NOVEMBER 2023

Board of Directors

Dorothy P. Harris Board Member

Conchita S.N. Taitano Board Member

Port Management

Rory J. Respicio General Manager

Dominic G. Muna Deputy General Manager Operations

Pacifico R. Martir Deputy General Manager Administration and Finance



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GFT Union Upholds Administration of CBA



commitment to the Agreement Bargaining (CBA) established with the Guam Federation 2020. This reassertion follows an indepth dialogue with Robert Koss. GFT Union Representative, Dan Del Priore, GFT Chief Negotiator, several GFT stewards (observers). Port management on November 16, 2023. The meeting centered on the operation of Port personnel and shift workers as stipulated under Section 4.B of the CBA.

This critical section of the CBA delineates the workweek for personnel directly engaged in cargo loading and unloading, contingent on vessel arrival and departure schedules. It specifies twelve-hour workdays during vessel operations and mandates providing a two-week work schedule in advance. ensuring a guaranteed forty-hour workweek for all employees.

During the meeting, reassured the GFT of its ongoing

The Port Authority of Guam compliance with both the Port's (PAG) proudly reaffirms its steadfast Personnel Rules and Regulations and Collective the CBA since its inception. The Port's interpretation of the CBA, particularly regarding work hours, is designed of Teachers (GFT) on January 20, to prevent employees from working beyond 40 hours in weeks without vessel operations. This approach is in line with the original intent of the CBA's drafters to minimize unnecessary overtime and operational costs.

> Rory J. Respicio, Port General Manager, stated, "As an Employment Opportunity Employer, the Port is dedicated to treating all employees with equality and fairness, ensuring that our management decisions are in harmony with the Personnel Rules and Regulations, the CBA, and the Rule of Law."

"The Port seeks the Union's perspective on its interpretation of Section 4.B of the CBA, aiming to nurture a continued constructive partnership. This endeavor is geared securina workplace towards PAG environment where employees' rights

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are not only respected but also actively upheld."

Responding to the meeting's outcomes, Robert Koss commented, "The union has diligently monitored the implementation of the agreement, and we are satisfied with its application in policy terms. Despite the complexities inherent in Port operations, like personnel scheduling versus actual vessel arrivals, our primary objective is to ensure steadfast compliance with the CBA."

He further added, "We can confidently affirm our approval of how the Port has managed its operations in accordance with the CBA. This period represents the most pro-employee stance we have observed from the Port in over a decade. In the spirit of Thanksgiving, we hope that the employees appreciate their management's efforts, and conversely, that management recognizes and values its employees' contributions. This meeting was a win:win for both the employees and management, and underscores fundamentally the reason the Port has excelled so much in these past five years under the present management."

Respicio Urges Reconsideration Vote for Board Nominee

Port Authority of Guam General Manager Rory J. Respicio is expressing grave concern over the failed confirmation of former Senator Dr. Judith P. Guthertz to the Port's Board of Directors.

Sen. Guthertz received seven votes. Voting in her favor were Vice Speaker Tina Muna Barnes, Port Oversight Chair Senator Amanda Shelton, Senator Joe S. San Agustin, Senator Roy Quinata, Senator William Parkinson, Senator Dwayne San Nicolas, and Senator Chris Duenas.

Respicio wrote a letter to the senators, on November 13, 2023, who did not vote in favor of Guthertz and noted that this legislative rejection comes at a crucial time for the Port. They include Speaker Therese Terlaje, Sentor Sabina Perez, Senator Chris Barnett, Senator Jesse Lujan, Senator Frank Blas Jr., Senator Telo Taitague, Senator Thomas Fisher and Senator Joanne Brown.

"In the past five years, our 2023 master plan and Port Readiness plan have clearly defined the Port's crucial role in supporting not only our island and region's commercial and economic activities but also its critical role in military readiness in the face of looming geopolitical threats," Respicio wrote. "The inability to meet quorum due to your decision hampers our ability to effectively oversee and advance these vital functions due to the lack of a duly constituted board."

Judith P. Guthertz is recognized for her extensive experience in public administration and ethics, and her involvement in Guam's educational institutions, qualities that make her an exceptional candidate for the Board. Governor Lou Leon Guerrero's choice to renominate her highlights her immense value to both the Board and the Port



community, Respicio added.

The General Manager raised concerns that those voting against former Senator Guthertz seemed influenced by another sitting senator's agenda, prioritizing political considerations over the welfare of the Port and the community. Such actions, Respicio noted, compromise the integrity and effectiveness of the governing body, referring to the Guam Legislature.

Respicio in his letter addressed to the no voters, strongly urged them to reconsider their decision, emphasizing the risk this poses to the Port's operations and its crucial role in the region. Respicio said, "A favorable reassessment would not only demonstrate your commitment to the Port's continued success and our community's well-being but also ensure that the Port does not regress to the challenging times experienced under my predecessor."

The General Manager remains open to further discussions to find a collaborative solution that benefits the Port and the community at large.

Clarifying Misconceptions: Respicio Responds to Allegations



On November 15, 2023, Port General Manager Rory J. Respicio addressed the same baseless allegations made by Senator Joanne M. Brown, which were lodged at former Senator Judith P. Guthertz in the Pacific Daily News (November 15, 2023). This statement aims to clarify facts and defend the integrity and transparency of Port operations.

- Allegation of Waiving Storage Fees: Contrary to Senator Brown's claim, the Board did not waive storage fees for the Ukudo Power Plant's generator modules. The extension of free days was a decision made under the authority of the Port's tariff agreement and by Respicio, considering the unique circumstances and operational requirements of this cargo. This decision avoided undue cost transfer to Guam Power Authority ratepayers. Respicio, in a letter to Brown, explains that her "endorsement of collecting these fees is unreasonable and would have resulted in a GPA rate increase, impacting its customers for a situation that had no significant cost implications for the Port or its operations.
- Claims of Potential Corruption: The extended free storage period was a necessary response to challenges beyond the control of the GPA and its contractor. This decision was not influenced by any political agenda or negligence but was made in the best interest of Guam's ratepayers and the Port's efficiency.
- Hiring Practices at the Port: In response to the claims about Dr. Guthertz's relatives, it

is clarified that no immediate family member was employed at the Port during her tenure on the board. All hiring processes have been compliant with regulations and reviewed by the Guam Civil Service Commission. Respicio asked Brown to disclose the circumstances surrounding the hiring of two former legislative staffers and several relatives of board members during your time as General Manager at the Port Authority of Guam. Your explanation on this matter will go a long way to provide further clarification into how you think it is okay for you and not for others to do what you have clearly done under those same circumstances.

- Concerns Over Alcohol Serving During the Port Week Finale: The Guam Port Users Group sought and received permission from the U.S. Coast Guard to serve alcohol during the Port Week celebrations, ensuring all activities complied with necessary regulations.
- Addressing Past Management Issues: The current management has focused on rectifying issues from the past administration, prioritizing transparency and operational efficiency. Local and national awards and consistent clean audits endorse this commitment.

This shall serve to clarify misconceptions and affirm the Port Authority's commitment to transparency and responsible management. The Port Authority remains open to constructive dialogue based on facts, aimed at continuous improvement.

Port Authority of Guam Addresses Recent Allegations in Public Statement

The Port Authority of Guam issued a public statement on November 17, 2023, in response to recent allegations and comments made by Senator Joanne M. Brown regarding its operations and personnel decisions.

Rory Respicio, General Manager of the Port Authority of Guam, stated, "In response to recent public statements and unfounded allegations raised by Senator Brown concerning the Port Authority's operations and the disparaging remarks towards former Senator Dr. Judith P. Gutherz, we find it necessary to provide clarity and context to these matters."

The statement emphasized the importance of accurate and complete information in public discourse, especially concerning the seven senators who voted against Dr. Gutherz's appointment and the legislative process affecting Governor Lou Leon Guerrero's other nominees, Dr. Luis Baza and former Port Board Chairman Frank Santos.

Addressing specific allegations about the tariff for the Guam Power Authority, Respicio clarified that the decision to extend free storage days was made within the existing tariff agreement and was a necessary management decision under unique operational circumstances. He reaffirmed that these actions were in compliance with established protocols and were made in the best interest of the port and its stakeholders. Respicio assured that the decisions taken were within the scope of his authority as General Manager and did not require intervention by the Public Utilities Commission.

The statement also addressed the annual leave cash-out of Respicio and Deputy General Manager Dominic Muna, confirming that these actions complied with existing personnel policies with respect to how employees are hired.

Respicio expressed a commitment to transparency, accountability, and the highest standards of public service. He stated, "Each time baseless allegations are made by Sen. Brown, we will respond promptly with truth and light. Our aim is to maintain the integrity of the Port Authority and ensure it continues to play its crucial role in our community."

The Port Authority of Guam invites open and constructive dialogue to address any issues and remains committed to the continuous improvement of its operations.





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All Three Cranes Offline for Repair, Highlighting Need for New Cranes

On November 14, 2023, the Port Authority of Guam announced the successful repair and return to service of all three gantry cranes. These vital pieces of critical infrastructure equipment are back online after Gantry 4 was out of service for three days (November 8th - 11th) to replace a faulty after-cooler, Gantry 5 was offline for eight days (November 3rd – 11th) due to mechanical issues that have been addressed with a genset replacement and Gantry 6 was offline for four hours (November 8th) after an electrical cable shorted and blew a fuse.

These incidents underscore the Port's pivotal role in supporting not only our island and region's commercial and economic activities, but also its critical role in military readiness in the face of looming geopolitical threats.

For the past five years since taking over, the Leon Guerrero Tenorio Administration has been working diligently to explore every possibility for the replacement of the Port's existing three aging STS gantry cranes and various yard equipment, which no plan was set in place prior to January 8, 2019.

"Our efforts have included an aggressive approach by Governor Lou Leon Guerrero, Lt. Governor Josh Tenorio, and even in all of our participation in national forums and face-to-face meetings with federal partners in past years," said Port General Manager Rory J. Respicio.

"We have all been proactively communicating with the Department of Defense, Department of Transportation (MARAD), FEMA, INDOPACOM, key House and Senate members, and the Joint Region Marianas emphasizing the crucial need for robust infrastructure support as a matter of commerce, economic growth and now more than ever national security with growing geopolitical tensions. The downtime experienced by all three of the port's gantry cranes serves as a stark reminder of the vulnerabilities in throughput capacity that will impact military readiness programs."

"As a strategic asset in the national supply chain, the Port Authority of Guam, which is also a designated strategic port, plays an essential role in ensuring the effectiveness and readiness of military operations. The recent disruption of all three downed STS gantry cranes has highlighted



the urgent need for the Department of Defense to consider these gaps in infrastructure elements as critical components in their operational budget and to allocate sufficient funds as mitigation efforts to safeguard against such vulnerabilities," said Respicio.

Respicio further stated, "The successful repair of the gantry cranes was achieved through the dedicated efforts of our maintenance team, whose expertise and commitment ensured minimal disruption to our vessel operations. This incident reinforces the need for a broader strategic approach to infrastructure resilience, one that integrates the requirements of national defense logistics."

Respicio concluded, "The Port of Guam remains committed to working closely with the Department of Defense and other stakeholders to ensure that our infrastructure is not only capable of supporting commercial activities but is also resilient enough to meet the demands of national security imperatives."

Background on the Port's Gantry Cranes

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

Port Police Arrest Man on Drug Charges



A garbage truck driver attempting to enter the Port terminal yard was arrested on November 16, 2023, by Port Police after drug paraphernalia and suspected crystal methamphetamine was allegedly found.

Upon entering the Port terminal yard, an armed security guard assigned to gate 2 informed the operator of a Mr. Rubbishman garbage truck that he would be conducting a random inspection and instructed the driver to exit the vehicle. During the inspection, the guard witnessed the driver place something inside his right boot. The guard approached the driver to ask what the item was and the driver handed over a small case which allegedly contained drug paraphernalia and a white crystalline substance suspected to be methamphetamine. The guard called for the assistance of a Port police officer and a test was

administered on the substance that yielded a presumptive positive for the presence of crystal methamphetamine, also known as "ice."

Rufo Viloria Sebastian, 51, of Barrigada was booked and confined in connection with the possession of a Schedule II controlled substance.

"I want to commend Port Police Chief Jesse Mendiola for his leadership as well as the guard and officers who worked on this case," said Port General Manager Rory J. Respicio. "This arrest is the result of Governor Lou Leon Guerrero, Lt. Governor Josh Tenorio and our board's directives to prevent drugs from entering our island through Guam's ports of entry. We will continue to do everything possible to keep the Port safe and continue this Administration's efforts to secure our border."

INDOPACOM Meets with Port Management



Representatives from INDOPACOM met with Port officials on November 6, 2023 to discuss the status of recovery efforts after Typhoon Mawar hit Guam in May 2023 and other concerns such as the Port's challenges in acquiring new ship-to-shore gantry cranes, the cranes impact on the military buildup and other capital improvement projects that fall under the Buy America regulations.

INDOPACOM team members in attendance were Col. Jeffrey Hollman, Lt. Col. Jennifer Ng, Maj. Christina Knight, John Hallam, and Keith Shaw. Also present were FEMA PA Team members Janet Yocum (telecom), Keandra Lock and John Emmerson. Port officials included representatives from the Planning Division, Engineering Division, Operations, Corporate Services and legal counsel.

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

GM Attends Defense Communities Installation Forum

The Port Authority of Guam General Manager attended the 2023 Defense Communities Installation Innovation Forum which was held in Florida from November 6-8, 2023.

Port General Manager Rory J. Respcio had the opportunity to meet and speak with Admiral John V. Menoni at length about the condition of the Port's infrastructure as well as the Port's aging gantry cranes.

The urgency of the need for the Port Authority of Guam to procure these cranes, as the General Manager discussed, is crucial to the Department of Defense (DOD) and military readiness.

Respicio provided the crane studies and white paper with respect to operability and the effect on the military buildup if one or more cranes are out of commission. Respicio discussed with Admiral Menoni other areas where the DOD could help the Port, especially with regard to the fuel piers and Hotel Wharf.

Respicio also met with Patrick O'Brien, Director of the Office of Local Defense Community Cooperation (OLDCC) and presented him the white paper on the Port's resiliency. Respicio asked if OLDCC will be able to fund any of the critical needs such as the cranes, fuel piers and wharves improvements.

Given the strategic importance of the Port to the island communities and DOD, OLDCC advocacy and financial support can influence policymakers to aid in expediting the process.





Port officials attend 112th Annual AAPA Convention

Port Authority of Guam officials recently attended the American Association of Port Authorities (AAPA) 112th Annual Convention at the Gaylord Rockies Resort & Convention Center in Aurora, Colorado.

The convention included more than 60 exhibitors, 650 attendees, and 71 ports from the United States, Canada, the Caribbean and Latin America.

"This was a great opportunity for us to discuss industry trends and policy issues as well as future port innovations with experts and other seaports," said Port Authority of Guam General Manager Rory J. Respicio. "America's seaports have gathered every year since 1912 to learn, grow, energize, and then rally around a vision and compelling message of why everyone should care about ports and this was an amazing event that allowed us to network and learn from other ports as well."

The conference included speakers such as Former U.S. Senator Ben Sasse and Tim Howard, NBC Sports Premier League Analyst and former U.S. Men's National Team goalkeeper. Attendees also heard from AAPA Chairman of the Board of Directors Paul Anderson from the Port of Tampa Bay and AAPA President & CEO Cary Davis.

"We're here to learn, grow, get smart and energized," Davis said. "We're here to rally around a vision and a compelling message that answers the question of why anyone, but really why everyone, should care about ports...Advocating for our slice of the pie is important so we can maintain AND GROW the historic federal and state support from the last few years."

Discussion topics included applying for federal grants, women in leadership, the state of the maritime industry and developing an offshore wind project at your port.



Port General Manager Rory J. Respicio meets with AAPA Chairman of the Board of Directors Paul Anderson, Port Tampa Bay at the AAPA Annual Convention.



Port Board Member Conchita Taitano and Port General Manager Rory J. Respicio meet with AAPA President and CEO Cary Davis at the AAPA Annual Convention.

Port Police Officer Injured in Three-Car Collision



A Port Police officer was injured during a crash on November 9, 2023.

At about 1:45 p.m. that afternoon there was a three-car collision at the intersection of Route 1 and Route 6 in Piti. Four people were injured in the accident.

One of the vehicles involved was a Port Police vehicle being driven by an officer who was on duty. The officer was taken by ambulance to Guam Memorial Hospital and was released following treatment. Another car involved in the collision had two occupants. That car caught on fire and both of those occupants were transported by ambulance to the hospital. The driver of the third vehicle was injured but declined medical treatment at the scene.

The accident currently remains under investigation by the Guam Police Department.

Port Participates in Cybersecurity Working Group



The Port Authority of Guam participated in a roundtable discussion led by Vice-Speaker Tina Muña-Barnes that included members of the 37th Guam Legislature and government officials from various agencies. The meeting also was held in accordance with bill 190-37, relative to creating

the Marianas Cyber Security Working Group. The group met to discuss cybersecurity threats and advanced attacks aimed at government agencies in order to address their capacity and infrastructure to deter such threats and ways to provide best practices to prevent future cybersecurity attacks.

Port Raises Money for Relay for Life - Remember, Celebrate, Fight Back



Port Authority employees stepped up their efforts to raise money for this year's Relay for Life Fundraising event. Each division held different fundraisers to meet their quota of \$10 per employee – from selling lunch plates to T-shirts, popcorn, soup and sandwiches, nachos, ice cream, and raffle prizes. Through these sales, Port employees far exceeded their goal and raised \$7,116.00, ranking No. 1 among Government of Guam agencies.

Relay for Life is the American Cancer Society's most successful fundraiser and signature annual event that is held world-wide. It is the organization's mission to raise funds to improve cancer survival, decrease the incidence of cancer, and improve the quality of life for cancer patients and their caretakers.

This year's event was held at the University of Guam fieldhouse bringing cancer survivors, caregivers and supporters together to Remember, Celebrate, and Fight Back against cancer.



Port GM Speaks at the 28th AMIM General Assembly

Port General Manager Rory J. Respicio was the guest speaker on November 29, 2023 at the 28th general assembly of the Association of Mariana Islands' Mayors, Vice Mayors and Elected Municipal Council Members, commonly referred to as AMIM.

Respicio was invited along with the Guam Customs director to speak to officials from Rota and other locations in the CNMI about how to help facilitate the movement of goods and people from their location through the Port of Guam marinas. Respicio pointed out that he has put a process in place that is less burdensome for their boaters but noted that the safety and security of Guam and our nation is of critical importance.



Port Attends the 48th Annual ATOSSCOM Meeting



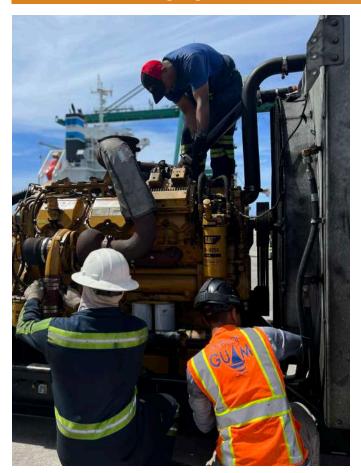
The 2023 ATOSSCOM Annual Meeting was held in Pohnpei, FSM on November 27-30, 2023, at the Pacific Mission Aviation (PMA) Auditorium.

ATOSSCOM was originally founded on June 25, 1974, in the Trust Territory of Pacific Islands, Palau District, to promote ports and cargo terminals within Micronesia. The objective of ATOSSCOM is to increase the efficiency of ports and harbors through the development and dissemination of information useful to Terminal Operators, Stevedoring, and Shipping Companies and by providing them with an opportunity of

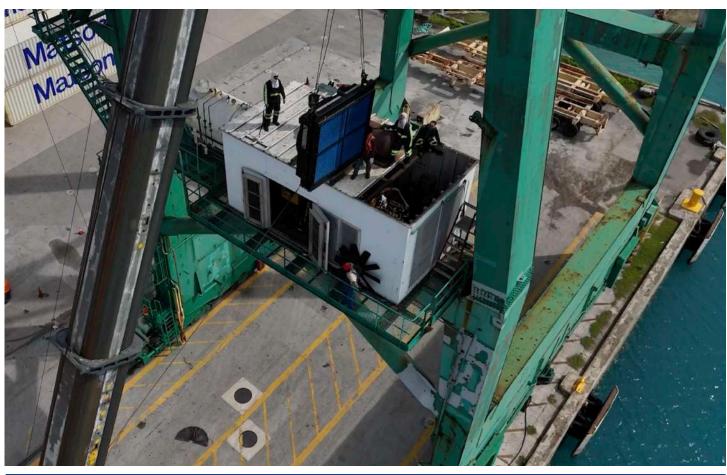
networking and furthering knowledge in the fields of port organization, management, administration, operation development and promotion thereby advancing friendship and understanding for the growth of waterborne commerce.

The Port Authority of Guam has been a member of ATOSSCOM for more than 20 years and has held the seat as the Secretary for the association for the last several years. Port Contract Management Administrator Steve Muna and Management/Program Analysis Officer Margret Duenas attended the annual meeting.

November Photo Highlights







November Photo Highlights Continued













November Photo Highlights Continued



