**MAY 2025** 

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General Manager
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Deputy General Manager
Operations
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Deputy General Manager
Administration and Finance



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### Port Secures \$10.5 Million Lease with Black Construction



The Port Authority of Guam is proud to announce the formal • execution of a \$10.5 million lease agreement with Black Construction Corporation, following unanimous approval by the Port Authority Board • of Directors during its regular meeting on April 30, 2025. The agreement was officially signed by both parties on May 1, 2025.

The lease covers more than 374,000 square feet of Port property and marks a major milestone in the Port's ongoing mission to modernize infrastructure, enhance security, and support both current and future operations critical to Guam and the broader region.

The four-year lease is valued at \$10,567,340.16 and includes the following terms:

- \$75,950.15 monthly will be paid for use of the Hotel Wharf site.
- \$144,202.77 monthly will be paid for the former Hawaiian Rock site.
- \$220,152.92 total monthly rent to

be paid.

- Lease will begin June 1, 2025 with a one-year automatic extension unless either party opts out with 90 days' notice.
- Black Construction will invest in vital infrastructure improvements, including road paving from the 76 Circle K gas station to Family Beach, resurfacing of the Hotel Wharf, and installation of security lighting and fencing.
- Additional upgrades will include construction of warehouse and office facilities, installation of concrete slabs, and utility infrastructure improvements.

"This lease agreement is a win on every front—for the Port, for the people of Guam, and for our island's role in national security," said General Manager Rory J. Respicio. "We are generating substantial revenue, enhancing Port security, and preparing our facilities for future growth. We thank

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Governor Lou Leon Guerrero and Lt. Governor Josh Tenorio for their steadfast support, our Board of Directors for their leadership, and our dedicated employees whose hard work makes this possible."

In addition to revenue generation, the lease strengthens Guam's strategic readiness and includes environmental safeguards, a baseline condition assessment, and clear provisions on compliance, indemnification, and use restrictions - ensuring responsible development and stewardship of Port lands. The agreement underscores the Port's commitment to supporting Guam's long-term economic growth and reinforcing the island's critical role in national defense operations.

### Port Reviews Division Progress and Challenges in Mid-Year Update

The Port Authority of Guam has released its Management Performance Assessment (MPA) for the Fiscal Year 2025 Mid-Year Review, highlighting steady progress across all divisions and the continued implementation of reforms aimed at improving accountability, operational performance, and financial stewardship.

The MPA, submitted by General Manager Rory J. Respicio to the Port's Board of Directors, provides a comprehensive overview of each division's performance during the first half of the fiscal year. It is based on the official Mid-Year Performance Reviews submitted by division heads and, where applicable, their assistant managers. The report reflects how each individual is meeting their responsibilities, advancing the Port's priorities, and responding to challenges within their areas of oversight.

The MPA outlines concrete accomplishments in infrastructure modernization, hiring reforms, fiscal controls, and tenant oversight. It also documents the Port's ongoing pursuit of FEMA and insurance reimbursements tied to post-typhoon recovery, along with preparations for critical capital projects including gantry crane replacement, wharf rehabilitations, and fuel pier upgrades.

"This is more than a progress report. It's a cultural shift toward consistent performance and shared accountability," said Respicio. "We are building systems that work, and we're seeing the results in how Port employees are leading, how our projects are moving forward, and how we are all delivering on our responsibilities to the public and to our federal partners."

Highlights of the MPA include:

 Maintain active coordination with local, federal, and defense agencies to ensure the Port's operational readiness through infrastructure upgrades, including gantry crane replacement, fuel pier modernization, and wharf rehabilitation.



As Guam's only commercial seaport, the Port plays a critical dual role in sustaining regional commerce and serving as a frontline logistics hub essential to the nation's defense posture in the Indo-Pacific.

- Strengthen lease enforcement and tariff billings to fully maximize application of the Port's approved tariff wherever applicable, ensuring consistency, transparency, and full revenue recovery.
- Advance financial systems improvements to support job cost billing, revenue tracking, and audit readiness, while simultaneously pursuing bond defeasance to reduce liabilities and exploring future bond financing options aligned with the Port's long-term capital priorities.
- Implement recruitment reforms, including

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resume redaction, rating panel safeguards, and practical assessments for all certification-based positions to uphold merit-based hiring and ensure compliance with the Port's Personnel Rules and Regulations.

The MPA also acknowledges operational challenges such as documentation delays, staffing constraints, and legacy practices that require continued reinforcement. Each division is expected to maintain real-time coordination, internal discipline, and measurable follow-through.

"Each division's submission demonstrates that we are actively executing our shared goals," Respicio added. "The themes of performance, integrity, and follow-through remain consistent throughout. These reviews are not just reports. They are working documents that help us calibrate direction, reinforce expectations, and support the leaders who are stepping forward."

Across the organization, the Port continues to address inherited challenges while building systems that work for all employees. Many reforms now in place reflect a shift from reactive

to proactive management. While progress is real, significant work remains to institutionalize these changes and apply them consistently. Respicio emphasized that each day tests whether the organization will hold the line on reform and avoid slipping back into outdated habits.

"This Management Performance Assessment formalizes expectations, measures leadership alignment, and documents follow-through in ways that strengthen transparency and credibility," Respicio said. "The Port is moving forward with steady coordination, deeper accountability, and systems that support both integrity and results."

The Port Authority of Guam extends its appreciation to Governor Lou Leon Guerrero, Lieutenant Governor Josh Tenorio, the Port Board of Directors, Port management and employees, the Port Users Group of Guam, Port tenants, and all stakeholders for their continued support and partnership.

"It is through this collective commitment that the Port continues to grow stronger, deliver results, and meet the needs of the people of Guam and our regional neighbors," Respicio added.

### **Port Passes US Coast Guard Annual Inspection**

The Port Authority of Guam has successfully passed the U.S. Coast Guard's rigorous annual inspection of its container yard and cruise ship terminal, conducted on May 1, 2025. The inspection ensures compliance with federal regulations governing maritime facility safety and security, reaffirming the Port's ongoing commitment to excellence and operational integrity.

The U.S. Coast Guard's comprehensive inspection covered critical security and safety elements including security area protocols, the Port's security measures and plans, training records, drills and exercises, hazardous waste management, emergency response plans, signage, and verification of the Facility Security Officer's role. Additionally, the review encompassed TWIC (Transportation Worker Identification Credential) checks, CCTV operations, MARSEC (Maritime Security) level compliance, and the Declaration of Security procedures.

On the safety front, the inspection evaluated electrical systems, flammable material storage, fire extinguishers, eyewash stations, beacon lights,



the drum lot, emergency exits, smoke detectors, escape routes, LC 1-5 generators, facility housekeeping, lighting, and the international shore connection—all of which met U.S. Coast Guard standards.

"The Port has once again passed the U.S. Coast Guard's annual inspection with zero deficiencies. That doesn't happen by happenstance. It reflects the daily discipline, professionalism, and pride of the people who power this Port. This is not just a one-time result.

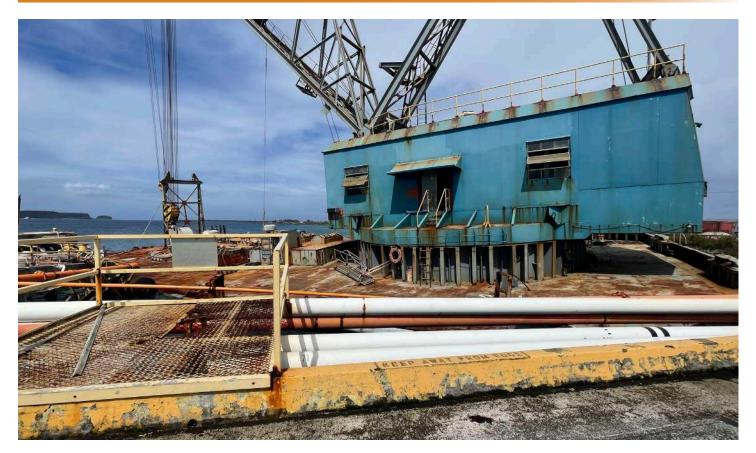
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It is the standard we prepare for every single day. We are holding the line on safety and security. We thank Governor Lou Leon Guerrero, Lt. Governor Josh Tenorio, and our Board of Directors for keeping us focused on our core functions. And we give full credit to the men and women at the Port

who make this level of performance the norm."

This achievement underscores the Port's vital role in Guam's economy and its readiness to support both commercial cargo and cruise ship operations with confidence, efficiency, and security.

### Port Files \$55 Million Federal Lawsuit in Wake of Typhoon Mawar Damage



On May 23, 2025, the Port Authority of Guam filed a civil lawsuit in the U.S. District Court of Guam seeking damages stemming from the destruction of Port facilities during Typhoon Mawar.

The complaint names Guam Industrial Services, doing business as Guam Shipyard, as well as crane barges YD 120 and YD 223, as defendants. The lawsuit alleges that the barges were improperly moored before the typhoon struck on May 24, 2023, causing them to break free and crash into the Port's Golf Pier and seaplane ramp.

The resulting damage rendered both facilities inoperable. According to the complaint, steel piles were sheared, concrete structures were cracked or displaced, and critical infrastructure, including mooring dolphins and piping, was significantly damaged.

The Port Authority is seeking no less than \$55 million in damages, citing negligence and

trespass to real property. The suit claims that despite widely available warnings about the typhoon, the defendants failed to secure the barges adequately, resulting in what the Port calls a preventable disaster.

"As a result of the Typhoon, YD 120 and YD 223 broke free from their moorings and were blown into Golf Pier and a seaplane ramp, causing extensive property damage to Golf Pier and the piping and appurtenances affixed thereto, and to a seaplane ramp," the filing states.

The lawsuit further requests compensation for economic losses, emergency response costs, attorney's fees, and future repair and reconstruction needs.

This marks a major legal step by the Port in recovering costs related to Typhoon Mawar and safeguarding against future negligence impacting Guam's only commercial seaport.

### Port Hosts Strategic Infrastructure Meeting with CDLO Consultants



The Port Authority of Guam welcomed representatives from the Governor's Community Defense Liaison Office (CDLO) and Tetra Tech on May 6, 2025 for a key meeting focused on assessing and advancing critical Port infrastructure projects that support Guam's military readiness and long-term resiliency.

Tetra Tech, consultants for the Governor's CDLO, is currently gathering information from government agencies across the island to compile a comprehensive list of infrastructure initiatives. These projects will be submitted to the federal Economic Adjustment Committee (EAC) as part of a broader justification for federal funding tied to national defense priorities.

During the meeting, Port leadership, CDLO officials and Tetra Tech consultants discussed several high-priority initiatives, including the acquisition of new STS gantry cranes, the hardening of cargo piers, upgrades to fuel piers, and the proposed development of Area A fuel storage facility. These projects are essential to strengthening the Port's ability to serve as a critical logistics hub in support of both civilian and military operations on Guam and throughout the Indo-Pacific region.

"Collaborating with Tetra Tech and the Governor's Office on these strategic priorities

ensures the Port's infrastructure can support Guam's critical role in national security," said General Manager Rory J. Respicio. "These initiatives are not only investments in the island's economic future, but also vital enhancements to our readiness and resilience in the face of increasing regional demands."

On May 8, 2025, the Port team hosted a boat tour for representatives from CDLO and Tetra Tech to provide an on-site assessment of key infrastructure projects. The tour allowed Port staff to showcase critical areas and ongoing initiatives that are under consideration for inclusion in the Governor of Guam's packet of priority projects.

The Port Authority extends its deepest appreciation to Governor Lou Leon Guerrero and Lt. Governor Josh Tenorio for their leadership and vision in securing federal support for Guam's infrastructure. Gratitude is also extended to the Port's Board of Directors and dedicated employees, whose continued efforts are instrumental in advancing these transformative projects.

As Tetra Tech continues its island-wide assessments, the Port Authority remains committed to ensuring Guam's strategic infrastructure meets the evolving demands of both commerce and national defense.

### Port Police Certified in Advanced Speed Enforcement Technology



Officers from the Port Police Division have successfully completed certification training on the use of the LTI 20/20 TruVISION laser system, a cutting-edge photo and video laser technology designed to enhance traffic enforcement and promote roadway safety. Officers who participated in the training include:

- Higinio N. Camacho Jr.
- Eric J. Salas
- James A. Sandlin
- Frank J. San Nicolas
- Benny M. Quinata
- Theresa R.T. Reyes-Manibusan
- Michael G. Lasiste
- Joy R. Quichocho-Cruz
- Michael A.P. Franguez

- Keesha A.F. Duenas
- Daryl M. Movida
- Alex L. Tithingrad
- Kylie R. Maurer
- Jacob Q. Iriarte
- Rudolph Salas
- Kyler J. Candoleta
- Pedro C. Lizama
- Justin S. Cruz

The training, held from May 5–7, 2025, was conducted by Lieutenant Dean Delgado from the Guam Airport Authority and marks a significant milestone in the Port's efforts to strengthen its law enforcement capabilities under the Operation Adahi Hao (Watch Out!) program. Funding for this program is provided in whole by the Department of Public Works - Office of Highway Safety Federal Grant Fund Operation Adahi Hao (Watch Out!) which focuses on high-visibility traffic enforcement operations such as speed checks to encourage compliance with traffic laws and safer driving habits.

The LTI 20/20 TruVISION laser system offers a range of advanced features including high-resolution video tracking and image capture, simplified operation, secure and encrypted

data storage, wireless field printing and scalable integration with other enforcement technologies. The system is easy to learn and empowers officers to efficiently document and respond to traffic violations with greater precision and safety.

"Investing in modern enforcement tools and training is essential to maintaining a secure and orderly port environment," said General Manager Rory J. Respicio. "The LTI 20/20 TruVISION laser system enhances our officers' ability to enforce traffic laws effectively while also supporting our commitment to public safety through proactive, visible enforcement."

The Port Authority extends its thanks to the Department of Public Works and the Office of Highway Safety for their partnership and continued support of the *Operation Adahi Hao* program. Congratulations to the Port Police Officers for their successful completion of this important training and for their ongoing dedication to keeping our roads safe.

# **Employee Quarterly Awards - 2nd Quarter of FY 2025**

# **Employee of the Quarter**

# Category 1:



Category 2:





## **Supervisor of the Quarter**

# Category 1:



Mark Cabrera, Buyer Supervisor

Category 2:



Jesse Quinata, Stevedore Supervisor I

## **Outstanding Work Center of the Quarter**

## Category 1:



Planning Division

Category 2:



Transportation Division

# **Good Housekeeping Work Center of the Quarter**

# Category 1:



**Procurement Division** 

Category 2:



**Transportation Division** 

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### Port Bids Farewell to Beloved Sister, Sonja Leigh Cruz

The Port Authority of Guam lost a valued member on April 19, 2025 with the untimely death of our beloved sister - Sonja Leigh Cruz. Sonja began her employment with the Port on March 16, 1998 as a Clerk III with the Harbor Master's office: shortly thereafter, she was promoted to an Administrative Assistant in 2000. Carrying out her duties and responsibilities with integrity, dedication and professionalism, Sonja rose through the ranks and became the Administrative Officer in 2012. It is with deep sadness that we bid final farewell to our beloved sister Sonja. Sincere condolences are expressed to her sons Tyler and Jaden and her entire family.





### **ATOSSCOM's Regional Water Transportation Training Program**



The PortAuthority of Guam, in partnership with the Matson Navigation Company and the Marianas Steamship Agency, successfully hosted the Water Transportation Training Program (WTTP) on May 28, 2025. The month-long program, held from May 1 to May 28, brought together participants from across Micronesia to strengthen regional capacity in maritime operations and management.

The WTTP was sponsored by the Association of Terminal Operators, Stevedoring and Shipping Companies of Micronesia (ATOSSCOM), a non-profit organization uniting maritime stakeholders across the region. ATOSSCOM requested the training be co-sponsored by its Guam-based members—Port, Matson, and MSA—who formalized their support through a Memorandum of Agreement signed on March 7, 2025.

"The Port Authority of Guam is proud to share its knowledge and expertise with our partners in Micronesia," said General Manager Rory J. Respicio. "This program demonstrates the power of cooperation, collaboration, and mentorship, especially in strengthening smaller ports in our island region. Together, we raise the standard for everyone."

The WTTP provided on-the-job training in two major areas of water transportation:

- Agency-Carrier Operations: Customer service, documentation, vessel operations, administration, and accounting.
- Port Operations: Terminal logistics, stevedoring processes, transportation operations, equipment maintenance, tariff/

billing implementation, and completed the HAZWOPER, Forklift and Industrial training.

Participants included Terence Miozawa (Palau), Matty Rengeisom (Chuuk), John Acosta (Saipan), and Tristan Edwards (Pohnpei). Each participant brought a unique perspective from their home ports and gained first-hand experience in Guam's advanced maritime operations.

"I was motivated to participate in the program to see and learn how Guam port operates and bring back and share knowledge with my team in Chuuk, especially on teamwork and safety to get the work done efficiently," said Matty Rengeisom. "The most memorable part of the training was climbing up the gantry crane—it was incredible!"

Each participant expressed admiration for the level of advancement at the Port Authority of Guam compared to their respective ports. They emphasized the importance of bringing this new knowledge back to their home islands, where they aim to enhance local practices and foster a culture of efficiency and safety.

The Port Authority of Guam, a proud member of ATOSSCOM for more than 20 years, currently serves as the secretary of the association. This ongoing leadership and collaboration continues to shape the future of maritime excellence across Micronesia.

As the training program wrapped up, the Port reaffirmed its commitment to regional partnerships, knowledge-sharing, and the continued development of a resilient and interconnected Micronesian water transportation network.

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### **May Photo Highlights**



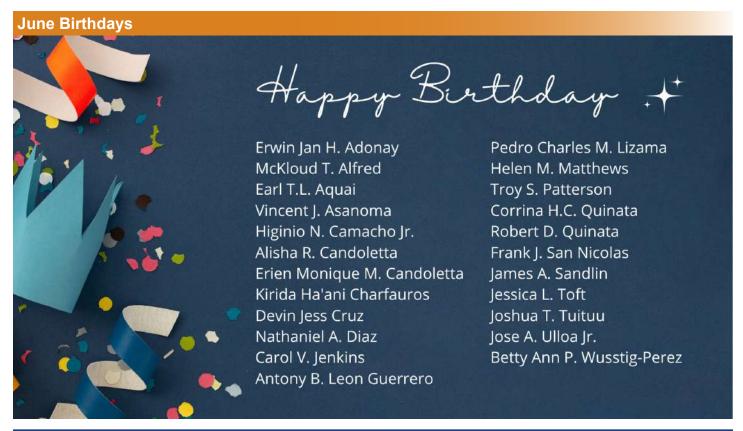
Port employees participate in a Stress Management Seminar hosted by the Marketing Division.



Dora Perez, Jaime Franquez and Darrell Harris walk the seawall as part of the Port's ongoing weekly Physical Fitness Program hosted by the IT Division.



WTTP participants climb one of the Port's three gantry cranes. Climbing the gantry crane offers a special experience they wouldn't find on their home islands.



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