

BOARD OF DIRECTORS

Dorothy P. Harris, Chairperson

Conchita S.N. Taitano, Vice Chairperson

Fe R. Valencia-Ovalles, Board Secretary



Resolution No. 2025-01

RELATIVE TO MEMORIALIZING EFFORTS TO ENHANCE REVENUE SINCE 2019 AND IMPLEMENTING A METHODOLOGY IN ORDER TO SECURE CONTINUED REVENUE SUSTAINABILITY FOR THE JOSE D. LEON GUERRERO COMMERCIAL PORT.

BE IT RESOLVED BY BOARD OF DIRECTORS OF THE JOSE D. LEON GUERRERO COMMERCIAL PORT:

WHEREAS, the Port Authority of Guam serves as a critical economic hub for Guam, facilitating trade, commerce, and transportation essential to the island’s development and resilience; and

WHEREAS, the Port has successfully maintained financial stability despite external challenges such as the COVID-19 pandemic and rising operational costs, demonstrating strong management and operational resilience; and

WHEREAS, the Port Authority of Guam has implemented various initiatives to enhance revenue and sustain operations, including but not limited to:

- Adjusting operational expenditures to ensure continued financial stability;
- Continuing to pursue federal and local funding opportunities;
- Ensuring tenant agreements and lease terms are updated pursuant to Public Law 30-19;
- Continuing to streamline operations and adopting cost-saving measures; and

WHEREAS, the Board recognizes the importance of ensuring the Port remains competitive, resilient, and compliant with regulatory requirements while addressing fiscal challenges; and

WHEREAS, the Board further acknowledges the need for transparency, inclusivity, and data-driven decision-making through a revenue enhancement methodology to guide efforts in sustaining revenue and implementing future strategies; and

WHEREAS, the labor rates under the Port Terminal Tariff were last updated on October 1, 2020, by the Public Utilities Commission, and provided herein are those 2020 labor rates; and

Personnel	Straight Time	Over Time	O/T Differ.	Holiday Differ.	Night Shift Diff.
Account Technician	\$45.06	\$67.59	\$22.54	\$30.04	\$3.00
Auto Mechanics	\$56.49	\$84.73	\$28.24	\$37.65	\$3.76
Cargo Checkers	\$57.05	\$85.57	\$28.52	\$38.03	\$3.80
Carpenters	\$44.78	\$67.17	\$22.39	\$29.86	\$2.99
Clerks	\$36.38	\$54.57	\$18.19	\$24.26	\$2.43
Crane Mechanic	\$65.44	\$98.17	\$32.72	\$43.63	\$4.36
Crane Operator	\$65.44	\$98.17	\$32.72	\$43.63	\$4.36
Diesel Mechanic	\$71.83	\$107.75	\$35.92	\$47.88	\$4.79
Electrician	\$59.34	\$89.01	\$29.67	\$39.56	\$3.97
Equipment Operator	\$61.05	\$91.57	\$30.52	\$40.70	\$4.07
Painters	\$47.30	\$70.95	\$23.65	\$31.54	\$3.16
Plumbers	\$53.54	\$80.32	\$26.78	\$35.70	\$3.57
PM Mechanic	\$56.49	\$84.73	\$28.24	\$37.65	\$3.76
Riggers	\$51.89	\$77.83	\$25.95	\$34.58	\$3.46
Safety Officers	\$57.33	\$85.99	\$28.66	\$38.22	\$3.83
Security Guards	\$35.78	\$53.69	\$17.90	\$23.86	\$2.38
Stevedores	\$52.41	\$78.60	\$26.19	\$40.37	\$4.04
Welders	\$61.15	\$91.72	\$30.57	\$40.78	\$4.89



WHEREAS, the salary rates for these classifications have evolved since 2020, and provided herein at the labor rates for 2025:

Personnel	Straight Time	Over Time	O/T Differ.	Holiday Differ.	Night Shift Diff.
Account Technician	\$56.71	\$85.07	\$28.36	\$38.00	\$5.67
Auto Mechanics	-	-	-	-	-
Cargo Checkers	\$64.02	\$96.02	\$32.01	\$42.89	\$6.40
Carpenters	\$54.41	\$81.61	\$27.20	\$36.45	\$5.44
Clerks	\$40.30	\$60.45	\$20.15	\$27.00	\$4.03
Crane Mechanic	\$72.69	\$109.04	\$36.35	\$48.70	\$7.27
Crane Operator	\$70.36	\$105.54	\$35.18	\$47.14	\$7.04
Diesel Mechanic	\$71.22	\$106.84	\$35.61	\$47.72	\$7.12
Electrician	\$71.77	\$107.65	\$35.88	\$48.08	\$7.18
Equipment Operator	\$65.51	\$98.27	\$32.76	\$43.89	\$6.55
Painters	\$47.35	\$71.02	\$23.67	\$31.72	\$4.73
Plumbers	\$54.41	\$81.61	\$27.20	\$36.45	\$5.44
PM Mechanic	\$78.17	\$117.26	\$39.09	\$52.38	\$7.82
Riggers	\$57.79	\$86.69	\$28.90	\$38.72	\$5.78
Safety Officers	\$54.44	\$81.65	\$27.22	\$36.47	\$5.44
Security Guards	\$67.37	\$101.05	\$33.68	\$45.14	\$6.74
Stevedores	\$69.65	\$104.48	\$34.83	\$46.67	\$6.97
Tariff Technician	\$63.94	\$95.91	\$31.97	\$42.84	\$6.39
Vessel Planner	\$92.91	\$139.37	\$46.46	\$62.25	\$9.29
Welders	\$70.90	\$106.36	\$35.45	\$47.51	\$7.09

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Port Authority of Guam formally recognizes and memorializes the efforts undertaken since 2019 to enhance revenue and directs the implementation of the revenue enhancement methodology as a guiding principle for future initiatives; and be it further

RESOLVED, that the Board recognizes the need to align labor charge-out rates with actual operational costs as outlined within the existing tariff structure. To achieve this, the General Manager shall:

1. Develop a Sliding Implementation Plan:
 - o Propose a phased approach to adjust the 2008 labor charge-out rates incrementally over a specified timeline to minimize the impact on stakeholders while ensuring adherence to the tariff.
 - o Ensure the plan is guided by current actual salaries.
 - o Engage with tenants, customers, and employees to explain the necessity and process of implementing the adjustments.
2. Monitoring and Accountability:
 - o Establish a review process to assess the progress of rate adjustments, ensuring compliance with the tariff and alignment with operational needs.
 - o Report findings and recommendations to the Board for approval and resolution to the Public Utilities Commission for approval; and be it further

RESOLVED, that the General Manager shall submit the proposed implementation plan to the Board for review and approval to proceed to the Public Utilities Commission (PUC) for ultimate approval, ensuring alignment with the Port's long-term operational and financial sustainability goals; and be it further

RESOLVED, that the revenue enhancement methodology shall serve as the foundation for all revenue-related decision-making and shall include the following key components:

1. Stakeholder Engagement:
 - o Actively engage tenants, customers, employees, and other relevant stakeholders to gather input on potential initiatives.
 - o Facilitate transparent discussions through appropriate engagement methods.
2. Information Gathering:
 - o Collect and review internal and external data to inform decision-making.



3. Analysis and Synthesis:
 - o Identify common themes, opportunities, and challenges from stakeholder feedback and data analysis.
 - o Evaluate the potential benefits, risks, and impacts of proposed measures.
4. Recommendations and Reporting:
 - o Compile findings into a detailed report, presenting clear, evidence-based recommendations for Board consideration.
 - o Include actionable timelines and implementation strategies to ensure accountability.
5. Implementation and Communication:
 - o Ensure stakeholder feedback is incorporated into the final implementation plan.
 - o Communicate decisions and progress transparently to build trust and alignment; and be it further

RESOLVED, that the Board directs the General Manager to build upon these efforts by:

1. Developing a comprehensive Revenue Enhancement Methodology that identifies sustainable revenue streams by fully utilizing mechanisms within the tariff to ensure compliance with the existing tariff structure;
2. Pursuing federal, local, and other funding sources for infrastructure projects such as gantry crane replacement, fuel pier upgrades, facility improvements, and necessary terminal yard equipment acquisition;
3. Documenting and reporting the financial impacts of the initiatives taken since January 8, 2019 to serve as a baseline for future strategies;
4. Maintaining transparent communication with stakeholders to foster collaboration and shared responsibility in revenue generation efforts; and be it further

RESOLVED, that:

1. The General Manager shall provide monthly updates to the Board on the progress of revenue enhancement initiatives, funding pursuits, and stakeholder engagement efforts;
2. All initiatives shall align with the Port's sustainability goals, including zero-emission and zero-waste objectives, to ensure long-term environmental stewardship and operational resilience;
3. The General Manager shall maintain transparent communication with tenants, customers, and other stakeholders to foster collaboration and shared responsibility in achieving the Port's objectives, and be it further

RESOLVED, that the Board of Directors of the Port Authority of Guam formally adopts this resolution and directs the General Manager to execute the outlined initiatives; and be it further

RESOLVED, that the Chairperson certify, and the Secretary attest to, the adoption hereof, and that copies of the same be transmitted to Governor Lou Leon Guerrero, Lieutenant Governor Josh Tenorio, Speaker Frank Blas Jr., Port Legislative Oversight Chairperson Senator Jesse Anderson Lujan, and all members of the 38th Guam Legislature.

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 23rd DAY OF JANUARY, 2025.

DOROTHY P. HARRIS
CHAIRPERSON, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM

FE R. VALENCIA-OVALLES
SECRETARY, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM

