

PORT OF GUAM

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POLICY MEMORANDUM NO. 2025-GM02

To: Commercial Division	Subject: Guidelines on Issuing a Notice to Proceed
Effective Date: April 3, 2025	Revision Date:
Approved By: lm lesp wo RORY J. RESPICIO, General Manager	

I. PURPOSE:

To provide standard guidelines when issuing a Notice to Proceed (NTP) to ensure consistency, eliminate delays in realizing rental income, and reinforce accountability.

II. SCOPE:

The provisions of these guidelines shall be observed and adhered to by all applicants requesting to conduct business at the Port Authority of Guam (Port) specific to lease and license proposals.

III. DISCUSSION:

- The Port has issued multiple NTPs prior to lease execution. An NTP issuance may be
 necessary on a case-by-case basis as it requires that the applicant obtain any pertinent
 clearances, permits, or documentation prior to entering into a lease agreement with the
 Port specific to the business proposal. The NTP does not guarantee lease issuance, rather
 demonstrates that the Port requires such documentation to support the agencies decision
 on granting a lease.
- 2. The Port finds that in many cases, after a NTP is issued, applicants require ample time to obtain the necessary clearances specific to their business proposal.
- 3. The Port did not have a structured follow-up procedure after the issuance of a NTP, which resulted in the absence of a clear timeline giving the applicant a target date to obtain such clearances or provide a status update to the Port indicating forward progress.

IV. GUIDELINES:

1. **Approving Authority:** The General Manager of the Port Authority shall approve the Notice to Proceed.

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2. **Issuance:** All NTPs will be issued on a case-by-case basis. Not all lease proposals require an NTP and will be treated accordingly. Lease agreements will continue to be processed separately, ensuring that NTP holders are not automatically entitled to them.

- 3. **Timeline:** All NTPs will adhere to a universal 60-day rule unless otherwise stated that there is a clear operational reason for an exception to proceed sooner than sixty (60) days or if more time is justifiably required by the applicant. Should an exception be granted, it must be justified with a written explanation outlining the specific need for an extended timeframe.
- 4. **Renewal/Reissuance**: All NTPs will automatically expire after sixty (60) days unless renewed by the General Manager of the Port.
- 5. **Mandatory Updates:** Applicants that are issued an NTP will be required to provide the Port with regular status updates illustrating their progress, which include permit applications and regulatory compliance.

V. RESPONSIBILITIES:

1. Commercial Division

- a. Commercial staff shall determine whether a NTP shall be issued. This will be on a case-by-case basis.
- b. Commercial staff shall advise management in writing as to why the NTP should be issued.
- c. Commercial staff will draft the NTP and have it reviewed by the Port's legal counsel prior to issuance.
- d. Commercial staff will issue the signed NTP to the applicant.

2. Applicant

- a. Upon issuance of an NTP, the applicant has sixty (60) days to obtain any and all necessary clearances specific to the applicant's proposal.
- b. All obtained permits, clearances, and documentation must be submitted to the Port in writing. These documents may be received by the Commercial Division.
 - c. If in the event the applicant finds that sixty (60) days is not a sufficient amount of time, the applicant must advise the Port in writing justifying the need for an extension. This request must be submitted 30 days prior to the expiration of the NTP.