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

May 29, 2025

Memorandum

To: Dorothy P. Harris, Board Chairperson
Conchita S.N. Taitano, Board Vice Chairperson
Fe R. Valencia-Ovalles, Board Secretary & Director

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

Subject: Management Performance Assessment – FY 2025 Mid-Year Review

Buenas yan Hafa Adai. I respectfully submit this FY 2025 mid-year management assessment, which provides an overview of each division's performance during the first half of the fiscal year. This report is based on the official Mid-Year Performance Reviews submitted by division heads and, where applicable, their assistant managers. It reflects how each individual is meeting their responsibilities, advancing the Port's priorities, and responding to challenges within their areas of oversight.

Madam Chair and members of the Board, these submissions demonstrate the continued alignment of our organization with *Look Ahead 2025*, the steady implementation of key reforms, and our shared commitment to operational execution.

The following is the mid-year review for the General Manager's Office:

FY 2025 Mid-Year Review

General Manager's Office

Rory J. Respicio, General Manager

Dominic Muna, Deputy General Manager of Operations

Pacifico Martir, Deputy General Manager of Administration and Finance

Intro

The first half of Fiscal Year 2025 reflects steady oversight, disciplined follow-through, and continued implementation of the strategic direction set under *Look Ahead 2025*. As the General Manager and Deputy General Managers of the Port Authority of Guam, our job is to ensure that each division is operating with purpose, that challenges are being addressed early, and that reforms are not just announced but applied. This mid-year cycle confirms that work is underway across the board. The Port's infrastructure readiness remains central to Guam's economic recovery, disaster response capacity, and regional defense posture. Our leadership remains focused on ensuring the Port is prepared not only to meet current operational demands but to serve as a secure and reliable partner in national security.



Key Accomplishments and Progress

- Implemented significant reforms over the hiring process, including resume redaction, pre-audit reviews, conflict of interest declarations, rating panel rotation, and skills-based assessments for certification-required positions.
- Stopped significant revenue leakages related to underbilling resulting in tariff misapplication and implemented new chassis rental charges aligned with the Port tariff.
- Presided over the shift in the Commercial Division to provide for structure to address delinquency and lease enforcement, and to standardize internal coordination and tenant reporting (work in progress).
- Port Legal Counsels provided legal support across personnel reform, enforcement of the Port's Personnel Rules and Regulations, contract review, and lease enforcement matters, helping ensure compliance and consistency with Port rules, Board and General Manager Manager's directives, and statutory obligations. Their work reinforced internal controls and supported decision-making in key areas of operational and administrative oversight.
- Secured the Black Construction lease at the current statutory lease rate, reinforcing the collective commitment to maximizing the value of Port-controlled property.
- Continued the Delegation of Authority given by the General Manager to the Operations Manager and Assistant Operations Manager to oversee Operations, Terminal, Stevedoring, and Transportation.
- Ensured the Port's succession planning for managers and assistant managers in accordance with the Board of Directors' directive.
- Directed the transition from planning to implementation of FEMA, MARAD, and EPA grant-funded infrastructure projects.
- Reprioritized the Port's capital program to focus on execution of high-impact projects including gantry crane replacement, rehabilitation of Hotel Wharf, fuel pier replacement including Area A, and facilities upgrades tied to resilience and safety.
- Reinforced coordination between Planning, Finance, and CIP/Engineering to align grant funding conditions with execution milestones and job cost billing.
- Formed and supported the Chassis Safety Task Force to assess and strengthen safety and inspection standards.
- Maintained direct engagement with oversight bodies including the Port's Board of Directors, Governor Lou Leon Guerrero and Lt. Governor Josh Tenorio, the Legislature, and the Public Utilities Commission, along with active coordination with the Port Users Group, stakeholders, and federal and military partners to communicate key milestones, secure support, and advance the Port's strategic initiatives.
- Successfully renewed procurement delegation each year since 2019, after the Port regained this authority following a 14-year lapse.

Initiatives Underway

- Pursue continued review and adoption of the Port Master Plan to secure alignment with long-term infrastructure needs and legislative support for capital investment.

- Advance financial planning efforts, including bond defeasance and exploration of future bond financing options, to support infrastructure priorities identified in the Port Master Plan.
- Support passage of Bill 109-38, which would authorize a dollar-for-dollar lease offset for tenant-funded Port infrastructure improvements. This legislation would incentivize private investment in Port facilities while preserving public ownership and ensuring infrastructure upgrades are completed without direct capital outlay by the Port.
- Continue pursuit of FEMA and insurance claim reimbursements to support post-typhoon recovery and capital execution.
- Sustain oversight of personnel system reforms, including the employee certification checklist, rating panel protocols, and expansion of the Apprenticeship Program.
- Support interagency briefings and strategic engagement to reinforce the Port's role in regional defense readiness and economic development.
- Review workforce structure and succession planning to maintain leadership continuity and operational stability.
- Oversee infrastructure project readiness and milestone tracking across gantry cranes, wharf structures, fuel piers, terminal modernization, and upland facility upgrades to ensure these efforts directly support the Port's Facilities Security Plan and national security obligations.

Challenges Acknowledged by the General Manager

- Communication and coordination delays during time-sensitive or multi-division efforts, especially where roles and responsibilities overlap.
- Occasional delays in infrastructure updates and interagency coordination requiring more consistent information flow.
- Incomplete, untimely, or unsupported employee performance evaluation submissions continue to affect workforce planning, fairness, and compliance monitoring.
- Inconsistent documentation and overreliance on informal processes, requiring more structured protocols to meet audit and reporting standards.
- Ongoing challenge of meeting the debt service coverage ratio due to the exclusion of the Crane Surcharge and Facility Maintenance Fee from the revenue calculation in the 2018 Revenue Bond indenture.
- Continued reinforcement of reforms is needed to fully replace legacy practices with more accountable systems.

General Manager's Response and Expectations

Our mid-year review confirms that progress is being made across all divisions, but it also reinforces the need for continued discipline, coordination, and execution. The standards we have set are clear. What matters now is whether these standards are upheld consistently and whether all divisions are positioned to anticipate challenges and follow through with solutions.

As the General Manager, together with the Deputy General Managers, our expectations remain unchanged. Communicate early, document accurately, enforce fairly, and lead with presence. The pursuit of all reimbursements, charges and fees, audit integrity, and workforce reform will continue

to guide our work. Bond defeasance planning is moving forward subject to the Board's approval, and all revenue generating efforts will continue to stay grounded in statutory authority, the Port's tariff and accountability. Project readiness, especially those tied to wharf structures, fuel piers, gantry cranes, and facilities improvements, remain a top priority. These critical infrastructure assets are not just critical to Port operations, but to our nation's defense readiness. If the Port is not ready, then the military will not be ready!

We acknowledge every division head who submitted a serious and thoughtful review. These are not ceremonial exercises. These reviews serve as working documents that allow us to track what matters, remove roadblocks, and support the people who are doing the work. Our job is to make sure that what we build actually works and that we are building for the future, and keeping the Port Strong!

The following section-by-section updates reflect each division's contributions, challenges, and expectations for the second half of FY 2025. This report follows the operational structure of the organization and does not imply rank or hierarchy among divisions.

OPERATIONS

Glenn Nelson, Operations Manager

Patrick Alvarez, Assistant Operations Manager

Intro

The Operations Division continues to anchor the Port's core functions, overseeing Stevedoring, Terminal, and Transportation during a period of sustained operational demand. This mid-year review reflects input from both the Operations Manager and Assistant Operations Manager, whose combined efforts support field execution, supervisory oversight, and operational continuity.

The Operations Manager reaffirmed alignment with the strategic direction of Look Ahead 2025 and emphasized the importance of shared leadership in managing workload, maintaining morale, and sustaining performance during peak vessel activity.

The Assistant Operations Manager provided a practical assessment of frontline coordination, highlighting equipment utilization, shift transitions, and team development. His focus on accountability, communication, and mentoring reflects a hands-on approach that reinforces operational stability and long-term workforce resilience.

Key Accomplishments and Progress

- Maintained coordination of daily vessel discharge activities and supported supervisors during shift planning and execution.
- Provided consistent field oversight to ensure accountability, safety, and shift coverage during peak operations.
- Flagged yard congestion issues and implemented strategies that improved cargo flow, equipment staging, and turnaround times.
- Collaborated with Equipment Maintenance to report issues and prioritize repair needs aligned with vessel schedules.

- Recommended handheld radio deployment to enhance communication and reduce response delays across shifts.
- Advanced cross-training initiatives to increase workforce flexibility and reduce staffing bottlenecks.
- Contributed to on-the-job development of operations personnel with a focus on readiness, coordination, and team leadership.

Initiatives Underway

- Cross-Division Engagement: Continued integration with other divisions to support yard readiness and cargo handling.
- Communication Streamlining: Reinforcing the chain of command and internal coordination channels to reduce confusion and delays.
- Leadership Presence: Sustaining field visibility and supervisor engagement across all shifts.

Challenges Acknowledged by Operations

- Sustaining operational oversight and shift coverage during high vessel volume and staffing fluctuations remains a core challenge.
- Communication gaps during shift handoffs and peak periods continue to affect continuity and responsiveness.
- Maintaining consistent field leadership across overlapping operations is essential to reinforcing safety and accountability.
- Access to cargo-handling equipment during surge periods remains a constraint requiring close coordination with Maintenance.
- Supervisors continue to operate under pressure, and ongoing overtime demands highlight the need for stronger labor forecasting and support.

General Manager's Response and Expectations

The Operations Manager coordinates effectively across Stevedoring, Terminal, and Transportation. His mid-year submission shows a clear grasp of the logistical and supervisory demands involved in vessel discharge, shift coverage, and field coordination. We appreciate the Operations Manager's efforts to reinforce the chain of command and strengthen operational structures, aiming to expand this direct and timely communication to reach the Deputy General Manager of Operations and the General Manager. Real-time information is vital for informed decision-making, and structure is essential for maintaining steady operations.

The Assistant Operations Manager's submission reflects a leadership approach that aligns with the priorities outlined in Look Ahead 2025. His recommendations to improve shift coordination, reduce congestion, assign equipment operators, and strengthen communication are timely and based on operational realities. His mentorship of emerging supervisors, expansion of cross-training, and involvement in infrastructure coordination demonstrate a practical, field-based commitment to workforce development and long-term improvement.

The Operations leadership team is expected to maintain strong alignment with division heads and frontline personnel, reinforce accountability in shift execution, and stay present in the field. A continued focus on timely reporting, labor forecasting, and cross-divisional coordination is essential for sustaining daily execution and long-term operational resilience across the Port.

STEVEDORING DIVISION

Junior Topasna, Stevedoring Superintendent

Intro

The Stevedore Division continues to operate under steady leadership with a strong focus on coordination, morale, and operational stability. Weekly productivity remains consistent, and the Superintendent's direct involvement across divisions has helped strengthen safety protocols, ensure reliable shift coverage, and improve planning discipline. Across the Port, there is a clear understanding that our success depends on the collective effort of the entire workforce, including both operations and administrative staff. This principle is reflected in the culture of each team, where presence, accountability, and coordination remain core to how we work.

Key Accomplishments and Progress

- Consistently supported vessel discharge operations with minimal disruption.
- Reinforced communication with Terminal and Transportation to support cargo flow.
- Maintained steady field-level supervision across all shifts.
- Contributed to operational readiness during peak vessel schedules.

Initiatives Underway

- Shift Coordination: Building on established collaboration with Terminal and Operations to streamline shift transitions.
- Safety Oversight: Reinforcement of field-level safety practices in alignment with Safety Division protocols.
- Workforce Presence: Sustained on-site engagement with longshore crews during vessel operations.

Challenges Acknowledged by Stevedoring Division

- Manpower Allocation: Managing shift coverage during high-volume vessel activity.
- Cargo Flow Bottlenecks: Addressing congestion through improved staging and coordination.
- Crew and Schedule Alignment: Improving the match between labor availability and vessel schedules to reduce idle time and delays.

General Manager's Response and Expectations

We recognize that the Stevedore Division plays a critical role in maintaining the rhythm of vessel operations. The Stevedore Superintendent has demonstrated steady leadership and maintained a strong field presence that reinforces accountability, morale, and operational reliability. His coordination with Terminal, Transportation, and Operations leadership, including the Operations Manager, Assistant Operations Manager, and Deputy General Manager of Operations, has been essential to meeting performance expectations.

Discipline remains evident in shift planning, real-time coordination, and consistent field supervision. The men and women in this division continue to play a critical role in supporting cargo movement and overall vessel readiness. Their effectiveness is strengthened by leadership presence and cross-divisional alignment, which together contribute to high morale and steady performance. This progress reflects the culture we are working to build across the Port, one that is rooted in safety, execution, and mutual respect. Let us continue reinforcing it at every level.

TERMINAL

Janice Flores, Acting Port Terminal Superintendent

Intro

Terminal operations have remained steady and well-coordinated with Operations and Transportation. The team continues to contribute to smooth vessel discharge, quicker yard turnarounds, and enhanced coordination during peak periods. The Acting Port Terminal Superintendent's mid-year review reflects a strong focus on safety, morale, and leadership development during a time of supervisory transition. Her efforts, along with the team, are helping to sustain performance while preparing the division for ongoing day-to-day operations and long-term continuity.

Key Accomplishments and Progress

- On-boarded three Port Terminal Workers to ease manpower shortages, resulting in improved morale and smoother operations.
- Acknowledged the new radios, which improve field coordination, responding to situations, and ensuring safety
- Acknowledged renovation of the Gatehouse, and improved workspace, boosting morale and productivity.
- Led cross-training efforts that expanded workforce flexibility and reduced operational stress.
- Implemented "out-of-position temporary work assignments" to recognize effort and encourage collaboration.

Initiatives Underway

- Support for stripping of the yard, bumper stoppers, terminal lighting, terminal operating system upgrade, and upgrade to referrer plugs.
- Maintaining daily oversight of terminal yard activities.
- Supporting cruise operations in collaboration with other Port divisions.
- Addressing minor staging and equipment concerns as they develop.

Challenges Acknowledged by the Terminal Division

- Balancing staffing levels and overtime remains an ongoing challenge.
- Greater alignment with Operations is needed to support structural coordination.
- Stepped into leadership during a vacancy, taking full responsibility for execution and stability.
- Recognized the importance of proactive communication and early issue resolution.

General Manager's Response and Expectations

The Terminal Division continues to support critical vessel and yard operations through consistent coordination and responsiveness. The Acting Terminal Superintendent has provided steady leadership during this period of transition. Her efforts to stabilize the division while mentoring future leaders reflect the kind of internal capacity-building that strengthens the Port over time.

The Acting Terminal Superintendent's focus on safety, communication, and team morale is evident throughout her report, as is her awareness of infrastructure needs and the importance of interdivision planning. I expect the Terminal Division to continue working closely with the Operations leadership team to improve shift coordination, cargo staging, and execution during vessel discharge. Her leadership will continue to play a key role in supporting both near-term operations and the long-term continuity of the Terminal Division.

TRANSPORTATION

Ray Santos, Transportation Superintendent

Intro

The Transportation Division continues to support vessel and yard operations by maintaining cargo flow, coordinating equipment availability, and reinforcing frontline readiness. The mid-year review reflects steady progress in fleet integration, communication upgrades, and coordination with the Terminal and Stevedore Divisions. The Transportation Superintendent remains directly engaged in daily planning and execution, ensuring that transportation services meet operational demands. His consistent leadership and presence in the field have helped sustain performance, responsiveness, and morale across his team.

Key Accomplishments and Progress

- Integrated new yard tractors to improve cargo movement and reduce delays.
- Acknowledged the procurement of handheld radios for enhanced coordination during shift transitions and vessel support.
- Acknowledged the renovation of the CFS lounge and supervisor work areas, which aims to improve morale and field oversight.
- Maintained regular communication with Mechanics and Operations to balance repairs with vessel demands.
- Participated in certified training programs to strengthen supervisor preparedness.

Initiatives Underway

- Forklift Procurement: Working with Procurement and Planning to acquire new forklifts for cargo operations.
- Equipment Planning: Continued coordination with Maintenance, Operations and Planning to schedule equipment usage based on manpower and shift demands.
- Training and Certification: Supervisors are participating in federally certified training to build leadership capacity and reinforce safety.
- Preventive Maintenance Coordination: Supporting the effort to reduce downtime by aligning equipment availability with cargo flow needs.

Challenges Acknowledged by Transportation

- Managing overtime and manpower coordination during high vessel activity periods remains a daily challenge requiring constant adjustments
- Monitoring and managing the deployment of yard tractors, including maintenance coordination.
- Occasional overlap between cargo transport and cruise traffic requires constant coordination.

General Manager's Response and Expectations

The Transportation Division, like all other divisions the Port, plays a critical role in supporting the Port's daily operations. The integration of new equipment, improved communication tools, and renovated workspaces reflects steady follow-through and responsiveness to field needs. The division is expected to remain closely aligned with the Operations leadership team to ensure equipment is used effectively, field-level issues are addressed early, and shift transitions are consistently supported.

The Transportation Superintendent's coordination efforts and responsiveness to equipment and cruise-related needs continue to support vessel operations and contribute to broader Port activities. The division will keep collaborating with Maintenance and Operations to manage yard tractor uptime and reduce congestion during peak periods. Consistent field-level leadership, proactive coordination, and situational awareness across all shifts are essential for maintaining daily operational flow and long-term resilience.

EQUIPMENT MAINTENANCE

Kin Pangelinan, Equipment Maintenance Manager

Shine San Agustin, Assistant Equipment Maintenance Manager

Intro

The Equipment Maintenance Division continues to support vessel readiness and yard operations by addressing maintenance backlogs, sustaining asset reliability, and coordinating closely with Operations. The division's mid-year review was provided by the Assistant Equipment Maintenance Manager and reflects day-to-day oversight, coordination, and operational challenges observed in the field. The Assistant Equipment Maintenance Manager has remained engaged in day-to-day execution, field-level oversight, and coordination with supporting divisions. His mid-year review reflects a high level of accountability, technical discipline, and commitment to continuing to build structure and consistency in the application of policies and procedures.

Key Accomplishments and Progress

- Reduced the maintenance backlog through targeted repairs and improved work order tracking.
- Reinforced preventive maintenance schedules to minimize recurring equipment failures.
- Coordinated with relevant divisions on equipment upgrades and repair prioritization.
- Provided consistent field presence and inter-division coordination during periods of high vessel activity.

- Worked with Finance and IT to improve tracking of asset capitalization and job order reconciliation.

Initiatives Underway

- Working with Finance on a Vehicle Equivalent Units (VEU) system to better assess asset value and maintenance demand.
- Supporting an update to the Port's Accident and Abuse policy to improve reporting and cost recovery.
- Continuing to conduct regular spot checks to ensure adherence to established procedures and communication protocols.

Challenges Acknowledged by Equipment Maintenance

- Breakdown in structured task assignment, oversight, and coordination processes following leadership changes within the division.
- Communication gaps between supervision and operations, leading to misalignment in priorities and work execution.
- Paused monthly financial coordination meetings, complicating asset capitalization, cost tracking, and funding requests.
- Increased workload and operational strain due to unresolved staffing issues
- Erosion of team alignment leads to inefficiencies, morale issues, and unclear direction during daily operations.

General Manager's Response and Expectations

The Equipment Maintenance Division continues to contribute meaningfully to the Port's operational continuity through sustained backlog reduction, field-level oversight, and preventive maintenance efforts. The Assistant Equipment Maintenance Manager's submission reflects not only performance but also a candid assessment of the structural and communication challenges that have emerged within the division.

The concerns raised, including the breakdown of coordination processes, the absence of timely guidance, and the need for stronger leadership alignment, point to systemic issues that must be addressed. The division has identified the importance of having clearly defined roles, consistent expectations, and more engaged oversight to support stability, coordination, and progress.

Although the division's submission was prepared by the Assistant Equipment Maintenance Manager, the underlying issues point to broader structural concerns that must be addressed at the leadership level. The Equipment Maintenance Manager and Assistant Manager will work closely with the Deputy General Manager of Operations to restore coordination and oversight. I have directed the Deputy General Manager of Operations, the Equipment Maintenance Manager, the Assistant Equipment Maintenance Manager, and all supervisors within the Equipment Maintenance Division to reestablish structured oversight, reinstate regular coordination mechanisms, and clarify responsibilities at every level. They are to report to me weekly until this matter is fully resolved.

FACILITIES MAINTENANCE

Alex Aflague, Facilities Manager

Intro

The Facilities Maintenance Division remains a vital support function that spans Port infrastructure, office environments, and key operational areas. The division's mid-year report outlines a diverse workload tied to project completions, facilities upkeep, and succession continuity. The scope and execution of work support the recent reclassification of this leadership position and reflect the division's expanding responsibility.

Key Accomplishments and Progress

- Completed facilities improvements at the CFS Building, Transportation and Stevedoring offices, and the shared breakroom and locker room.
- Reached 85% completion of the WH1 Bay-1 inner structure project.
- Advanced flooring and window upgrades at the Commercial service window, Marketing area, and CFO office.
- Continued support for material-ready projects awaiting execution across multiple Port sites.

Initiatives Underway

- Addressing lighting in the terminal yard area, seawall, marinas, Family and Port beaches.
- Sustaining core systems including pumps, load centers, equipment wash racks, storm drains, air conditioners, and fire alarms.
- Ensuring safe, comfortable, and productive conditions across offices and operational spaces.
- Continuing succession planning through acting leadership roles that preserve institutional knowledge and operational continuity.

Challenges Acknowledged by Facilities Maintenance

- Budget shortfalls continue to affect material availability and equipment reliability.
- Facility-managed systems require increased care and attention, adding pressure to available resources.
- The division's vehicles have a projected service life of less than two years, despite stopgap efforts using pre-owned units from FedGSA.
- Workforce age and limited skill sets pose long-term risk: only three of eight staff are under 60, and retirements would significantly reduce capability and productivity.

General Manager's Response and Expectations

The Facilities Maintenance Division continues to provide essential services that support the Port's overall safety, reliability, and operational readiness. The range of completed and in-progress projects, including workspace upgrades, structural repairs, and site-wide support, reflects steady execution and a clear understanding of the Port's evolving needs. The division remains focused on maintaining critical systems, supporting daily site readiness, and preparing for leadership continuity through succession planning. Concerns regarding the aging vehicle fleet, pending

retirements, and a projected shortfall for the remainder of FY 2025 must be quantified immediately so that funding options can be evaluated and addressed.

Moving forward, the division is expected to maintain close coordination with CIP and Engineering, provide consistent documentation of priorities, and establish a master calendar for routine and preventive facilities maintenance, including yard work throughout all Port properties and marinas. The Facilities Maintenance Manager's leadership, reliability, and sense of mission are evident throughout the mid-year submission. We acknowledge the contributions of the entire Facilities team and the standards they help uphold across the Port.

FINANCE

Jojo Guevara, Chief Financial Officer

Intro

The Finance Division continues to support the Port's operational stability through oversight of budgeting, revenue tracking, collections, and fiscal controls. The division plays a central role in enabling compliance with local and federal requirements while ensuring that divisions remain accountable for spending, reporting, and planning. The mid-year reporting period has seen continued coordination with Procurement, Planning, and executive leadership to support grant tracking, asset capitalization, and cash flow forecasting.

Key Accomplishments and Progress

- Launched multiple automation initiatives:
 - Employee Self-Service access to personal profiles
 - Employment verification (E1)
 - Payroll stub delivery via email
 - Employee access to benefits
- Completed tariff adjustment analysis based on salary and equipment variances between 2019 and 2025.
- Initiated a petition to the Public Utilities Commission for tariff rate adjustments.
- Processed W-2 forms three weeks ahead of the January 31 deadline.
- Brought payroll file scanning, uploading, and processing fully up to date.
- Streamlined payroll audits, enabling earlier uploads and faster net pay delivery.
- Progressed the workaround for job cost billing in E1:
 - Enabled billing of labor, equipment, and SSR charges through E1 instead of AS400.
- Implemented Bare Chassis charges to comply with the Port tariff.
- Partnered with IT to launch the following E1 improvement projects:
 - Request for proposal to secure new FMS consultant
 - Development of Accounts Payable (AP) Dashboard
 - Procurement and Budget Dashboard
 - Document retention enhancements

Initiatives Underway

- Improving digital tracking of capital assets and reconciling funding sources tied to specific projects.
- Strengthening internal coordination with divisions to align expenditures with procurement cycles and grant timelines.
- Streamlining reporting formats and enhancing expenditure forecasting for greater accuracy and planning.
- Assessing budget adjustments needed to support post-typhoon repairs and ensure project execution.
- Enhancing audit readiness by standardizing documentation and improving process consistency across all financial functions.

Challenges Acknowledged by Finance

- Balancing regular financial deliverables with Port-wide and division-specific initiatives.
- Managing delays caused by late or incomplete document submissions from other divisions.
- Addressing gaps in inter-departmental communication that affect financial coordination.
- Ensuring proper capture of labor charges and benefit allocations for capitalization in CIP and Work Orders.
- Improving the accuracy of data needed to support debt service ratio coverage and financial reporting.

General Manager's Response and Expectations

The Finance Division remains central to the Port's financial health and operational credibility. The mid-year review reaffirms Finance's progress in automation, audit readiness, and the implementation of revenue-enhancing reforms. As the Port's first Chief Financial Officer, the CFO's leadership, together with the work of the Finance team, has helped establish a strong foundation for institutional trust and fiscal discipline.

The division's efforts in job cost integration, payroll modernization, and internal control improvements have supported timely reporting, project reconciliation, and cost recovery. These initiatives align with our broader goals of sustaining clean audits and maintaining favorable bond ratings.

As we move into the second half of FY 2025, Finance is expected to continue shaping Port-wide solutions by improving alignment between budgets, planning, procurement, and execution. Stronger coordination with Planning and Maintenance will be essential to keeping funding timelines and asset tracking properly synchronized.

Internal communication must remain steady and timely to support accurate forecasting, resource allocation, and grant compliance. Finance is also expected to reinforce audit readiness through standardized documentation and consistent reporting practices. This work is foundational to the Port's ability to manage growth responsibly and maintain the confidence of oversight bodies and funding partners.

The division will no doubt remain focused on execution, cross-division coordination, and the timely delivery of financial information needed to support informed decision-making and accountability across the Port. Clean audits and strong bond ratings continue to serve as the foundation of the Port's financial integrity and credibility. These outcomes must guide how we communicate our financial position both internally and to the public, particularly when issuing updates related to capital projects, grant funding, and revenue performance.

PLANNING

Joe Javellana, Chief Planner

Intro

The Planning Division continues to support the Port's strategic direction by coordinating capital improvement planning, managing federal grant acquisition and compliance, and advancing resiliency and sustainability initiatives. Under the leadership of the Chief Planner, the division remains engaged in long-term infrastructure priorities while also responding to evolving federal policy, post-typhoon coordination, and interagency requirements.

Key Accomplishments and Progress

Federal Grant Awards and Proposals

- Port awarded the \$2.4 million Clean Ports Grant from the U.S. Environmental Protection Agency in coordination with Vice Chairperson Conchita Taitano, WSP (Owner Agent Engineer), and Jacobs (subgrantee).
- Completed submission of a \$75 million MARAD PIDP proposal for three new ship-to-shore gantry cranes.
- Port awarded additional federal grants for equipment replacement, clean port initiatives, and abandoned vessel removal.
- Submitted a microgrid feasibility study grant to FEMA in support of the Port's long-term resiliency efforts.

Strategic Planning and Execution Support

- Advanced federally supported initiatives including the Port Master Plan Update, Customs Container Inspection Facility feasibility study, gantry crane tie-down plan, and the Port Readiness Plan under the OLDCC program.
- Recommended the adoption of a strategic planning framework that includes real-time dashboards, a quarterly performance review cadence, and a leadership matrix to improve project execution and oversight.

Infrastructure and Technology Coordination

- Coordinated repairs for typhoon-damaged assets through FEMA public assistance and mitigation.
- Supported rehabilitation planning for Area A fuel storage and the reprogramming of federal funds for Wharves F2-F6 to extend service life.
- Participating in multi-source planning for the replacement of the Golf and F1 fuel piers.

- Collaborated with IT on the Port's IT Master Plan and the procurement of a new Terminal Operating System (TOS).

Federal and Interagency Engagement

- Maintained staffing and planning support for the General Manager's engagement with MARAD, Indo-Pacific Command, Joint Region Marianas, and other key federal and defense stakeholders in coordination with the Governor and Lieutenant Governor.

Team Development and Division Capacity Building

- Promoted internal team-building, professional development, and planning-specific engagement activities to strengthen division capacity and leadership continuity.

Challenges Acknowledged by Planning

- **Funding Constraints:** Difficulty securing sufficient funds for large-scale infrastructure projects, including STS gantry cranes, fuel piers, wharf rehabilitation, and Hotel Wharf access upgrades.
- **Buy America, Build America (BABA) Compliance:** Inability to secure federal waivers for STS gantry cranes due to restrictive BABA provisions, despite past exemptions granted to other Pacific Island Territories.
- **Post-Typhoon Damage:** More than \$100 million in infrastructure damage from Typhoon Mawar, requiring extensive FEMA coordination and long-term repair strategies.
- **Inflation:** Rising construction costs have impacted previously funded projects, resulting in budget shortfalls, rebids, or project scaling.
- **Logistical Challenges:** Guam's remote location causes delays and increases costs for importing materials and equipment.
- **Regulatory Complexity:** Navigating complex federal compliance requirements (e.g., NEPA, FEMA, DoD) remains time-consuming and resource-intensive.
- **Federal Coordination:** Securing support and alignment from agencies like DoD, MARAD, and USDOT is a continuous challenge.
- **Environmental Compliance:** Balancing infrastructure development with environmental regulations and permitting requirements remains time-intensive.
- **Strategic Equipment Vulnerability:** Aging STS cranes pose a direct risk to the Port's ability to support military and commercial operations, especially under Indo-Pacific defense initiatives.

General Manager's Response and Expectations

The Planning Division continues to support the Port's strategic direction by coordinating long-term infrastructure priorities, federal funding opportunities, and resiliency initiatives. The mid-year submission included several well-considered proposals, many of which are now endorsed for implementation. The focus moving forward must be on execution.

Planning has demonstrated progress in supporting grant development, advancing capital project readiness, and aligning Port initiatives with national funding priorities. These efforts have helped position the Port competitively and reflect active engagement with federal partners, defense agencies, and local stakeholders. At this stage, the division must shift from planning to delivery. Tools such as dashboards, quarterly performance reviews, and the leadership matrix must move from proposal to consistent application. Delays in grant execution, federal submissions, or

interagency coordination must be reported early and directly to support timely intervention and strategic decision-making.

The Division, like all others across the Port, is expected to remain aligned with the priorities set by the Board, the Governor, the Lieutenant Governor, and the Office of the General Manager. All initiatives must continue to be coordinated through the General Manager and the appropriate Deputy General Managers to ensure oversight, consistency, and alignment across the organization.

The work of the Planning Division, beginning with the Chief Planner and extending to every member of the team, contributes meaningfully to the Port's long-term readiness and regional visibility. Planning's success will continue to be measured by its ability to help drive execution with discipline, transparency, and shared accountability across the organization. Stronger integration with Finance is expected to improve coordination of funding timelines, project delivery, and reporting. The division is expected to continue providing timely updates, reinforcing communication, and maintaining performance tracking in coordination with CIP, Engineering, Facilities, and other relevant divisions.

CAPITAL IMPROVEMENT PROJECTS (CIP) AND ENGINEERING

Clarance Lagutang, CIP/Engineering Manager

Intro

The Capital Improvement Projects and Engineering Division continues to play a central role in advancing the Port's infrastructure agenda. The division is responsible for overseeing project development, design, construction readiness, and execution in support of both federally funded and locally prioritized initiatives. The mid-year update reflects ongoing coordination with Facilities, Procurement, and Planning, as well as sustained technical support for capital projects funded through FEMA, MARAD, EPA, and other federal programs. The division also remains essential in maintaining compliance with grant requirements, supporting recovery-related documentation, and helping ensure that critical infrastructure priorities stay on track through interagency and internal collaboration.

Key Accomplishments and Progress

- Oversaw construction activities for the Container Yard Upgrade and Waterline Replacement projects.
- Reached 82 percent completion of the Waterline Replacement Project.
- Completed the Yard Poles and Signage Project, the Warehouse 1 Roof Vents Project, and the PAG Miscellaneous Painting Project.
- Reached 85 percent completion of the EQMR Maintenance Project and 90 percent completion of the EQMR Canopy Project.
- Completed the design phase for the Equipment Maintenance Wash Rack and Typhoon Mawar Repair projects.
- Supported procurement coordination and project readiness for the A&E Roof Replacement and Passenger Terminal Ramp Repair projects.
- Awarded the Warehouse 1 Maintenance Project and reached 50 percent completion of the Welding Shop Maintenance Project.

- Progressed the FEMA HMGP Fendering Project to 20 percent completion and the F3–F6 Bulkhead Repair Project to 50 percent completion.
- Finalized the design for the EDA Fuel Connectivity Project.
- Reached 90 percent completion of the STS Crane Demolition and Barge Removal and Disposal Project.
- Facilitated grant-related reporting and documentation for MARAD, FEMA, and EPA-funded projects.
- Assisted the Planning Division with aligning CIP updates to long-term infrastructure strategies and funding schedules.
- Maintained coordination across CIP, Engineering, and Port divisions on master planning, grant implementation, and infrastructure pre-design.
- Conducted dive inspections of the F3–F6 wharves and completed the Horizon Building assessments.
- Contributed to post-typhoon recovery assessments and supported FEMA documentation as required.

Initiatives Underway

- Advancing design and pre-construction work for the Wharf F2–F6 Repair and Area A Fuel Pier Rehabilitation projects.
- Continuing coordination with Procurement to manage bid specifications, contracting, and construction timelines.
- Updating FEMA documentation to support reimbursement schedules and ensure compliance for active repair projects.
- Working with Facilities and Operations to prioritize storm-related repairs and site restoration efforts across Port properties.

Challenges Acknowledged by CIP/Engineering

- Limited staffing and workload imbalance requiring mentorship and shift rotation to meet project timelines.
- Complexity of serving as primary Construction Manager on all Port projects, demanding both technical oversight and project coordination.
- Need for continued cross-training of less experienced staff to build internal capacity.
- Challenges in preparing scopes of work and cost estimates for complex projects without external support.
- Ongoing need to improve collaboration with contractors and other Port divisions for project execution.
- Nighttime construction schedules for EQMR-related work requiring extended shifts and increased personnel coordination to avoid burnout.
- Pressure to track and manage multiple overlapping projects while maintaining safety and operational continuity.

General Manager's Response and Expectations

The CIP and Engineering Division remains central to the Port's ability to modernize infrastructure, assist in the preparation and execution of federal grant applications, and track both immediate and long-term capital priorities. The mid-year review reflects measurable progress in planning,

tracking, and coordination with partners such as WSP, Jacobs, FEMA, MARAD, and key internal divisions. I acknowledge the consistent effort by the CIP and Engineering Manager and the entire team in supporting post-typhoon recovery, compliance with the Bipartisan Infrastructure Law, and project execution, responding to everything required of this division.

As we move into the second half of the fiscal year, the focus must remain on results. This includes advancing priority projects such as the Hotel Wharf and Fuel Pier rehabilitations, completing key design milestones, securing FEMA and insurance reimbursements, and ensuring project readiness through close coordination with Procurement, Legal, and executive leadership. Project dashboards and milestone updates must be communicated clearly and early to flag potential delays before they take hold.

Future reports must clearly distinguish between active, dormant, and completed projects. This clarity is necessary to support resource planning, reprogramming, and audit readiness. Coordination with Planning and Finance must improve not only to align timelines, grant conditions, and procurement processes, but also to identify significant project shortfalls early. This is necessary to avoid unexpected gaps in funding, as seen with the fuel connectivity line project. Shared awareness, consistent documentation, and clarity across divisions remain essential to project delivery. Engineering is expected to manage scopes tightly and ensure that design outputs meet operational needs, support funding justifications, and are ready for implementation.

We support revisiting and formalizing the Port's capital project prioritization process. A clear policy for how we rank and resource projects will improve transparency and guide long-term investment. The division is also expected to incorporate environmental, social, and governance considerations into project planning and development in alignment with Board Resolution 2024-03.

The success of this division will continue to be measured by its ability to move projects from planning to execution with consistency and discipline. The Port depends on steady technical leadership, cross-division coordination, and follow-through to meet its capital priorities. The contributions of the CIP and Engineering Manager and the team are acknowledged. The division is expected to remain focused on timely delivery, project oversight, and accountability across all active and upcoming initiatives.

PROCUREMENT AND SUPPLY

Annie L.G. Sablan, Acting Procurement and Supply Manager

Intro

The Procurement and Supply Division continues to operate under high demand, supporting a steady flow of requisitions, formal solicitations, and construction procurements. The division's mid-year review reflects a clear commitment to compliance, process improvement, and collaboration with operational and capital project teams. Annie Sablan has provided consistent oversight during this period of transition, working closely with divisions to manage workloads and improve file accessibility and transparency.

Key Accomplishments and Progress

- **Processed High Volume of Requisitions:** Handled 427 requisitions and converted 351 into purchase orders to meet operational needs without compromising compliance.
- **Awarded Formal Contracts:** Successfully facilitated three Invitations for Bid (IFBs) for goods and services and two construction projects.
- **Advanced E-Submission of Issue Receipts:** Implemented electronic submission of posted supply issue receipts to the Finance Division, promoting digitization, cost savings, and better review oversight.
- **Streamlined E1 System Use:** Enabled the automatic generation of issue receipt forms within the E1 System, simplifying workflow and reducing manual entries for Supply staff.

Initiatives Underway

- **Digitization of Procurement Files:** Coordinating with IT and General Administration to digitize procurement records for improved public access and long-term file management.
- **Ensuring GSA Compliance:** Monitoring procurement practices to ensure full adherence to the Port's GSA procurement delegation authority.
- **Public Inspection Readiness:** Working to digitize and organize procurement records from FY 2019 onward to meet transparency and inspection requirements.
- **Standardizing Contracts:** Collaborating with the Port's legal counsel to create consistent templates for IFB and RFP documents to reduce delays and improve clarity.

Challenges Acknowledged by Procurement and Supply Division

- **Vendor Quote Delays:** Some vendors are slow to submit quotes, requiring staff to repeatedly follow up, which delays the purchase order process.
- **Contract Expiration Risks:** Extensions and renewals are sometimes processed after contracts expire; a tracking system was put in place to monitor and alert end users in advance.

General Manager's Response and Expectations

The Procurement Division continues to play a critical role in supporting Port operations and project delivery. The mid-year review reflects a disciplined approach to procurement oversight, document management, and compliance. The division has maintained high transaction volumes while advancing digitization efforts and strengthening coordination with internal stakeholders.

We must reflect on how far the division has come. The Port operated without procurement delegation for 14 years. Within the first year of this administration, that authority was restored. This milestone represented more than just a regulatory achievement; it marked a fundamental shift in how the Port approaches procurement. The focus is no longer solely on processing paperwork or instructing end users on what to purchase. Now, the focus is on supporting the operational needs of divisions while ensuring that all procurements comply with Guam Procurement Law.

The division now operates with a mission centered on improving turnaround times, supporting operational requirements, and ensuring procedural integrity. The Acting Procurement and Supply Manager and the entire Procurement team have helped foster a more constructive and responsive

relationship with Legal and end users. Their work reflects a commitment to collaboration, communication, and shared responsibility.

We appreciate the leadership being demonstrated and the extensive workload the team continues to handle with focus and professionalism. The commitment to engaging staff, listening to feedback, and enhancing internal processes is clear. Under current leadership, the division has remained stable, accountable, and forward-looking.

As we enter the second half of the fiscal year, Procurement is expected to continue enhancing communication with all divisions to ensure that requisition processing remains timely, transparent, and audit-ready. Focus must remain on reducing backlogs, complying with procurement authority, and ensuring that all transactions are supported by complete documentation and appropriate routing.

The division must also continue to address process inefficiencies that contribute to procurement delays, whether they are internal or vendor-related. Implementing a contract tracking system is a positive step. Sustained follow-through and coordination across divisions will be essential to avoid missed deadlines, late renewals, or post-expiration extensions.

Collaboration with Legal must continue to support standardized procurement templates. Coordination with IT is essential to ensure long-term access to procurement records and to aid internal modernization. The ongoing digitization of procurement files, including archived records from FY 2019, demonstrates a strong commitment to transparency and enhances audit and public inspection readiness.

Procurement's role remains foundational to the Port's ability to deliver services, implement capital projects, and maintain compliance. The division is expected to continue operating with structure, consistency, and professionalism. This work must demonstrate the discipline and integrity necessary to meet operational requirements and uphold public trust.

MARKETING

Bernadette Sterne, Marketing and Communications Manager

Intro

The Marketing Division plays an important role in ensuring that the Port's accomplishments, priorities, and public-facing activities are communicated clearly to the community, stakeholders, and partners. The mid-year review reflects consistent engagement across cruise ship operations, infrastructure milestones, and public information efforts. These contributions are acknowledged and appreciated.

At the same time, stronger coordination with division heads is needed to ensure that content is accurate, timely, and aligned with current developments. As a communications function, Marketing depends on visibility into operational updates. It is essential that this connection be maintained through routine information sharing and early notice of major milestones or events.

Looking ahead, Marketing will continue to build additional structure into its messaging calendar, refine internal workflows, and continue strengthening its media strategy. Continued collaboration with divisions will help ensure that the Port's messaging reflects the full scope of its activity and that materials are reviewed with appropriate lead time.

This division remains essential to shaping the Port's visibility and public trust. As we move into the second half of the fiscal year, Marketing must remain focused on consistency, clarity, and coordination. That focus is key to ensuring that the Port's story is told with accuracy, purpose, and professionalism.

Key Accomplishments and Progress

- **Community Engagement:** Produced and distributed press releases, public notices, and event updates to ensure the community and stakeholders remain informed of major Port initiatives.
- **Event Support:** Coordinated messaging and coverage for key events including cruise ship arrivals, facility upgrades, and federal partnership announcements.
- **Brand Alignment:** Ensured promotional materials, signage, and publications consistently reflect the Port's mission and tone across platforms.

Initiatives Underway

- **Cruise Ship Coordination:** Continues to play a key role in shaping messaging and visual presence during cruise ship arrivals. Marketing provides coordination across internal divisions and external partners such as GVB and Customs to ensure that passenger-facing communications reflect the Port's operational readiness and community engagement.
- **Media Strategy Development:** Advancing efforts to formalize the Port's public messaging framework, including structured media calendars, refined talking points for leadership, and improved workflows for handling media requests and content review. These steps are intended to improve clarity, responsiveness, and message alignment.
- **Port Visibility and Storytelling:** Supporting long-term visibility goals through proactive media outreach and content development. Marketing continues to highlight the Port's milestones, federal partnerships, and infrastructure projects through earned media, digital platforms, and strategic storytelling that elevates the Port's public profile. These efforts also serve a vital internal function by reinforcing organizational priorities, building staff awareness of ongoing initiatives, and strengthening unity across divisions by ensuring employees are informed, engaged, and aligned with the Port's broader mission.

Challenges Acknowledged by the Marketing Division

- **Workload Balance:** The number of events and communications requests has outpaced current creative and support capacity.
- **Timely Access to Information:** Marketing remains dependent on division updates to deliver accurate and current messaging.
- **Creative Bottlenecks:** Design and publication work continues to experience slowdowns due to limited personnel and competing demands.

General Manager's Response and Expectations

The Marketing Division plays a key role in ensuring that the Port's accomplishments, priorities, and public-facing activities are communicated with clarity, consistency, and credibility. The division continues to provide steady support that strengthens the Port's visibility and reinforces public trust. This includes a high volume of press releases tied to board actions, employee recognition, public safety updates, daily coordination with media, and ongoing collaboration with other divisions.

As we move into the second half of the fiscal year, the division is expected to formalize its messaging calendar and strengthen coordination across internal teams. Closer alignment with division heads will help ensure that milestones, achievements, and updates are captured and shared in real time, an essential part of maintaining accuracy and consistency across all communication channels.

The monthly newsletter remains a useful internal platform, and I appreciate the continued effort to keep it relevant and timely. As we transition to a paperless environment, pairing the newsletter with digital paystub delivery will help ensure employees stay informed in an accessible and streamlined way. I also look forward to the rollout of the Port's updated website and mobile app, which will enhance our ability to reach the public and improve how we engage stakeholders.

While news coverage often prioritizes controversy or conflict, the quiet work of prevention rarely makes headlines. Still, I can attest to the level of care, coordination, and strategic discipline this division brings to its work, especially when there are efforts to discredit the Port or its employees. Marketing plays a key role in making sure the Port's story is told accurately, that facts are communicated early and clearly, and that our values are consistently reflected in the messages we share. That vigilance is essential to protecting the integrity of this agency and the people who serve it.

The Marketing and Communications Manager and the marketing team continue to approach their work with structure, creativity, and a clear sense of purpose. Their contributions, grounded in integrity, accuracy, and respect for the work being done across the organization, are essential to how the Port is represented to the public, our partners, and the people of Guam. That representation must always be thoughtful, fact-based, and reflective of the values that guide our work.

HUMAN RESOURCES

Shawn B. Cepeda, Personnel Services Administrator

Intro

The Human Resources Division continues to lead the Port's comprehensive personnel reform efforts with a focus on integrity, compliance, and accountability. The mid-year submission reflects the division's implementation of key directives designed to restore trust in recruitment, enforce merit-based practices, and ensure procedural fairness across all personnel actions. Under the leadership of the Personnel Services Administrator, Human Resources remains a central force in strengthening hiring systems, standardizing internal controls, and supporting division-wide

workforce readiness. These efforts are essential to upholding the credibility of the Port's personnel framework and ensuring that public service standards are applied consistently at every level.

Key Reforms and Progress

- **Internal Pre-Audit Process:** All personnel actions are now subject to internal HR review before certification of eligibilities, preventing rule misapplication and ensuring alignment with Personnel Rules and Regulations.
- **Resume Redaction and Panel-Based Ratings:** HR institutionalized the use of redacted applications and rotating rating panels with conflict-of-interest declarations to eliminate bias and restore fairness in hiring evaluations.
- **Practical Assessments:** Skills-based testing is now required for all positions requiring certification, ensuring applicants can demonstrate job-relevant competence.
- **Restricted Recruitment Authority:** Only designated HR officials are authorized to manage recruitment activities, reinforcing procedural discipline and eliminating ad hoc practices.
- **Excess Leave Forfeiture Review:** HR collected division-level data on employees who lost excess annual leave due to work constraints to support case-by-case review for potential reinstatement.

Initiatives Underway

- **Employee Certification Checklist:** A standardized checklist is being finalized to ensure required licenses and certifications for each position are properly tracked and current.
- **Outreach and Recruitment:** HR has resumed participation in job fairs and community events to expand the applicant pool and raise the Port's profile as an employer of choice.
- **Policy Training and Division Support:** Training on the Out-of-Position Detail Policy and Desk Audit Policy is being prepared for rollout across all divisions to ensure clear, consistent application by supervisors and staff.

Challenges Acknowledged by Human Resources Division

- Rooting out legacy practices that previously undermined recruitment integrity and advancement fairness.
- Ensure consistent application of all policies across all divisions/sections.
- Ensuring timely submission of performance evaluations and compliance with supervisory obligations across all divisions.

General Manager's Response and Expectations

The Human Resources Division has taken bold and necessary steps to restore integrity, transparency, and consistency to the Port's recruitment and personnel systems. The mid-year review reflects focused work aligned with the expectations I have set as General Manager. This includes internal reforms, audit readiness, and the strict application of merit-based processes. We acknowledge the continued leadership of the Personnel Services Administrator and the Human Resources team in advancing these priorities and bringing structure to an area that has long required correction.

The implementation of internal pre-audits, practical assessments, and resume redaction protocols is now a critical safeguard embedded in our hiring process. The formal rotation of panelists, the requirement for conflict-of-interest disclosures, and the consistent enforcement of procedural controls mark a shift to a zero-tolerance, high-integrity framework. These are not just policy improvements because these policies are operational expectations that define how recruitment and selection are conducted at the Port.

We also recognize the division's responsiveness to post-audit reviews, grievance activity, and workforce concerns. The ongoing work to finalize the Employee Certification Checklist, enhance the Apprenticeship Program, and provide training across all divisions reflects continued follow-through. These are system-level changes that support how the Port recruits, develops, and retains a capable workforce.

At the same time, challenges remain. Legacy practices, uneven rule enforcement, and late performance submissions from divisions continue to pose risks. These issues are not procedural because these procedures affect fairness, organizational readiness, and public confidence. Human Resources must stay firm in enforcing expectations and hold division leadership accountable for full and timely compliance with personnel requirements.

We support the continued rollout of improvements such as a formal intake process before recruitment, a trained rater pool, and a more structured approach to tracking certifications and licenses. These efforts will help reduce delays, ensure compliance, and improve planning across the organization.

Human Resources must continue to lead with clarity, consistency, and discipline. As the Port's compliance gatekeeper, Human Resources must remain a trusted and steady partner in helping every division meet the standards expected of public service. That includes enforcing rules with consistency, addressing concerns with professionalism, and maintaining the integrity of all personnel actions. The Port is stronger because of this work.

GENERAL ADMINISTRATION

Annette Mafnas, General Administration Manager

Intro

The General Administration Division provides foundational support to the Port's daily operations through administrative services, internal logistics, and coordination of cross-division processes. The division remains engaged in activities that contribute to documentation flow, procurement support, and internal communications. Its role is often behind the scenes but remains essential to Port efficiency and continuity.

Key Accomplishments and Progress

- Continued support to the divisions in routing, tracking and submitting internal documents.
- Assisted with preparation of files, records, and supporting documents for audit requests.

- Supported procurement activities through inventory processing, supply distribution and routing of purchase requisitions.
- Maintained division mail and inter-department correspondence routing.
- Coordinated routing of personnel-related documents for onboarding and performance evaluations.
- Provided documentation support for grants and project folders upon request.
- Maintained document access for correspondence tied to lease, board files, personnel files, and project archives.

Initiatives Underway

- **Centralized Document Management System:** Working with IT and Finance to implement a unified platform for document access, retention, and tracking.
- **Workflow Policy Development:** Developing formal policies to govern automated processes and electronic file handling.
- **Succession and Capacity Planning:** Identifying internal growth paths and potential certification programs to support long-term continuity.
- **Technology Integration:** Continuing to strengthen digitized systems and support automation as a core business function.

Challenges Acknowledged by General Administration Division

- **Staffing Constraints:** Three detailed support personnel supplement a three-person division but are limited to clerical functions, restricting the division's technical capacity.
- **Process Standardization:** Ongoing work is needed to align procedures as new technologies and tools are introduced.
- **Implementation Complexity:** The layered nature of new systems has posed momentum challenges, particularly within current staffing limits.

General Manager's Response and Expectations

General Administration remains a key part of the Port's internal operations, providing support that ensures documents are processed, records are maintained, and coordination between divisions stays on track. The mid-year submission reflects steady engagement with procurement support, contract routing, file management, and administrative follow-through.

As workloads increase and responsibilities evolve, the division must continue strengthening its ability to track and monitor time-sensitive tasks. The continued reliance on manual routing systems and limited workspace remains a challenge. These issues must be addressed in close coordination with IT and executive leadership to reduce delays and minimize errors. That is why there is shared recognition across the organization that automation and digitization are critical tools for improving efficiency and enhancing overall support.

Moving forward, the division confidentially will remain fully engaged in digitization efforts, particularly those tied to procurement files, contract administration, and internal recordkeeping. Coordination with IT, HR, and Procurement will be essential to improve access, reduce turnaround time, and support audit readiness.

The division must also continue to communicate proactively when documents require multiple sign-offs or when follow-up is needed to maintain timelines. General Administration is expected to work closely with division heads and the General Manager's Office to ensure smooth communication and that administrative processes are carried out with accuracy, consistency, and professionalism.

While the work may often happen behind the scenes, its impact is felt across the organization. General Administration's reliability, under the leadership of the General Administration Manager and the team within this Division, remains essential to the Port's ability to function efficiently and respond to operational needs without disruption.

SAFETY

Paul Salas, Acting Safety Administrator

Intro

The Safety Division remains a key partner in supporting the Port's operational readiness, emergency response capacity, and compliance posture. The Acting Safety Administrator's mid-year review reflects renewed engagement in training efforts, internal coordination, and field-level accountability. The division has been directed to channel all safety initiatives through Human Resources and the appropriate Deputy General Manager to ensure clarity, oversight, and alignment with Port-wide protocols.

Key Accomplishments and Progress

- Passed the U.S. Coast Guard inspection of the container yard and cruise ship terminal with no discrepancies, confirming full compliance with federal maritime safety and security regulations.
- Completed the WSP draft for the Port Authority Safety Training Programs to align with the Code of Federal Regulations.
- Certified all fire extinguishers through the annual inspection process.
- Completed safety shoe procurement, awarding contracts to three vendors.
- Conducted and finalized the disposal of tires, hazardous and non-hazardous waste, water sampling, and oil-water sampling activities.

Initiatives Underway

- The division is working with HR and other divisions to align safety protocols and standard operating procedures.
- A review is underway to clarify how the division supports vessel discharging operations, especially when short on staff.
- Safety is coordinating efforts to ensure required briefings, refresher training, and emergency drills are delivered across divisions.

Challenges Acknowledged by the Safety Division

- There have been instances where Operations has had to step in due to staffing limitations in Safety during vessel operations.

- Some divisions require sustained reminders to complete mandatory training and safety briefings on time.
- Clarification is still needed regarding the division's field responsibilities and coordination role during critical operations.

General Manager's Response and Expectations

The Safety Division must remain a visible and dependable presence throughout all operational activities. Its role is essential to the Port's ability to remain prepared, mitigate risk, and protect its workforce. The division is expected to maintain consistent presence during vessel operations and to ensure that corrective actions and training follow-through are completed without delay.

Clarifying the division's scope, responsibilities, and expectations should remain a priority and must be addressed in partnership with Human Resources and the Deputy General Managers. Safety does not operate separately from the rest of the organization. It must be fully integrated into each division's planning and operations, with a focus on accountability, communication, and shared responsibility for maintaining a safe and compliant work environment.

Ongoing coordination with Operations will continue without disruption. All safety initiatives are to be routed through Human Resources and the appropriate Deputy General Manager for oversight and alignment. A proactive approach that includes early engagement, steady field presence, and timely response to risks will remain central to the division's performance.

PORT POLICE DIVISION

Jesse Mendiola, Chief

Roseanna Castro, Assistant Chief of Administration

Victor Camacho, Assistant Chief of Operations

Intro

The Port Police Division plays a critical role in safeguarding Port facilities, enforcing maritime security protocols, and supporting public safety throughout Port grounds. This mid-year summary reflects the collective efforts of the Chief and Assistant Chiefs in overseeing law enforcement operations, field visibility, cruise ship support, and emergency coordination. While operational demands remain constant, the division continues to contribute meaningfully to the Port's security posture, public trust, and readiness. The importance of documenting law enforcement activity and aligning personnel practices with Port-wide expectations remains a key priority moving forward.

Key Accomplishments and Progress

- Maintained perimeter security, gate access control, and patrol coverage to ensure a consistent security presence across Port facilities.
- Supported cruise ship arrivals through perimeter management, traffic coordination, and interagency engagement.
- Participated in after-action reviews and readiness planning tied to typhoon recovery and emergency operations.
- Reinforced field presence, shift coverage, and officer accountability through direct supervision and guidance.

- Oversaw uniform compliance, appearance standards, and professional conduct across shifts.
- Provided regular administrative and operational updates to command staff and participated in team-building efforts to strengthen morale and internal trust.
- Maintained a steady command presence across all shifts, reinforcing consistency in leadership and response.
- Conducted on-site walkthroughs with command staff to support officer visibility and readiness.

Initiatives Underway

- Resolution of the ongoing Port Police collective bargaining agreement negotiations.
- Continued preparation for joint emergency drills and multi-agency security exercises.
- Improved coordination with Port Safety, Operations, and CIP on readiness and infrastructure-related support.
- Strengthened internal accountability systems including uniform enforcement, communication protocols, and field-based supervision.
- Formalizing documentation protocols for security incidents, field activities, and shift briefings.
- Ongoing documentation of officer patrol logs, coverage reports, and incident response coordination.
- Evaluating equipment needs to support long-term operational readiness and infrastructure demands.
- Construction of a firing range at Old Hawaiian Rock area.

Challenges Acknowledged by Port Police

- Coverage and overtime demands continue to stretch available manpower and scheduling flexibility.
- Internal communication gaps among command staff have occasionally led to confusion during shift handoffs and planning.
- Officer conduct and discipline require consistent oversight to uphold public confidence and operational integrity.
- The need for more regular documentation and strategic planning for long-term equipment, staffing, and infrastructure support remains an area for improvement.
- Coordination with other divisions during cruise operations and special events continues to require early planning and resource alignment.
- Supervisory development and cross-training among command staff to ensure continuity during absences.

General Manager's Response and Expectations

The Port Police Division carries a unique and visible responsibility that requires discipline, presence, and unity of purpose. Security is not a background function. It is central to the Port's mission. I acknowledge the steady commitment shown by Chief Jesse Mendiola and Assistant Chiefs Roseanna Castro and Victor Camacho in ensuring daily coverage, public visibility, and coordinated response under high operational pressure.

Chief Mendiola continues to lead with an emphasis on department-wide structure and mission continuity. Assistant Chief Castro provides administrative leadership, focusing on personnel documentation, logistics, and internal reporting. Assistant Chief Camacho manages field-level coordination, patrol briefings, and shift coverage, and serves as the Port's primary liaison to the U.S. Coast Guard.

At the same time, formal reporting, internal cohesion, and field accountability must remain priorities. Each member of the Port Police leadership team is expected to maintain structure, reinforce professional standards, and ensure that law enforcement activities are communicated clearly and documented consistently. This is essential not only for planning and oversight, but also for protecting the integrity of the Port and the people who serve it.

As General Manager, I expect continued collaboration with Human Resources and Safety to strengthen workplace violence prevention protocols and ensure operational readiness across all scenarios. As leadership coordination continues to improve, command presence must remain visible, unified, and consistent. The Port's security reputation depends on how we lead in every setting, with clarity, professionalism, and accountability.

The Port Police Division will continue to focus on its core mandates and responsibilities. Our primary focus remains the implementation and enforcement of the Port's Facilities Security Plan, to which the General Manager is directly accountable. This plan is tied to the regulatory requirements set by the Captain of the Port, U.S. Coast Guard. All law enforcement activity must align with this framework, which governs how the Port secures its facilities, manages its personnel, and coordinates with federal agencies. Adherence to these standards is non-negotiable and must continue to guide the division's priorities, structure, and performance.

INFORMATION TECHNOLOGY (IT)

Dennis Perez, IT Administrator

Intro

The Information Technology Division continues to play a critical role in advancing the Port's digital transformation. IT supports system stability, cybersecurity compliance, and digitization efforts that improve transparency, operational efficiency, and internal coordination. The mid-year review reflects ongoing work to modernize systems, improve user response time, and provide infrastructure support to divisions including Procurement, General Administration, and Human Resources. IT remains essential to maintaining the integrity of the Port's digital environment while supporting the broader goals of modernization and efficiency.

Key Reforms and Progress

- Implemented server and firewall upgrades to strengthen network security and improve system resilience.
- Continued support for digitization efforts, including file scanning and electronic storage for Records and Procurement.
- Enhanced internal support through an updated ticketing system to improve responsiveness and track resolution times.

- Coordinated with HR and General Administration to support digital workflows and document routing.
- Assisted in preparations for the Port website and mobile app redesign.
- Maintained regular system backups and updated antivirus protections across all user systems.

Initiatives Underway

- **Terminal Operating System (TOS) Implementation:** Ongoing development of the TOS project packet and coordination for maintenance renewal.
- **Email System Upgrade:** Continued rollout of the Port's updated email infrastructure, including user support and transition assistance.
- **Cybersecurity Compliance and Training:** Ongoing internal cybersecurity training and collaboration with federal agencies to meet compliance standards.
- **Industrial Wi-Fi Feasibility Study:** Supporting WSP's study on wireless infrastructure to improve network access across the Port.
- **Division-Level IT Coordination:** Maintaining regular, interactive engagement with division heads to align IT projects and deliverables with operational needs.

Challenges Acknowledged by IT

- Staffing limitations
- Funding constraints for CS compliance
- Resource limitations affecting implementation of key IT initiatives

General Manager's Response and Expectations

The Port's Information Technology Division continues to play an essential role in advancing the Port's digital transformation. The Systems Manager and IT team have provided support to ensure system stability, user responsiveness, and cybersecurity compliance, even while operating under limited staffing and resource constraints. Their efforts reflect a strong understanding of operational demands and the importance of modernization to the Port's mission.

The mid-year review confirms meaningful engagement with divisions across the Port. IT has supported digitization, improved internal workflows, and helped lay the foundation for greater transparency, audit readiness, and process efficiency. These are critical contributions that impact daily operations and long-term infrastructure planning.

Ongoing work to maintain and upgrade systems—including firewall protection, antivirus coverage, server performance, and routine backups—continues to ensure the Port meets evolving cybersecurity requirements from local and federal agencies. IT's sustained role in these efforts is appreciated and essential.

Key initiatives such as the Terminal Operating System packet, the email upgrade, and the development of the Port's website and mobile app are acknowledged. These projects must remain on track. The Division is expected to maintain close coordination with department heads to ensure that IT solutions are matched to operational priorities. Progress on the Industrial Wi-Fi Feasibility

Study and support for WSP's infrastructure planning must also continue as part of our broader modernization effort.

Looking ahead, the Port is exploring Smart Port technologies that integrate logistics, operations, and infrastructure systems into a unified digital environment. In addition, the Port and its marinas are well positioned to serve as anchor institutions for broadband deployment. These assets could help expand connectivity to surrounding neighborhoods, in line with national infrastructure goals. IT is expected to support early-stage planning and readiness for these types of strategic initiatives.

Challenges related to staffing and cybersecurity compliance, as acknowledged in the mid-year report, will be factored into future resource planning. In the meantime, IT must continue prioritizing key deliverables, reinforcing internal training, and updating leadership on implementation risks and milestones.

Digital systems are now fundamental to how the Port operates, responds, and grows. The professionalism, consistency, and technical discipline demonstrated by IT are recognized and valued. As modernization continues, this division will remain at the center of our efforts to improve service, protect critical systems, and build infrastructure that supports the Port's strategic direction.

COMMERCIAL

Pacifico Martir, Deputy GM and Person in Charge (Last year 2025 to May 22, 2025)

Leo J. Espia, Person-In-Charge (effective May 22, 2025 to present)

Intro

As of the third quarter of FY 2025, the Commercial Division has been placed under new oversight with the designation of Leo J. Espia as Person-In-Charge. This transition was made to reinforce operational stability and allow the Deputy General Manager of Administration and Finance to resume his other responsibilities. The mid-year review submitted by the Deputy General Manager of Administration and Finance reflects a renewed focus on lease administration, tenant coordination, and internal reporting, and outlines steps to restore consistency, structure, and compliance across the division's core functions.

This report moves beyond general updates and reflects a more structured, accountable, and forward-facing approach. It acknowledges prior inconsistencies in operations, gaps in recordkeeping, and the need for stronger internal communication. The division also commits to improved coordination with the General Manager and frames this period as a cultural reset. That framing signals a shift from managing around problems to confronting them directly.

This submission better reflects what the mid-year review process is intended to support: honest assessment, shared accountability, and meaningful course correction. It also recognizes the accomplishments made since October 1, 2024, and provides a clearer roadmap for how the division intends to improve oversight, strengthen lease administration, and support Port-wide goals.

Key Reforms and Progress

- Reestablishing clear roles and responsibilities across Commercial staff.
- Cross-referencing rent and lease payments with Finance to ensure accuracy and accountability.
- Reviewing and addressing delinquent tenant accounts with Legal and Finance.
- Verifying tenant payment statuses and structuring a notification process through 1st, 2nd, and 3rd notices.
- Reviewing leases with outstanding issues.
- Implementing routine communication and file organization systems.
- Increasing collaboration with Safety and Facilities for inspections and work orders.
- Improving lease documentation and audit practices through Legal.
- Finalizing E-1 training for billing accuracy.
- Establishing formal tenant correspondence and escalation procedures to the General Manager.

Initiatives Underway

- Adopting automation tools and tablets for daily inspections.
- Conducting follow-up practices for stalled projects or tenant issues.

Challenges Acknowledged by Commercial

- Past lack of formal reporting and communication to the General Manager.
- Billing discrepancies and oversight in tenant accounts prior to coordination with Finance.
- Gaps in lease enforcement and inspection protocols across land leases, marina permits, and dry dock activities.
- Historical inconsistencies in tracking tenant performance and facility use violations.
- Delays due to inadequate follow-up on critical lease matters.
- Dependence on informal communication tools instead of structured documentation systems.
- Need for clearer division of responsibilities and check-ins with other divisions to close gaps in property oversight.

General Manager's Response and Expectations

The Commercial Division is a critical revenue-generating arm of the Port and must operate with clarity, consistency, and full alignment with the Port's statutory obligations. The transition in leadership to Leo Espia as Person-In-Charge marks an important step toward restoring the standards expected of this division. It also reinforces the Port's commitment to stronger lease enforcement, improved tenant communication, and internal coordination.

I want to acknowledge Deputy General Manager Pacifico Martir for his role in helping guide the Commercial Division through this period of transition. His support was instrumental in stabilizing the division and ensuring that the mid-year review reflected a more complete and accurate picture of the division's current work. I also recognize the staff within the Commercial Division for their willingness to reset expectations, support improvements, and take ownership of their responsibilities during this leadership change.

This mid-year review reflects meaningful progress. The division has acknowledged key operational gaps and is now addressing long-standing issues related to delinquent accounts, lease tracking, and inconsistent communication. The team's renewed effort to cross-reference tenant records with Finance, formalize internal workflows, and route updates through the appropriate leadership channels reflects a clearer understanding of their responsibilities and the standards now in place.

The division is expected to sustain this course. Lease files must be accurate, current, and audit-ready. Compliance issues must be addressed promptly and documented thoroughly. All tenant-related matters, particularly those involving late payments, inspections, or lease status must be elevated through the proper chain, with timely notification to the General Manager and consistent follow-through across all interactions outside the division.

The implementation of updated reporting systems, case-by-case lease reviews, and increased coordination with Legal, Finance, Safety, and Facilities shows that a course correction is underway. These improvements must now become standard practice. The division will remain under close review by the General Manager, with continued support as it works to strengthen accountability, reinforce professionalism, and rebuild trust through disciplined and transparent management of tenant obligations.

HARBOR MASTER'S OFFICE

Chris Flores, Harbor Master

Intro

The Harbor Master's Office plays a critical role in ensuring the smooth and secure movement of vessels through the Port's inner harbor, surrounding waters and its marinas. The FY 2025 Mid-Year Review reflects steady leadership, cross-divisional collaboration, and a commitment to both operational continuity and relationship-building with external stakeholders. Despite staffing adjustments and infrastructure construction disruptions, the Harbor Master maintained stable vessel accommodations and ensured that the Port remained responsive to tenant needs and federally mandated requirements. The Harbor Master also continued to show initiative in volunteerism and civic engagement, reflecting a sense of service beyond the core function of his duties and responsibilities.

Key Reforms and Progress

- Secured the Nationwide Permit-22 for removal and disposal of the M/V Voyager.
- Improved direct coordination with vessel agents to support smooth commercial operations despite crane and waterline project disruptions.
- Implemented new MTC shift rotation to improve work-life balance while maintaining operational continuity.
- Maintained vessel accommodations and mooring schedule despite staffing transitions, relying on internal trust and personnel adjustments.
- Re-established the Hagat Marina Users Group to enhance tenant communications and issue reporting.

- Volunteered for Port events, showing continued civic leadership and employee engagement.

Initiatives Underway

- Coordinating a Marina Users Group meeting scheduled for June 4, 2025.
- Continued efforts to support marina tenant relations and safety coordination.
- Building operational resilience through effective cross-divisional communication and personnel development.
- Ongoing collaboration with local and federal agencies to strengthen Port operations and address broader concerns.

Challenges Acknowledged by Harbor Master's Office

- Crane Maintenance and Waterline Disruptions: Recent infrastructure projects created significant scheduling and operational challenges for vessel accommodations, requiring constant communication and adaptive planning to minimize delays.
- Staffing Gaps: The absence of an Administrative Officer placed additional workload on the Harbor Master, who had to redistribute responsibilities while maintaining office operations.
- Stakeholder Coordination: Maintaining direct engagement with vessel agents and federal partners required extra effort to ensure smooth accommodations despite project impacts and limited administrative support.
- Tenant Communication and Marina Oversight: Reestablishing the Hagat Marina Users Group was necessary to close feedback gaps between the Port and marina users, especially for surfacing safety and operational concerns.
- Balancing Operational Duties and Volunteer Commitments: The Harbor Master continues to support agency events and external partnerships, requiring careful balance between core responsibilities and volunteer involvement.

General Manager's Response and Expectations

The Harbor Master's Office continues to support the Port's operational rhythm through vessel coordination, stakeholder communication, and site oversight. The FY 2025 mid-year review reflects steady engagement during a period of infrastructure activity, staffing limitations, and expanded berth management responsibilities.

The update acknowledges the coordination required to maintain commercial vessel scheduling while accommodating projects such as the waterline replacement and crane-related work. Continued engagement with Marine Traffic Controllers, vessel agents, and federal partners helped ensure operational continuity and minimize disruptions.

The reactivation of the Hagat Marina User Group, Hagåtña Marina Users Group and ongoing volunteer service are also noted and appreciated. These efforts reflect a commitment to the Port's values of collaboration, internal morale, and public service.

As we move into the second half of the fiscal year, the Harbor Master's Office will remain focused on berth planning, vessel flow coordination, and ensuring alignment with Operations and Safety.

Continued attention must be given to structured delegation and mentoring to address coverage gaps and prepare for future transitions.

The contributions of the Harbor Master and the team are acknowledged, and support will be provided as needed to reinforce readiness. The expectation remains consistent with all divisions: maintain presence, ensure communication is timely and clear, and model the level of accountability that supports both service continuity and public trust.

CONCLUSION

Each division's submission demonstrates that we are actively executing our shared goals. 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, we continue to address inherited challenges while building systems that work for all Port employees. Many of the reforms now in place reflect a deliberate shift from reactive to proactive management. While this progress is real, we recognize that there is still significant work ahead to fully institutionalize these changes and ensure they are applied consistently across every division. Each day is a test of whether we will hold the line on these reforms. Without clear and active reinforcement of why this path was chosen, it becomes far too easy to fall back into the comfort of how things have always been done. The real concern is that all the progress we have made through hard work, data-driven decisions, and strict adherence to the Rule of Law and our Personnel Rules and Regulations could be reversed if the discipline behind it is not preserved and continuously reinforced.

This mid-year review reflects more than just progress. It signals a cultural shift toward consistency, accountability, and shared purpose. As a Management Performance Assessment, it formalizes expectations, measures leadership alignment, and documents follow-through in ways that strengthen transparency and credibility.

The Port Authority of Guam is moving forward with steady coordination, deeper accountability, and systems that support both integrity and results. This is a strong and credible record of institutional evolution with the right people doing the right work and the outcomes becoming more visible.

We thank Governor Lou Leon Guerrero, Lieutenant Governor Josh Tenorio, the Port Board of Directors, the Port's management and employees, the Port Users Group of Guam, Port's 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. *Si Yu'os Ma'åse.*

Digital Copies to: Dominic Muna, Deputy General Manager for Operations
 Pacifico Martir, Deputy General Manager for Administration and Finance
 All Division Heads and Assistants
 Port In-House Counsels
 All Port Employees