



# NEWSLETTER

## PORT AUTHORITY OF GUAM

SEPTEMBER 2024

### Board of Directors

**Dorothy P. Harris**  
*Chairperson*  
**Conchita S.N. Taitano**  
*Vice Chairperson*  
**Fe Valencia-Ovalles**  
*Board Secretary*

### Port Management

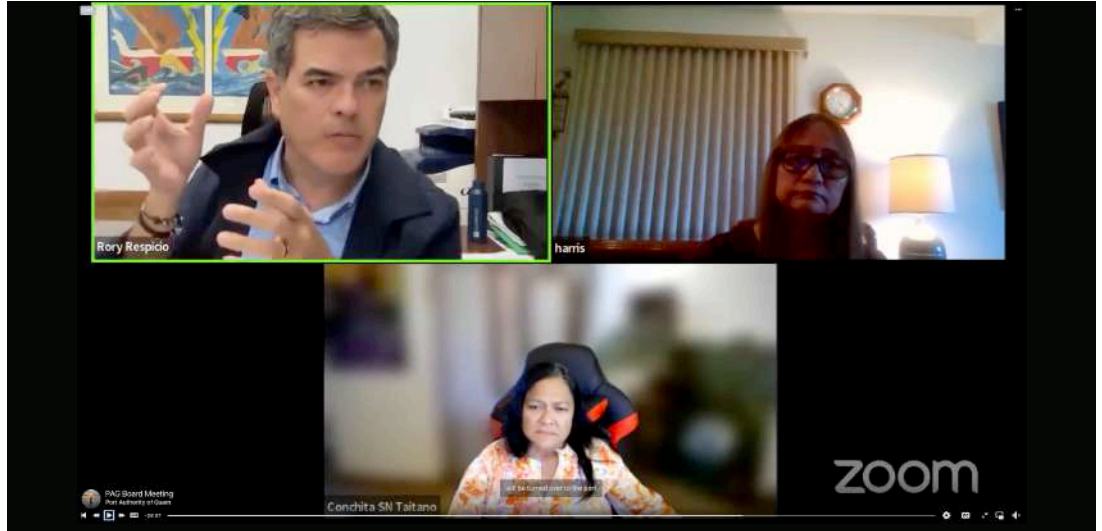
**Rory J. Respicio**  
*General Manager*  
**Dominic G. Muna**  
*Deputy General Manager*  
*Operations*  
**Pacifico R. Martir**  
*Deputy General Manager*  
*Administration and Finance*



### Inside this Issue

- Fuel Pier Partnership
- FY25 Budget Passed
- Tariff Review
- NTIA Grant
- FEMA Award
- EQMR Dashboard
- Storm Spares Guam
- Desk Audit Policy
- Port's Labor Day
- Net Zero
- Most Cruise Ship Visits
- 3rd Quarter Awards
- Final Farewell to Reed
- Feature in Magazine
- Port Week Events
- Assisting Schools
- Port Wellness Program
- GCRI
- September Photo Highlights
- October Birthdays

### Port moves forward on critical fuel infrastructure with Public-Private Partnership Initiative



In a major step toward improving the resiliency and capacity of Guam's fuel supply operations, the Board of Directors of the Jose D. Leon Guerrero Commercial Port Authority of Guam voted in their monthly meeting held on September 26, 2024 in favor of issuing a procurement solicitation for a Public-Private Partnership.

This partnership will manage, operate, and maintain the Golf Fuel Pier, Foxtrot Fuel Pier 1, and the fuel tank farm at Area A, subject to legislative and gubernatorial approval.

This resolution aligns with the Port's strategic plan to address infrastructure vulnerabilities, especially following significant damage to the piers from Typhoon Mawar. With the port serving as a critical hub for fuel transshipment across Guam and the wider Micronesian region, upgrading and maintaining these assets is vital to both local needs and military readiness within the Indo-Pacific region.

General Manager Rory J. Respicio expressed his confidence in the Board's decision, stating, "This Public-Private Partnership ensures the long-term sustainability of our critical fuel infrastructure while maintaining public ownership of these assets. By leveraging private sector resources and expertise, we can more efficiently manage repairs, make necessary upgrades, and increase our resilience in the face of future disruptions."

The Public-Private Partnership model is designed to bring significant benefits to Guam, not only improving infrastructure but also fostering economic growth through local employment opportunities, skills training, and collaboration with small businesses. This initiative also will support the island's strategic importance as part of U.S. Indo-Pacific defense operations.

*Story continues on page 2*

In the coming weeks, the Port will begin the solicitation process, seeking proposals from experienced operators to ensure a transparent, competitive bidding process that prioritizes safety, environmental compliance, and operational excellence.

In other news from the meeting, the Board also passed Resolution No. 2024-11 Relative to honoring the life and service of Port Authority of Guam employee Reed K. Topasna and extending our heartfelt deep sympathy and condolences to the bereaved family members, Resolution No. 2024-

12 Relative to authorizing the General Manager to administer the disposal of Port Authority excess supplies and surplus equipment in compliance with 5 GCA, Chapter 5, Section 5404, 4, Resolution No. 2024-14 Relative to holding in abeyance the merger of Operations and Equipment Maintenance divisions, the amendment of the Operations and Equipment Maintenance Manager and address the impact of the realignment on the organizational structure and approved an amendment to Board Policy Memorandum No. 2018-01 Working capital-reserve for O&M.

## Board passes FY2025 budget



The Port Authority of Guam Board of Directors unanimously approved the agency's budget for Fiscal Year 2025 during their monthly board meeting.

Board members approved the new budget, projecting total revenues of \$54.2M which is \$1.7M higher than the previous year's projected revenues of \$52.5M and FY 2025's total expenses of \$53M.

To arrive at a feasible revenue forecast, the Port Authority utilized a formula considering Guam's economic growth to project an added 3% increase in cargo-related proceeds to arrive at a realistic revenue projection for the agency. Using fiscal prudence, the Port's total expenses were based on the needs of each division and annual obligations to include yearly debt service of \$5.7 million, maintaining a Debt-Service Coverage Ratio (DSCR) of 1.5, days cash on hand – 500, and funding for capital improvement projects from bond, federal and local funding sources.

“Our ‘bottom-up zero-based budgeting’

approach focuses on financial accountability and sensible spending strategies while identifying cost-saving alternatives, and I am very pleased that this approach has proven successful for our previous fiscal years,” said Port General Manager Rory J. Respicio. “I thank our Board of Directors for their support and for recognizing that this FY 2025 Budget demonstrates our best estimation of the upcoming fiscal year's resources, operational, and capital requirements. These numbers provide realistic valuations for the Port's financial position for FY 2025.”

With the projected numbers on revenue and expense, the funds available for debt service will result in a debt ratio of 1.8.

“We have been spot-on achieving our revenue projections while spending significantly less than what we have been authorized to spend, and our decisions are prudent and transparent,” said Respicio.

A copy of the budget will be uploaded on the Port's website at [www.portofguam.com](http://www.portofguam.com).



After a lengthy review of the Port Authority of Guam Terminal Tariff, the Port's OAE Consultant WSP provided their final assessment that focused on capturing all potential revenue in line with the tariff structure.

"As part of our ongoing commitment to optimizing revenue collection and operational efficiency, we initiated a comprehensive review of the Port's terminal tariff in collaboration with WSP," said Port General Manager Rory J. Respicio. "This review, part of WSP Task 14.6: TOSS & Tariff Implementation Support, is designed to ensure that all potential revenue under Tariff #1 (effective October 1, 2020) is being captured before we move forward with the implementation of a Simplified Tariff."

The Port Authority of Guam's Terminal Tariff outlines the fees and charges for using port facilities and services. Established by the Guam Legislature, this tariff regulates costs for everything from cargo handling to berthing and storage. It ensures transparent and standardized pricing, benefiting both commercial and military users. Regular updates help align the tariff with operational changes and infrastructure improvements.

WSP held a meeting on August 28, 2024 with key Port divisions involved in Operations and Tariff. Meanwhile, Port Authority of Guam representatives as well as WSP held a meeting with Stakeholders to include Carriers and Agents on September 11, 2024 regarding the Port Tariff Implementation & Billing Practices. During the meeting, WSP presented their analysis of the Port's Terminal Tariff and discussed billing practices.

"It was generally understood that we would provide accurate billing moving forward and charge for all services rendered by the Port," said Respicio. "I informed them that they could contest any charges if they disagreed. There seemed to be general consensus and agreement in our approach to implementing WSP's findings."

Respicio noted that this review and assessment by WSP was crucial to ensuring that the Port captures all revenues called for in the Terminal Tariff.

"Following a very thorough review and analysis of the WSP assessment, we have implemented some key changes to ensure that we are able to secure the entire revenue intake allowed for and also to ensure that we protect the Port Authority of Guam," Respicio said.

Respicio noted that WSP's initial findings and recommendations have provided key insights, which the Port has already begun to integrate into the agency's operations, including:

- **Service Standards:** In response to the review, WSP, in collaboration with operations, finance, and stakeholders are actively developing clear service standards to ensure consistent application of crane and manpower resources for vessel servicing. Currently, the Tariff lacks specific service standards, which has made it critical to develop these guidelines. By doing so, the Port will avoid undercharging and ensure that all potential revenue is captured. These standards will set expectations for crane and manpower requirements based on vessel size and schedules.

*Story continues on page 4*

- **Operational Alignment:** The review emphasized the importance of aligning the Port's weekly operating plan with the revenue opportunities outlined in the Tariff. The operating plan will reflect the optimal number of cranes and resources needed for efficient vessel servicing. Any carrier-requested additional resources will require General Manager approval to ensure the Port's financial interests are prioritized.
- **Billing Practices:** The Port has begun formalizing documentation and billing practices in line with WSP's recommendations. While an SSR (Special Service Request) is not required for billing, the Port is encouraging it to improve documentation accuracy. To be clear, the Port reserves the right to bill for additional services, such as extra crane usage, based on the operational log, even in the absence of an SSR. The Port is ensuring all requested services are properly documented and billed transparently.
- **Ongoing Review and Best Practices:** As part of the Port's proactive efforts, WSP is conducting a comprehensive review of billing

records from the past five years to ensure the agency is capturing all potential revenue. This review is aimed at identifying best practices, and any necessary changes to the billing process will be implemented prospectively. The Port has already adjusted billing processes based on WSP's guidance and will continue refining them based on the full review.

- **Recommendations:** WSP has provided several actionable recommendations to enhance revenue collection and operational efficiency. These include the proactive use of SSRs, establishing formal processes for documenting charges when an SSR is not submitted, and conducting regular reviews of the Tariff and billing practices to ensure all potential revenue is captured.

General Manager Respicio added that the Port will continue to work closely with WSP to implement these recommendations and finalize the review of past operational reports and billings. These steps will ensure that the Port is aligned with best practices in tariff implementation and revenue optimization, while maintaining operational efficiency, safety and security.

## Port Applies for \$12 Million NTIA Grant

The Port Authority of Guam on September 23, 2024 launched efforts to obtain \$12 Million in federal funding from the U.S. Department of Commerce.

The new grant opportunity is from the U.S. Department of Commerce 2024 National Telecommunications and Information Administration (NTIA) Digital Equity Competitive Grant Program. The Port submitted the PAG Strategic Smart Port Digital Equity Project (Project) that would fund initiatives that ensure communities have the access and skills to fully participate in the digital world, regardless of background or circumstances. The overarching goal of the Project is to build a robust and resilient digital ecosystem that calls for digital equity and digital inclusion, catalyzing growth to covered populations by connecting underserved shoreline communities. To achieve

this, the Port has been designated a Community Anchor Institution that will provide broadband services to five (5) surrounding communities by establishing Community Resource Centers/ Digital Equity Hubs at the Hagatna and Agat Marinas. The total project cost is estimated at \$12 Million.

"This grant ties into our sustainability efforts here at the Port that are a critical part of our progress as we move forward to serve not just our Port and Port users but our neighboring communities as well," said Port General Manager Rory J. Respicio.

"Under the leadership and guidance of Port Board Vice Chairperson Conchita Taitano, who is actively involved in our sustainability and resilience initiatives, the Port's Planning team collaborated with WSP (the Port's Owner Agent), Jacobs, and Mr. David Louise

*Story continues on page 5*

Bell, an independent contractor to Jacobs serving as the project's lead, to develop and submit the proposal on September 23, 2024."

The goal of the Digital Equity Competitive Grant Program is to fund initiatives that ensure communities have the access and skills to fully participate in the digital world, regardless of their background or circumstances. This program will complement digital equity activities funded by the Capacity Grant Program.

This is the first funding opportunity from the \$1.25 billion Digital Equity Competitive Grant Program, the third of the three Digital Equity Act programs. The Digital Equity Act provides \$2.75 billion to establish three grant programs that promote digital equity and inclusion.

"The global competitiveness of our country relies on how well we harness the talents and strengths of all parts of the country, especially those Americans who have been historically underserved, under-resourced, and overlooked," said Deputy Commerce Secretary Don Graves. "Our pursuit of digital equity and inclusion can ensure that everyone, regardless of their background or location, has access to affordable, reliable, high-speed Internet service and digital skills."

The Port Authority of Guam project seeks to build a robust and resilient digital ecosystem that promotes digital equity and inclusion, catalyzing growth in underserved shoreline communities.

Key components of the project include designating the Port as a Community Anchor



Institution to provide broadband services to five surrounding communities, establishing Community Resource Centers/Digital Equity Hubs at the Hagåtña and Agat Marinas to serve as hubs for digital access and education and upgrading and integrating the Port's Terminal Operating System (TOS) to enhance operational capacity, efficiency, accessibility, and inclusivity.

General Manager Respicio added that by connecting underserved shoreline communities, the project aims to stimulate economic growth and provide equitable access to digital resources.

"Integrating our TOS with digital equity initiatives positions the Port at the forefront of technological advancement, enhancing our operational efficiency and service delivery," he said. "This project, if awarded, is a major addition to our sustainability portfolio and exemplifies our commitment to environmental stewardship and community engagement and will significantly contribute to our mission of serving the people of Guam and strengthening our regional partnerships. It underscores our dedication to fostering sustainability, resilience, and community development."

## FEMA awards Port money for Mawar damage

The Port Authority of Guam has been awarded \$483,012.79 from FEMA for damage sustained during Typhoon Mawar.

On August 28, 2024, the Guam Recovery Office issued official awards of funding under the FEMA Public Assistance grant program for DR4715: Typhoon Mawar.

- Load Centers - \$108,944.60
- Hagatna Marina - \$116,054.00
- Agat Marina - \$12,419.19
- Route 11 sidewalk and embankment- \$245,595.00
- Hotel Wharf Bulkhead - \$7,652,51

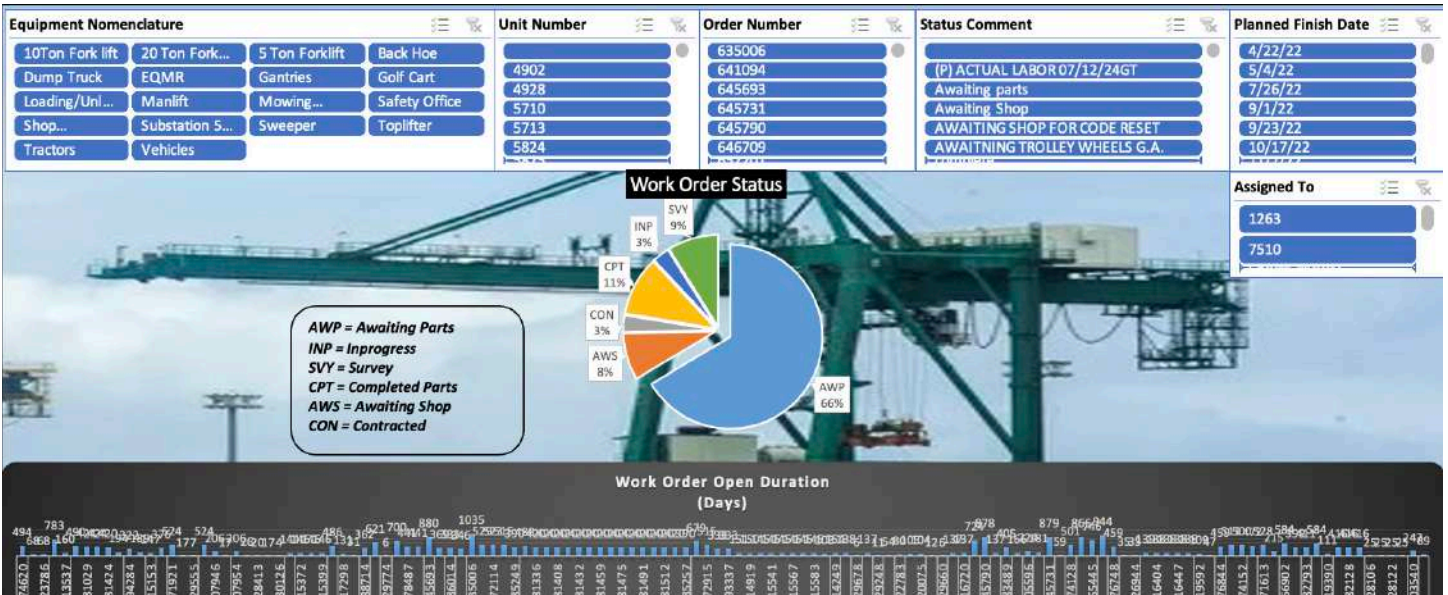
The project has cost shares of 90% federal and 10% local.

The Port Authority of Guam continues to work with FEMA CRC in the finalization of the Golf Pier, F1 Pier, and F3 damage assessment and their corresponding cost estimates.



**FEMA**

## EQMR implements new dashboard



The Equipment Maintenance and Repair Division is now utilizing a new system of recording and tracking the status of all Port equipment and vehicles. The EQMR Dashboard, set up by Equipment Maintenance Superintendent Shine San Agustin with the support of the Maintenance Division, is a centralized interactive digital interface that provides real time updates about the status, performance and maintenance needs of each equipment of the Port Authority of Guam.

Raw data is collected from E1 and is manually downloaded and integrated into the Dashboard which automatically processes and displays the relevant insights based on predefined settings, saving the Planning team three hours daily as compared to the previous reporting process. The information provided through the dashboard includes vehicles or equipment that are down, how long they have been out of service (in days), the estimated completion time, current status of the assets, and whether parts are on order including details about the parts ordered.

Information collected from the Dashboard is used in different ways by the various users:

- EQMR Parts Team: utilizes the report to track items awaiting parts and update E1 with any received parts.
- Maintenance Control: uses the report to monitor work orders with long dwell times, tracking those that exceed 30, 60, and 90 days.
- Shops: relies on the report for daily priority

planning and to identify work orders that, although initially a low priority, have become urgent due to delays. It reduces the risk of human error in managing the large volume of work orders.

The Dashboard has been a valuable tool as it delivers daily updates to the Port users on their assigned assets, ensuring data integrity and maintaining transparency with the EQMR division. It has been helpful in prioritizing maintenance work based on an objective matrix of needs by tracking key metrics such as equipment downtime, parts availability, and estimated completion times. This ensures that maintenance decisions are data-driven and based on operational necessity, reducing the risk of delays and human error.

“The data-driven approach of the EQMR Maintenance Dashboard, combined with Port policies, have resulted in significant operational improvements and better coordination between Maintenance and Operations, ensuring that yard equipment remains in optimal condition while balancing the needs of vessel operations and administrative functions,” said General Manager Rory J. Respicio. “It allows for efficient prioritization of work orders, monitoring of delays, and streamlined handling of parts and repairs. This process improves communication between teams and ensures all stakeholders are informed about the status of their vehicles or equipment resulting in higher productivity within EQMR and

*Story continues on page 7*

related divisions”.

The EQMR Dashboard project began in 2021 with the collection of data and building of the framework, designed to ultimately enable the system to manage, track work and ensure accountability within EQMR. Once ample data was gathered, it took a month to develop the dashboard. “Once we went live, we identified a few missing data points that needed to be added to E1 for the system to function properly. While data collection strategies are essential, if you’re not collecting the right data, you’ll end up with a lot of information that isn’t meaningful or useful,” said Equipment Maintenance Superintendent Shine San Agustin.

This improvement in performing work within EQMR, reinforced by policies approved by the General Manager, establishes a framework that prioritizes critical maintenance, including preventative maintenance and corrosion control, focusing on operational needs and improving overall efficiency while ensuring that maintenance

is not delayed by external factors. The policies developed by the EQMR team, with the approval of the Deputy General Manager of Operations and Maintenance and the General Manager, have proven effective in the current structure.

Prior to joining the Port Authority of Guam, San Agustin held management roles in maintenance within both the military and private sector with his last employment as the Maintenance Consultant for the NAVFAC contractor, DZSP21. He was eager to work in the Government of Guam to explore opportunities for improvement and to contribute to better serving our island. “My experience at the Port Authority has been outstanding, with the team’s collaboration at every level and the mission ranking among the best of my career,” San Agustin said. “The dedication of the people and the services we provide at PAG continually motivate me to improve morale, enhance financial accountability, promote transparency, and boost productivity, all in pursuit of making the Port Authority the top government agency on the island.”

## Tropical storm spares Guam

Tropical Storm Bebinca threatened the island during the second week of September but spared Guam any major damage.

As the storm was approaching, Port General Manager Rory J. Respicio made sure employees secured their work areas the Friday prior to storm passage. As the system neared, Port employees worked diligently to strap down the cranes and trim down empty containers in the yard.

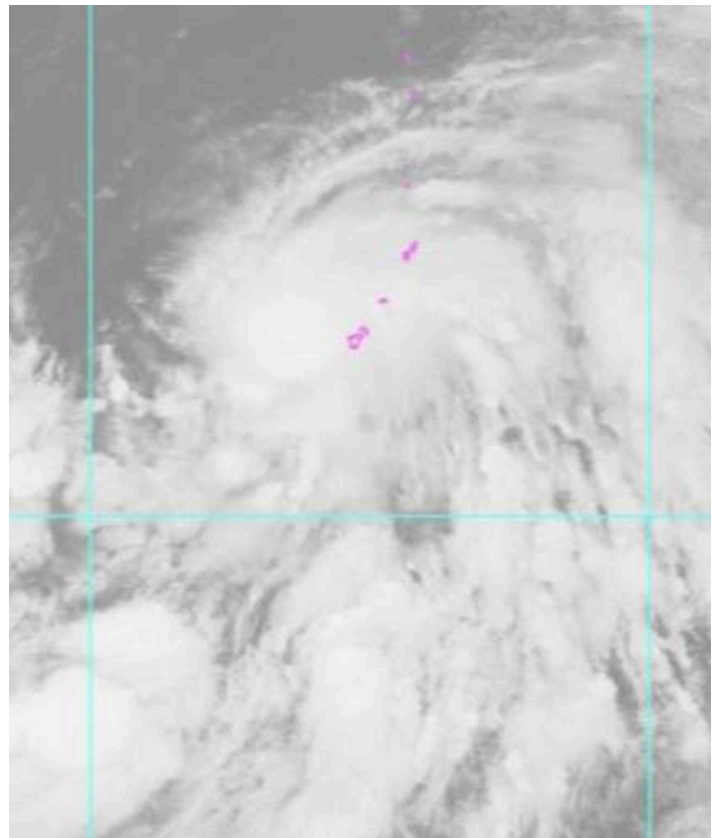
“I am so amazed at the proactive measures our Port strong team always takes and how we leave nothing to chance,” Respicio said.

Guam was declared in Condition of Readiness 3 late in the afternoon on September 10, 2024. The U.S. Coast Guard Captain of the Port (COTP) Guam established PHWC YANKEE effective at 3pm that same day.

Bebinca passed over the island as a tropical depression in the early morning hours of September 11, 2024 and all storm warnings were canceled by the NWS in Tiyan as of 2:17 p.m. that afternoon. At 4pm that same day, the Coast Guard declared PHWC ZULU. Despite the tropical storm, work remained uninterrupted.

Forecasters with the National Weather Service

warn residents that we need to be ready for future potential storms as we enter typhoon season.



## Port launches new Desk Audit Policy

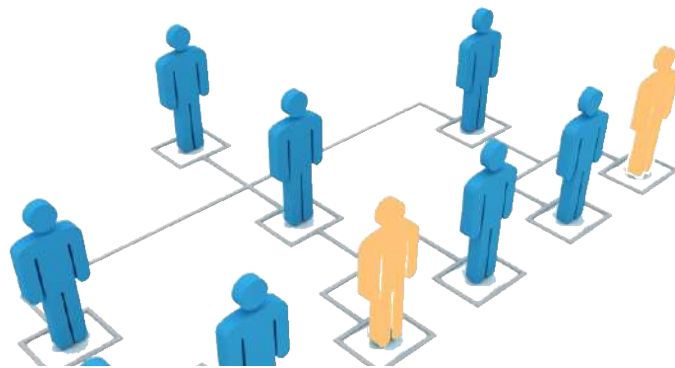
A new Desk Audit Policy will take effect on October 1, 2024 that ensures that employees' job classifications accurately reflect their current duties and responsibilities, promoting fairness, transparency, and alignment with the Port's operational needs.

"This policy is designed to ensure that your job classification accurately reflects the hard work and responsibilities you're handling at the Port," Port General Manager Rory J. Respicio said. "If your role has expanded, this process will help you receive the recognition you deserve as part of our Port Strong family."

The policy is designed to make sure that employees are classified appropriately based on their actual duties, that they are provided a formal process for employees to request a review if they believe their role has expanded beyond their current classification and that fairness and transparency is paramount which maintains equity across the organization while supporting professional growth.

In line with the Port Authority of Guam Personnel Rules and Regulations (PRR) Rule 5.011, employees can request a desk audit if their duties have expanded over the past three months and are not temporary. To move forward, employees will need to outline how their responsibilities have changed since their last review, if applicable, or provide other factors that support a reclassification.

"As General Manager, I will personally review all desk audit recommendations, as I have done so in the past, to ensure that each employee's hard work is acknowledged, aligning with our commitment to fairness, transparency, and integrity," Respicio said. "This policy applies to every Port employee and promotes fairness, transparency, and a supportive work environment. The process is straightforward, with clear guidelines on eligibility, documentation, and timelines. Your supervisor will endorse your request, and Human Resources (HR) will review it carefully. I will make the final decision, ensuring everything is done in accordance with the Port's PRR and the laws of Guam, with full confidentiality."



The General Manager added he is dedicated to fostering policies like this one at all levels.

"The implementation of the new Desk Audit Policy is more than just an administrative update—it's a testament to our commitment to fostering a fair and supportive work environment rooted in the values of our Port Strong culture," he said. "With the support of Governor Lou Leon Guerrero, Lt. Governor Joshua Tenorio, and our Board of

Directors led by Chairperson Dot Harris, Vice Chairperson Conchita Taitano, and Board Secretary Fe R. Valencia-Ovalles, we are dedicated to empowering our employees and recognizing their invaluable contributions."

According to the General Manager, this policy reflects his belief that when team members are accurately recognized for their expanded roles and responsibilities, it not only enhances their professional growth but also strengthens the entire organization..

"Our dedication to implementing such policies stems from understanding that our employees are the backbone of the Port Authority," Respicio said. "Their hard work and dedication keep the Port Strong, and it's our responsibility to provide them with the support and recognition they deserve. This approach not only boosts morale but also prepares us to meet future challenges with a resilient and motivated workforce."

Employees can request a copy of the policy from the Human Resources (HR) Department. The Port also will also be holding training sessions for supervisors and HR personnel, along with informational meetings for all employees.





**Setbisio – Together, We Serve** was the theme for this year's Government of Guam Labor Day picnic which was held at the Gov. Joseph Flores Memorial Park in Tumon. The annual celebration honors and recognizes the vital role that workers play in shaping society and driving economic growth.

The origins of Labor Day date back to the late 19th century during a time when labor unions were gaining prominence amid harsh working conditions, long hours and low wages for many workers. However, it wasn't until June 28, 1894 when Labor Day was made a national holiday and is celebrated throughout America.

The Department of Integrated Services for Individuals with Disabilities (DISID) joined the Port Authority for the second year and employees from both agencies, along with their families, showed up

in full force and participated in the day's activities which included the rock climbing wall, kids train ride, animal petting, musical chairs and volleyball competition. The highlight of the day was the notorious tug-of-war competition where the Port defended its championship title from 2023 in the true Port Strong spirit. With lots of strength and heart, the Port team walked away with the winning tug-of-war trophy for 2024. The Port Authority also took the third place title in the table decoration competition.

Shout out to the divisions who chaired this year's Labor Day event: Stevedores, EQMR, IT/MIS, and Commercial who did a fantastic job in coordinating the event's logistics, food, decorations and raffle prizes. Thank you to all who attended and helped to make the Labor Day festivities a huge success.



## Port Labor Day photos



**Kudos to our Tug-of-War CHAMPS!!**

Thank you to our winning team comprised of (Front - Back): **Mark Tolenoa** (Transportation), **Brandon Carbullido** (Terminal), **Jeric Navarro** (Stevedoring), **Paul Francisco** (Stevedoring), **Malaina Blas** (EQMR), **Frank Cepeda, Jr.** (Terminal), **Pete Salas** (Transportation), and **Raymond San Nicolas** (Transportation).

Work continued during the month of September to move the Port Authority of Guam closer to the goal of achieving Net Zero.

Net zero refers to the balance between the amount of greenhouse gasses emitted into the atmosphere and the amount removed. Achieving net zero means reducing emissions from sources like energy, transportation, and industry to near-zero levels and offsetting any remaining emissions through carbon removal methods such as reforestation, carbon

capture, or technology that removes CO2 from the air. The goal is to prevent further global warming by ensuring that human activities do not increase the overall concentration of greenhouse gasses in the atmosphere.

The Port's recent grant application for its Owner's Agent/Engineer (OAE) to conduct a Port Resiliency and Sustainability Study was granted by the OLDCC through the Office of the Governor. On September 12, 2024, via a Teams meeting, Jacobs presented to Vice Chairperson Conchita Taitano and the General Manager feasible solutions for the PAG to achieve 'Net Zero' by a target date—addressing goals and objectives of the Zero Emissions (ZE) Strategy, greenhouse gas (GHG) emission results, and carbon reduction strategies.

These efforts are a part of the Port Sustainability Plan, which was launched earlier this year and will usher in a new era of excellence with a commitment to environmental sustainability and resilience.

"The Port Sustainability Plan will align with the unwavering commitment to minimizing our ecological footprint, mitigating environmental



impacts, and championing sustainability as established by the Administration of Governor Lou Leon Guerrero and Lt. Governor Josh Tenorio as well as First Gentleman Jeff Cook's Zero Waste Task Force," said Port General Manager Rory J. Respicio.

The Port Sustainability Plan will focus on how to preserve natural resources through zero emissions, zero-waste initiatives, a recycling enterprise zone at the Port, and the use of recycled plastic to rebuild Family Beach Road as well as how the Port will integrate these principles within its operational framework. This comprehensive plan will encompass a wide array of strategies designed to enhance energy efficiency, reduce emissions, manage waste effectively, and preserve natural resources.

The Port Sustainability Plan is a part of the Port's 2024 Look Ahead, a plan that details a comprehensive strategy to improve our Port's capabilities, aligning with the Governor and Lt. Governor's Strategic Framework presented in a One Guam approach to the military buildup. This framework prioritizes Guam's key concerns with a focus on National Security.

## Port welcomes 9th cruise ship

The Port Authority of Guam welcomed its record-breaking 9th passenger vessel of the year, marking a significant achievement for the island's only commercial seaport as well as Guam's tourism industry.

The MV Seabourn Pursuit, making its second voyage to Guam this year, arrived at the Port Authority of Guam at 6:56 p.m. on September 7, 2024 with 183 passengers and 233 crew members. The cruise ship departed the port the following evening on September 8th.

The arrival of the MV Seabourn Pursuit not only boosts Guam's reputation as a premier luxury cruise destination, but also sets a new record for the most passenger vessels to visit the island in a single year. This historic event highlights the growing appeal of Guam as a must-see cruise destination for travelers seeking unique experiences in the Pacific with more than 17,000 passengers and crew members welcomed to our shores this year.

"This significant achievement highlights the increasing recognition of Guam as a top-

tier premier luxury cruise destination," said Port General Manager Rory J. Respicio. "The record-breaking arrival of the MV Seabourn Pursuit is a testament to our island's draw and the Port Authority's dedication to supporting our tourism industry. The fact that many passengers are choosing to extend their stay in Guam or connect to further destinations showcases the island's appeal."

Respicio further emphasized the importance of cruise ships visiting Guam, "This achievement strengthens our tourism industry and aligns with Governor Lou Leon Guerrero and Lt. Governor Josh Tenorio's vision for the Port of Guam as a vital contributor to our local and regional economies. The Port's ability to accommodate a high volume of luxury vessels speaks to the strength of our infrastructure and the dedication of our Port Strong team."

The Port Authority of Guam anticipates welcoming two more passenger vessels before the end of the year: the Carnival on October 22nd, and the MS Asuka II on December 30th.



**Quarterly Employee Awards - 3rd Quarter of FY 2024**

**Employee of the Quarter**

Category 2:



Jacqueline Cruz, Program Coordinator III



Gerdie Sicat, Welder I

**Supervisor of the Quarter**

Category 2:



Edwin Malaga, Crane Operator Leader



**Outstanding Work Center of the Quarter**

Category 1:



Procurement and Supply Division

Category 2:



Transportation Division

**Good Housekeeping Work Center of the Quarter**

Category 1:



General Manager's Office

Category 2:



Transportation Division

## Port family bids farewell to Brother Reed

The Port Authority of Guam held a tribute on September 9th to bid a final farewell to Stevedore Superintendent Reed S. Topasna who died in a tragic accident on August 24, 2024 during a hiking expedition at the Mount Taene area in Santa Rita-Sumai. Reed was with a group of fellow hikers when he fell into a 35-foot hole during the hike.

Prior to his funeral, the hearse carrying Brother Reed came to the Port and was met with a Salute of Trucks as well as Port employees lined up to bid him a last goodbye. Once arriving in front of the Administration Building, Reed's family was given presentations honoring his life. Those giving the presentations included Governor Lou Leon Guerrero, Lt. Governor Josh Tenorio, Board of Directors Dorothy P. Harris and Conchita Taitano, as well as General Manager Rory J. Respicio and Deputy General Managers Dominic G. Muna and Pacifico R. Martir.

"Reed significantly contributed to the agency's growth, particularly in safeguarding Guam's supply chain," Respicio said. "Reed consistently upheld the highest standards of integrity, treating fellow employees and Port customers with respect. His outstanding performance in fulfilling his duties and responsibilities is commendable."

The Port extends its deepest condolences and prayers to Reed's children, parents, siblings and family, as well as his Port Strong Family and members of his hiking community. He will always be remembered for his upbeat and positive demeanor, and his dedication and love for the Port Authority of Guam. Rest in Heavenly Peace Brother Reed.



Invited dignitaries take part in a groundbreaking ceremony on April 19, 2023 at the Port Authority of Guam's terminal yard. PHOTO COURTESY PORT AUTHORITY OF GUAM



**M**odernization plans by the Port Authority of Guam (PAG) are kicking into high gear as the U.S. Department of Defense (DOD) accelerates construction activity on the island.

Rising geopolitical tensions in the region, which resulted in the increased military buildup, underscore Guam's crucial role in homeland defense, says PAG General Manager Rory Respicio.

"We provide critical support to the nation's readiness when deploying military assets for not only the Guam military buildup, but for the entire Indo-Pacific strategy," he says.



Rory Respicio

### A VITAL ROLE

Guam's lone commercial port provides the Western Pacific region with vital global supply chain access.

"Approximately 30 percent of the total cargo currently moving through the Port Authority of Guam is military-related," Respicio says. "During the peak of the military buildup, additional imported military equipment, supplies and construction-related materials are expected to nearly double the port's military cargo volumes."

The \$11 billion military buildup stems from a 2006 agreement between

Washington and Tokyo, which calls for the relocation of 5,000 Marines from Okinawa to Guam.

"The U.S. Marine Corps has reported that up to 134 projects are directly associated with the realignment efforts, with many currently ongoing or pending," Respicio says.

Along with defense construction related to the Marines' transfer, U.S. Indo-Pacific Command is also proposing to build a \$1 billion missile defense system on Guam, while the U.S. Air Force is preparing to develop training facilities at Andersen Air Force Base for Singaporean F-15 fighters.

The DOD estimates approximately \$8 billion in spending during fiscal years 2021 through 2029 for Guam military buildup and training facilities in the Northern Marianas, compared to an average of \$300 million a year for the past eight years. The DOD obligated \$530 million in Fiscal Year 2020 and \$402 million in FY2021 for construction projects linked to troop realignment.

"Port operations contribute to the overall quality of life by ensuring that consumer goods, construction materials and other essential supplies are consistently available," Respicio says.

### MULTIPLE UPGRADES PLANNED

The port chief notes that fulfilling the agency's mission necessitates "the highest standards of operational resiliency, readiness and efficiency," hence the need to upgrade its infrastructures.

Among the PAG's largest projects that are part of its modernization plan is wharf rehabilitation and access roadway repairs, estimated at \$92.6 million. The project involves phased rehabilitation of the wharf structure with a new bulkhead, modern mooring and fendering system, utilities and pavement. According to the Office of Public Accountability's June 2024 audit report, "the design phase is 95 percent complete, and the next step is construction."

The authority launched two systems upgrade projects last year. In March 2023, contractor BME & Sons Inc. began work on a \$4.8 million waterline replacement and relocation project, which was fully funded through revenue bonds issued in 2018.

"Replacing existing waterlines will relocate the main service feed line and address the 15 major leaks identified in the past three years," Respicio said during a groundbreaking ceremony held last year. "The new waterlines will provide redundancy and improve water pressure to meet local building codes, National Fire Protection Association requirements and U.S. Coast Guard requirements for fire-fighting operations."

The following month, the PAG broke ground on rehabilitation and upgrades at its Equipment, Maintenance and Repair (EQMR) Building and Warehouse 1, which houses heavy equipment such as fork-

*Story continues on page 16*

lifts, transportation fleets, cargo handling equipment and tractors.

“We are doing what we can to extend the service life of these facilities,” Respicio says.

Repairs and upgrades are intended to harden 79,000 square feet of warehouse space. According to the project’s description, structural repairs will address existing cracks and spalling that affect overall structural integrity and pose hazards to personnel working within the facilities. JJ Global Services is completing the work.

The \$3.1 million project also includes repairs to mechanical and electrical systems within the EQMR Building, upgrades to its fire protection system and inspection and replacement of corroded reinforced steel in Warehouse 1. This portion of the project is being performed by IAN Corp.

### TYPHOON MAWAR’S EFFECTS

The devastating Typhoon Mawar, which hit Guam last May, posed temporary setbacks to port operations.

Respicio says Mawar significantly damaged Golf Pier, one of Guam’s only two fuel piers, along with its shoreline, bulkhead and riprap. The damage has rendered the facility inoperable, with the replacement of Golf Pier estimated to cost approximately \$83 million.

“Other major areas affected by the storm were the F1 through F6 wharves, with notable damage to the sheet pile wall at F3 and the concrete bulkhead of F4 through F6,” Respicio says.

He says the port has repaired most of the damage to its



The Port of Guam provides the Western Pacific region with important access to the global supply chain network.

PHOTO BY MAR-VIC CAGURANGAN

buildings and replaced vital equipment, but it continues working with the Federal Emergency Management Agency regarding scope, costs and repairs to restore full recovery of port operations.

Among related projects are replacement of the F1 pier, which costs \$84 million, and hardening of Wharves F2 through F6, estimated at \$22.4 million.

### AGING CRANES

The port’s three 40-year-old gantry cranes pose an equipment challenge that may compromise its operations.

“Based on consultant reports, they’ll reach the end of their expected service life and will need to be replaced in a few years,” Respicio says. “The three cranes can meet the forecast demand for the Department of Defense buildup. But if just one of those cranes goes out of service before replacement, it will delay the military buildup by four years.

“If two of those old cranes go out of service, the port would not be able to meet commercial demand or the DOD mission,” he adds.

The PAG plans to acquire three rail-mounted ship-to-shore gantry cranes at a cost of about \$60 million. For the past several years, however, the port agency’s plans have been hampered by federal rules.

“Because this equipment has not been made in the United States since the 1980s, the PAG has attempted to apply for waivers through federal grant programs to acquire the needed equipment,” Respicio says. “Despite numerous federal agencies providing waivers to the Build America Buy America requirements for Pacific Island territories, these waivers have expressly excluded the purchase of STS [ship-to-shore] gantry cranes.”

In June, the authority submitted a grant request to the Office of Local Defense and Community Cooperation’s Defense Community Infrastructure Program for \$19.9 million to fabricate and install a rail-mounted ship-to-shore gantry crane, and is currently soliciting bids to acquire another crane purchased with port funds.

“We recognize that the replacement of STS gantry cranes is critically needed for the Port of Guam to maintain its operational and financial sustainability to properly service the military buildup and future mission capabilities on Guam and within the Mariana Islands,” Respicio says. 🏠

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## Gearing up for Port Week

The annual Port Week celebration will be held in the month of October celebrating our agency’s 49th anniversary with our theme of “Port Strong: Nearly Half a Century of Grit, Resilience, and Service Fueling Local and Regional Economies, Partnerships, and National Security.”

Next year we will celebrate our special 50th Anniversary and our theme will be “Port Strong: 50 Years of Grit, Resilience, and Service Fueling Local and Regional Economies, Partnerships, and National Security.”

“This unified theme for the 49th and 50th anniversaries honors the Port’s enduring legacy and its critical role in supporting Guam and the region,” said Port General Manager Rory J. Respicio. ‘Nearly Half a Century’ for the 49th anniversary builds anticipation, while the 50th anniversary marks the significant milestone of 50 years. This consistency underscores the port’s contribution to fueling local and regional economies, fostering partnerships, and upholding national security.

Respicio added that this year’s theme

celebrates the unwavering dedication of Port Authority of Guam employees, past and present, who have been the backbone of the Port’s success throughout these years.

“Our theme also recognizes the leadership of Governor Lou Leon Guerrero, Lt. Governor Josh Tenorio, and the Board of Directors, including Chairperson Dot Harris, Vice Chairperson Conchita Taitano, and Board Secretary Fe R. Valencia-Ovalles,” Respicio said. “By highlighting the Port’s pivotal role in driving economic growth on Guam and throughout the region, strengthening local and federal partnerships, and supporting a port readiness plan tied to military preparedness amid growing geopolitical tensions, we underscore the Port of Guam’s importance in shaping a sustainable and prosperous future for Guam and the region.”

Upcoming events include the Opening Ceremony and Parade of Trucks on Monday, October 21, 2024, 9:30am, at the Port Admin Building. The Port Finale is scheduled for Friday, November 8, 2024, 6pm at the Top O’ the Mar.



## SAVE THE DATE

### Upcoming Events Schedule

#### October

Date and Time Event and Location

**04**<sup>th</sup>  
MON  
3 PM

Port Week Volleyball  
Port Parking Lot

**07**<sup>th</sup>  
MON  
12 PM

Port Bowling  
Central Lanes Bowling Center

**11**<sup>th</sup>  
FRI  
6 PM

Trunk or Treat, Food trucks and Mini Car Show  
Port Seawall

**18**<sup>th</sup>  
FRI  
6 PM

Billiards  
Buddies Billiards

**21**<sup>th</sup>  
MON  
9:30 AM

Port Week Opening Ceremony  
Port Administration Building

#### November

**08**<sup>th</sup>  
FRI  
6 PM

Port Week Grand Finale and Employee Recognition Ceremony  
Top O’ the Mar

Additional events are forthcoming.

## Port continues to assist local schools

The Port Authority of Guam continues to work on the Governor’s project that assists local Guam Department of Education schools with opening and repairing their campuses.

Jose Rios Middle School was able to open in September following extensive assistance from Port personnel.

The Port assisted Jose Rios Middle School with preparations needed to get the school open to students due to maintenance issues that prevented the school from passing public health inspection.

The Governor’s Office credited Port personnel for their assistance in working to get students back into the classroom.

“At Jose Rios Middle School, Governor’s SORT repaired the school’s decades-old electrical panel issues, which supported the restoration of

air conditioning and ventilators,” a press release from the Governor’s Office stated. “Teams also addressed debris removal, cleaning and painting of classrooms, repairs to restrooms, and ground maintenance. This work was completed by the Port Authority of Guam, which provided skilled laborers, including electricians and electrical engineers, the Department of Integrated Services for Individuals with Disabilities (DISID), and the Veterans Affairs Office, with the assistance of GTA who provided a boom manlift to gain access to the gymnasium roof.”

Meanwhile, the Port has now been tasked to assist other agencies with efforts to drain the pool at Southern High School.

Congratulations to all involved for helping the students be able to get back to school and to have safe school facilities.

## Port Wellness Program continues



**Smoking Cessation by Operations**



**Seawall Run, Walk or Hop by Terminal**



**Presentation feat. Boka Box by Planning**



**Port Bike Ride by Harbor Master’s Office**



**Presentation feat. SDA by Planning**

### Upcoming Wellness Events

Host:	Week of:
Procurement	Sept. 30 - Oct. 4
General Admin.	October 7 - 11
EQMR	October 14 - 18
Safety	October 21 - 25

## Guam receives federal awards to protect Marine and Environmental Resources

Hagåtña, Guam – Governor Lou Leon Guerrero and Lt. Governor Josh Tenorio announced on September 24, 2024 the recent award of \$497,846 from the Office of Insular Affairs under the Bipartisan Infrastructure Law. This critical funding will support the Department of Agriculture’s Guam Coral Reef Initiative (GCRI) project titled, “Surveillance, Planning, Rapid Response, and Community Education for Marine Invasive Species Project in Apra Harbor.”

“Protecting our natural resources is essential to preserving what makes our island special,” said Governor Leon Guerrero. “This project will help us identify, monitor, and respond swiftly to marine invasive species, ensuring the long-term health of Apra Harbor and the surrounding ecosystems.”

GCRI was also awarded \$293,511 from the Office of Insular Affairs under the Coral Reef and Natural Resources Program. This funding will expand GCRI’s efforts to effectively manage, conserve, and restore Guam’s coral reef ecosystems. This award provides crucial funding for several staff positions, including the Coral Reef Policy and Communications Coordinator, two Reef

Restoration Biologists, and a new Administrative Assistant to support GCRI’s administrative needs as the program continues to grow. This funding also supports the expansion of GCRI’s burgeoning coral reef restoration project, and backs Guam’s continued participation in the U.S. Coral Reef Task Force and the Micronesia Challenge.

In addition to the Department of Agriculture’s award, \$50,000 has been allocated to the University of Guam for the Guam On-Island Biosecurity Training. This initiative aims to enhance local capacity to manage invasive species, reinforcing Guam’s biosecurity infrastructure through education and hands-on training.

“These projects represent our commitment to safeguarding Guam’s unique environmental heritage,” added Lt. Governor Tenorio. “By investing in the protection of our land and waters, we are also investing in the future of our people and the continued vitality of our island’s ecosystems. These initiatives underscore our ongoing efforts to protect Guam’s natural environment and educate the community about the importance of biosecurity.”

## Seaports Advisory features the Port

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A WEEKLY DIGEST OF PORT NEWS AND INDUSTRY TRENDS

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### Port Authority of Guam Welcomes Record-Breaking Ninth Cruise Ship of the Year



On September 7, 2024, the Port Authority of Guam marked a record-breaking milestone with the arrival of its ninth cruise ship of the year, the MV Seabourn Pursuit. The vessel, carrying 183 passengers and 233 crew members, highlights Guam’s growing reputation as a premier luxury cruise destination. With over 17,000 passengers and crew welcomed in 2024, this achievement strengthens the island’s tourism industry and showcases the Port’s ability to accommodate high volumes of luxury vessels. Two additional cruise ships are expected to visit Guam before year-end.

## September photo highlights





**PORT OF  
GUAM**

# Happy Birthday



CASTRO JR., PETE M. NELSON, GLENN B. FAASUAMALIE, IONATANA BALAJADIA, DERRICK M. CABE JR., QUIRINO B. CEPEDA, FRANCES T. TOPASNA, JUNIOR D.N. QUICHOCHO-CRUZ, JOY R. PANGELINAN, JOAQUIN P. AROMIN, GUS ALAN D. SAN NICOLAS, PAUL A. JAVELLANA III, JOSE G. SAN NICOLAS, KEITH D. LEON GUERRERO, LEONORE V. BABAUTA, JOVONNE	FLORES, JANICE H. CORDERO, ESTEFANIE C. SANTOS, FRANKLIN J. CRUZ, GARY T. MOVIDA, DARYL M. SANTOS, JOHN A. ROBERTO, COREY V.C. GOFIGAN, RAYMOND J. CALIP, CHRISTOPHER J. CASTRO, JASON M. CARBULLIDO, BRANDON J. CRUZ, JAMES Y. CRUZ, BENJAMIN P. CHARFAUROS, MATTHEW J. MENDIOLA, ZACHARY J. CHAMBERLAIN, CARA J.	ECLAVEA, JESSE JAMES JR. SANTOS, JUSTIN K. MCCARREL JR., PAUL A. SANTOS, JOSHLYNN URFIA T. DACASIN, JIMMY P. IGNACIO, ROY R. UNTALAN, CORY RAY A. MENO, DAVID C. NAPUTI, DEAN ANTHONY CARBULLIDO, PETER JOHN B. CAMACHO, JAIDON VICTOR A. CASTRO, GREGORY P PEREZ, KENNETH R. RIOS, BONNIE T. HERRERA, DARION J IGNACIO, ODETH BEALIAH F.
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