

#### **OCTOBER 2024**

#### **Board of Directors**

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#### 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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#### Port Board Approves Crane Replacement, DoD Funding Sought to Avoid Chinese-Made Cranes



In a crucial advancement for the tension. Port Authority of Guam, the Board of Directors—Chairperson Dot Harris, Vice Chairperson Conchita S.N. Taitano, and Board Secretary Fe R. Valencia-Ovalles—passed Resolution No. 2024-16 on October 31, 2024, authorizing a multi-step bid process to replace the Port's aging gantry cranes.

The GUAM DOD MASTER PLAN (PART 1B: GOVERNMENT OF GUAM GAP ANALYSIS AND EXECUTION PLAN, 10/2024) has highlighted critical infrastructure gaps, noting that the Port's current cranes. acquired second-hand in 2009 and over 40 years old, pose a risk to both commercial and military logistics. With these cranes nearing the end of their service life, the Port's capacity to manage cargo effectively is at stake, especially amid rising geopolitical

The gap analysis emphasizes the importance of upgrading these cranes to meet increased throughput demands and support national security objectives. Recognizing this need, the Port's Board has taken decisive action through Resolution No. 2024-16, authorizing the General Manager to issue an invitation for bid (IFB) structured to procure up to three new gantry cranes, contingent on funding. This approach allows the flexibility to acquire one, two, or three cranes initially, meeting rigorous specifications, including cybersecurity measures and storm resilience, to withstand Guam's extreme weather conditions.

Port General Manager Rory J. Respicio highlighted the administration's role in providing Story continues on page 2

advocacy and critical data reflected in the DoD gap analysis, noting that it underscores urgent infrastructure needs at the Port as well as other key priorities, such as the modernization of the public hospital and infrastructure shortfalls identified in their strategic initiatives. "Current funds may only cover one crane, but failing to pursue every option to acquire at least three, and ideally four, Ship-To-Shore (STS) gantry cranes would significantly impact the Port's operational resilience and strategic importance," stated Respicio. "Our efforts to secure new cranes are integral to Guam's role as a reliable logistics hub for commerce and the military-now more than ever amid geopolitical tension. Thanks to the awareness advanced by Governor Leon Guerrero, Lt. Governor Tenorio, our Board, and all other local and federal partners, the DoD's gap analysis underscores the urgency of enhancing port readiness."

Resolution No. 2024-16 not only authorizes the IFB process but also reallocates funds from the suspended Hotel Wharf project to prioritize crane procurement. This financial commitment aims to address Guam's immediate operational needs while aligning with national security standards, including efforts to obtain Buy American waivers to avoid reliance on Chinese-manufactured cranes.

Financing Plan and Next Steps: To finance these critical assets, the Port is pursuing a blend of federal funding, including DoD grants, FEMA support, and MARAD assistance. Recent efforts have centered on securing waivers to meet Buy American compliance, bridging current funding gaps. Should sufficient funds be secured, the IFB allows for the acquisition of up to four cranes. Without further federal support, however, the Port may only be able to purchase a single crane. The Port will initiate the bid process while continuing collaboration with DoD, FEMA, and MARAD to secure necessary funding and waivers.

"This resolution acknowledges that funding constraints may limit the Port's ability to purchase more than one crane," Respicio added. "If the bid process identifies a Chinese manufacturer as the most responsive, we would evaluate the bid in line with all statutes. However, DoD funding would likely preclude the acquisition of Chinamanufactured cranes, maintaining alignment with U.S. security standards."



#### Port's Urgent Call for Crane Replacement at AAPA Annual Convention



In a powerful address at the AAPA 2024 Annual Convention in Boston, Port Authority of Guam's Vice Chairperson Conchita Taitano delivered a powerful address that underscored the urgency of replacing the Port's aging gantry cranes.

Speaking at the Executive Working Roundtable on Cargo Handling Equipment on October 28, 2024 before federal officials, crane manufacturers, and U.S. port representatives, she highlighted Guam's critical need for updated crane infrastructure to maintain regional stability and operational readiness. Taitano emphasized that the current cranes, which were second-hand units acquired from the Port of Los Angeles in 2009 and now over 40 years old, are beyond their serviceable life.

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"Our cranes have served their purpose but are now past their prime," Taitano said. "Every delay in replacement brings greater risk of operational disruptions that impact not just Guam, but U.S. interests in the Indo-Pacific."

As the only U.S. port leader to speak at the session, Taitano reflected on the strategic importance of Guam's port, and noted a Department of Defense Gap Analysis Report that identified Guam's infrastructure as essential for military logistics and regional security. "Without immediate federal support, we may face critical procurement decisions that could compromise our security standards," she said.

In a pointed remark, Taitano addressed potential reliance on Chinesemanufactured cranes if federal support is delayed. "If forced to consider foreign-made equipment, we face significant cybersecurity and operational risks that compromise our alignment with U.S. security priorities," she said. Taitano advocated for federal funding and Buy American waivers to avoid this risk and secure cranes that align with U.S. defense standards.

Hosted at the Westin Boston Seaport District, the roundtable focused on reshoring U.S. manufacturing for next-generation cargo equipment and maximizing public and federal funding. Industry leaders, including RADM Ann Phillips from MARAD, members of the National Security Council, and manufacturers like Konecranes and Liebherr, discussed the strategic importance of modernizing U.S. port equipment for supply chain resilience and national security.

The Port Authority of Guam has made extensive efforts to secure funding, including a shift of resources from the Hotel Wharf construction project to support crane procurement. However, current funds may cover only one crane, a concern Taitano brought to the forefront: "Securing these cranes aligns with our national security interests and is essential for Guam to remain a reliable logistics hub in the IndoPacific," she said.

As the only U.S. port representative to speak, Taitano's call for urgent action resonated strongly, underscoring the Port Authority of Guam's commitment to resilience, security, and regional leadership.



Port Authority of Guam Vice Chairperson Conchita Taitano meets with MARAD Rear Admiral Ann C. Phillips, Administrator of the U.S. Department of Transportation Maritime Administration. Taitano gave RADM Phillips a copy of the Port's 2024 Look Ahead publication.

This strategic document outlines the Port's future plans and its response to the military buildup, guiding the Port's efforts to overcome challenges. It serves as the Port's guiding roadmap and is designed to enhance the Port's capabilities and address key concerns in national security, infrastructure, healthcare, and environmental sustainability.

#### S&P Global Ratings Affirms Port's Long-Term 'A' Rating, Maintains Stable Outlook

## **S&P Global** Ratings

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#### **Credit Profile**

Guam Port Auth port		
Long Term Rating	A/Stable	Current
Guam Port Auth port		
Long Term Rating	A/Stable	Current
Guam Port Auth port		
Long Term Rating	A/Stable	Current
S&P Global Ratings has r	eaffirmed the Port am deeply pro	ud to be a part of as a member of the

S&P Global Ratings has reaffirmed the Port Authority of Guam's long-term 'A' rating on its series 2018 Port Revenue Bonds and maintained its outlook at stable, as per the latest assessment.

"The stable outlook reflects our expectation that port activity will continue to demonstrate resilience in the aftermath of Typhoon Mawar, and remain near current levels," the S&P Global Ratings report states. "The outlook also reflects our expectation that key financial metrics will remain sufficient for the rating and the port's debt capacity will remain strong."

The stable outlook reflects S&P's expectation that the Port will continue to demonstrate resilience in port activity and maintain sound financial metrics, especially following the impact of Typhoon Mawar in 2023. The Port's debt capacity and coverage ratios have also remained strong, which is essential for continued operations and funding future infrastructure projects.

"The rating reflects our opinion of an island port that has relatively stable container volumes given its role as sole provider of maritime facilities and services in Guam and stabilizing military presence due to its strategic importance to the U.S. military, despite relatively high shipping carrier concentration and being located in a region prone to severe weather events," the S&P Global Ratings report states. "The rating also reflects our expectation that the authority's DSC (as per our calculations), debt burden, and liquidity will remain at levels we consider strong, low, and adequate, respectively."

Port General Manager Rory J. Respicio commented, "Our high rating reflects prudent management and the dedication of our Port Strong employees, whose hard work and commitment I am deeply proud to be a part of as a member of the Port Strong family. This achievement aligns with the vision set by Governor Lou Leon Guerrero, Lt. Governor Josh Tenorio, and our Board of Directors, underscoring the importance of the Department of Defense addressing its Guam DoD Master Plan (Part 1B: Government of Guam Gap Analysis and Execution Plan, 10/2024) to realize its commitment to building Guam's resilience and strategic capacity in the Indo-Pacific."

According to the S&P report, key credit strengths include:

- Relatively stable container volumes given its virtual monopolistic position as the sole provider of maritime facilities and services in Guam and its strategic importance to the U.S. military;
- Strong coverage (S&P Global Ratingscalculated) that S&P expects will be maintained above 1.25x;
- Robust liquidity, with days cash on hand exceeding 200 days the past two fiscal years, that S&P expects to remain and a low debt burden and anticipated low additional debt needs.

Respicio remarked, "Our high rating is proof of the strong management and dedicated leadership at the Port, and it's a direct reflection of our Port Strong team's commitment to Guam's future. For anyone trying to distract from our mission, here's the message: we're here, we're focused, and this administration continues to deliver results. This positive rating from S&P Global reinforces the strides we're making toward operational excellence and fiscal health, positioning the Port as a reliable logistics hub for Guam's commercial and military stakeholders alike."

## Port Introduces New Draft Temporary Out-of-Position Assignments Policy for Employee Growth and Flexibility

The Port Authority of Guam is moving forward with a policy designed to benefit and empower employees through opportunities with the draft of the new Temporary Out-of-Position Assignments Policy.

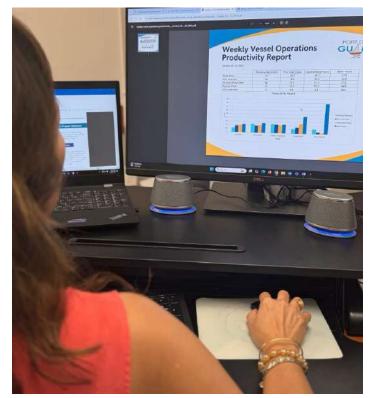
With this forward-thinking policy, our Port employees will have the chance to step into roles outside of their typical job classifications, earning compensation for higher-level work or retaining current pay in lower-level assignments. This initiative—championed by Governor Lou Leon Guerrero, Lt. Governor Josh Tenorio, and the Port's Board of Directors—is intended to support employee growth, flexibility, and fair treatment as we continue to uphold operational excellence.

General Manager Rory J. Respicio emphasized the core goals of the policy, stating, "We are focused on meeting the Port's needs while also investing in our most valuable resource—our people. This policy is designed to provide opportunities for career growth and allow employees to contribute in new and meaningful ways, all with fair compensation and respect for their role."

#### Key Aspects of the Temporary Out-of-Position Assignments Policy

The new policy sets a framework that allows employees to take on temporary roles outside of their usual scope, benefiting both the Port's operational continuity and individual career development. Here's what you need to know:

- 1. Voluntary Participation with Fair Pay: Employees are encouraged to participate on a voluntary basis, filling critical gaps within the organization. Should they accept a higherlevel assignment, they will immediately receive either a 5% pay increase or the difference between their current pay and that of the new position—whichever is greater. For those in lower-level roles, employees will retain their current pay rate. General Manager Respicio added, "Fairness is at the heart of this policy; we believe in compensating our team members equitably for their contributions."
- 2. Flexibility in Emergency Situations: While this policy is generally voluntary, employees may be asked to assist in out-of-position roles



during emergencies to ensure that the Port remains fully operational. These assignments will be compensated from the first hour worked and are temporary, lasting only as long as the emergency requires. Emergencies are defined as unexpected events like natural disasters or safety concerns. As General Manager Respicio highlighted, "In times of need, our Port Strong family steps up to support each other, and this policy ensures they are recognized for doing so."

- 3. Streamlined Approval and Transparency: To maintain transparency and operational efficiency, each assignment under the policy must be approved by the Personnel Services Administrator, the Chief Financial Officer, and the General Manager. This ensures that decisions are based on qualifications, divisional needs, and fair distribution of opportunities. Regular audits by HR and Finance departments will help to prevent favoritism and ensure compliance with the policy's guidelines
- 4. Employee-Driven Feedback and Growth: Shaped by employee input, this draft policy

has been crafted with the understanding that feedback from the Port team is invaluable. "We are committed to creating policies that work for everyone at the Port," General Manager Respicio stated. "Your feedback is instrumental in helping us refine this policy to make it as beneficial as possible." Employees are encouraged to share their thoughts with Shawn Cepeda, Vivian Leon, Margret Duenas, or Deputy General Managers Dominic Muna and Pacifico Martir.

#### What's Next?

A survey was distributed to all employees this month to gather further input on the draft policy. Feedback collected will be instrumental in finalizing the policy to best meet the Port's and employees' needs.

This policy represents a significant step toward enhancing career growth, operational flexibility, and fair treatment for all employees. It reaffirms the Port Authority of Guam's commitment to supporting each member of our Port Strong family, helping us work together more effectively to serve our community and uphold our essential role in the region.

"Let's continue to embody Port Strong values and make the most of this opportunity to grow, adapt, and serve," Respicio said.

## FAQs: Temporary Out-of-Position Assignments Policy

#### General Overview and Policy Scope

- 1. What is the Temporary Out-of-Position Assignments Policy? It lets you take on a temporary job outside your regular role to fill important gaps. These assignments could be at a higher or lower level, depending on what's needed.
- 2. How is this different from the Detail Assignment Policy? The Detail Assignment Policy applies to leadership positions open for 30 days or more. This policy applies to any role and starts pay immediately, not after 29 days.
- 3. Does this policy apply to all divisions at the Port? Yes, it covers all divisions and any role based on the need.
- 4. Does this General Manager's policy need board approval? No, the General Manager has authority to create policies for efficient Port services, including temporary out-ofposition assignments.
- 5. Is this policy designed to avoid hiring more people or make employees take on extra tasks? No, it's not a substitute for hiring or a way to increase workload. It's a tool for addressing immediate needs with fair pay for out-of-position work.

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PORTOF DESCRIPTION ALL SOULS' DAY REMEMBERING OUR LOVED ONES

#### **Purpose and Impact**

- How does this policy impact the Port's finances and overtime pay? The policy is cost-effective for short-term needs, and it does not avoid overtime pay, which is still provided for work beyond regular hours.
- 7. Is the goal of this policy to optimize staffing levels and promote internal opportunities? Yes, it helps the Port run efficiently and offers staff more chances for growth.

### Eligibility, Selection, and Participation

- 8. How are decisions made about which employees are chosen for out-of-position assignments? Decisions are based on who is best qualified, the division's needs, and employee availability. If more than one is qualified, they try to share opportunities fairly
- 9. How will I know if I am fully qualified for an out-of-position assignment? Your division head will check if you have the required skills, experience, and qualifications for the role.
- Can I apply for an out-ofposition assignment, or must I wait to be selected? You can express interest to your supervisor or HR, but assignments are based on division needs.
- 11. Is this policy voluntary, and can I continue my usual role if I choose not to participate? Yes, it's entirely voluntary. If you don't accept an assignment, there's no impact on your current role or future opportunities.
- 12. How does this policy handle situations where my current workload conflicts with an out-ofposition assignment? Speak to your supervisor if you're concerned about managing both roles. They'll work with you to balance tasks.
- 13. How does the Port ensure fair distribution and qualification standards for out-of-position assignments? Assignments are based on qualifications, division needs, and balanced distribution. HR and division heads ensure fair tracking, and employees can ask for clarification from HR if needed.

### Assignment Duration and Approval Process

14. How long can these temporary assignments last? Higher-level roles: Up to 180 days and lower-level roles: Up to 29 days, with possible extensions.

- 15. Who approves these assignments? They must be approved by the Personnel Services Administrator, the Chief Financial Officer, and the General Manager.
- 16. What if I'm asked to do a different role for just one day? Daily out-of-position assignments need prior approval and cannot last more than 3 days without full approval.
- 17. What should I do if I believe my out-of-position assignment has exceeded the allowed duration? Contact HR or your supervisor to check on the assignment duration and confirm if an extension is needed.
- 18. Who is responsible for ensuring that my core responsibilities are covered while I'm in an outof-position assignment? Your division head and supervisor coordinate with you to manage both your main duties and your temporary assignment.
- 19. What if I believe I've been assigned out-of-

position duties without proper approvals? Contact HR or your supervisor immediately if you think approvals weren't in place.

20. What happens if the same people keep getting selected for temporary out-of-position assignments? If the same people are chosen repeatedly, HR

reviews this to ensure fairness. If you feel it's unfair, raise it with HR.

21. Can I request to return to my primary role if I find the out-of-position assignment challenging? Yes, discuss this with your supervisor, who can arrange a return to your primary role if needed.

#### **Compensation and Pay Adjustments**

- 22. When will I get paid if I take on a temporary out-of-position role? You'll start getting paid from the first hour, provided the assignment was approved beforehand.
- 23. Will I get a raise if I'm assigned to a higher-level job? Yes, you'll receive either a 5% increase or the difference in pay between your role and the higher role—whichever is greater.
- 24. What happens if I'm assigned to a lower-level job? You'll keep your current pay even if the assignment is at a lower level.
- 25. How long will it take for the pay adjustment to show up in my paycheck if I accept an



assignment? It should show up in the next payroll cycle once the assignment is approved.

- 26. Will I retain my out-of-position pay if an assignment is cut short due to changing needs? You'll be paid for the hours or days worked in the out-of-position role up until the assignment ends.
- 27. Does this policy affect my eligibility for other benefits, such as retirement contributions or healthcare? No, it doesn't affect any of your existing benefits.
- 28. Will temporary assignments affect my eligibility for leave or other time-off requests? No, but time-off requests during an out-of-position assignment are subject to operational needs. Talk to your supervisor early about planned leave.

#### **Emergency Assignments**

- 29. What qualifies as an emergency under the Temporary Out-of-Position Assignments Policy? Emergencies are unexpected events like natural disasters, safety crises, or urgent regulatory deadlines that could disrupt operations.
- 30. Who decides if a situation qualifies as an emergency? The General Manager can certify emergencies and document the reasons.
- 31. How does compensation work for emergency out-of-position assignments? You're paid from the first hour. Emergency approval and

documentation are required each day of the assignment.

- 32. Can I refuse an emergency assignment if I feel it's unsafe? Yes, you can refuse if you believe it's unsafe, without any retaliation.
- 33. How long can emergency assignments last? They are reviewed daily and are temporary, with daily re-approval by the General Manager if the emergency continues.

#### Fairness, Compliance, and Audits

- 34. Will there be audits to make sure this is fair? Yes, HR and Finance conduct regular audits and spot checks for fairness and compliance.
- 35. Will this lead to favoritism, with the same people getting more pay and assignments? No, the policy includes audits to ensure fair distribution and avoid favoritism.
- 36. Is this just management's way of avoiding promotions? No, this policy is separate from promotions and applies only to temporary assignments.
- 37. Could this policy result in temporary assignments becoming permanent without a formal promotion process? No, these assignments are short-term solutions and don't replace formal promotion processes.
- 38. Can I receive feedback or performance evaluation on my out-of-position assignment? Yes, you can request feedback from your supervisor on your performance in the role.

#### **Commercial Division Sets Course for Enhanced Operations and Growth**



The Port Authority of Guam's Commercial Division is entering an exciting new phase, following the issuance of a strategic memorandum from General Manager Rory J. Respicio. The memo, addressed to Deputy General Manager of Administration and Finance Pacifico Martir, outlines key priorities for aligning the Commercial Division with the Port's broader goals, particularly as Port management develops the "Look Ahead 2025" initiative.

#### Strategic Alignment for Growth

At the heart of the memo is a framework designed to ensure the Commercial Division operates efficiently and in sync with other divisions at the Port. Martir explained, "The purpose of the memorandum was to ensure that the Commercial Division is aligned with all other divisions and

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able to move forward efficiently to meet the Port's strategic objective for the proposed 'Look Ahead 2025' initiative." This initiative sets a clear path for continued growth, with a focus on improved productivity and cross-divisional collaboration.

#### **Key Directives for Success**

highlighted Several directives were in the memo, aimed at streamlining operations and enhancing the division's performance. These include conducting an inventory of staff responsibilities, fostering cross-divisional collaboration, and implementing automation for efficiency. Another important focus is the management of leases, with specific steps outlined for addressing non-compliant leases, renewing agreements, and ensuring clear communication with tenants. The Commercial Division will also prioritize the launch of a Marina Management and Users Group initiative, as well as the creation of a Commercial Lease Management System.

When asked how these initiatives align with the Port's overall goals, Martir responded, "By following this framework, we can better align ourselves with the Port's vision to be a first-class facility in the region. The commercial division is unique in that we are responsible for the alternative revenue stream outside of cargo handling services, which is real estate. By improving our divisional operations, we can capture various revenue opportunities." Tackling Challenges and Building Trust

The memo also addresses key challenges within the division, such as the need for stronger trust and teamwork. To meet these challenges, the Commercial Division is implementing strategies that include improved collaboration and enhanced communication across teams. Weekly meetings have already been introduced to facilitate this, with quarterly team-building sessions planned for the near future.

Deputy General Manager Martir noted, "By requiring improved teamwork and trust as core values, this will lead to a stronger sense of purpose at the Port and improved camaraderie among employees." He emphasized that these changes are not just about increasing efficiency but also about fostering a supportive and positive work environment.

#### **Positive Impact on Port Operations**

The anticipated changes are set to have a farreaching impact on both day-to-day operations and the Port's growth. By tightening cross-divisional collaboration and introducing more efficient processes, employees and tenants alike will experience improved productivity and streamlined operations. Mr. Martir is particularly excited about working more closely with other divisions, which he believes will help mitigate potential errors and "motivate other divisions to do the same."

For Port Strong employees, these changes represent an opportunity to be part of something greater. "Change is always difficult," Martir acknowledged, "but if this change is implemented in a positive and supportive work environment, it can be accomplished." He encouraged employees to embrace the new framework, as it will contribute not only to the Port's growth but also to personal and professional development.

#### Looking Ahead to a Bright Future

Many of the directives outlined in the memo are already being implemented, with the review of leases and other priorities well underway. DGM Martir envisions these improvements driving significant growth over the next year, both in terms of revenue and operational efficiency. The Commercial Division's dedication to a "Goldstandard" approach ensures that the Port will continue to be a regional leader in maritime industries.

As the Port continues to grow, Martir remains open to feedback from employees and stakeholders. "I am available to all Port employees and stakeholders should they wish to inquire on any of the initiatives the commercial division is undertaking," he said, reinforcing the Port's commitment to transparency and collaboration.

With strong leadership and a clear vision, the Commercial Division is poised to be a key player in the Port Authority of Guam's future success. Stay tuned for more updates as the division continues to push the boundaries of excellence and innovation!

## Q&A With Deputy General Manager of Administration and Finance Pacifico Martir

- Can you briefly explain the purpose of the recent memo sent to the Commercial Division? The purpose of the memorandum was to ensure that the Commercial Division is aligned with all other divisions and able to move forward efficiently to meet the Port's strategic objective for the proposed "Look Ahead 2025" initiative. The General Manager outlined several priorities to ensure the Commercial Division will meet these standards.
- What key points or directives were highlighted in this memo? The priorities include: (a) Inventory of Staff and Responsibilities, (b)



Cross-Divisional Collaboration, (c) Automation and Efficiency, (d) Non-Compliant Lease Solutions, (1) Immediate lease Audit, (2) Legal Review, (3) Action Plan for Delinquent Tenants, (4) Lease Renewal and Renegotiation, (5) Streamlined Documentation. (6) Tenant Communication, (7) Monthly Reporting, (e) Marina Management and Users Group Initiative, (f) Commercial Lease Management System, (1) Outstanding Leases, (2) Non-Compliant Leases, (3) Existing Leases, (g) Facilities and Housekeeping Collaboration, (h) Connection to the 2023 Master Plan, and (i) Next Steps.

- 3. How do the directives in this memo align with the overall strategic goals of the Port? By following this framework, we can better align ourselves with the Port's vision to be a firstclass facility in the region. The commercial division is unique in that we are responsible for the alternative revenue stream outside of cargo handling services, which is real estate. By improving our divisional operations, we can capture various revenue opportunities and do our part in further developing the maritime industries in Guam. With that being said, we aim to operate at a "Gold-standard".
- 4. What challenges are addressed in this memo, and how does the Commercial Division plan

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to tackle them? By addressing the concerns in this framework, it will require the Commercial Division to dig deeper to address certain core building blocks that allow for improvement. These include trust, improved team work and enhanced strategy moving forward.

- 5. In what ways do you foresee the implementation of these directives impacting the Port's customers and stakeholders? Our hope is that by improving our methods of operations, customers and tenants will experience improved efficiency, accuracy, and quality with lease enforcement and permitting processes.
- Could you provide some insight into how these changes will affect day-to-day operations at the Port? This should tighten up cross divisional operations resulting in less steps being taken, increased productivity, improved awareness of situations, and overall efficiency.
- 7. Are there any specific initiatives or changes introduced in the memo that you're particularly excited about? To work more closely with other divisions to mitigate any errors and close the gaps. More importantly, we hope to motivate other divisions to want to do the same.
- 8. How will these changes affect Port Strong employees, particularly those in the Commercial Division? By requiring improved team work and trust as core values to promote and make the changes, this will lead to a stronger sense of purpose at the Port and improved comradery.
- 9. What kind of support or training will be provided to employees to help adapt to these changes? We have already begun weekly meetings and will soon implement quarterly team building sessions. I have approached various individuals for team building classes, which I hope to be implemented shortly. Further, I am working to promote a positive work environment in the commercial division to ensure commercial staff is valued and recognized for the work they have achieved.
- 10. What is the timeline for implementing the directives in the memo? ASAP! We have already started implementing several factors based on the framework provided, to include weekly meetings, identifying shared objectives with other divisions, promoting a positive work environment, incorporating automation and efficiency which can be seen in our permitting



process, and beginning the process of conducting review of all leases.

- 11. How do you envision these changes contributing to the Port's growth over the next year? Improved processes and productivity should mean increasing revenue for the Port as we continue to develop in the maritime industry. However, as an agency, we hope this productivity will promote a more structured and positive work environment at the Port
- 12. What message would you like to share with the Port strong family regarding these upcoming changes? Change is always difficult, but if this change is implemented in a positive and supportive work environment, it can be accomplished. I encourage all other employees to consider implementing their processes on a divisional framework to allow for growth of the port and its employees.
- 13. Is there anything else you'd like to add about the memo or the future direction of the Commercial Division? This is a good platform to build upon as there are always ways for each division to improve.
- 14. How can employees or stakeholders provide feedback or ask questions about the contents of the memo? I am available to all Port employees and stakeholders should they wish to inquire on any of the initiatives the commercial division is undertaking.

#### Port Celebrates 49 Years of Service with a Memorable Port Week 2024

The Port Authority of Guam marked its 49th Port Week from October 21-25, embracing the theme "Port Strong: Nearly Half a Century of Grit, Resilience, and Service Fueling Local Economies. and Regional Partnerships. and National Security," celebrating nearly fifty years of dedication and impact on Guam and the region.

#### An Inspiring Opening Ceremony

The celebrations began with a powerful opening ceremony, where Governor Lou Leon Guerrero's keynote underscored the Port's vital role in Guam's economy. Reflecting on the impact of the Port's employees, she told the crowd, "You keep Guam's economy and daily

life thriving. Your work feeds families, supplies hospitals, and powers businesses. Remember, every task you do contributes to the well-being of our people." The Governor's words highlighted the importance of every Port employee in sustaining Guam's strength and resilience.

General Manager Rory J. Respicio expressed pride in the Port's achievements over nearly five decades. Recognizing the dedication of the "Port Strong" employees, he told employees during his speech at the Opening Ceremony, "Your grit—passion and perseverance—is the driving force behind our accomplishments." Respicio acknowledged that each employee has been instrumental in overcoming challenges, including the global pandemic and Typhoon Mawar, when the Port reopened just three days after the storm—a testament to their strength and unity.

Chairperson of the Board of Directors, Dot Harris, also celebrated the contributions of Port employees, saying, "You are the backbone of this organization, and your grit and resilience continue to inspire us all, which is why the Port is among the best organizations in the Government of Guam!" Harris' heartfelt remarks at the Opening Ceremony honored the resilience and dedication of every



team member, reflecting the pride and respect the community holds for the Port's workforce.

#### A Week Filled with Unity and Celebration

The celebrations extended throughout the week, bringing employees and the community together through a series of events that strengthened camaraderie and showcased the spirit of Port Strong. Employees took part in lively competitions, including ping pong, billiards, volleyball, and cornhole. A spirited softball game, dart tournament, tractor pull, basketball competition, and "Spirit Week" added to the excitement, with each event celebrating both individual skill and teamwork.

#### Looking Toward a Bright Future

This 49th celebration is more than a milestone; it is a promise of what is to come. As the Port looks ahead to its 50th anniversary, it reaffirms its commitment to resilience, innovation, and service. Plans to modernize equipment and improve infrastructure, including the procurement of essential gantry cranes, signal the Port's dedication to meeting future demands and ensuring Guam's readiness to support local, federal, and military

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needs. The Port remains a cornerstone of Guam's economy, driving both growth and prosperity for the island and its people.

The Port Week festivities will conclude on a high note with the Grand Finale and Employee Recognition Ceremony on November 8, 2024, at Top O' The Mar, where employees, partners, and community members will gather once again to celebrate the Port's remarkable journey. This event will honor not only the achievements of the past but the vision and strength guiding the Port into the future.

With gratitude for its employees and leadership, the Port Authority of Guam embraces its legacy while looking forward to many more years of fueling the economies of Guam and the Pacific region. As General Manager Respicio remarked, "Together, we are—and will always be—Port Strong."



#### Port Authority of Guam Engages at ATOSSCOM 49th Annual Conference

The Port Authority of Guam recently joined regional port leaders at the 2024 ATOSSCOM 49th Annual General Membership Conference in Saipan, a platform fostering collaboration to enhance efficiency in Micronesian ports.

Founded in 1974, the Association of Terminal Operators, Stevedoring and Shipping Companies of Micronesia or ATOSSCOM, fosters collaboration among Terminal Operators, Stevedoring, and Shipping Companies, strengthening waterborne commerce across the region.

During the event held October 15-18, 2024 in Saipan, General Manager Rory J. Respicio presented key developments at the Port of Guam, emphasizing the theme: "Building a Secure, Resilient, and Sustainable Port of Guam through Local, Regional, and Federal Partnerships."

In his opening remarks, Respicio expressed gratitude for being part of the event, noting, "In the face of numerous challenges over the past 5.5 years, the Port of Guam has emerged stronger and more resilient than ever before, thanks to the power of partnerships and strategic foresight." Guided by the "One Micronesia" approach championed by Governor Lou Leon Guerrero and Lt. Governor Josh Tenorio, he highlighted strides in financial stability, operational efficiency, and defense readiness. Respicio provided updates on modernization projects such as replacing aging gantry cranes and upgrading fuel piers, which are vital to ensuring Guam's role as a strategic hub. He emphasized the Port's commitment to strengthening the fuel supply chain through a Public-Private Partnership (PPP) to safeguard Guam's energy resources: "This partnership will ensure that Guam's fuel supply chain is resilient, leveraging private sector expertise while maintaining public ownership of assets."

Security was another key focus, with Respicio detailing advancements in Terminal Operating Systems and vessel tracking to enhance efficiency and mitigate risks. Additionally, he shared the Port's environmental goals, including a \$2.4 million proposal to support its Net Zero Emissions Strategy, positioning Guam as a leader in sustainability. The Port has also prioritized digital access, submitting a \$12 million proposal to bridge connectivity gaps in underserved areas.

Reflecting on Guam's strategic role in the U.S. Indo-Pacific Strategy, Respicio shared, "Our position in the Indo-Pacific is pivotal, and the progress we make today will directly influence the region's ability to respond to both economic opportunities and security challenges." His remarks closed with a commitment to continuing

collaborations with ATOSSCOM members and a dedication to the shared mission of maintaining a resilient and efficient port network across Micronesia: "Together, we are Port Strong."

This engagement at ATOSSCOM underscores the Port of Guam's vital role in regional growth and stability, strengthening partnerships that ensure a sustainable future for all.

#### Port Authority of Guam: Supporting School Readiness Across the Island

The Port Authority of Guam is proud to be part of Governor Lou Leon Guerrero's School Opening Readiness Team (SORT), contributing our resources and expertise to help prepare Inarajan Middle School for an upcoming inspection by public health officials.

"Our involvement in this vital initiative reflects our commitment not only to our community's economic needs but also to its well-being, especially the safety and education of Guam's children," said Port Authority of Guam General Manager Rory J. Respicio.

Meanwhile, Southern High School passed inspection on October 7, 2024 with the help of our Port Strong Team. This milestone was a result of a dedicated, multi-agency effort to address the school's most pressing issues, made possible through the work of SORT and the strong support of the school and local community.

Inarajan Middle School was the final school pending its public health inspection results and it passed on October 9, 2024. Leading up to its inspection, skilled workers from across the government of Guam worked tirelessly through the weekends to bring the campus up to safety standards.

SORT had been working tirelessly, day in and day out, including weekends, to ensure Inarajan Middle School meets safety standards. Our Port Strong team has contributed manpower and equipment, assisting with tasks like removing outdated AC ducts, structural repairs, installing new air conditioning units, and addressing electrical needs. The collaborative spirit among SORT members is evident as each agency, including the Port Authority of Guam, works towards the common goal of making the school safe and ready for students.

Governor Lou Leon Guerrero and Lt. Governor Josh Tenorio have stressed the importance of ensuring our schools are safe, clean, and conducive to learning, and we wholeheartedly support that mission. Lt. Governor Tenorio also emphasized the need for ongoing maintenance by



the Guam Department of Education to maintain these standards, a sentiment we echo as a partner in these efforts.

The SORT initiative has been instrumental in reopening numerous schools over the past month, including J.M. Guerrero Elementary School, Vicente Benavente Middle School, and George Washington High School, among others. The Port Authority of Guam remains dedicated to playing our part in making sure that Guam's students and educators have the best possible environment for learning.

"Our involvement in the Governor's SORT highlights the wide-reaching impact of our agency, extending beyond cargo operations to directly contributing to the strength and resilience of our community," Respicio said. "As we continue to work alongside other agencies—including the Guam Waterworks Authority, the Department of Parks and Recreation, the Guam Environmental Protection Agency, and more—we look forward to seeing students and staff return to Inarajan Middle School with confidence in the safety and readiness of their campus."

Respicio added that Port Strong isn't just about fueling the economy—it's about supporting the community, and we are honored to be part of the team that's helping prepare Guam's schools for a successful year ahead.

#### Celebrating a successful start to physical fitness events

We're thrilled to announce the resounding success of our recent Physical Fitness Events, held over the past four months. Each division's hard work and dedication contributed to making these events truly impactful for all involved. Employees have shared how the informative sessions from health speakers and various fitness activities have inspired them to adopt healthier habits, make life-changing decisions, and bring more mindfulness into their daily routines.

In recognition of the importance of health and well-being, we are excited to continue these weekly events. Each division will take charge of their own fitness week. selecting a date and time and disseminating the details of their event. This chart is the schedule for the upcoming weeks.

For any questions, please reach out to the Human Resources Division at extensions 244, 247, and 248.

Let's keep up the momentum, stay active, and make health a priority across all divisions!

Division	Assigned Week	
Human Resources Division	October 28 – November 1, 2024	
Finance Division	November 4 – November 8, 2024	
Commercial Division	November 11 – November 15, 2024	
Marketing Division	November 18 – November 22, 2024	
Stevedoring Division	November 25 – November 29, 2024	
Information Technology	December 2 – December 6, 2024	
Transportation Division	December 9 – December 13, 2024	
Port Police Division	December 16 – December 20, 2024	
Facility Maintenance Division	December 23 – December 27, 2024	
Engineering/CIP	December 30 – January 3, 2025	
Operation Division	January 6 – January 10, 2025	
Strategic Planning	January 13 – January 17, 2025	
Terminal Division	January 20 – January 24, 2025	
Harbor Master's Office	January 27 – January 31, 2025	
Procurement/Supply Division	February 3 – February 7, 2025	
General Administration	February 10 – February 14, 2025	
Equipment Maintenance Division	February 17 – February 21, 2025	
Safety Division	February 24 – March 1, 2025	



Volleyball by Procurement and Supply



Presentation feat. ZSN by General Admin.





BCA for your Health by Safety

#### Partner Spotlight: Welcoming U.S. Coast Guard Forces Micronesia/Sector Guam's New Commander

On October 4, 2024, the Port Authority of Guam had the pleasure of welcoming Capt. Jessica Worst as the new commander of U.S. Coast Guard Forces Micronesia/Sector Guam during a formal Change of Command ceremony at Naval Base Guam. This transition marks an exciting new chapter for our valued partners at the U.S. Coast Guard, who play an essential role in maintaining the safety and security of our waters.

Port General Manager Rory J. Respicio along with Port Deputy General Managers Dominic Muna and Pacifico Martir attended the ceremony.

Capt. Worst takes over from Capt. Robert Kistner, whose dedication to service was exemplary. Capt. Kistner delayed his retirement by six months to continue leading his team, all while being stationed in Guam without his family. Despite the challenges of being apart from his loved ones, who were back in New York preparing for the next chapter in their lives, Capt. Kistner demonstrated unwavering commitment to the mission.

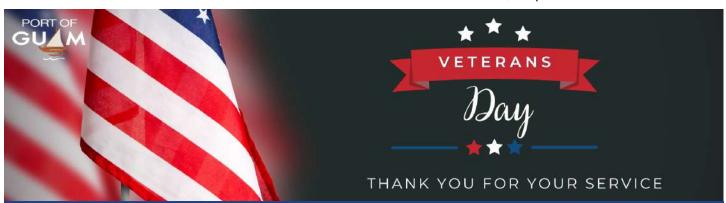
During his tenure, Capt. Kistner led the U.S. Coast Guard Forces Micronesia/Sector Guam team through an incredible 162 search and rescue operations, saving or assisting 246 lives and protecting nearly \$200,000 worth of property across Micronesia. He was also at the helm for Operation Irensia, the inaugural maritime security event that brought together Pacific Island nations and allies in a collaborative effort to enhance the region's security. We are immensely grateful to Capt. Kistner for his outstanding leadership and wish him all the best in his well-deserved retirement.



Looking ahead, we are excited to work with Capt. Jessica Worst as she takes on this critical role. Capt. Worst brings a wealth of experience, having recently served at U.S. Northern Command, and is no stranger to our region, previously commanding USCGC Sequoia right here in Guam and Micronesia. We are confident that her experience and passion for maritime safety, security, and environmental stewardship will continue to strengthen our partnership and protect our shared waters.

"The PortAuthority of Guam values its partnership with the U.S. Coast Guard, and we look forward to collaborating with Capt. Worst and her team in our joint efforts to ensure the safety and security of the Pacific region," Respicio said.

Welcome aboard, Capt. Worst!



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#### Port receives \$2.4 Million through EPA's Clean Ports Program

The Port Authority of Guam has been awarded \$2,410,415 from the U.S. Environmental Protection Agency's Clean Ports Program under the Climate and Air Quality Planning Competition.

The grant selection process was extensive, with EPA funding only 55 projects from 27 states and territories for zero-emission equipment and climate planning. This award reflects the collective dedication of the Port team, with WSP serving as the Port's owner agent and Jacobs as its subgrantee, along with the steadfast leadership of Vice Chairperson Conchita Taitano.

"Governor Lou Leon Guerrero, and Lt. Governor, Joshua Tenorio, were clear when they appointed Vice Chair Conchita to the Board," said General Manager Rory J. Respicio. "Her 30-plus years with Guam EPA and government service make her uniquely qualified to develop and drive sustainability goals together with our planning team headed by Chief Strategic Planner Joe Javellana. In conjunction with her role on the Port board, she has completed certification through Massachusetts Institute of Technology (MIT) Sustainability Program and worked alongside First Gentleman Jeff Cook on the island's Zero Waste Task Force, and those initiatives have directly influenced the Port's sustainability efforts."

The Port Authority also acknowledges EPA Administrator Michelle Lastimoza and her team for their collaborative approach, working to support a more sustainable and resilient port. This funding aligns with the vision of Governor Leon Guerrero, Lt. Governor Tenorio, and the Port Board as outlined in the 2023 Master Plan and the "Look Ahead 2004" framework.

The awarded funds will support the Port's Net Zero Emissions Strategy Update and Implementation Plan, an initiative that will enhance efforts to reduce emissions, strengthen climate resilience, and improve air quality for the community. This project reflects the Port's commitment to the goals of its Sustainability and Resiliency Plan and its dedication to innovative environmental stewardship.

Key objectives of the Net Zero Emissions Strategy Update and Implementation Plan include:

- Conducting a mobile emissions inventory,
- Updating the Net Zero Emissions Strategy,
- Preparing a workforce development plan,
- Developing a resiliency strategy to assess climate risks and vulnerabilities, and
- Creating an implementation plan to outline actionable steps for decarbonizing and electrifying Port operations.

The Port Authority of Guam will also conduct community engagement to support this initiative and future projects, reinforcing a shared vision for a cleaner, sustainable future for Guam. This funding is a step forward in turning that vision into action.

#### Capturing our community spirit through Adahi I Tano cleanup project



Port Strong employees kicked off the Port Week's 49th Anniversary celebrations with the "Adahi I Tano" Cleanup Project on October 19, 2024. This community-focused event brought volunteers together along Highway 11 from the USO/Port Traffic Light to Hotel Wharf to restore its beauty with the support of Matson Navigation. A big thank you to everyone who participated and showed true Port Strong spirit! Biba Port Strong!







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## Quarterly Employee Awards - 4th Quarter of FY 2024

#### **Employee of the Quarter**

Category 1:

Category 2:



Denise Calvo, Buyer II

Supervisor of the Quarter

Category 1:



Category 2:

Estefanie Cordero, Administrative Assistant

Edwin Malaga, Crane Operator Leader





Jesse Quinata, Stevedore Supervisor I

**Outstanding Work Center of the Quarter** 

Category 1:



Good Housekeeping Work Center of the Quarter

Category 1:



General Manager's Office





**Operation Division** 

#### **October photo highlights**



Port General Manager Rory J. Respicio, Board Secretary Fe Valencia-Ovalles, Port Deputy General Manager of Operations Dominic Muna, Governor Lou Leon Guerrero, Board Chairperson Dorothy Harris and Port Deputy General Manager of Administration and Finance Pacifico Martir pose for a photo after receiving the Governor's Proclamation declaring the week as Port Week at the Opening Ceremony held on Monday, October 21, 2024.





A Taylor representative visited the Port Authority of Guam on October 11 to provide hands-on training for port staff on the proper use of the new Taylor top-lifter heavy equipment key fob, enhancing operational safety and efficiency.





The Port Authority of Guam hosted a festive Trunk or Treat on October 11, where employees, family, friends, and community members gathered for an evening of costumes, candy, food trucks and Halloween fun.



## October photo highlights continued

### Port Week Events













#### October photo highlights continued



The Port Police Division conducted their annual firearms qualification training on October 29th and 31st at the Guam Community College. All personnel successfully passed qualifications.



The Port Users Group met for their monthly meeting in the Port Boardroom on October 23, 2024.

#### **November Birthdays**



# Happy Birthday to you!

Ted R. Cruz Roy P.C. Flores Roy C. Mendiola George S. Duenas Raymond B. Santos Kenneth J. Quintanilla Paul M. Tedtaotao Frances A. Candoleto Theresa Rose T. Reyes-Manibusan Jonathan L. Aguon Chauncy J. Perez Joseph K. Mesa Luis M. Diaz Julieto A. Sontillanosa Maria T. Llanes Frank V.A. Cepeda Jr. Craig-Thomas D. Palomo Michael J. Barcinas Joshua V. Candoleto Anthony P.D. Manibusan Norberto D. Datuin Shawn D. Flores Eric J. Balajadia Frankie A. Cruz II Jose J. Tajalle Ernest D. Madahan Kyle J. Gaspay-Paulino Peter J. Babauta Joshua M. Manglona Mark L. Blas Keith W. Hattig Jr. Ernest C. Castro Jr. Ernie J.A. Lobaton Cassandra Aldan Rosal Malaina-Jashae Blas Deborah S. Hurchanik