PORT AUTHORITY OF GUAM JOSE D. LEON GUERRERO COMMERCIAL PORT 1026 Cabras Highway, Suite 201 Piti, GU 96915 Phone: (671) 477-5931 Fax: (671) 477-2689

Website: www.portguam.com



NEWS RELEASE

Board Recognizes PAG Commitment to Customs

Piti, Guam, September 22, 2021: The Port Authority of Guam (PAG) Board of Directors today commended Port staff and management for their ongoing commitment to Guam Customs in their work to interdict illegal drugs and protect our borders.

The Board in their monthly meeting today heard from General Manager Rory J. Respicio as he discussed the recent Memorandum of Understanding signed by the Port and Guam Customs and Quarantine regarding the new office space for Guam Customs at the Port.

The MOU will allow Customs to occupy 2,700 square feet of office space located on the first and second floors of the former Horizon Building and vacate their current office space in the Port Administration Building. They will be able to retrofit this space at their own expense and not be charged for rental fees for the duration of the occupancy.

"As the first line of defense for the island of Guam, Customs is tasked with protecting borders, securing ports of entry, and facilitating trade, commerce, and travel," Respicio said. "We acknowledge the need to have Customs personnel physically present at the seaport of entry to minimize the opportunity for compromised security, increased contraband smuggling and unwanted tampering of containers and cargoes."

Respicio also reminded the Board that since 2019, Governor Leon Guerrero and Lt. Governor Tenorio emphasized the importance of Guam Customs in the interdiction, monitoring, and enforcement of initiatives to protect Guam's maritime borders. With these guidelines, the Port Authority of Guam has consistently worked with Customs to ensure that these mandates are executed and completed. This work includes:

- From January 8, 2019, to present, the Port has granted Customs Officers an allaccess pass to go wherever is necessary to carry out its mandates.
- In 2019 the Port facilitated the immediate repair of the ZBV X-Ray Backscatter Van, which Guam Customs Officers operated through an MOU with the PAG. This machine was inoperable for 10-months under previous management.
- In the 2020 Master Plan Update efforts include a Guam Customs Inspection Feasibility Study, which has recently been completed.
- Guam Customs was provided a 4-acre parcel of land adjacent to the main terminal gate as a local office and cargo inspection facility.
- Port's Owner's Agent Engineer (OAE) worked with Customs to validate their requirements and confirm that the planned facilities will integrate with the planned traffic flows.

- Port's OAE developed multiple layout options and discussed with stakeholders to finalize an acceptable facility plan to incorporate in the Port's Master Plan.
- In addition, the Port has ensured that Guam Customs has been directly involved in the discussions relating to its initiative for System Integration through a completed RSM Study that focused on a Port Community System (PCS). The Port Users Group of Guam (PUGG) has identified the need for improved information sharing/reporting between the stakeholders involved in the cargo supply chain.
- Dedicated gated secured area in CFS warehouse for Customs inspection use.
- A dedicated area at Sea Plane Ramp for Marine Interdiction Task Force Office and Boathouse.

Board Member Dot Harris said she was pleased with the work of the Port to waive any rental fees for Guam Customs which she said is not the case for facilities Customs uses in other locations. "I just want to applaud the Port Authority of Guam for supporting our partners," Harris said. The Board members unanimously approved the MOU with Guam Customs.

Meanwhile the Board today approved Resolution No. 2021-11 which authorizes the General Manager to proceed with the procurement acquisition of at least two ship-toshore (STS) gantry cranes upon the identification of the funding source subject to procurement and Public Utilities statutory requirements. A recent assessment conducted by the Port's Owner Agent Engineer this year found there is a dire need to replace the POLA cranes because of the age of the cranes. The cranes were originally built in 1983/1984 and although they were refurbished in 2009, they are reaching the end of that expected service life and would need to be replaced by 2024.

"Because of the importance of the Port of Guam as the lifeline to sustained economic and DOD military buildup construction activities on Guam, Governor Lou Leon Guerrero has made the acquisition of new Ship-to-Shore gantry cranes to replace the Port's aging fleet one of her top priorities," Respicio said adding that the Port has submitted a grant application to the Economic Development Administration for the acquisition of two (2) STS gantry cranes under its \$1.5 billion Cares Act-Funded Recovery Assistance Program and has developed a loan application to the U.S. Department of Agriculture for one (1) STS gantry crane as a back-up to its EDA application.

"We are hopeful that the gantry crane applications will be favorably considered for its importance to not only Guam but also to the entire remotely isolated islands in the Marianas and Pacific Micronesian region that serves close to half a million people," Respicio said. "I am grateful that the resolution was approved today as our Board of Directors fully understands the dire need to replace at least two (2) STS gantry cranes and the procurement timeline to acquire such cranes to ensure that all businesses, residents and neighboring islands will not lose access to essential goods and will always have what they need to operate and survive."

The Board also heard discussion today on the Port's RFP for Real Estate Appraisal and Consulting Services F1 Pier – Tristar and COVID-19 issues at the agency.