving our signage for restricted areas.

The inspection report issued specified that all restricted areas must be clearly marked and indicate that unauthorized presence is a breach of security. The Coast Guard has pointed out that the Port's current signs do not sufficiently indicate that entering these areas without authorization constitutes a security breach. While we have passed the inspection, we recognize the importance of continual improvement. We have already begun to address the feedback provided, starting with the improvement of our signage to ensure full compliance and enhanced security. Our commitment to security and operational excellence is unwavering, and we are dedicated to continuously improving our facilities and procedures to meet the highest standards.

24. Port Launches Sustainability Plan Efforts. On April 17, 2024, the Port initiated efforts to create The Port Sustainability Plan, ushering in a new era of excellence with a commitment to environmental sustainability and resilience. The Port Sustainability Plan will align with the unwavering commitment to minimizing our ecological footprint, mitigating environmental impacts, and championing sustainability as established by the Administration of Governor Lou Leon Guerrero and Lt. Governor Josh Tenorio, as well as First Gentleman Jeff Cook's Zero Waste Task Force.

The Port Sustainability Plan will place a strong emphasis on environmental sustainability and responsibility as its core objectives and will focus on preserving natural resources through zero emissions, zero-waste initiatives, a recycling enterprise zone at the Port, and the use of recycled plastic to rebuild Family Beach Road, as well as integrating these principles within its operational framework. This comprehensive plan will encompass a wide array of strategies designed to enhance energy efficiency, reduce emissions, manage waste effectively, and preserve natural resources.

To further these goals, the Port successfully secured a \$1,450,000 grant from the U.S. Department of Defense Office of Local Defense Community Cooperation (OLDCC), enabling the commissioning of a Port Sustainability and Resiliency Study. This collaborative effort, spearheaded by the Port's owner agent WSP, together with its subconsultant, Jacobs Engineering Group Inc., aims to craft a comprehensive plan for the Port Authority of Guam (PAG) that seamlessly aligns with Guam's broader sustainability initiatives. The studies will include Zero Emissions, Zero Waste, Property Identification, and Strategy Development.

This significant undertaking underscores the Port's steadfast commitment to reducing carbon emissions, embracing sustainable practices, and actively participating in the preservation of Guam's environment and marine ecosystem. Moreover, by undertaking these studies and engaging in sustainability initiatives, the Port not only showcases its dedication to environmental

stewardship but also enhances its qualifications for funding from the USEPA Inflation Reduction Act (IRA) and other grant programs. These activities are crucial in accessing funds that will modernize Port operations and align them with the goals of the USEPA IRA grant program.

As we continue to embrace the administration and our board's vision for a sustainable Guam, we are proud to launch our efforts to establish the Port Sustainability Plan. Governor Leon Guerrero also took time to recognize the board, management, and employees of the Port Authority of Guam for their environmental sustainability efforts stating, "I want to thank them for their aggressive drive to make this happen for the port."

The Port Sustainability Plan is a part of the Port's 2024 Look Ahead, a plan that details a comprehensive strategy to improve our Port's capabilities, aligning with the Governor and Lt. Governor's Strategic Framework presented in a One Guam approach to the military buildup. This framework prioritizes Guam's key concerns with a focus on National Security.

25. Small Unmanned Aircraft System (SUAS) Program. The Port Authority secured grant funding from the Port Security Grant Program to acquire and deploy a Small Unmanned Aircraft System (SUAS), commonly known as drones, which our Port Police division will operate. Acquiring the SUAS will empower our Port Law Enforcement personnel to monitor port properties, enhance security and protective measures, ensure a safe workplace and uninterrupted commerce, and uphold security mandates. The procurement process for the SUAS is currently underway.

26. Port Authority Mobile App. For the first time in our agency's history, the Port Authority's Marketing division initiated the procurement of a mobile app for the Port. This app will provide user convenience by allowing immediate access to information, services, and much more on the go. Additionally, it will streamline tasks, boost productivity, and improve communication.

27. General Manager's Notes for YTD Finances. We are providing the following summary for March 31, 2024:

REVENUES AND CARGO THROUGHPUT:

- The Port's Total YTD Operating revenue for March 31, 2024, is \$28.8 million, -4.8% or \$1.4M lower than the YTD March FY 24 budget revenue projection of \$30.2M. As of March 31, the total breakbulk cargo revenue of \$569K is lower by 54% as compared to last fiscal year's total. The decrease in breakbulk revenue is one of the main reason for the decrease in the total operating revenues.
- The total number of containers handled as of March 31, 2024, is 42,023, -0.3% or 140 containers lower than last year's March 2023 YTD total of 42,163. The total tonnage for non-containerized cargos as of March is 103K revenue tonnage, which is 35% higher as compared to last year's March total of 76K revenue tonnage.

The addition of two container/ roll-on, roll-off vessels (“con-ro”), owned by Matson, that come to Guam are the primary reason for the increased in domestic non-containerized cargo by 976%. This is reflecting in the increase in Roll on Roll off revenue by 81%, from \$318K in March 2023 to \$576K in March 2024.

OPERATING EXPENSES:

- Overall Operating expenses, as of March 31, 2024, is \$28.5M, which is 3.5% or \$955K higher than the YTD budget for March with a total of \$27.6M. The current total expense as of March is 50% of the total approved FY2024 Budget in the amount of \$57.0M. In October 2023, typhoon Bolivar was anticipated to pass through Guam which resulted to typhoon related expense amounting to \$326K. This was an unforeseen expense that the Port incurred.

OVERTIME EXPENSE AND DIRECT LABOR REVENUE:

- YTD Overtime for Divisions involved in Operations is \$733K, 15% or \$95K higher than the overtime budget for YTD March at \$637K.
- The total Direct Labor revenue as of March is \$1.9M, -2.4% or \$216K lower than the FY23 budget of \$1.91M.

Here is the breakdown:

Direct Labor Revenue:	\$ 1,864,553
Operations Overtime:	\$ 732,786
Variance:	\$ 1,131,767

YTD OPERATING REVENUES MINUS YTD EXPENSES:

- Operating revenues minus operating expenses resulted in an operating income of \$246K. The final result for March is a net income of \$2.1M, after adding the net of Other Income/Expenses totaling \$1.9M.

Note: \$1.9M is a net balance of Other Income and Expense composed of Interest Income, Interest Expense, Federal Reimbursements, Federal Expenses, Retirees COLA, Supplemental, Medical and Dental, and Other Non-Operating Income & Expenses.

Other Financial Highlights, as of March 31, 2024:

- The debt service ratio as of March 31, 2024, is 1.45. This is 16% higher than the Bond Indenture Debt service ratio requirement of 1.25.
- Days Cash on Hand as of March is 827 days, 65% or 327 days higher than the 500 days requirement of Moody's Rating agency.

Debt Service Ratio – March 2024

Projected Annual Debt Service Coverage	1.45
Debt Service Coverage Requirement	1.25
Variance	0.20
% Above the Indenture Requirement	16%

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

- **USDHS/FEMA Port Security Grant Program.** The Port received \$124,779.00 from the 2023 PSGP that included the following Investment Justifications (projects):
 - Acquisition of Two (2) Port Police Boat Trailers. Guam Home Center was awarded Purchase Order #19742OS on March 19, 2024. Pending delivery to the PAG.
 - Acquisition of Port Police laptop and accessories. MD Wholesale was awarded Purchase Order #19777OS on April 1, 2024. Pending delivery to the PAG.
 - Acquisition of Port Police PPEs. Currently in the procurement process.

- **U.S. Economic Development Administration (EDA) Fuel Pipeline Connectivity Project.** A/E designer, AM Orient, submitted the 60% Design Submittal on March 8, 2024. PAG Engineering has completed their review of the documents. AM Orient is coordinating the 60% Design Submittal review meeting with their subconsultants. Geotechnical borings are scheduled for April 24-26.

- **Gantry Crane Acquisition.**
 - **Acquisition of an STS Gantry Crane by the PAG.**
 The Port will be submitting a grant application to OLDCC’s Defense Community Infrastructure Program (DCIP) to fund one (1) Ship-To-Shore (STS) Gantry Crane. In addition, Port Team collaboration is ongoing with the USDA for the acquisition of two (2) STS Gantry Cranes. In the meantime, Procurement has been instructed to move forward with the procurement process and start the requisition of potentially two (2) cranes.
 - **USDA Direct Loan.** PAG Finance was assigned to develop a request for proposal to select a lender to provide commercial loan financing for replacing the PAG’s Ship-to-Shore Gantry Cranes and acquiring additional cargo handling equipment, e.g., Tractors, Telescopic 150 Ton Crane, Top lifters, and Forklifts. Port Team is working with the local USDA office in completing the application process. USDA Guidance has been provided with regards to the type of procurement that the Port will be executing.

- **MARAD Marine Highway Program.** The Grant Agreement for MARAD FY 2022 America's Marine Highway was effectuated on August 4, 2023.

Update: PAG Procurement has advertised bids for five (5) 5.5-ton forklifts, one (1) 180-ft. boom lift, and two (2) 40-plug mobile reefer generators. Award for the mobile reefer generators is pending MARAD's acceptance of the Build America, Buy America (BABA) certification provided by the bidder. Re-bids for the forklifts and boom lift are being advertised due to no bids received and high price, respectively.

- **Office of Local Defense Community Cooperation.** The PAG's recent grant application, totaling \$1.45M for its OAE, to conduct a Port Resiliency and Sustainability Study, was granted by OLDCC through the Office of the Governor.

The key feature of this grant is the Zero Emission Study, which will establish a baseline estimate of the Port's Greenhouse Gas (GHG) Scope 1 and 2 emissions and identify Zero Emission (ZE) technologies for PAG's consideration toward achieving zero emissions at the Port. Additionally, a Zero Waste Study will enable the Port to assess Guam's Zero Waste Master Plan and identify and implement waste management best practices at the Port.

- **EPA Diesel Emissions Reduction Act (DERA) Program.** A purchase order for four (4) terminal yard tractors was issued to American Material Handling, Inc. on May 2, 2023. Delivery: 330 Days or April 2024.

Update: The four units arrived on the APL Oceania on April 15, 2024. PAG Transportation Division is currently working to have the units cleared and inspected.

- **US DOT Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program.** PAG requested a no cost scope modification to the original F1 Pier and Wharves F2 – F6 repairs under the RAISE grant whereby funding for F1 Pier will be shifted to supplement funding for wharves F2 – F6. The request is going thru the approval process at the Office of the Secretary of Transportation.

Update: The MOA between MARAD, the Guam State Historical Preservation Office, and the PAG has been signed off by the Guam parties and has now been forwarded to MARAD for review and subsequent approval.

- **Office of Insular Affairs Maintenance Assistance Program (MAP).**
 - **Port Welding Shop Phase 1 & 2 project.** Awarded in 2020 & 2021. Seeks to repair concrete spalling and cracks on the exterior of the building and apply the proper protective coating once the exterior is fully repaired. The other component of the PAG's funding application is the acquisition of specialized equipment for the Welding Section to support the maintenance of its gantry cranes and other heavy duty equipment.

Update: A procurement planning meeting was held on March 19, 2024 for the repair and upgrade of the Welding Shop. The procurement packet is being developed.

- **Generator Maintenance Program.** Awarded on June 29, 2022. Hawthorne Pacific Corporation signed the purchase order on May 8, 2023. On June 28, 2023, requisitions were entered into the system and a total of eight (8) purchase orders were awarded on October 23, 2023, to three (3) different vendors: Landscape Management Systems, Inc., Far East Equipment Co. LLC., and Hawthorne Pacific Corporation. Genset maintenance/services and parts deliveries are ongoing.

Update: Hawthorne Pacific continues to provide periodic maintenance service to all Port generators and have been very consistent with reporting and documenting the status of the Port's assets.

- 29. Port Revenue Bonds Project Status.** As of April 25, 2024, 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.

In conclusion, our comprehensive updates outlined in this report reflect the ongoing dedication and strategic efforts of the Port Authority of Guam to maintain and enhance our facilities and operations. Through careful management, robust financial practices, and forward-thinking initiatives, we continue to uphold our commitment to safety, efficiency, and sustainability. As we navigate the challenges ahead, including the replacement of aging infrastructure and the adoption of new technologies, our focus remains steadfast on ensuring the Port's pivotal role in regional commerce and national security. We appreciate the continued support and collaboration of our board members, stakeholders, and the community as we strive to foster growth and resilience at the Port of Guam.

Director Valencia-Ovalles made motion to accept the General Manager's report as presented, seconded by the Vice Chairperson. Motion was unanimously approved.

VI. OLD BUSINESS

1. Realignment of Port Organizational Structure and Amendment of Job Standards. By way of background, the General Manager mentioned that the Board of Directors at its meeting held on September 28, 2023, adopted Board Resolution No. 2023-15 relative to authorizing the General Manager to proceed with realignment of the Port Authority of Guam's organizational structure and to amend classified job specifications and to retire vacant, obsolete positions to streamline roles and responsibilities and optimize organizational effectiveness. The realignment of the Port's organizational structure would include the merging of Operations and Equipment Maintenance Divisions into one division; establishing Facility Maintenance Division

as a separate division; merging Capital Improvement Projects and Engineering Divisions into one division; and separating Occupational Safety and Environmental Compliance into two singular divisions. The next step is the transparency and disclosure process as mandated in Title 4, Guam Code Annotated, Sections 6303 and 6303.1(a). The General Manager mentioned that part of the transparency includes posting on port website, notification to the public and media outlets, comment period, Human Resources Division to compile comments and evidence of transparency, petition re-submitted to Board for final approval by resolution, then all the documents on this matter will be transmitted to the Department of Administration and the Legislative Secretary. The Port will then be able to process job announcement for position and/or effective date of reallocation of position after 180 days lapse from the transmittal. The General Manager said the realignment of the Port's organizational structure and amendment of classified job specifications and retire vacant, obsolete positions realignment will yield a cost savings of about \$742,939.00. At this time, the General Manager requests Board authorization to commence the transparency process.

Director Valencia-Ovalles made motion to authorize management to begin the transparency and disclosure process for the realignment of Port organizational structure and amendment of job standards as required by Title 4, GCA, Section 6303.1, seconded by the Vice Chairperson. Discussion followed, and the Vice Chairperson recalled this matter being presented back in September 2023, and wondered whether salary adjustments will be made accordingly for this consolidation/merger initiative. The General Manager replied positively and it will not cost more than a 10% salary adjustment. Director Valencia-Ovalles advised to ensure that the standard occupational classification system code is assigned accordingly for these positions. The Chairperson appreciated the efforts made by staff on the development of these classification reviews. Without further discussion, the motion on the floor was called to a vote and was unanimously approved.

VII. NEW BUSINESS

1. **Adoption of Board Resolution No. 2024-01.** The Vice Chairperson made motion to adopt Board Resolution No. 2024-01 relative to authorizing the Port Authority of Guam General Manager to temporarily pause H-wharf construction, procure additional gantry cranes, and establish comprehensive strategic measures for port operational enhancement and financial reallocation. Motion was seconded by Director Valencia-Ovalles. Discussion followed, and the Vice Chairperson asked whether there would be a potential contractual risk with the current contractor on H-Wharf construction. The General Manager replied that after having discussed with Port counsel – risk is minimal as the Port has not issued a notice to proceed and that there exist mechanisms in the contract that allows for contract termination. Without further discussion, the motion on the floor was called to a vote and was unanimously approved.

2. **Adoption of Board Resolution No. 2024-02.** Director Valencia-Ovalles made motion to adopt Board Resolution No. 2024-02 relative to adopting the "2024 Look Ahead" Plan: A resolution for sustainability, security, and strategic growth at the Port Authority of Guam, seconded by the Vice Chairperson. Motion was unanimously approved.

3. **Adoption of Board Resolution No. 2024-03.** The Vice Chairperson made motion to adopt Board Resolution No. 2024-03 relative to advancing sustainability energy by formally requesting the Consolidated Commission on Utilities (CCU) to facilitate strategic LNG integration and ESG-focused collaboration work sessions between the Port Authority of Guam and the Guam Power Authority. Motion was seconded by Director Valencia-Ovalles and was unanimously approved.

4. **Adoption of Board Resolution No. 2024-04.** The Vice Chairperson made motion to adopt Board Resolution No. 2024-04 relative to petitioning the Public Utilities Commission (PUC) for the approval to the award to American Material Handling for the purchase of nine (9) terminal yard tractors, seconded by Director Valencia-Ovalles. Motion was unanimously approved.

5. **Adoption of Board Policy Memorandum No. 2014-01.** The Vice Chairperson made motion to adopt Board Policy Memorandum No. 2014-01 on the Credit Card Policy as revised. Motion was seconded by Director Valencia-Ovalles and was unanimously approved.

6. **Adoption of Board Policy Memorandum No. 2019-01.** Director Valencia-Ovalles made motion to adopt Board Policy Memorandum No. 2019-01 on the Travel Rules & Regulations as revised. Motion was seconded by the Vice Chairperson and was unanimously approved.

7. **Authorization to proceed with request for creation of position: Environmental Compliance Administrator.** The General Manager requested authorization to begin the creation process for the Environmental Compliance Administrator position. He stated that the Environmental section is part of the succession plan and realignment that would be separate from the Occupational Safety Division as indicated in Board Resolution No. 2013-15. The General Manager mentioned that to ensure the Port addresses and mitigates all environmental concerns as it embarks on the repair and maintenance of its facilities and be ready to receive cargo related to the military build-up, there is a need to establish an Environmental Compliance Administrator position within the Port's Classification and Compensation Plan. The proposed position will administer the day-to-day activities of the Environmental Compliance Division and collaborate extensively with the local and federal government entities in promoting maritime industry sustainability and increasing maritime energy efficiency, thereby reducing both operating costs and the environmental footprint.

Director Valencia-Ovalles made motion to authorize management to begin the creation process for the Environmental Compliance Administrator position, seconded by the Vice Chairperson. Discussion followed, the Vice Chairperson supports the creation and mentioned that there is a need for an Environmental Compliance Administrator, especially within the Port Authority because of the nature of its business, such as with fuel pipeline spills where at one point the Mobil aboveground storage tank caught on fire; the marine environment, mangrove, and so forth. She stated that when this matter is brought back to the Board, there should be the nature of work, duties and responsibilities of this newly created position and had suggested to

look into US Environmental Protection Agency for guidance. The Chairperson agreed with the Vice Chairperson because of the environmental sensitivities in what the Port does dealing with submerged areas, navigable waters and habitat. The General Manager mentioned that there will be an assessment packet that will be provided to the Board once authorization is granted to begin the creation of this position. Without further discussion, the motion on the floor was unanimously approved.

8. Acceptance of Performance Evaluation of General Manager Rory Respicio with corresponding increment based on rating. Director Valencia-Ovalles made motion to accept the Performance Evaluation of General Manager Rory Respicio with corresponding increment based on rating, seconded by the Vice Chairperson. Motion was unanimously approved.

9. Acceptance of Performance Evaluation of Deputy General Manager Dominic Muna with corresponding increment based on rating. Director Valencia-Ovalles made motion to accept the Performance Evaluation of Deputy General Manager Dominic Muna with corresponding increment based on rating, seconded by the Vice Chairperson. Motion was unanimously approved.

10. Acceptance of Performance Evaluation of Deputy General Manager Pacifico Martir. Director Valencia-Ovalles made motion to accept the Performance Evaluation of Deputy General Manager Pacifico Martir, seconded by the Vice Chairperson. Motion was unanimously approved.

VIII. 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 5:53 p.m. The motion was unanimously passed.



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

APPROVED BY:



Dorothy P. Harris, Chairperson
Board of Directors





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

General Manager's Report for Board of Directors May 31, 2024

- 1. Port Authority joins meeting with CODEL.** On April 26, 2024, I had an opportunity to join Governor Lou Leon Guerrero as well as Delegate James Moylan and members of her cabinet with a Congressional Delegation visiting Guam. The meeting served as an opportunity to discuss key issues affecting the island and to underscore the importance of federal support for Guam's initiatives. The CODEL was co-led by Congressman Mike Bost (Illinois), Chairman of the House Committee on Veterans Affairs, and Congressman Sam Graves (Missouri), Chairman of the House Committee on Transportation and Infrastructure.

During this meeting, Governor Leon Guerrero expressed the following:

- Pressing need for infrastructure improvements, including a new hospital, fortified roads, and underground utilities to enhance resilience against natural disasters.
- Collaborating closely with the Department of Defense (DoD), emphasizing in the urgency of addressing healthcare access issues for veterans, advocating for a co-located veterans facility to streamline services.
- Highlighted the impacts of President Biden's Buy America campaign and the crucial need to secure gantry cranes, which are vital for national security and quality of life for the people of Guam.
- Emphasized that should one crane go out of service, the Port's capacity to meet commercial demand and support Department of Defense missions would be significantly compromised, potentially delaying the military buildup by up to four years.
- Visits are vital in bridging understanding and garnering support for Guam's needs and initiatives and advancing these interests on the national stage.
- The island continues to fall under the spotlight amidst escalating geopolitical tensions. It's imperative to recognize that our best interests are intricately linked with those of the United States and national security.
- Prioritize tackling pressing issues like funding, labor shortages, and housing challenges to safeguard Guam's sustained development and prosperity.

2. Port Authority of Guam Reports Strong Employee Satisfaction in Latest Organizational Morale Survey. On May 8, 2024, the Port Authority has released the results of its latest Organizational Morale Survey, which highlights robust employee satisfaction and a strong endorsement of the organization's leadership. The survey, conducted on May 6 and 7, 2024, received responses from 349 employees, reflecting a high level of engagement across the board, and accounting for 89% of the Port's workforce.

Key Findings of the Survey Include:

- **Overall Satisfaction:** The average satisfaction score stands at 9.0 out of 10, indicating a high level of contentment among employees with their roles and responsibilities.
- **Supportive Work Environment:** Approximately 83.33% of employees feel their work environment is supportive in achieving their professional goals.
- **Effective Communication:** 82.95% of participants rate the communication within their divisions as excellent.
- **Recognition:** About 82.37% of the staff feel that their efforts are recognized and appreciated adequately.
- **Resources:** A notable 90.80% reported having access to the necessary resources and tools to effectively perform their jobs.
- **Work-Life Balance:** 76.15% of the respondents are satisfied with their work-life balance.
- **Feedback and Growth Opportunities:** 76.44% are content with the feedback and growth opportunities available to them.
- **Leadership:** The survey also revealed strong approval of the leadership, with 94.12% of the participants affirming the Board's exceptional performance rating of the General Manager.

We are grateful to see this kind of feedback and participation from Port employees. This affirms our commitment to maintaining a supportive and dynamic work environment. We are dedicated to continuous improvement and are taking careful consideration of the constructive feedback to enhance our operations further. The Port Authority remains committed to its mission of fostering a collaborative and efficient work environment that supports its employees, serves our island community effectively, and supports the defense of our nation operationally. Pulse surveys are a powerful tool for maintaining continuous dialogue within an organization. They help leaders stay connected with employee needs and perceptions, enabling timely interventions and fostering a culture of openness and responsiveness.

3. **Eighth cruise ship of the year sailed into Guam today.** On May 14, 2024, the Port Authority welcomed its 8th passenger vessel of the year with the arrival of the MV Seabourn Pursuit. Onboard the cruise vessel were 231 passengers and 240 crew members. The arriving passengers and crew members from the MV Seabourn Pursuit is a boost to Guam's tourism industry and highlights Guam as a premiere luxury cruise destination. Other potential cruise ship visits to Guam this year include the MV Seabourn Pursuit on September 7th, the Le Soleal on October 8th, the Carnival on October 22nd, and the MS Asuka II on December 30th.

4. **Port improves Agat Marina Facilities with more than \$1.94M investment for new Dock B, restrooms and CCTV Cameras.** On May 29, 2024, the Port Authority held a ribbon cutting ceremony to unveil the rehabilitated Agat Marina Dock B, new restroom facilities, and CCTV cameras. The Agat Marina holds a special place in the hearts of many, serving as a gateway to adventure and relaxation for both locals and visitors alike. With the rehabilitation of Dock B, we are expanding our capacity and infrastructure to the public's benefit to accommodate a growing demand for maritime services while maintaining our commitment to environmental sustainability. The rehabilitation of the Marina's Dock B provides an additional 48 slips for recreational boaters and fishers of Guam and is the last dock to undergo rehabilitation totaling 162 useable slips. The use of non-rot recycled plastic composite material, marine-grade aluminum frames and stringers, and stainless-steel junction boxes with watertight fittings provide a low-cost maintenance facility. Additionally, the dock is designed to withstand the combination of wind, sea action, boat docking, and other loads without damage to the structure and components throughout a 20-year design life. The newly built restroom facility provides the community and tourists better accommodations while utilizing the marina and the installation of CCTV cameras provides 24-hour surveillance to enhance the security and protection of all marina users.

I want to take this opportunity to thank Governor Lou Leon Guerrero and Lt. Governor Josh Tenorio for their vision and support as we continue to improve our capacity and resiliency not only within the terminal yard but outside the fence, empowering us to better serve our community and the region. I'd also like to thank our Board of Directors for their unwavering dedication and stewardship as well as the Port Authority of Guam team, whose tireless efforts have made today's achievements possible.

The rehabilitation of Dock B cost \$1,494,750.00 which included \$500,000.00 from the Department of the Interior, Office of Insular Affairs with the Port being a sub-grantee to the Guam Department of Agriculture's U.S. Fish and Wildlife Service USFWS (OIA Grant Number F19AF01199) and \$994,750.00 in Port funds. The Restroom Facility cost \$345,000.00, the CCTV Cameras cost \$107,800.00 and were both paid for with Port funds.

5. General Manager's Notes for YTD Finances. We are providing the following summary for April 30, 2024:

REVENUES AND CARGO THROUGHPUT:

- The Port's Total YTD Operating revenue for April 30, 2024, is \$34.4 million, -2.4% or \$849K lower than the YTD April FY 24 budget revenue projection of \$35.3M.
- The total number of containers handled as of April 30, 2024, is 42,023, -0.3% or 140 containers lower than last year's March 2023 YTD total of 49,439. The total tonnage for non-containerized cargos as of April is 122K revenue tonnage, which is 38% higher as compared to last year's April total of 88K revenue tonnage. The increase is primarily from domestic cargos of Roll on Roll off Vehicles.

The addition of two container/ roll-on, roll-off vessels ("con-ro"), owned by Matson, that come to Guam are the primary reason for the increased in domestic non-containerized cargo by 1,126%. The total Roll on Roll off revenue as of April is \$682K, an increase of 84% or \$311K.

OPERATING EXPENSES:

- Overall Operating expenses, as of April 30, 2024, is \$33.6M, which is 4.4% or \$1.4M higher than the YTD budget for April with a total of \$32.2M. The current total expense as of April is 60% of the total approved FY2024 Budget in the amount of \$57.0M. In October 2023, typhoon Bolivar was anticipated to pass through Guam which resulted to typhoon related expense amounting to \$326K. This was an unforeseen expense that the Port incurred.

OVERTIME EXPENSE AND DIRECT LABOR REVENUE:

- YTD Overtime for Divisions involved in Operations is \$880K, 18% or \$135K higher than the overtime budget for YTD April at \$744K. The FY 2024 YTD Overtime as of April is 12% lower as compared to last year's April total of \$1,000,376. The decrease in OT would have been higher but because of the annual employees' salary increase, the overtime rate for each employee also increased in FY 2024.
- The total Direct Labor revenue as of April is \$2.3M, 2.4% or 53K higher than the FY24 budget of \$2.2M.

Here is the breakdown:

Direct Labor Revenue:	\$ 2,282,187
Operations Overtime:	<u>\$ 879,770</u>
Variance:	\$ 1,402,417

YTD OPERATING REVENUES MINUS YTD EXPENSES:

- Operating revenues minus operating expenses resulted in an operating income of \$708K. The final result for April is a net income of \$2.6M, after adding the net of Other Income/Expenses totaling \$1.9M. The YTD Net Income is higher by 11.6% higher than YTD Budget Projection of \$2.3 million.

Note: \$1.9M is a net balance of Other Income and Expense composed of Interest Income, Interest Expense, Federal Reimbursements, Federal Expenses, Retirees COLA, Supplemental, Medical and Dental, and Other Non-Operating Income & Expenses.

Other Financial Highlights, as of March 31, 2024:

- The debt service ratio as of April 30, 2024, is 1.42. This is 13% higher than the Bond Indenture Debt service ratio requirement of 1.25.
- Days Cash on Hand as of March is 812 days, 62% or 312 days higher than the 500 days requirement of Moody's Rating agency.

Annual Debt Service Coverage	1.42
Required Debt Service Coverage	1.25
Variance	0.17
% Variance	13%

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

- **USDHS/FEMA Port Security Grant Program.** The Port received \$124,779.00 from the 2023 PSGP that included the following Investment Justifications (projects):
 - Acquisition of Two (2) Port Police Boat Trailers. Guam Home Center was awarded Purchase Order #19742OS on March 19, 2024. Estimated delivery to the Port is June 2024.
 - Acquisition of Port Police laptop and accessories. MD Wholesale was awarded Purchase Order #19777OS on April 1, 2024. Estimated delivery to the Port is June 2024.
 - Acquisition of Port Police PPEs. Currently in the procurement process.

- **U.S. Economic Development Administration (EDA) Fuel Pipeline Connectivity Project.** A/E Designer, AM Orient is working toward 90% and Final Design submittals. Geotechnical borings were completed on May 21-22.

- **Gantry Crane Acquisition.**
 - **Acquisition of an STS Gantry Crane by the PAG.**

The Port will be submitting a grant application to OLDCC's Defense Community Infrastructure Program (DCIP) to fund one (1) Ship-To-Shore (STS) Gantry Crane. In addition, Port Team collaboration is ongoing with the USDA for the acquisition of two (2) STS Gantry Cranes. In the meantime, Procurement has been instructed to move forward with the procurement process and start the requisition of potentially two (2) cranes. – *Status Quo*

 - **USDA Direct Loan.** PAG Finance was assigned to develop a request for proposal to select a lender to provide commercial loan financing for replacing the PAG's Ship-to-Shore Gantry Cranes and acquiring additional cargo handling equipment, e.g., Tractors, Telescopic 150 Ton Crane, Top lifters, and Forklifts. Port Team is working with the local USDA office in completing the application process. USDA Guidance has been provided with regards to the type of procurement that the Port will be executing. – *Status Quo*

- **MARAD Marine Highway Program.** The Grant Agreement for MARAD FY 2022 America's Marine Highway was effectuated on August 4, 2023.

Update: PAG Procurement has advertised bids for five (5) 5.5-ton forklifts, one (1) 180-ft. boom lift, and two (2) 40-plug mobile reefer generators. PAG Procurement to issue the purchase order for the 40-plug mobile reefer generators, as well as the contract and purchase order for the 180-ft. boom lift. Re-bid for the forklifts will be advertised to address the recently issued Build America, Buy America Act (BABA) Waiver. The contract and purchase order for the nine (9) terminal yard tractors is expected to be issued pending PUC approval at the upcoming May 30, 2024 meeting.

- **Office of Local Defense Community Cooperation.** The PAG's recent grant application, totaling \$1.45M for its OAE, to conduct a Port Resiliency and Sustainability Study, was granted by OLDCC through the Office of the Governor. The key feature of this grant is the Zero Emission Study, which will establish a baseline estimate of the Port's Greenhouse Gas (GHG) Scope 1 and 2 emissions and identify Zero Emission (ZE) technologies for PAG's consideration toward achieving zero emissions at the Port. Additionally, a Zero Waste Study will enable the Port to assess Guam's Zero Waste Master Plan and identify and implement waste management best practices at the Port.

Update: Guam Power Authority held a Kick-Off Meeting on May 15, 2024 regarding the LNG Feasibility Study. PAG team attendees include Vice Chairperson Conchita Taitano and Port Planning Staff – Dora Perez and Angela Mendiola.

Discussion consists of:

- Phase 1 Scope:
 - Evaluate indicative LNG demand.
 - LNG fuel procurement study including evaluating LNG sourcing and shipment options.
 - Identify the least-cost LNG terminal site and configuration for Guam.
 - Economic cost-benefit and ratepayer impact analysis.
 - Business model analysis and financial analysis.
 - Environmental, cultural, and construction permit survey.

- **EPA Diesel Emissions Reduction Act (DERA) Program.** A purchase order for four (4) terminal yard tractors was issued to American Material Handling, Inc. on May 2, 2023. Delivery: 330 Days or April 2024.

Update: The four units arrived on the APL Oceania on April 15, 2024. PAG Equipment Maintenance is working to decommission the units selected for replacement to close out the project.

- **US DOT Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program.** PAG requested a no cost scope modification to the original F1 Pier and Wharves F2 – F6 repairs under the RAISE grant whereby funding for F1 Pier will be shifted to supplement funding for wharves F2 – F6.

Update: On May 1, 2024, MARAD approved the MOA with the Port and the Guam State Historic Preservation Office (GSHPO). This comprehensive agreement, also recorded as RC 2024-0105, addresses the implementation of projects at Pier F-1 and Wharves F-2 through F-6 within the Commercial Port Historic District. The MOA encompasses curation, duration, post-review discoveries, monitoring and reporting, dispute resolution, amendments, termination, compliance with the Anti-Deficiency Act, efficient communication, and execution.

Additionally, there are ongoing discussions between PAG and its Owner's Agent Engineers, WSP, to refine the scope of work and services required to satisfy the National Environmental Policy Act (NEPA) and complete the Environmental Assessment for this project.

- **Office of Insular Affairs Maintenance Assistance Program (MAP).**
 - Port Welding Shop Phase 1 & 2 project. Awarded in 2020 & 2021. Seeks to repair concrete spalling and cracks on the exterior of the building and apply the proper protective coating once the exterior is fully repaired. The other component of the PAG's funding application is the acquisition of specialized equipment for the Welding Section to support the maintenance of its gantry cranes and other heavy duty equipment.

Update: The procurement packet for the repair portion of the grant is currently under legal review. Specifications for the equipment purchase are being finalized.

- Generator Maintenance Program. Awarded on June 29, 2022. Hawthorne Pacific Corporation signed the purchase order on May 8, 2023. On June 28, 2023, requisitions were entered into the system and a total of eight (8) purchase orders were awarded on October 23, 2023, to three (3) different vendors: Landscape Management Systems, Inc., Far East Equipment Co. LLC., and Hawthorne Pacific Corporation. Genset maintenance/services and parts deliveries are ongoing.

Update: Hawthorne Pacific continues to provide periodic maintenance service to all Port generators and have been very consistent with reporting and documenting the status of the Port's assets. – *Status Quo*

- New Grant Proposal – U.S. EPA Clean Ports Program: Climate and Air Quality Planning Competition, CFDA No. 66.051. The USEPA Clean Ports Program aims to reduce air pollution and greenhouse gas emissions at ports by supporting projects that adopt cleaner technologies and practices, improve air quality, and enhance public health.

Update: The Port has developed a Net Zero Emissions Strategy Update and Implementation Plan grant proposal with assistance from WSP and Jacobs. The proposal requests \$2,410,415.00 in funding and the grant application was submitted by the deadline of May 28, 2024.

7. **Port Revenue Bonds Project Status.** As of May 30, 2024, 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 May 30, 2024**

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	\$1,495,735.10	\$44,836,159.90	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	At last months regular board of directors meeting, 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.
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.
Waterline Replacement and Relocation	\$6,000,000.00	\$2,587,583.20	\$3,412,416.80	PO No. 177900S for \$4,856,568.91 awarded to BME & Sons Inc.	Pipe installation has progressed to the Warehouse 1 and EQMR area. The project's estimated completion date is December 2024.
EQMR Building Repairs and Upgrades	\$3,628,800.00	\$2,095,208.33	\$1,533,591.67	PO No. 180070S for \$3,980,000.00 awarded to JJ Global Service	The PAG and JJ Global discussions on lead based paint have concluded and are pending amendment of the contract.
Warehouse 1 Repairs	\$2,000,000.00	\$447,013.13	\$1,552,986.87	RFP No. 2019-03: A&E Design for \$1,406,427.48 awarded to NC Macario	The procurement process has been initiated. The Attorney General notification has been issued. A procurement planning meeting will be scheduled shortly.
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 2. Upgrade of the Port's IT system and integration of TOS	\$4,980,745.00	\$0.00	\$4,980,745.00	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 being updated by WSP and IT.
Other Priority Projects - EnterpriseOne Financial Management System	\$2,500,000.00	\$2,448,379.65	\$51,620.35	See status	Multifactor authentication and Vertex upgrades have been completed. Module updates are ongoing for vessels and SSRs. The PAG is also exploring additional applications such as content management for document retention.
New Admin. Annex Building	\$10,445,000.00	\$0.00	\$10,445,000.00	See status	Project is currently on hold pending Management decision.
Grand Total	\$77,886,440.00	\$9,446,067.34	\$68,440,372.66		



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

May 28, 2024

MEMORANDUM

To: Board of Directors
 From: Rory J. Respicio, General Manager *Rory Respicio*
 Subject: Realignment of Port Organizational Structure and Amendment of Job Standards

Hafa Adai! On April 25, 2024, the Board of Directors authorized management to begin the transparency and disclosure process on the realignment of Port organizational structure and amendment of job standards.

To comply with the transparency and disclosure process as mandated by Title 4, Guam Code Annotated, Chapter 6, Section 6303.1, the documents on the realignment of Port organizational structure and amendment of job standards 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 April 29, 2024 and the deadline to submit comments was on May 13, 2024 to the Port’s Human Resources Office.

On May 24, 2024, the Port’s Human Resources Office advised that there were no comments received by the Port employees or the general public regarding the realignment of Port organizational structure and amendment of job standards.

In light of the above, the transparency and disclosure requirement were met and it is requested that approval and adoption be made for the realignment of Port organizational structure and amendment of job standards at a pay grade on the following positions in the classified service.

Position Title	Pay Grade/Step	
	Minimum	Maximum
Facilities Maintenance Manager	O-6D	O-7D
Operations & Equipment Maintenance Manager	P-9B	P-10B
Assistant Equipment Maintenance Manager	O-6A	O-7A
Capital Improvement Projects & Engineering Manager	P-8A	P-9A
Marketing & Communications Manager	O-6D	O-7D
Transportation Leader	J-8B	J-9B

I am available for any questions you may have.

PORT AUTHORITY OF GUAM

JOSE D. LEON GUERRERO COMMERCIAL PORT

1026 Cabras Highway, Suite 201 Piti, GU 96915

Phone: (671) 477-5931 Fax: (671) 477-2689

Website: www.portguam.com



PUBLIC NOTICE

Realignment of the Port Organizational Structure and Amendment of Job Standards

Piti, Guam, April 29, 2024: In compliance with Title 4 of the Guam Code Annotated (GCA), the public is notified of the Port's petition for the realignment of the Port organizational structure and amendment of job standards.

On September 28, 2023, the Board of Directors adopted Resolution No. 2023-15, relative to authorizing the General Manager to proceed with realignment of the Port Authority of Guam's organizational structure and to amend classified job specifications and to retire vacant, obsolete positions to streamline roles and responsibilities and optimize organizational effectiveness.

Request to the Board of Directors and supporting documents are available on the Port's website under "Public Notices" <https://www.portofguam.com/news/public-notices> for public review and comment.

Please submit your comments to the Human Resources Division no later than May 13, 2024. For more information, please contact the Human Resources Division at 671-477-5931/4, ext. 245 or 246.

Margret Duenas

From: Margret Duenas <mduenas@portofguam.com>
Sent: Monday, April 29, 2024 1:17 PM
To: life; news; news; gerrypartido; news; editor; mar vic cagurangan; John Oconor; michael weakley; kstokish; kishfm102 9; taentgu; Kandit News Group; production; raygibsonshow; Nestor Licanto
Subject: Realignment of the Port Organizational Structure and Amendment of Job Standards

PUBLIC NOTICE

Realignment of the Port Organizational Structure and Amendment of Job Standards

Piti, Guam, April 29, 2024: In compliance with Title 4 of the Guam Code Annotated (GCA), the public is notified of the Port's petition for the realignment of the Port organizational structure and amendment of job standards.

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Please submit your comments to the Human Resources Division no later than May 13, 2024. For more information, please contact the Human Resources Division at 671-477-5931/4, ext. 245 or 246.

Margret Duenas

From: Margret Duenas <mduenas@portofguam.com>
Sent: Monday, April 29, 2024 1:33 PM
To: Betty W. Perez; Vivian Leon; Joe Javellana; Dora C. Perez; Chris Flores; Sonja L. Cruz; Clarence V. Lagutang - CIP Manager; Jennifer Barcinas; Paul R. Salas; Joshua V. Candoleta; Annie; Mark A. Cabrera; Dennis J. Perez; Arden B. Bonto; Bernadette Meno; Ryan J. Arriola; Antoinette M. Mafnas; Shawn B. Cepeda; Carmelita G. Candoleta; Evangeline O. Castro; Jojo B. Guevara; MaryJane Garcia; Jesse S. Mendiola; Roseanna T. Castro; Victor; Glenn B. Nelson; Patrick E. Alvarez; Jose A. Ulloa; Janice H. Flores; Raymond Santos; Jacqueline Cruz; Reed K. Topasna; Shine A. San Agustin; Alex Aflague
Cc: Dominic G. Muna; Pacifico R. Martir
Subject: Public Notice: Realignment of Port Organizational Structure & Amendment of Job Standards
Attachments: Realignment of Port Organizational Structure.pdf

Hafa Adai All,

Provided for your review and/or comment is the public notice on the Realignment of the Port Organizational Structure and Amendment of Job Standards.

For immediate access, kindly click on link: <https://www.portofguam.com/news/public-notice>

Deadline to submit comments to the Human Resources Office is no later than Monday, May 13, 2024.

Regards - marge



PORT OF GUAM
 ATURIDAT I PUETTON GUAHAN
 Jose D. Leon Guerrero Commercial Port
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 Website: www.portofguam.com



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

April 29, 2024

INTER-OFFICE MEMORANDUM

TO: Division Heads
FROM: Rory J. Respicio, General Manager *Rory Respicio*
SUBJECT: Proposed Amendments of Job Standards

The Board of Directors at their regular meeting of April 25, 2024 authorized management to begin the process of amending the following job standards in the classified service.

Current Job Standards	Proposed Job Standards
Operations Manager	Operations & Equipment Maintenance Manager
Assistant Maintenance Manager	Assistant Equipment Maintenance Manager
Facilities Maintenance Superintendent	Facilities Maintenance Manager
Capital Improvement Projects Manager	Capital Improvement Projects & Engineering Manager
Port Marketing Administrator	Marketing & Communications Manager
Crane Operator Leader	Transportation Leader

To provide you with an opportunity to submit your inputs on the proposed amendments, we have posted the request to amend the proposed positions on the Port’s website, under “Public Notices” <https://www.portofguam.com/news/public-notice> for your review and comments.

Please submit your comments, if any, to the Human Resources Division no later than May 13, 2024.

Should you have any questions regarding the request, please feel free to contact the Human Resources Division at ext. 245 or 246.

cc: Acting Personnel Services Administrator

Margret Duenas

From: GuamWEBZ WebCare <webcare@guamwebz.com>
Sent: Monday, April 29, 2024 12:03 PM
To: Margret Duenas
Subject: Re: Realignment of the Port Organizational Structure

Good Morning Marge,

This is done.

Regards,
Rocky

GuamWEBZ WebCare Team

For all your Web Updates and Support:
webcare@guamwebz.com

"WEB CARE for your Web."

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Sender's Note: This email and its content, including attachments, may have been prepared and/or sent by another member from our team on behalf of the person(s) named in this email, such as by a colleague/other team member, usually done so to expedite communication and/or in the spirit of sharing resources to get the task completed.
We may use AI applications in certain instances to improve communication and quality control.

On Mon, Apr 29, 2024 at 9:58 AM Margret Duenas <mduenas@portofguam.com> wrote:
Re-Sending with e-message.

PAG – Margret Duenas – -04/29/24 – ASAP please

Kindly post the attached on the following link: Public Notice - <https://www.portofguam.com/news/public-notice>

Title: Realignment of the Port Organizational Structure and Amendment of Job Standards

Thank you - marge

----- Forwarded Message -----



Public Notices

HOME / NEWS / PUBLIC NOTICES

Public Notices

- **Realignment of the Port Organizational Structure and Amendment of Job Standards**
- **Creation of Position Assistant Procurement & Supply Manager**
- **Creation of Position General Administration Manager – Comments Submission Extended**
- **Creation of Position Chief Financial Officer - Comments Submission Extended**
- **Chief Financial Officer**
- **General Administration Manager**
- **Creation of Position Port Chief Engineer**
- **Creation of Position CIP Manager**
- **Creation of Position Port Terminal Supervisor – Comments Submission Extended**
- **Creation of Position Port Terminal Worker – Comments Submission Extended**
- **Creation of Position - Port Terminal Worker**
- **Creation of Position - Port Terminal Supervisor**
- **Miscellaneous Services & Charges - Water Rate 080621**
- **Fendering System Hardening Project – Initial Public Notice**
- **Warehouse 1 Hardening Project – Initial Public Notice**
- **Labor Day Message**
- **PAG All Hazards Alert Warning System Test**
- **PAG Docket 17-01, 5 Year Tariff Increase 080720**

BOARD OF DIRECTORS

*Dorothy P. Harris, Vice Chairperson
Dr. Judith P. Guthertz, Board Secretary
Conchita S.N. Taitano, Member*



Resolution No. 2023-15

RELATIVE TO AUTHORIZING THE GENERAL MANAGER TO PROCEED WITH REALIGNMENT OF THE PORT AUTHORITY OF GUAM'S ORGANIZATIONAL STRUCTURE AND TO AMEND CLASSIFIED JOB SPECIFICATIONS AND TO RETIRE VACANT, OBSOLETE POSITIONS TO STREAMLINE ROLES AND RESPONSIBILITIES AND OPTIMIZE ORGANIZATIONAL EFFECTIVENESS

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

WHEREAS, 12 GCA Section 10104(e) compels the Board of Directors to establish the Authority's internal organization and management and to adopt regulations for the administration of its operations and the conduct of its affairs; and

WHEREAS, 12 GCA Section 10111(a) also dictates that the Board of Directors establish and amend rules and regulations governing the selection, promotion, performance evaluation, demotion, suspension and other disciplinary action for employees of the Authority; and

WHEREAS, 12 GCA Section 10107 delineates the duties and responsibilities of the General Manager, of which Subsection (f) prescribes that he selects and appoint the employees of the Authority and plan, organize, coordinate and control the services of such employees;

WHEREAS, Public Law 30-43 was passed effective July 2, 2009, approving the Authority's Personnel Rules and Regulations and Compensation and Classification Plan for Maritime Related Positions Unique to Port Operations and Certified, Technical and Professional Positions for the Authority; and

WHEREAS, Chapter 2 of the Personnel Rules and Regulations outlines the responsibilities of the General Manager to include that he maintains the position classification and compensation plan; and

WHEREAS, the effectiveness of the Authority's organization depends on how well roles are designed, how clearly and appropriately the interrelationships of various positions are developed and how well practices for planning, decision-making and communication are established; and

WHEREAS, the current organizational structure, established in 2006, has its limitations, and therefore an organizational realignment would better enhance and promote teamwork between the divisions, increase resource visibility, and manifest an improved sense of self-governance by its employees; and

WHEREAS, in the latter part of 2021, the Port saw the departures of two senior managers as a result of retirement and no succession plan was in place which caused a void in the leadership for the Maintenance Department; and

WHEREAS, to ensure the administration of the day-to-day activities and programs for the Maintenance Department are not disrupted, we appointed the Operations Manager to assume the duties and responsibilities of the Maintenance Manager without compensation; and

WHEREAS, during the past two years we have seen the division heads, superintendents and leaders when asked accept positions in an acting capacity, in most cases willingly absorb additional duties and responsibilities without compensation, and proven to go above and beyond to ensure the Port's mission is fulfilled and the supply chain to the island is not disrupted; and

WHEREAS, in April 2021, Moody's Investors Service issued a report that removed the Port Authority from credit watch based on strong finances despite the COVID-19 pandemic and demonstrated good cost control for fiscal years 2020 and 2021; and

WHEREAS, in October 2022, S&P Global affirmed the "A" long-term rating on the Port's series 2018 Port Revenue Bonds and through its credit opinion stated *"Our overall assessment for the Authority's enterprise profile is strong, reflecting very strong economic fundamentals, an adequate market position and strong governance."*; and

WHEREAS, in August 2023, the Guam Public Auditor announced that the Port achieved low-risk auditee status for the fourth consecutive year (2019 to 2022) in a row and said *"These clean, low risk status audits for the past four years demonstrate strong leadership and management from the General Manager and his team of dedicated, qualified and Port-strong employees."*; and

WHEREAS, the affirmation by S&P Global of the Port's 2018 Revenue Bond, along with the Port's low-risk designation from Moody's Investors Service, would bring the Port the creditability needed to seek funding to replace the Port's aging gantry cranes, rehabilitation of the wharves to ensure resiliency and replacing our aging facilities, and would show a commitment that the Port does not become a choke point for discharging and deploying military assets and commodities, in addition to management's charge to keeping the Port 100% operational at all times; and

WHEREAS, to ensure that the Port maintains this commitment, it is recommended that the current organizational structure be realigned to merge Operations and Equipment Maintenance divisions into one division; establish Facility Maintenance as a separate division; merge Capital Improvement Projects and Engineering divisions into one division; and separate Occupational Safety and Environmental Compliance into two singular divisions; and



WHEREAS, such realignment will not displace any employees nor have any adverse effect upon any classified employees within the divisions; and

WHEREAS, in accordance with an organizational realignment, job specifications for several classified positions would need to be amended to streamline the roles and responsibilities, optimize organizational effectiveness, and reflect the duties and responsibilities expected of the positions; and

WHEREAS, such amendments of job specifications for classified positions would need to comply with the transparency and disclosure process as outlined in 4 GCA Sections 6303 and 6303.1(a) and Rule 4.200 of the Authority's Personnel Rules and Regulations; and

WHEREAS, as a result of recent creation of positions and once the transparency and disclosure process has been completed for the amendments of job specifications for classified positions, there will be a need to retire several established classified job specifications, such as, Financial Affairs Controller, Engineering Manager, Maintenance Manager, Equipment Operator Leader and other classified positions whose duties and responsibilities would be consolidated into the amended job specifications that would optimize organizational effectiveness; and

WHEREAS, the cost savings associated with the retirement of those identified positions stated above would be \$742,939 including benefits; and

WHEREAS, the Board of Directors supports the General Manager's capability to lead the Authority through strategic transitions to create the capacity needed for sustained strong performance, so that the end results forge the organization's long-term success; and

WHEREAS, in the event the Authority's Board of Directors lacks a quorum due to an insufficient constitution of its members because appointed potential members are pending legislative confirmation, now therefore be it

RESOLVED, that the General Manager is hereby authorized, without further Board approval, to proceed with realigning the Authority's organizational structure by merging Operations and Equipment Maintenance divisions into one division; establishing Facility Maintenance as a separate division; merging Capital Improvement Projects and Engineering divisions into one division; and separating Occupational Safety and Environmental Compliance into two singular divisions; and be it further

RESOLVED, that, accordingly, the General Manager undertake the required transparency and disclosure process for the amendment of job specifications for classified positions pursuant to applicable statutory law and the Personnel Rules and Regulations; and be it further

RESOLVED, that, accordingly, the General Manager proceed without any further Board action to implement the aforementioned organizational changes after the public posting pursuant to 4 GCA § 6303(e)(2) is completed; and be it further

RESOLVED, that, accordingly, the General Manager proceed without any further Board action to detail the current occupants of the managerial positions, whose duties and responsibilities are modified by the above-described realignment, to those amended positions pending the permanent filling of their respective amended positions, pursuant to 4 GCA §6303(e)(3); and be it further

RESOLVED, that the Chairperson certify to, and the Secretary attest to, the adoption hereof.

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 28th DAY OF SEPTEMBER, 2023.



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



DR. JUDITH P. GUTHERTZ
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

May 29, 2024

MEMORANDUM

To: Board of Directors
From: Rory J. Respicio, General Manager 
Subject: Request for Creation of Position – Environmental Compliance Administrator

Hafa Adai! On April 25, 2024, the Board of Directors authorized management to begin the creation of position for the Environmental Compliance Administrator and present the creation package to the Board so the transparency process can begin. The justification to create the position was based on the following:

The Port serves as the only commercial port on the island of Guam and serves as the primary transshipment hub for other islands in the Southwest Pacific region, such as, Commonwealth of the Northern Marianas Islands, Federated States of Micronesia, Republic of Marshall Islands and Palau. Citizens of Guam and neighboring islands depend on the Port to provide essential goods, most notably food products, medical supplies, building materials and fuel. Currently, more than 90 percent of the total volume of goods and supplies needed to support activities flow through the Port. In addition, the U.S. military relies on the Port to handle nearly all of the military cargo and equipment moving in and out of Guam to support Defense community's needs.

With over 90% of containerized and breakbulk commodities passing through its wharves and the lifeline between Guam, the region and the rest of the world, it is critically important that the Port invests in initiatives to upgrade its infrastructure, facilities, equipment to achieve resiliency, ensure supply chain sustainability and enhance operational capacity and services.

Over the past decade, the Port has grown and evolved into a world-class commercial port and has had significant success, evidenced with the recent successful completion of the \$50 million Port Modernization Program, the recent ground-breaking for Hotel Wharf Rehabilitation Projects, and federal funding to repair Golf Pier and F-1 and F-6 wharves. As the Port moves forward with the development of its maintenance and capital improvement projects with partnership with U.S. Department of Defense's Indo-Pacific Strategy and Pacific Initiatives, there is a need to ensure compliance with federal and local statutes on environmental issues.

In 2018, the Port's Owner Agent Engineer, WSP, was tasked to evaluate compliance with applicable environmental, health, and safety (EHS) laws and regulations at the facilities owned by the Port Authority of Guam. For the last 4 years, WSP worked closely with the Environmental Compliance Specialist assigned under the Occupational Health and Safety Division to mitigate the specific regulatory deficiency and implement an abatement and mitigation strategy for each finding. The audit findings and mitigation efforts are being used to develop a comprehensive EHS program that will be compliant with all applicable EHS laws and regulations under Title 22 of the

Guam Administrative Rules and Regulations; Title 40 Code of Federal Regulations (CFR); Title 20 CFR Sections 1910, 1917, 1917 and 1926 and U.S. Coast Guard Regulations.

Typhoon Mawar hit Guam on May 24, 2023 and left behind a massive trail of destruction. Port employees worked tirelessly to get the Port back up and in three days the Agency was fully operational. Based on the assessment conducted by Engineering staff, it was determined that the estimated cost of \$9 million plus would be needed to repair or replace the Port facilities due to damages sustained.

To ensure the Port addresses and mitigates all environmental concerns as it embarks on the repair and maintenance of its facilities and be ready to receive cargoes related to the military build-up, there is a need to establish an Environmental Compliance Administrator position within the Port's Classification and Compensation Plan. The proposed position will administer the day-to-day activities of the Environmental Compliance Division and collaborate extensively with the local and federal government entities in promoting maritime industry sustainability and increasing maritime energy efficiency, thereby reducing both operating costs and the environmental footprint.

We are attaching classification report and analysis justifying the need to create an Environmental Compliance Administrator position in the classified service under the Port Classification and Compensation Plan.

Public Law 30-43 adopted the Port's Personnel Rules and Regulations which authorizes the Board of Directors to create positions in the classified service in accordance with Title 4, Guam Code Annotated, Section 6303(d). Rule 5.015 of the Personnel Rules and Regulations stipulates that the General Manager shall petition the Board to create new positions or classes of positions when necessary for the efficient performance of the duties and functions of the Port. The petition shall include:

1. The justification for the new position.
2. The essential details concerning the creation of the position.
3. An analysis of the similarities and differences between the position to be created and positions listed pursuant to Title 4, GCA, Section 4101.1(d).
4. The position description.
5. The proposed pay range and demonstration of compliance with Section 6301 of Title 4, GCA.
6. A fiscal note as that term is described in Title 2, GCA, Section 9101 *et seq.*; and any other pertinent information.

If the Board agrees to establish the Port Attorney position, Rule 5.016 of the Personnel Rules and Regulations would need to be complied with regarding transparency and disclosure. The requirements of this Rule are as follows:

1. The petition for request for creation is posted on the Port's website for 10 days (Saturdays, Sundays and Government of Guam holidays excepted); and
2. Notices of the postings are provided to each newspaper of general circulation and broadcasting station which airs a regular local news program within Guam.

After the transparency process has been completed, this office shall forward the petition, along with evidence of compliance to the Board. If the Board is satisfied that all requirements have been met, the petition for creation of position is approved by resolution, which copies is transmitted to the Director of Administration and Guam Legislative Secretary.

Upon meeting the above requirements, the Port can fill the position once 30 days have elapsed from the date of filing with the Legislative Secretary. However, if the Port does not comply with the requirements, such creation of position shall be voided.

To ensure that transparency and disclosure is provided to all parties concerned, the following processes and estimated timeframes are to be followed:

PROCESS	ESTIMATED TIMELINE
Request to be submitted to the Board for their initial review and approval to proceed with the transparency process for the creation of the position, i.e., posting such request on the Port's website.	May 31, 2024
If Board agrees to proceed with the creation, the request will be transmitted to the division heads for review and comments.	June 3, 2024
Posting of proposed creation of position on Port's website.	June 3 to 14, 2024
Notification to be provided to the electronic and written media outlets of the Port's request, its availability on the website; and possible Board meeting date the request may be approved.	June 3, 2024
Request to be re-submitted to the Board for final approval and adoption by resolution.	June 28, 2024
Creation of position documents transmitted to the Director of Administration and Guam Legislative Secretary.	June 28, 2024
Process job announcement for positions and/or effective date of reallocation of positions.	July 30, 2024

In light of the above, we are transmitting our request to create the Environmental Compliance Administrator position in the classified service for your initial review and ask your kind approval to begin the transparency and disclosure process of the creation.

Your kind approval of the above is greatly appreciated. I am available for any questions that you may have. *Si Yu'os Ma'ase.*

Cc: Deputy General Manager, Administration & Finance
Deputy General Manager, Operations & Maintenance
Corporate Services Manager
Acting Personnel Services Administrator

PORT AUTHORITY OF GUAM
Jose D. Leon Guerrero Commercial Port
Piti, Guam

**PETITION FOR
CREATION OF POSITION – ENVIRONMENTAL COMPLIANCE ADMINISTRATOR**

REQUEST:

On April 25, 2024, the Board of Directors authorized the General Manager to begin the creation of an Environmental Compliance Administrator. As a result of this authorization, the General Manager requested the Human Resources Division to review the Port's current organizational structure and prepare the creation for the Environmental Compliance Administrator.

AUTHORITY:

Public Law 30-43 adopted the Port's Personnel Rules and Regulations which authorizes the Board of Directors to create positions in the classified service. Rule 5.015, *Creation of New Positions and Classes of Positions*, of the Personnel Rules and Regulations stipulates:

- A. *Pursuant to Section 6303(d), Title 4, GCA, the General Manager shall petition the Board to create new positions or classes of positions when necessary for the efficient performance of duties and functions of the Port.*
- B. *The petition shall include:*
 - 1. *the justification for the new position.*
 - 2. *the essential details concerning the creation of the position.*
 - 3. *the analysis of the similarities and differences between the position to be created and the positions listed pursuant to Title 4, GCA, Section 4101.1(d).*
 - 4. *the position description.*
 - 5. *the proposed pay range and demonstration of compliance with Section 6301 of Title 4, GCA.*
 - 6. *a fiscal note as that term is described in Title 2, GCA, Section 9101 et seq.; and any other pertinent information.*
- C. *The petition shall be posted on the Port's website for ten (10) days (Saturdays, Sundays and Government of Guam holidays excepted). After the posting, the General Manager shall forward the petition, along with evidence of his compliance with Title 4, GCA, Section 6303.1(a) to the Board, who if they approve the same, shall approve the petition by resolution and file the petition and resolution for record with the Director of Administration and the Legislative Secretary.*
- D. *No new position may be filled until after compliance of the provisions of this Section and thirty (30) days have elapsed from the date of filing with the Legislative Secretary.*

In line with this Rule 5.016, *Transparency and Disclosure of Creation of New Positions or Classes of Positions*, states:

- A. *Prompt notice of the postings required by Title 4, GCA, Sections 6205 and 6303 shall be provided to each newspaper of general circulation and broadcasting station which airs a regular local news program within Guam.*
- B. *The petitions required by Title 4, GCA, Sections 6205 and 6303 are public documents for the purposes of Title 5, GCA, Chapter 10, Article 1 (The Sunshine Law).*
- C. *Any attempted creation of a position or above-step recruitment are not in compliance with provisions of Title 4, GCA, Sections 6205, 6303 and 6303.1(a) is void.*

References of Compliance:

2 GCA §9101, Restrictions Against Unfunded Appropriations, *“All bills that have an effect upon the revenues or the expenditure of any funds of the Government of Guam shall identify a specific funding source for which funds are, in fact, available....”*

4 GCA §4105(a) Departmental Rules *“Rules subject to criteria established by this Chapter governing selection, promotion, performance, evaluation, demotion, suspension and other disciplinary action of classified employees shall be adopted by the Board of Directors of the...Jose D. Leon Guerrero Commercial Port...with respect to personnel matters within their respective Branches, agencies, public corporations or departments, and by the Director of Administration as to all other Executive Branch employment.”*

4 GCA §4101.1(d). Responsibilities of the Director of Administration Regarding Personnel Policy of the Government. *“The Director of Administration shall perform the following functions... (d) Maintain, post and keep current on the Department’s website a list of all classified and unclassified positions in the executive branch, including autonomous agencies and public corporations, showing the job description and pay range assigned to each position....”*

4 GCA §6301. Compensation Policy.

- (1) *“Employee compensation shall be based on internal equity and external competitiveness.*
- (2) *To the extent practical, compensation will be targeted at the U.S. National Average levels compared to the appropriate labor markets and account taken of the relevant economic factors.*
- (3) *Internal equity shall be reviewed annually and external competitiveness at least every three (3) years.*
- (4) *Compensation structures and administrative policies should also recognize and reward individual employees commensurate with performance.*
- (5) *All aspects of compensation (base salaries, benefits, pay differentials, and other factors) will be considered as a total reward and incentive package for employees and shall be consistent and uniformly administered through the government.*
- (6) *A program of ongoing communications and training shall be a critical component of compensation administration.”*

AGENCY BACKGROUND:

Public Law 13-87 created the Port Authority of Guam as a public corporation and an autonomous instrumentality of the Government of Guam. The Agency is mandated to provide for the needs of ocean commerce, shipping recreational, commercial/boating and navigation of the Territory of Guam. Its enabling act provides that it must be entirely self-supporting. Its financial obligations and administrative operating costs must be paid by monies generated from the use of its facilities and services in accordance with the provisions of the Port terminal tariff. The Board of Directors is comprised of five (5) non-salaried members appointed by the Governor with the consent and advice of the Guam Legislature. The Board provides and establishes policies and directives pertaining to the planning, promotion, development, construction, operation and maintenance of the Port facilities.

JUSTIFICATION:

The Port serves as the only commercial port on the island of Guam and serves as the primary transshipment hub for other islands in the Southwest Pacific region, such as, Commonwealth of the Northern Marianas Islands, Federated States of Micronesia, Republic of Marshall Islands and Palau. Citizens of Guam and neighboring islands depend on the Port to provide essential goods, most notably food products, medical supplies, building materials and fuel. Currently, more than 90 percent of the total volume of goods and supplies needed to support activities flow through the Port. In addition, the U.S. military relies on the Port to handle nearly all of the military cargo and equipment moving in and out of Guam to support Defense community's needs.

With over 90% of containerized and breakbulk commodities passing through its wharves and the lifeline between Guam, the region and the rest of the world, it is critically important that the Port invests in initiatives to upgrade its infrastructure, facilities, equipment to achieve resiliency, ensure supply chain sustainability and enhance operational capacity and services.

Over the past decade, the Port has grown and evolved into a world-class commercial port and has had significant success, evidenced with the recent successful completion of the \$50 million Port Modernization Program, the recent ground-breaking for Hotel Wharf Rehabilitation Projects, and federal funding to repair Golf Pier and F-1 and F-6 wharves. As the Port moves forward with the development of its maintenance and capital improvement projects with partnership with U.S. Department of Defense's Indo-Pacific Strategy and Pacific Initiatives, there is need to ensure compliance with federal and local statues on environmental issues.

In 2018, the Port's Owner Agent Engineer, WSP, was tasked to evaluate compliance with applicable environmental, health, and safety (EHS) laws and regulations at the facilities owned by the Port Authority of Guam. For the last 4 years, WSP worked closely with the Environmental Compliance Specialist assigned under the Occupational Health and Safety Division to mitigate the specific regulatory deficiency and implement an abatement and mitigation strategy for each finding. The audit findings and mitigation efforts are being used to develop a comprehensive EHS program that will be compliant with all applicable EHS laws and regulations under Title 22 of the Guam Administrative Rules and Regulations; Title 40 Code of Federal Regulations (CFR); Title 20 CFR Sections 1910, 1917, 1917 and 1926 and U.S. Coast Guard Regulations.

Typhoon Mawar hit Guam on May 24, 2023 and left behind a massive trail of destruction. Port employees worked tirelessly to get the Port back up and in three days the Agency was fully operational. Based on the assessment conducted by Engineering staff, it was determined that the estimated cost of \$9 million plus would be needed to repair or replace the Port facilities due to damages sustained.

To ensure the Port addresses and mitigates all environmental concerns as it embarks on the repair and maintenance of its facilities and be ready to receive cargoes related to the military build-up, there is a need to establish an Environmental Compliance Administrator position within the Port's Classification and Compensation Plan. The proposed position will administer the day-to-day activities of the Environmental Compliance Division and collaborate extensively with the local and federal government entities in promoting maritime industry sustainability and increasing maritime energy efficiency, thereby reducing both operating costs and the environmental footprint.

METHODOLOGY:

Human Resources staff reviewed the duties and responsibilities of the proposed Environmental Compliance Administrator position using the job evaluation systematic process for assessing the content, relative size and importance of the job within our organization using a total of 12 measurement factors. Each factor indicates a point rating and sum of all points representing the total "points" value for the job. Also provided were the organizational and functional charts.

In summary, the job evaluation provides:

1. A structured approach to assessing the relative worth of each job;
2. Measurement factors universally applicable across all sectors of industry, commerce, and government; and
3. Objectivity which is attained to avoid much of the irrational and/or emotional impact of personality conflicts and personal prejudices.

Part two of the methodology completes the evaluation of these positions in using the New Port Compensation structuring which is determined based on compensation comparison of Compensation trends of the Private Sector, State and Local Government on percentage changes in wages, salaries and benefits, including Market Percentiles, the determination of Certified/Technical and Professional Positions and regression analysis of base salaries.

CLASSIFICATION REVIEW:

The proposed Environmental Compliance Administrator position will administer the environmental program for the Port.

The position requires knowledge of:

- Principles and practices of technical and functional supervision and training.
- Advanced methods, techniques and procedures used in environmental site investigation, facility inspections and enforcement.

- Applicable environmental federal and local rules, regulations and policies.
- Procedures in handling hazardous materials.
- Safety principles, practices, regulations and procedures related to the work, including OSHA regulations.
- Principles and practices related to recordkeeping.

The position requires ability to:

- Provide technical and functional supervision over assigned staff and effectively train staff.
- Perform the most complex duties related to enforcement of applicable rules and regulations.
- Analyze information and take appropriate actions.
- Understand, interpret and apply environmental federal and local rules, regulations and guidelines.
- Interpret and enforce environmental policies and procedures.
- Recognize critical issues pertaining to environmental health and take appropriate action.
- Prepare and review technical reports and recommendations.
- Make work decision in accordance with appropriate program guidelines.
- Apply and enforce safe work practices on the job.
- Communicate effectively, orally and in writing.
- Work effectively with the public and employees.
- Maintain records and prepare reports.

The position will be overseeing the daily activities of the division and work products produced by the following staff:

2	Environmental Compliance Specialist
1	Administrative Assistant

The position reports to the Deputy General Manager for Operations & Maintenance.

Guidelines to be used by this position includes established laws, agency/division policies and the principles, methods, practices, and techniques involved in local and federal environmental health programs.

The experience and training of the position requires possession of three (3) years of progressively responsible experience in environmental protection and health compliance work and one (1) year of supervisory experience and graduation from a recognized college or university with a Bachelor's degree in environmental health or closely related field.

The job evaluation points process is based on twelve (12) job factors (i.e., education, experience, complexity, scope of work, problem solving, freedom to act/supervision received, work environment, physical demands, impact of discretionary decisions, human relations skills/contacts, authority exercised and supervisory/managerial responsibility). Additionally, a comparative analysis was conducted of the proposed position's counterparts within the organization. The factors in determining the pay grade allocation are attached.

ANALYSIS OF SIMILARITIES AND DIFFERENCES:

A review of the Government of Guam Classification Plan's Occupational Listing and other autonomous agencies staffing patterns reveal there are positions that are closely associated with the proposed Environmental Compliance Administrator position; however, those positions are subjected to the sole use of the line departments or autonomous agencies and cannot be used by the Port Authority of Guam.

As a result, it is recommended that Environmental Compliance Administrator position be established under the Port's Classification and Compensation Plan.

FISCAL NOTE:

The full-time equivalency (FTE) and funding has been identified and approved by the Board of Directors.

RECOMMENDATION:

Our review has determined the following pay grade allocation for the Environmental Compliance Administrator Manager:

Structural Adjustment – Minimum	Structural Adjustment – Maximum
L-6D \$81,276	L-7D \$84,576

Based on the above and the attached analysis and documents, it is recommended that the Board of Directors approve the creation of the Environmental Compliance Administrator position and the resultant pay grade allocation at the pay grade indicated above in the classified service.


SHAWN B. CEPEDA
Acting Personnel Services Administrator

ENVIRONMENTAL COMPLIANCE ADMINISTRATOR

NATURE OF WORK:

Administers the environmental health and protection programs of the Environmental Health and Protection Division of the Port Authority of Guam.

ILLUSTRATIVE EXAMPLES OF DUTIES: (These examples do not include the duties and responsibilities which may be assigned; nor do the examples cover all the duties which may be performed.)

Administers the environmental health and protection program for the Agency to include planning, prioritizing and reviewing the work of staff assigned to performing on-site and facility inspections for compliance with applicable laws and ordinances.

Formulates and implements environmental health and protection policies, rules and regulations and other program guidelines.

Evaluates operational effectiveness and initiates and recommends appropriate changes to enhance environmental health and protection measures and practices.

Conducts inspections of work areas for the detection and elimination of environmental concerns and conditions; ensures compliance; investigates incidents and prepares findings and recommendations.

Prepares and administers division's budget and administrative policies for personnel, training and safety.

Conducts environmental health and protection training to employees.

Maintains records and prepare reports.

Performs related duties as required.

MINIMUM KNOWLEDGE, ABILITIES AND SKILLS:

Knowledge of:

- Principles and practices of technical and functional supervision and training.
- Advanced methods, techniques and procedures used in environmental site investigation, facility inspections and enforcement.
- Applicable environmental federal and local rules, regulations and policies.
- Procedures in handling hazardous materials.
- Safety principles, practices, regulations and procedures related to the work, including OSHA regulations.
- Principles and practices related to recordkeeping.

Ability to:

- Provide technical and functional supervision over assigned staff and effectively train staff.
- Perform the most complex duties related to enforcement of applicable rules and regulations.
- Analyze information and take appropriate actions.
- Understand, interpret and apply environmental federal and local rules, regulations and guidelines.
- Interpret and enforce environmental policies and procedures.
- Recognize critical issues pertaining to environmental health and take appropriate action.
- Prepare and review technical reports and recommendations.
- Make work decision in accordance with appropriate program guidelines.
- Apply and enforce safe work practices on the job.
- Communicate effectively, orally and in writing.
- Work effectively with the public and employees.
- Maintain records and prepare reports.

MINIMUM EXPERIENCE AND TRAINING:

- A. Three (3) years of progressively responsible experience in environmental protection and health compliance work and one (1) year of supervisory experience and graduation from a recognized college or university with a Bachelor's degree in environmental health or closely related field.
- B. Any equivalent combination of experience and training which provides the minimum knowledge, abilities and skills.

JOB EVALUATION
For
ENVIRONMENTAL COMPLIANCE ADMINISTRATOR

Factors	Points	Comments
Education	J 132	Tertiary/Professional. Requires a post high school tertiary qualification at a university, polytechnic or equivalent educational body.
Experience	J 152	Experience in managing/administering a major function/department or division of a small to medium size organization or a major department/branch of a large organization, e.g., 8 – 10 years + experience.
Complexity	D 50 284 142.0	Involved: Whilst the end results are still generally defined the means of achieving them are becoming unspecified and as a result more complex. The need to balance continuous conflicting demands together with an increasing level of unpredictability is encountered.
Scope of Work	D 20 284 56.8	Managerial: Management of a significant operational or functional unit/department or division including the planning, directing and controlling of all activities and resources.
Problem Solving	E 100	Complex: Problems contain unexpected and unusual elements not previously encountered. Extensive research may be required. Corporate policies and available expertise will not necessarily provide a complete answer to the problem.
Freedom to Act/Supervision Received	E 115	Guidance: Jobholder is expected to work with a large degree of independence within the organization's plans, policies and reporting requirements. Overall guidelines and objectives are discussed initially and progress is reviewed intermittently and informally.
Work Environment	B1 19	Work is performed indoors in office conditions in favorable working conditions but with occasional exposure to unpleasant environmental influences, e.g., noise, heat, dirt, cold, dampness, etc.

Factors	Points	Comments
Physical Demands	A1 22	Work is usually performed sitting, with the opportunity to stand and walk freely.
Impact of Discretionary Decisions	C1 38	Direct impact of a single decision causes a major impact which can be expressed in dollar terms of tens of thousands of dollars.
Human Relations Skills/Contacts	E3 76	Sensitive/responsive: extensive contact with a large part of the organization and/or need to lead, motivate and direct staff in sensitive employee relations conditions.
Authority Exercised	F2 100	Approves routine expenditure within budgetary limits and is accountable for an O&M budget \$200,000 to \$2 million
Supervisory & Managerial Responsibility	B1 22	Has full supervisory/managerial responsibility for up to 10 staff to include allocation of work, accountability for the outputs, quality, etc. and appraisal of their performance.
TOTAL POINTS	975	

PAY GRADE ALLOCATION

Job Evaluation Points	Pay Grade/Step & Sub-Step	Minimum Salary	Pay Grade/Step & Sub-Step	Maximum Salary
975	L-6D	\$81,276	L-7D	\$84,576

Fiscal Year 2024
FUNCTIONAL STATEMENT FOR
ENVIRONMENTAL COMPLIANCE DIVISION

INTRODUCTION

The Jose D. Leon Guerrero Commercial Port is established by Public Law 13-87, as a public corporation and an autonomous instrumentality of the Government of Guam. The Agency is mandated to provide for the needs of ocean commerce, shipping, recreational, commercial/boating and navigation of the Territory of Guam.

The enabling act provides that the Port must be entirely self-supporting, i.e., it must raise capital funds for construction projects by borrowing money on its own credit. Its financial obligations and administrative operating costs must be paid by monies generated from the use of its facilities and services in accordance with the provisions of the Port terminal tariff.

BOARD OF DIRECTORS

The Board of Directors is composed of five (5) non-salaried members, appointed by the Governor with the consent and advice of the Guam Legislature. The Board provides and establishes policies and directives pertaining to the planning, promotion, development, construction, operation and maintenance of the Port facilities.

GENERAL MANAGER

The General Manager, under the general direction of the Board of Directors, serves as Chief Executive Officer for the Authority. The General Manager has charge and control of the planning, organization, staffing, direction and coordination of the Authority's operations and business affairs. The General Manager is hired and employed at the pleasure of the Board.

DEPUTY GENERAL MANAGER, OPERATIONS AND MAINTENANCE

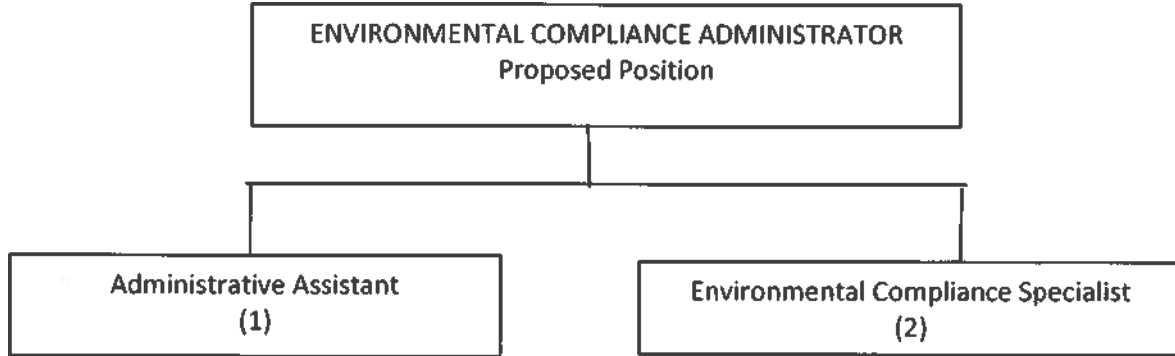
The Deputy General Manager for Operations and Maintenance is responsible for the overall operations and administration of Operations, Maintenance and Control Compliance departments of the Authority.

ENVIRONMENTAL COMPLIANCE DIVISION

This division is responsible for the compliance and enforcement of federal and local environmental programs at the Port, such as, hazardous waste, solid waste, air pollution, water quality, spill, prevention control and countermeasures, polychlorinated biphenyls (PCBs) and the Superfund Amendment Reauthorization Act (SARA) Title III related to Port properties.

**JOSE D. LEON GUERRERO COMMERCIAL PORT
ORGANIZATIONAL CHART – FISCAL YEAR 2024**

ENVIRONMENTAL COMPLIANCE DIVISION



PORT AUTHORITY OF GUAM



POSITION DESCRIPTION

1.0 IDENTIFICATION

POSITION TITLE	Environmental Compliance Administrator
POSITION NUMBER	
NAME OF EMPLOYEE	
NAME OF DIRECT SUPERVISOR	
TITLE OF DIRECT SUPERVISOR	Deputy General Manager, Operations & Maintenance
JOB LOCATION (Department / Agency)	Port Authority of Guam
DIVISION	Environmental Compliance
DEPARTMENT	Compliance Control
SECTION / UNIT	
FLSA	
CLASSIFICATION	<input checked="" type="checkbox"/> Classified <input type="checkbox"/> Unclassified <input type="checkbox"/> Vacant
JOB EVALUATION POINTS	975
PAY GRADE	L-6D
POSITION DESCRIPTION (Reviewed)	

2.0 DESCRIPTION OF DUTIES

2.1 ESSENTIAL FUNCTIONS

Organize and list duties and/or responsibilities that must be performed using one of the formats below:

- a) Daily work assignments, beginning with the first duty and ending with the last duty of the day
- b) Percentage of time. Show % for each duty and/or responsibility (Note: total % should equal 100%)
- c) Order of importance, beginning with the most important

Mark with an [X] one format only: a) b) c)

Duty No or % of Time	Duties and/or Responsibilities
1	Administers the environmental health and protection program for the Authority
2	Formulates and implements environmental health and protection policies, rules and regulations and other program guidelines
3	Evaluates operational effectiveness and initiates and recommends appropriate changes to enhance environmental health and protection measures and practices.
4	Conducts inspection of work areas and Port properties for the detection and elimination of environmental concerns and conditions; insures compliance; investigates incidents and prepares findings and recommendations
5	Prepares and administers division's budget and administrative policies for personnel, training and safety
6	Conducts environmental health and protection training to employees.
7	Maintains records and prepares reports.
8	Performs related duties as required

2.2 NON-ESSENTIAL OR ADDITIONAL FUNCTIONS

List duties and responsibilities not listed above that may be performed, as assigned:

Duty No or % of Time	Duties and/or Responsibilities
	None

3.0 CONTACTS

Departments, agencies and/or individuals you deal with during the course of your daily activities:

3.1 WITHIN DEPARTMENT / AGENCY

Mark one correct response below with an [X]

	None
	Up to 15% of total working hours
	15 - 50% of total working hours
X	Over 50% of total working hours

3.2 OUTSIDE DEPARTMENT / AGENCY

Mark one correct response below with an [X]

	None
	Up to 15% of total working hours
	15 - 50% of total working hours
X	Over 50% of total working hours

4.0 SUPERVISION RECEIVED

How closely is the employee / job holder’s work reviewed by their direct Supervisor.
Mark one correct response below with an [X]

	Detailed and specific instructions / procedures received or followed for each assignment
	General Supervision - Routine duties are performed with minimal supervision. Standard practices or procedures allow employee to function alone at routine work. Supervisor makes occasional check of work while in progress. Work is reviewed upon completion.
X	Direction - Receives guidance about general objectives in most of the tasks and projects assigned; determines methods, work sequence, scheduling and how to achieve objectives of assignments; operates within policy guidelines. (Generally applicable to skilled professionals, managers and supervisors.
	General Direction - Receives very general guidance about overall objectives; work is usually quite independent of others; operates within division or department policy guidelines, using independent judgment in achieving assigned objectives. (Generally applicable to managers / administrators in large and complex organizations and to department / agency heads and their first assistants.)

5.0 SUPERVISION EXERCISED

The employee / job holder supervises other employees. List the number of employees supervised, their position titles and a brief description of their responsibilities.

If the employee has no supervisory responsibility mark [X] in this box

No Supervised	Position Title	Description of Responsibilities
2	Environmental Compliance Specialist	Conducts field inspections of properties to ensure compliance with laws and regulations regarding water and air pollution controls, pesticide use, solid/hazardous waste disposal and other matters affecting the environment.
1	Administrative Assistant	Staff administrative work

6.0 EQUIPMENT

List the equipment (pickup truck, welder, crane, etc.), office machines (word processor, calculator, copying machine, etc.), or any other machines, tools or devices that are used on a regular and continuing basis. Show what percentage of the regular workday is spent using each.

%	Tools / Equipment
100%	Personal Computer

7.0 JOB REQUIREMENTS

Mark [X] in this box if the job holder is unable to complete this section. The direct Supervisor will then complete this section for the job holder.

7.1 MINIMUM QUALIFICATION REQUIREMENTS

Identify below the minimum experience and training a qualified applicant must have before employment.

7.1.1 WORK EXPERIENCE

List the general, specialized and/or supervisory / management work experience needed and how much (in months and/or years). If none, mark an [X] in box a) "No work experience required."

a) No work experience required

b) General Years Months

c) Specialized	Years	Months
Progressively responsible experience in environmental protection and health compliance work	3	0

d) Supervisor / Management	Years	Months
Direct supervisory experience responsible for direction and evaluation of staff.	1	0

If no work experience is required, list the knowledge, abilities and skills a qualified applicant needs before employment to perform the essential job functions.

	Years	Months

7.1.2 FORMAL EDUCATION OR TRAINING

Mark an [X] in the box that indicates the most applicable education level required :

- Below High School. Show number of years :
- High School Graduation / GED
- Vocational / Technical School. Detail below the specific training that is required by this position :

- Some College. Show number of Semester Hours, or Quarter Hours

Detail below specific courses required by the essential functions of this position:

- College Degree. Show major area of study required :

Associates :	
Bachelors :	Environmental health or closely related field
Masters :	
Beyond Masters :	

7.1.3 CRITICAL SKILLS / EXPERTISE

List specialized skills or specialization needed to perform essential functions:

7.1.4 LICENSE / REGISTRATION OR CERTIFICATION

List possession of required license, professional registration/certification needed to perform essential functions:

7.2 MENTAL / VISUAL / PHYSICAL & ENVIRONMENTAL JOB REQUIREMENTS

7.2.1 PHYSICAL REQUIREMENTS

Mark with an [X] below the most appropriate physical requirement(s) for the job.

	Sitting	The job requires the employee to sit in a comfortable position most of the time. The employee can move about.
	Sitting	Employee is required to sit for extended periods or time without being able to leave the work area.
X	Sitting/Standing/Walking	The employee is required to sit, stand, walk most of the time.
X	Climbing	Employee is required to climb ladders or scaffolding or to climb and work in overhead areas.
	Lifting	Employee is required to raise or lower objects from one level to another regularly.
	Pulling and/or Pushing	The job requires exerting force up to _____ pounds on a regular basis to move the object to or away from the employee.
	Carrying	The employee is required, on a regular basis, to carry objects in his or her arms or on the shoulder(s).
	Reaching	The employee is regularly required to use the hands and arms to reach for objects.
X	Stooping and Crouching	The employee is regularly required to bend forward by bending at the waist or by bending legs and spine.
	Crawling	Employee is required to work in a confined space and/or to crawl and move about on his or her hands and knees.
X	Speaking	The job requires expressing ideas by the spoken word.
X	Listening	The job requires the perception of speech or the nature of sounds in the air.
	Other	See description below

Describe any other physical job requirements below:

7.2.2 MENTAL / VISUAL REQUIREMENTS

Mark with an [X] below the most appropriate mental / visual requirement for the job.

- General Intelligence (typical requirement for machine operators, office staff, etc.)
- Motor Coordination Skills (typical for automotive mechanic, painter, etc.)
- Coordination of Eyes, Hands, and Feet (e.g. tractor trailer driver, fire fighter, line electrician, etc.)
- Verbal Intelligence (typical for counsellors, customer service representatives, etc.)
- Numerical Intelligence (typical for an accounting clerk, cargo checker, etc.)
- Other (outline below)

7.2.3 WORK ENVIRONMENT & WEATHER EXPOSURE

Selecting one response only show what percent of a typical workday is spent:

%

- 60 Indoors in a comfortable temperature-controlled environment (for instance, in an office)
- Indoors in a non-temperature-controlled environment (e.g. storerooms and warehouses, etc.)
- 40 Outdoors exposed to changing weather conditions (for instance, rain, sun, wind, etc.)
- Outdoors but in an enclosed vehicle protected from extreme weather conditions.

7.2.4 OTHER PHYSICAL WORKING CONDITIONS

Mark an [X] in the box if none of the following is applicable

Show what percent of a typical workday this position is exposed to:

%

- 10 Air contamination (i.e., dust, fumes, smoke, toxic conditions, disagreeable odours).
- 10 Vibration (i.e., operating jackhammer, impact wrench).
- 10 Noise (Exposure at a level enough to cause hearing loss or fatigue).
- 10 An improperly illuminated or awkward and confining work space.
- 10 Working above ground level where the chance of falling exists (e.g. ladders, bucket trucks etc)
- Lifting or carrying items or objects. Describe item/object and weight:

--	--

- Heat. Describe source and degree of high temperature.

--	--

- Cold. Describe source and degree of cold temperature:

--	--

- Other hazards. Describe:

7.2.5 IRREGULAR / UNUSUAL JOB REQUIREMENTS

Describe the working conditions that are irregular or unusual for the job and show frequency of exposure.

Mark an [X] in the box if not applicable

Condition	Frequency of Exposure

7.3 WORK SCHEDULE / HOURS

Work Schedule/Hours – Mark an [X] the most appropriate work schedule/hours for the job.

- Regular - Standard Eight (8) hours daily, Monday - Friday
- Irregular - Shift work - A 24-hour work operation.
- Regular / Irregular - Overtime hours with overtime pay entitlement

State purpose and average total hours required per pay period:

- Regular / Irregular - Overtime hours without overtime pay entitlement

State purpose and average total hours required per pay period:

Only upon emergency of breakdown of cargo handling equipment and presence is required to coordinate the repair activities.

The information given on this position is complete and correct.

Signature of Employee

Date

FISCAL NOTE

1. A. Fiscal effect: Identify the fiscal effect on the agency appropriations compared to funding levels and appropriations anticipated under current Budget.

	FY 2024				FY 2025			
	General	Crane Surcharge	FMF	Marinas	General	Crane Surcharge	FMF	Marinas
Revenues								
Expenditures	\$20,632				\$118,062			
Budget								

2. A. Fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact*

The Port is in the process of petitioning the creation of position for an **Environmental Compliance Administrator** under the Port’s Classification and Compensation Plan.

The salaries and benefits for the position has also been identified. The following are different levels recommended for the listed position and their corresponding salary ranges.

Environmental Compliance Administrator

Pay Grade/Step & Sub-Step	Minimum Salary	Pay Grade/Step & Sub-Step	Maximum Salary
L-6D	\$ 81,276	L-7D	\$ 84,576

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The General Manager will be presenting to the Board on May 31, 2024 (1) one creation of position for the Environmental Compliance Administrator. The funding for this position will come from the Vacancy Pool.

3. Fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues:

B. Expenditures:

If the Port decides to hire based on the minimum salary for the Environmental Compliance Administrator starting July 13, 2024 the total pro-rated amount for FY 2024 is \$20,632. The hiring of one new position will increase the salary for FY 2025 to \$118,062.

C. Budget: *Explain the appropriations amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The appropriations for one new position creation will come from the Vacancy Pool budget based on the YTD for FY 2024. The expenditures for FY 2024 and FY 2025 are indicated in section 1A.



Name: Jose B. Guevara III, Chief Financial Officer
Division: Finance Division
Telephone: (671) 477-5931 ext. 211
Date Prepared: 5/30/2024

BOARD OF DIRECTORS

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



Resolution No. 2024-05

**RELATIVE TO ESTABLISHING A NEW CHECKING ACCOUNT
AT BANK OF GUAM FOR THE PORT AUTHORITY OF GUAM.**

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

WHEREAS, Bank of Guam alerted the Port Authority of Guam of a suspicious fraudulent activity and an unauthorized ACH transaction that occurred on April 26, 2024 in the amount of \$6,773.55 charged by Barclaycard US Credit Card James McDowell, and on May 3, 2024 a fraudulent deposit transaction to Allina Health, check number 17510 in the amount of \$1,958.00; and

WHEREAS, the Port Authority of Guam confirmed the fraudulent activities and immediately issued an authorization to Bank of Guam to cancel the unauthorized ACH transaction and reverse the deposited check transaction, and to ensure that such funds are transferred and returned back to the Port Authority of Guam checking account ending in *7129; and

WHEREAS, on May 10, 2024, the Port Authority of Guam received formal instructions from Bank of Guam on the next steps to immediately address the compromised account on the Port's checking account ending in *7129 which is to close the checking account as soon as possible and open a new checking account to replace the compromised account; and

WHEREAS, due to the critical nature in the need to establish a new account to prevent further suspicious fraudulent activity and unauthorized ACH transactions against the Port's checking account ending in *7129, the Port Authority on May 14, 2024 had authorized Bank of Guam to proceed in establishing a new checking account; and

WHEREAS, immediately upon receipt of the Port's authorization to proceed, Bank of Guam on the same day of May 14, 2024 established a new checking account for the Port Authority of Guam; now therefore, be it

RESOLVED, that the Port Board of Directors ratify the authorization issued by the Port Authority to Bank of Guam in establishing a new checking account due to the Port's checking account ending in *7129 was compromised; and be it further

RESOLVED, that the Port Authority Board Resolution No. 2023-07 relative to the Port designation of signatories on financial banking with Bank of Guam remains constant and unchanged; and be it further

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

**PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF
DIRECTORS THIS 31st DAY OF MAY, 2024.**

**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. 2024-06

RELATIVE TO APPROVING THE REALIGNMENT OF THE PORT AUTHORITY OF GUAM'S ORGANIZATIONAL STRUCTURE AND AMENDMENT OF JOB STANDARDS IN COMPLIANCE WITH TITLE 4, GUAM CODE ANNOTATED, SECTIONS 6303 AND 6303.1.

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

WHEREAS, on September 28, 2023, the Board of Directors passed Resolution No. 2023-15 relative to authorizing the General Manager to proceed with the realignment of the Port Authority of Guam's organizational structure and to amend classified job specifications and to retire vacant, obsolete positions to streamline roles and responsibilities and optimize organizational effectiveness; and

WHEREAS, the resolution further required that the amendments of job specifications for classified positions shall comply with the transparency and disclosure process as outlined in 4 GCA, Sections 6303 and 6303.1(a); and

WHEREAS, the Board of Directors at their regular meeting of April 25, 2024 authorized management to begin the transparency and disclosure process on the realignment of Port organizational structure and amendment of job standards; and

WHEREAS, to ensure transparency and disclosure is conducted on the realignment of Port organizational structure and amendment of job standards and to comply with Title 4, Guam Code Annotated, Chapter 6, Section 6303.1, the 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 April 29, 2024 and deadline to submit comments was on May 13, 2024; and

WHEREAS, at the regular meeting of May 31, 2024, management re-submitted its petition to the Board of Directors advising them that the Port complied with the transparency process as mandated by Title 4, Guam Code Annotated, Section 6303.1; now therefore, be it

RESOLVED, that the Board of Directors approves management's petition on the realignment of Port organizational structure and amendment of job standards at a pay grade as indicated below on the following positions in the classified service; and be it further

Position Title	Pay Grade/Step	
	Minimum	Maximum
Facilities Maintenance Manager	O-6D	O-7D
Operations & Equipment Maintenance Manager	P-9B	P-10B
Assistant Equipment Maintenance Manager	O-6A	O-7A
Capital Improvement Projects & Engineering Manager	P-8A	P-9A
Marketing & Communications Manager	O-6D	O-7D
Transportation Leader	J-8B	J-9B

RESOLVED, that the Board of Directors further authorizes management to transmit copies of such petition to the Director of Department of Administration and the Legislative Secretary of the 37th Guam Legislature as required under Title 4, Guam Code Annotated, Section 6303(e)(2)(C); and be it further

RESOLVED, that the Chairperson certify, and the Secretary attest to, the adoption hereof, and that copies of the same be thereafter transmitted to the Director of Department of Administration and Legislative Secretary of the 37th Guam Legislature.

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 31st DAY OF MAY, 2024.

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. 2024-07

RELATIVE TO AUTHORIZING THE GENERAL MANAGER TO SEEK GOVERNOR LOU LEON GUERRERO AND THE 37TH GUAM LEGISLATURE’S APPROVAL FOR THE JOSE D. LEON GUERRERO COMMERCIAL PORT TO SEEK BOND BORROWING FOR PURPOSES OF ADDRESSING THE PORT’S MUCH NEEDED STRATEGIC CAPITAL IMPROVEMENTS IN ORDER TO ADVANCE ITS PORT READINESS, MILITARY READINESS, AND NATIONAL SECURITY OBJECTIVES.

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

WHEREAS, the Jose D. Leon Guerrero Commercial Port (the “Port”) is critical to Guam’s economy, serving as the primary gateway for goods entering and leaving the island; and

WHEREAS, the Port’s infrastructure requires significant strategic capital improvements to enhance its operational efficiency, capacity, and overall readiness to meet current and future demands, including military readiness; and

WHEREAS, the Port plays a pivotal role in securing and advancing national security and national defense, serving as a key logistics hub for military operations in the region; and

WHEREAS, such improvements are essential for ensuring the Port’s ability to support economic growth, facilitate trade, and maintain its competitive position in the region; and

WHEREAS, the 2018 Revenue Bond issued by the Port has experienced a remarkable turnaround, moving from a negative to a positive outlook, demonstrating strong financial stewardship and effective management; and

WHEREAS, the Port has shown positive growth in its net position, reflecting its improved financial health and capacity to undertake further strategic investments; and

WHEREAS, bond borrowing is identified as a viable financial mechanism to secure the necessary funds for these strategic capital improvements; and

WHEREAS, the Board of Directors recognize the need of the General Manager to engage with Governor Lou Leon Guerrero, the Guam Economic Development Authority, and members of the 37th Guam Legislature to authorize the Port to seek bond borrowing for these purposes; and

WHEREAS, this resolution initiates the formal process for the Port to seek the necessary approvals and begin the bond borrowing process, as detailed in any proposed legislation titled “AN ACT TO AMEND ARTICLE 2 OF CHAPTER 10, TITLE 12, GUAM CODE ANNOTATED, TO APPROVE THE TERMS AND CONDITIONS OF THE ISSUANCE OF JOSE D. LEON GUERRERO COMMERCIAL PORT REVENUE BONDS, AND RELATED MATTERS”;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Jose D. Leon Guerrero Commercial Port hereby authorizes the General Manager to present to Governor Lou Leon Guerrero to submit any proposed legislation to the 37th Guam Legislature or request Senator Amanda Shelton, Chairperson on Committee on Maritime Transportation to sponsor such legislation for the Port to pursue bond borrowing; and

BE IT FURTHER RESOLVED, that the bond borrowing will be specifically aimed at addressing the Port’s much-needed strategic capital improvements in order to advance its port readiness, military readiness, and national security objectives.

BE IT FURTHER RESOLVED, that the Chairperson certify, and the Secretary attest to, the adoption hereof.

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 31st DAY OF MAY, 2024.

**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

May 28, 2024

MEMORANDUM

TO: Board of Directors
FROM: Rory J. Respicio, General Manager *Rory J. Respicio*
SUBJECT: Employee Incentive Programs; Request for \$50K

Hafa Adai! The Government of Guam holiday events that are celebrated amongst our sister agencies are fast approaching. These are times shared together with government of Guam employee counter-parts, with their families and the island community. This also includes Port Week, honoring our port strong employees for their services and dedication giving them the opportunity to gather with their families, coworkers, and friends during these festive times.

In light of this, Board approval is being respectfully requested to authorize the use of \$50,000 to fund these events and that such funds are transferred to PAGGMA Association who will handle the disbursement of funds. A financial expense report will be submitted to the Finance Division that accounts for the expenditures of these events. Any unused funds will be remitted back to the Port Authority.

I am available for any questions you may have.



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

May 28, 2024

MEMORANDUM

TO: Board of Directors

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

SUBJECT: Request for \$5K Sponsorship for ATOSSCOM 49th Annual Conference,
July 23-26, 2024 Majuro, RMI

The Port Authority of Guam is a member of the Association of Terminal Operators, Stevedoring and Shipping Companies of Micronesia (Atosscom), and also serves as Secretary on the Atosscom Executive Committee. The Atosscom Association will be holding its 49th Annual Conference on July 23-26, 2024 at the Republic of Marshall Islands, FSM. The host of the conference is Majuro Stevedore & Terminal Company.

The Port Authority is part of the Planning Committee in the coordination and preparation of the conference aimed towards a successful outcome. These include, but not limited to registration, logistics, printing conference materials, sponsorship and Guest speaker coordination, planning meetings, and administrative support.

In light of this, request is being made to provide sponsorship support in the amount of \$5,000 for the Atosscom Association's annual conference expenses.

Your favorable approval is requested. I am available for any questions you may have.



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

May 28, 2024

MEMORANDUM

TO: Board of Directors

FROM: Rory J. Respicio, General Manager 

SUBJECT: Request for \$5K Sponsorship for Association of Pacific Ports (APP) 110th Annual Conference, August 11-14, 2024, Kaohsiung, Taiwan

The Port Authority of Guam has been a longstanding member of the Association of Pacific Ports (APP) and also serves as a Second Vice President of the APP Officers. The association will be holding its 110th Annual Conference on August 11-14, 2024 in Kaohsiung, Taiwan.

The Association of Pacific Ports (APP) is a trade and information for the purpose of promoting increased efficiency and effectiveness of the ports of the Pacific. Current members include ports in American Samoa, British Columbia, California, Hawaii, Marshall Islands, Guam, Saipan, Pohnpei, Oregon, Taiwan, Tonga, and Washington State. Programs of the APP are aimed at enhancing the technical and governance expertise of commissioners and other port officials through meetings, educational seminars, and the exchange of appropriate communications. These programs are also pertinent to the needs of ports' management and technical staff.

In light of this, request is being made to provide sponsorship support in the amount of \$5K for the APP annual conference expenses.

I am available for any questions you may have.



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

May 28, 2024

MEMORANDUM

TO: Board of Directors

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

SUBJECT: Request for \$5K Sponsorship for the 26th Micronesian Islands Forum, June 3-5, 2024, Hyatt Regency Hotel, Guam

The island of Guam will be hosting the 26th Micronesian Islands Forum (MIF) that will be held on June 3-5, 2024 at the Hyatt Regency Hotel. MIF is a regional intergovernmental organization composed of island nations and territories in the Micronesia subregion of the Pacific Ocean. Its members include the Federated States of Micronesia and its states – Chuuk, Kosrae, Pohnpei and Yap, along with Guam, Republic of Palau, Nauru and the Commonwealth of the Northern Mariana Islands. The forum will feature representatives and leaders from all over Micronesia working together to strengthen ties, further collaboration and deepen commitments throughout the region.

The MIF's primary goal is to promote cooperation and collaboration among its members on issues of common concern, such as: sustainable development, climate change, ocean conservation, economic development, cultural preservation, and regional security. The forum also serves as a platform for its members to engage with other regional and international organizations promoting cooperation and collaboration among its members on issues of critical importance to the Micronesia region.

In light of this, request is being made to provide sponsorship support in the amount of \$5K for the Micronesian Islands Forum expenses.

I am available for any questions you may have.