

# NEWSLETTER

## PORT AUTHORITY OF GUAM

May 2021

### Board of Directors

**Francisco G. Santos**  
Chairman

**Nathan T. Taimanglo**  
Vice Chairman

**Isa Marie C. Koki**  
Board Secretary

**Dorothy P. Harris**  
Board Member

### Port Management

**Rory J. Respicio**  
General Manager

**Dominic G. Muna**  
Deputy General  
Manager, Operations

**Luis R. Baza**  
Deputy General Manager,  
Administration & Finance



### Inside this Issue

- **Moody's Raises Port's Outlook to Stable**
- **Port Reinstates Skills Assessment Test**
- **Casual Employees Become Classified**
- **PAG Participates in Click It or Ticket Campaign**
- **QRAE Air Monitoring Training**
- **Guam Professional Development Conference**
- **Public Notice on Marinas**
- **E1 Financial System Goes Live**
- **Fire Destroys Port Records**
- **Employee Quarterly Awards**
- **June Birthdays**

### Port Vaccine Dashboard

- \* 244 Port employees vaccinated or 70%
- \* 103 Port employees not yet vaccinated
- \* Individuals 12 years and older are eligible to receive the COVID-19 vaccine
- \* Visit [ghs.guam.gov](https://ghs.guam.gov) for the latest vaccine schedule
- \* Mandatory use of face mask, mandatory social distancing, frequent cleaning of surfaces

### Moody's Raises Port's Outlook to Stable



Moody's Investors Service raised its outlook for the Port Authority of Guam from negative to stable on May 17, 2021, pointing to low leverage, strong liquidity and the Port's ability to remain fully operational during the coronavirus pandemic.

Governor Lou Leon Guerrero praised the Port for how far it has come over the last 2.5 years.

"The Port's most recent efforts to ensure the stabilization of the agency's finances is to be commended and is consistent with our Administration's work with the Government of Guam's General Fund," the Governor said. "Lt. Governor Josh Tenorio and I want to congratulate the Board of Directors and the management and staff for yet another major success in the area of their finances. The Port's work to stabilize finances and provide transparency and accountability has not gone unnoticed and has been recognized on local and national levels."

The authority issued \$71.445 million in 2018 Series port revenue bonds to finance a portion of the port authority's capital improvement program, fund a debt service reserve and redeem existing bank loans. The bonds are fully amortizing, have a debt service reserve funded at maximum annual debt service and a final maturity of July 1, 2048. Maximum annual debt service is around \$6.5 million and average annual debt service is around \$4.1 million over the life of the debt.

"Our work to deliver responsible and transparent financial management is being acknowledged with this recent good news on the financial front," said

Port General Manager Rory J. Respicio. "Our finance team, under the leadership of the Port's Financial Affairs Controller Jojo Guevara, have worked tirelessly to make these successes a reality for our agency and the people of Guam."

Not only did Moody's Investors Service raise the Port's outlook to stable from negative, but the service also affirmed the Baa2 rating assigned to the Port Authority of Guam's senior port revenue bonds. The affirmation of the Baa2 rating and outlook change to stable follows Moody's rating action on the Government of Guam's general obligation bonds rating which was affirmed at Ba1 with a stable outlook on 4 May 2021.

The Port Authority of Guam's Baa2 rating reflects its position as the sole commercial port in Guam, handling around 90% of the territory's imported cargo, including a significant portion of military cargo," stated Moody's in a release. "Leverage is low (3.4x adjusted debt to operating revenue in fiscal 2020) and liquidity remains strong. The port remained fully operational during the coronavirus pandemic."

The release also indicated that Moody's expects that the authority will maintain healthy credit metrics with debt service coverage (DSCR) around 2.0x through the cycle. DSCR based on the indenture calculation dropped to 1.26x in 2020 (Moody's net revenue DSCR 1.75x in fiscal 2020) and recovered to 1.7x as of Jan 2021 based on an unaudited basis. Constraining credit factors include

*Story continues page 2*

the small scale, high customer concentration, exposure to weather-related events, the linkages to the credit quality of the Government of Guam and a high fixed cost base as an operator port. The port authority's liquidity position remains strong, partially also because of a high amount of unspent 2018 bond proceeds the release stated. "Total cash and investments as of

January 31, 2021 were around \$109 million, of which \$49 million is reserved for construction projects and around \$2.0 million is for the debt service reserve. The rest of the funds are for operations, crane acquisitions reserves, facility maintenance, crane related operations, operations reserves and other funds that are required in the bond indenture."

### Port Reinstates Skills Assessment Test

The Port Authority of Guam has reinstated the skills assessment test and the first use of this was for the position of Crane Operator. This was a practice previously done many years ago.

For more than ten years, individuals applying for the position of crane operator were evaluated and hired based solely on information provided on the employment applications submitted. As done with all government agencies, applications are rated and an eligibility list is established. Interviews take place and the most qualified applicant is selected and the position is then filled.

On May 17, 2021, three positions for Crane Operator were filled in-house. But unlike previous practice, the Human Resources Division, at the direction of General Manager Rory J. Respicio, reinstated the skills assessment test to help management evaluate the practical competence of the five job candidates. This portion of the interview process took place on April 30, 2021 with a panel of five raters evaluating each candidate on their ability to operate the gantry crane. Candidates were given the opportunity to showcase their skills in moving a 20-foot and 40-foot container.

"During an interview, we can only hear what the applicant themselves say about their skills and observe how they present themselves in the best way possible. With the practical assessment test, we actually see if the individual has the required skills to perform the job successfully," said Luis Baza, Deputy General Manager of Administration. "This job requires employees to climb more than 100 feet up the crane on a daily basis and perform specialized skills."

Skill assessment tests are commonly used by many employers in the hiring process to narrow down their list of candidates and to make well-informed, data-backed decisions regarding recruitment, training, and promotion of job candidates and employees.

The nature of work for crane operators includes operating the cargo handling gantry crane and other related equipment for transporting containerized and breakbulk cargo between vessels and the terminal facilities within the Port compound. Crane operators must possess excellent depth perception, hand-eye coordination and must be able to sit in tight spaces



for a long period of time. They must have knowledge of the standard method, practice and techniques involved in the operation of cargo handling cranes and related equipment, as well as understanding the Port's traffic and safety regulations. Of utmost importance is the crane operator's ability to work safely as the job requires them to climb high ladders and work in places more than 120 feet high. Cargo must be handled with care to avoid damage to items being shipped and to the equipment itself.

Employees in the Operations Division have been undergoing cross training within the Transportation, Terminal and Stevedoring sections. "It is management's goal to arrange as much cross training as possible to allow employees the most opportunity to develop their skills and qualify for higher positions," said General Manager Rory J. Respicio. Recent promotions came from the batch of employees who completed the 40 Hours Gantry Crane Certification and on the job training which took place last August 2020.



## Temporary Employees Become Classified



For some it took 14 months. For others it took more than five years. But on May 10, 2021, seven employees who were on casual status from the Stevedoring Section finally became classified permanent employees of the Port Authority of Guam.

Officially identified as Short-Term Appointments on the Port's Personnel Rules and Regulations, employees under this category fill temporary vacancies in temporary positions which are restricted to waterfront and support functions involved in the loading and unloading of cargo. Employees in this appointment are not entitled to any employee benefits, civil service protections and do not have any right for promotions. Furthermore, they work on an "on-call" basis and may be terminated when their services are no longer required. But for these seven Stevedores, the wait was worth the uncertainty and worries of being terminated at any time.

Also referred to as casual employees, Martin San Nicolas worked as a temporary stevedore for six years, the longest amongst the seven who were recently classified. "I held on to this job for a long time because it was my goal to become a permanent employee of the Port. Even though I couldn't get the same benefits as other employees, I stuck it out because I like being a stevedore and I enjoy being a part of the Port

Strong family. "The morale is great here and it's close to home," said San Nicolas. "I made sure that I worked safely and tried not to get sick because I didn't have health insurance."

Although these stevedores have been performing the job for some time, the Port's rules and regulations still require them to complete the six months probationary period. In the interim, they will be receiving the same benefits as all permanent Port employees which includes health and life insurance, retirement benefits, sick and annual leave accumulation, opportunity for promotions, guaranteed 80 hours every pay period and full credit of service from their initial employment with PAG. After the six month period, Civil Service protection will commence. "Getting our casual employees to become permanent is something Management and Human Resource Division has been working on. I'm pleased that we've completed this process and that these employees now have the full benefits of a classified Port employee," said General Manager Rory J. Respicio.

Employees recently hired as classified employees include Jesse Fernandez, Alkenneth Y. Constantino, Kyle Gaspay-Paulino, Martin San Nicolas, Nicholas M. Paulino, Cris B. Crisostomo, and Jerome I. Castro

## Port Takes Part in "Click It or Ticket" National Seat Belt Enforcement Mobilization Phase



Governor Lourdes Leon Guerrero declared May 17 to June 6, 2021 as "Click It or Ticket" National Seat Belt Enforcement Mobilization during a virtual proclamation signing that took place on May 11, 2021. The campaign is focused on emphasizing High-Visibility Enforcement (HVE), a universal traffic safety approach designed to create deterrence and change unlawful traffic behaviors. In conjunction with this effort, the Department of Public Works - Office of Highway Safety hosted an exhibition on Friday, May 21, 2021 at the Center Court of the Agana Shopping Center.

As part of National Highway Traffic Security Administration's mission to help Americans drive, ride and walk safely, Guam law enforcement agencies have worked to educate citizens about how to protect themselves and others on the road through

*Story continues page 4*

public service campaigns such as Buckle Up America, Never Give Up Until They Buckle Up (promoting tween seat belt use), and Click It or Ticket, associated with increased seat belt enforcement periods supported by State and local law enforcement across the country.

Port Police, along with Planning Division, participated in the Agana Shopping Center exhibition with a display of safety information and tips to individuals in attendance at the event. Other law enforcement agencies who also participated in the display included Guam Police Department, Guam Fire, Judiciary of Guam, Guam Homeland Security and the Airport Police.

Seat belts have been proven to be one of the best ways to save your life in a crash. Yet, many still don't buckle up. Worse yet, not wearing a seat belt is a habit that will pass on to impressionable youth who, in turn, will think it is safe not to buckle up. The Click It or Ticket campaign focuses on safety education, strong laws, and law enforcement to save lives.

The benefits of buckling up are clear. If you buckle up in the front seat of a passenger car, you can reduce your risk of fatal injury by 45% (Kahane, 2015) and moderate to critical injury

by 50%. If you buckle up in a light truck, you can reduce your risk of fatal injury by 60% (Kahane, 2015) and moderate to critical injury by 65% (NHTSA, 1984).

The consequences of not wearing, or improperly wearing a seat belt are clear. Buckling up helps keep individuals safe and secure inside their vehicle, whereas not buckling up can result in being totally ejected from the vehicle in a crash, which is almost always deadly. Air bags are not enough to protect passengers; in fact, the force of an air bag can seriously injure or even cause death if one is not buckled up. Improperly wearing a seat belt, such as putting the strap below your arms, puts you and your children at risk in a crash.

"If the enforcement effort wakes people up to the dangers of unrestrained driving, we'll consider our mission to be a success," said General Manager Rory J. Respicio.

Help spread this lifesaving message before one more friend or family member is injured or worse, killed as a result of this senseless inaction. Seat belts save lives, and everyone — front seat and back, child and adult — needs to remember to buckle up.

### Guam Army National Guard Briefs Port on Air Monitoring Device



Personnel from the Guam Army National Guard conducted a briefing on equipment familiarization with the Port's QRAE Air Monitoring devices that were purchased in November 2019 to detect and measure the air quality within the Port compound. With the Guam Power Authority occasionally releasing harmful gases into the air and the Port Authority's close proximity to the

power plant, employees were concerned about the air they breathe.

The Port Authority owns four air monitoring devices - three QRAE-3 units and one MultiRae. The QRAE is a family of multi-threat detectors that combine continuous monitoring capabilities for volatile organic compounds, toxic and combustible gases, and radiation. The training conducted by the National Guard was an introduction to the instruments and its functions - how to turn-On/Off the unit, calibrating the unit, and performing system checks.

The training, which was approximately 3 hours long, is an interagency collaboration between the National Guard and the Port Authority intended to teach users how to read and identify airborne hazards. Personnel from the Operations Division have been using the wireless handheld devices and measuring the air quality within the container yard on a daily basis. The advanced portable chemical detector elevates worker protection by providing users real-time access to instrument readings and alarm status from any location.

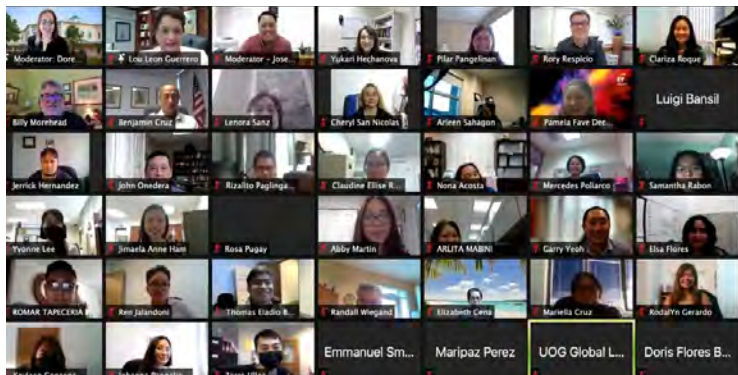
Guam National Guard Instructors included CW2 Mathew J. Ayuyu, SFC Ivan G. Castro, SGT Shawn C. Dela Cruz.

### GM Speaks at Guam Professional Development Conference

The AGA Guam Chapter, in association with the Guam Society of Certified Public Accountants, hosted the 11th biennial conference, 2021 Guam Professional Development Conference which was held May 24 - 28, 2021 via Zoom.

This year's theme was "Always Growing Accountability," which reflects the educational goals of AGA Guam Chapter. Part of the organization's goals each program year is to provide education to help accountability professionals meet CPE requirements and professional development to help all current and prospective members obtain additional skills. As in previous conferences, participants may earn up to 20 CPEs at this training event.

Day five of the conference covered the topic "Leadership During the COVID-19 Pandemic" where General Manager Rory J. Respicio spoke of how the Port Authority of Guam responded to the global crisis. The COVID-19 pandemic highlighted the Port Strong Spirit and the willpower and strength of the Port employees to always persevere in times of crisis. Remaining 100



percent operational, employees worked tirelessly to ensure that the flow of goods and supplies into our community was not interrupted. "From the beginning of the crisis, the Port sprang into action to take every step possible to protect the employees, tenants and the people of Guam. The Port Clinic was stood up,

*Story continues page 5*



Plexiglas dividers were set up in all the offices and frequent Port E-Advisories were circulated to keep employees informed and updated about the pandemic," said Respicio. "The Port

Contact Tracing Team was established with employees becoming nationally certified volunteers to help ease some of the burdens placed on the Department of Public Health and Social Services by conducting our own contact tracing and making arrangements for testing." Despite the real and present threat COVID-19 posed on the Port's operations, all of the divisions remained open throughout this pandemic.

Respicio also gave credit to Governor Lou Leon Guerrero and Lt. Governor Josh Tenorio for their unwavering support and quick response to the Port's needs. "The collaboration we had between the Governor's office and Department of Public Health and Social Services helped to facilitate the Port's needs during the pandemic and for employee testing at the height of the global crisis," he said

Also participating in the conference was Financial Affairs Controller Jojo Guevara who was one of the moderators and Governor Leon Guerrero who spoke as well on the topic "Leadership During the COVID-19 Pandemic."

### Commercial Cargo Activity Prohibited at Marinas

The Port Authority issued a public notice on May 25, 2021, reminding individuals that commercial cargo activity at the Hagåtña and Agat marinas is strictly prohibited and that the Port will continue to enforce this prohibition.

Management subsequently issued the procedures to those who have inquired about legally engaging in commercial cargo activity. Here are the procedures to import or export commercial cargo at the Port Authority of Guam, as issued by the Port's Harbor Master Chris Flores:

**NOTICE OF ARRIVAL FORM** - Fill out a "Notice of Arrival" form and send it to the Harbor Masters Office email (hmo@portofguam.com) or hand it in personally.

**PROCESS WITH A SHIPPING AGENT** - If you desire a vessel agent, have your agent fill out the "Declaration of Acceptance of Agency ship" form, and they will do all the work for you. "NOA" form will secure a pier spot, date, and time for your operation. Include your manifest customs declaration form for import or export of cargo. Prior to entry of Apra Harbor, you are required to contact the Harbor Masters Office on VHF channel 13 for traffic clearance.

**PROCESS WITHOUT AN AGENT** - If you don't attain an agent, stop by the Tariff office to prepay a predetermined amount for services (wharfage, line handling, entrance fee, stevedoring, equipment usage fee) and establish an account. You will have to fill out a "Special Service Request" form for services. Include a copy of your NOA and manifest customs declaration form to determine your charges as per the Port Terminal Tariff.

**TWIC CARD REQUIREMENT, IF BERTHED AT F-3** - If any crew members desire to step foot onto the pier, they will be required to obtain a TWIC ID card. They will need to email or personally supply copies of the crew's ID cards (Drivers license, TWIC ID) to Port Authority Police 24 hours in advance for clearance prior to the vessel docking or anyone needing to enter the Port operations yard. Any vehicle used to enter the Port operations yard will require



a \$1M insurance policy (inquire with Port Authority Police of policy requirements).

**PRE-OPERATIONS MEETINGS** - Pre-operations meetings are scheduled every Monday and Friday at 10:30 a.m. for vessel operation sequence, and it is beneficial to meet the operations personnel, Safety, Harbor Master personnel, and agents. These meetings are also an excellent opportunity to understand how operations are conducted.

For additional information, please contact Mr. Christopher Flores, Port's Harbor Master at 477-8697. The Harbor Rules and Regulations, Port Terminal Tariff, and Marina Rules and Regulations are all available on the Port website at <https://portofguam.com/about-us/maritime-operation/marina-rules-and-regulations>.

### JDE Enterprise One Goes Live

The Port's Enterprise One FMS Project went live on May 17, 2021! The new financial system is a more robust and technologically advanced system. The Project Team has spent months prepare for the live integration and it was a success. This new system will provide the port improved reporting capability and flexibility essential for making business-critical decisions. Training on the various modules of the new system are ongoing to get users comfortable with the new features. Congratulations to everyone involved in making this project a reality.

## Fire Destroys Port Records

Some of the older Port Authority of Guam records were destroyed in a warehouse fire at DeWitt Guam on May 12, 2021. The storage facility informed the Port that the fire destroyed all of the records stored in their Records Management Section. DeWitt indicated that the fire and water damage was extensive, and nothing was salvageable. Records that were stored at the warehouse included Shipping documents - FY2015 thru FY2020 (retention schedule of 6 years), Port Police logbooks - FY1989 to FY2017 (permanent), Harbor Master radio station logbooks - FY1995 thru FY1998 (permanent) and Regular & Special Board Meeting Minutes - FY1976 thru FY2004. The Port Authority entered into a contract with DeWitt in 2012 to store older records at their facility.

## January to March 2021 Quarterly Employee Awards Winners

Congratulations to the winners of the Quarterly Employee Awards for the months of January 2021 to March 2021. Your hard work, dedication and efforts to go above and beyond your regular duties do not go unnoticed. Your service to the Port Authority and Guam's community is highly commendable. Keep up the great work!

*"Don't be afraid to give your best to what seemingly are small jobs. Every time you conquer one it makes you that much stronger. If you do the little jobs well, the big ones will tend to take care of themselves." - William Patten*

### Supervisor of the Quarter

Category I - Donna Lizama-Acosta, Planner IV  
Category II - Colby Santos, Cargo Checker Leader  
Evelyn, Pangelinan, Maintenance Planner

### Outstanding Work Center of the Quarter

Category I - Commercial Division  
Category II - Transportation Division  
Terminal Division

### Employee of the Quarter

Category I - Brenda Atalig, Planner II  
Category II - Roy Flores, Cargo Checker  
Melvin Tajalle, Cargo Checker

### Good Housekeeping Work Center of the Quarter

Category I - General Manager's Office  
Category II - Transportation Office  
Crane Maintenance Section

