



PORT OF GUAM

ATURIDAT / PUETTON GUAHAN

Jose D. Leon Guerrero Commercial Port

1026 Cabras Highway, Suite 201, Piti, Guam 96925

Telephone: 671-477-5931/35 Facsimile: 671-477-2689/4445

Website: www.portguam.com



Lourdes A. Leon Guerrero
Governor of Guam

Joshua F. Tenorio
Lieutenant Governor

REGULAR MEETING OF THE BOARD OF DIRECTORS

Jose D. Leon Guerrero Commercial Port

Thursday, July 29, 2021

Virtual Board Meeting

3:00 p.m.

A G E N D A

- I. CALL TO ORDER
- II. APPROVAL OF MINUTES
 - June 22, 2021 – Regular Board Meeting
- III. PUBLIC COMMENTS:
 - a. Public Comments
 - b. Employee Comments
 - c. PAGGMA Association
- IV. GENERAL MANAGER'S REPORT (deferred to Old/New Business Items)
- V. OLD BUSINESS
- VI. NEW BUSINESS
 1. RFP-PAG-021-003: Owner Agent Engineer Services.
 2. RFP-PAG-021-001: Information Technology Consulting Firm (ITCF).
 3. Resolution No. 2021-07 Relative to Authorizing the General Manager to use Port Revenues, Unrestricted Port Funds and/or Other Port Revenues & Federal Grants to Supplement the Funding of Revenue Bond Projects.
 4. Relative to Rescinding Board of Directors Policy Memorandum No. 2009-02, Subject: Designation of Emergency First Responders and On-Call Emergency Management Personnel.
- VII. ADJOURNMENT



PORT OF GUAM
ATURIDAT I PUETTON GUAHAN
Jose D. Leon Guerrero Commercial Port
1026 Cabras Highway, Suite 201, Piti, Guam 96925
Telephone: 671-477-5931/35 Facsimile: 671-477-2689/4445
Website: www.portguam.com



Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS Tuesday, June 22, 2021

I. CALL TO ORDER

There being a quorum, the regular meeting of the Board of Directors was called to order at 3:07 p.m., Tuesday, June 22, 2021. Present at the meeting were:

Francisco G. Santos, Chairman
Nathan T. Taimanglo, Vice Chairman
Isa Marie C. Koki, Board Secretary
Dorothy P. Harris, Board Member
Rory J. Respicio, General Manager
Dominic G. Muna, Deputy General Manager, Operations
Luis R. Baza, Deputy General Manager, Admin/Finance
Atty. Christine K. Claveria, Port Staff Attorney

Also present was Port Staff.

II. APPROVAL OF MINUTES

a. **May 27, 2021 – Regular Board Meeting.** Director Koki made motion to approve the minutes of May 27, 2021, subject to correction. The motion was seconded by the Vice Chairman and was unanimously passed.

III. PUBLIC COMMENTS

- a. **Public Comments:** None.
- b. **Employee Comments:** None.
- c. **PAGGMA Association:** None.

IV. GENERAL MANAGER'S REPORT

1. COVID-19 Vaccination Dashboard.

- Fully vaccinated - 234 or 68% of 344 total Port employees
- Port Employees who received 1st dose: 38

Note: These thirty-eight (38) Port employees are scheduled to receive their second dose next week. If all thirty-eight (38) employees receive their second dose, the Port will be 79% vaccination rate.

2. **COVID-19 Vaccination Outreach Clinic Held on June 2, 2021.** Seventy-eight (78) individuals were vaccinated. This included port employees, port tenants, our industry partners, and their families.

The second COVID-19 Vaccination Outreach Clinic is scheduled as follows:

- June 30, 2021, from 6:30 am through 9:00 am (or while supplies last).
- Location: Formally Port Clinic. Drive-thru and Walk-ins.
- Vaccinations: Pfizer 12-year-old and up; Moderna 18-year-old and up; Johnson & Johnson.

This Covid-19 Vaccination Outreach Clinic is open to Port and Customs employees, Port tenants, their family members; basically, this is open to the general public.

3. **A Port Employee Tests Positive for COVID-19.** On June 2, 2021, a Port employee tested positive for COVID-19. The Port's Contract Tracing Team immediately identified forty-three (43) potentially close contacts and worked with Public Health to schedule testing. Ms. Frances A. Cepeda, Acting Personnel Services Administrator, notified Public Health to schedule covid testing for all potential exposures. We are happy to report that the additional forty-three (43) Port employees tested negative. This Port employee who contracted the coronavirus is cleared by Public Health and has since returned to work.
4. **CSC Post Audit Staff Investigation; Complainant Senator Telena Nelson.** The Guam Civil Service Commission unanimously ruled on June 15, 2021, that the Port Authority of Guam complied with all rules and laws when they hired employees who had criminal convictions.

The ruling came after the CSC Board of Commissioners voted 5 to 0 to adopt the Post Audit Staff Investigation Report affirming the following:

- That the Port Authority of Guam (PAG) followed their Personnel Rules and Regulations in their hiring practices and procedures pursuant to Prohibition: Convicted Felons and Prohibition for Sex Offenders;
- That the PAG's hiring practices for employees who disclosed a criminal conviction on their Suitability Determination (SD) form that were hired in Fiscal Years 2017 through February 2021 is pursuant to applicable rules, regulations, and law; and
- Considering that the information obtained for this Post-Audit was extracted from PAG's employee personnel files, which is confidential, no names shall be disclosed, considering there were no actual violations of 4GCA §4203.1 and 4GCA §4203.3.

The CSC Post Audit was the result of a complaint filed by Senator Telena C. Nelson on January 28, 2021, requesting the CSC's Board of Directors "to conduct a Post Audit into the hiring practices utilized by the PAG and to confirm whether these practices are in accordance with the laws of Guam and the rules and regulations of the Government of Guam. Specifically, to conduct a Post-Audit of employees with any criminal conviction hired by the PAG in Fiscal Years (FY) 2017 through February 16, 2021, and any document or recorded information from the Port Authority relative to the justification of hiring employees with any criminal history." We have maintained that these allegations are baseless and cooperated fully with the CSC. At the recommendation of former General Manager and current Senator Joanne Brown that this Post Audit go all the way back to 2010 also to cover the hiring practices of former General Manager and current Senator Mary Torres, we willingly submitted to the CSC and the legislature every single employee who was hired at the PAG from FY2010 to present and welcomed the additional scrutiny.

We would like to thank the Civil Service Commission for their Post Audit findings which revealed that the Port Authority of Guam did not violate any rule or statute of 4GCA §4203.1 and 4GCA §4203.3.

5. **Port Authority Citizen-Centric Report.** The Port's FY2020 Citizen-Centric Report, published on June 8, 2021, provides the public with a performance review of the Port's operations and its finances. This annual report also gives an overall general outlook of the Port's future. The Port's Citizen-Centric Report shows that despite the impact from the pandemic, containers handled during FY20 resulted in an increase of 0.2% as compared to FY19. The Port saw a decrease in the total operating revenues of 1.1%, which is within the fluctuation of revenues in a normal condition and a significant revenue loss. And, even with the global crisis and an increase in cargo, the Port employees moved those cargo containers faster than the previous fiscal year. The Report also includes information on the Port's organizational climate survey that invited employees to speak their truths about working at the agency. Three hundred seventeen (317) out of Three Hundred Fifty-Six (356) personnel submitted a response which is an 89% response rate. The results showed overwhelming positive results in the areas of job satisfaction and revealed that employees believe that morale is at an all-time high.
6. **General Manager's Notes for YTD Finances, as of May 31, 2021.** We are providing the following summary:

REVENUES AND CARGO THROUGHPUT:

- The Port's Total YTD Operating revenue for May 2021 is \$36.7 million, 1.4% or \$521K lower than the YTD May FY21 budget projection of \$37.2M.
- The total number of containers handled as of May 2021 is 56,158, which is 1.1% lower or 637 fewer containers than last year's May 2020 total of 56,795.

OPERATING EXPENSES:

- Overall YTD Operating expense, as of May 31, 2021 is \$33.1M, which is 7% lower than the YTD budget as of May of \$35.6M, or \$2.4M in YTD cost avoidances.

OVERTIME EXPENSE AND DIRECT LABOR REVENUE:

- Overtime YTD for Divisions involved in Operations is \$859,296, which is 0.1% or \$568.00 lower than YTD overtime budget of \$858,728. The overtime for May resulted in an increase of 19% or \$20K compared to April, from \$107K in April to \$127K in May.
- Direct Labor reimbursement is \$2.1M, which is 9% or \$205K lower than the FY21 budget of \$2.3M. Here is the breakdown:

Direct Labor Revenue:	\$2,152,279
Operations Overtime:	<u>\$ 859,296</u>
Variance:	\$1,292,983

YTD OPERATING REVENUES MINUS YTD EXPENSES

- Operating revenues minus operating expenses resulted in an operating income of \$3.5 million. The final result for the month of May is a net loss of \$123K, after deducting net of Other Income/Expense totaling to a -\$3.6 million.

Note: The YTD Net loss is \$123 thousand. -\$3.6 is net balance of Other Income and Expense which is composed of Interest Income, Interest Expense, Federal Reimbursements, Federal Expenses, Retirees COLA, Supplemental, Medical and Dental, and Other Non-Operating Income & Expenses.

Other Financial Highlights, as of May 31, 2021.

- The debt service ratio as of May is 1.56. This is 25% higher than the Bond Indenture Debt service ratio requirement.
- Days Cash on Hand is 883 days, which is 77% or 383 days higher than the 500 days requirement of Moody’s Rating agency.

DEBT SERVICE RATIO – MAY 2021

Projected Annual Debt Service Coverage	1.56
Debt Service Coverage Requirement	1.25
Variance	0.31
% Above the Indenture Requirement	25%

7. **General Manager’s Directive to Include the Practical Portion of Interview for ALL Certified Positions.** We have reinstated the skills assessment test, and the first use of our continued standard of excellence was for the Crane Operator position. We discovered that this practice ceased more than ten years ago, and for example in the case of the crane

operator, individuals applying for this position and other positions requiring certifications were evaluated and hired based solely on information provided on the employment applications and accompanying certifications submitted. As done with all government agencies, applications are rated and an eligibility list is established. Interviews take place and the most qualified applicant is selected and the position is then filled accordingly.

On May 17, 2021, three positions for Crane Operator were filled in-house. But unlike previous practice, we reinstated the skills assessment test to help management evaluate the practical competence of the five job candidates. This portion of the interview process took place on April 30, 2021 with a panel of five raters evaluating each candidate on their ability to operate the gantry crane. Candidates were given the opportunity to showcase their skills in moving a 20-foot and 40-foot container. With the practical assessment test, we actually see if the individual has the required skills to perform the job successfully.

Skill assessment tests are commonly used by many employers in the hiring process to narrow down their list of candidates and to make well-informed, data-backed decisions regarding recruitment, training, and promotion of job candidates and employees. The nature of work for crane operators includes operating the cargo handling gantry crane and other related equipment for transporting containerized and breakbulk cargo between vessels and the terminal facilities within the Port compound. Crane operators must possess excellent depth perception, hand-eye coordination and must be able to sit in tight spaces for a long period of time. They must have knowledge of the standard method, practice and techniques involved in the operation of cargo handling cranes and related equipment, as well as understanding the Port's traffic and safety regulations. Of utmost importance is the crane operator's ability to work safely as the job requires them to climb high ladders and work in places more than 120 feet high. Cargo must be handled with care to avoid damage to items being shipped and to the equipment itself.

Employees in the Operations Division have been undergoing cross training within the Transportation, Terminal and Stevedoring sections. It is our goal to arrange as much cross training as possible to allow employees the most opportunity to develop their skills and qualify for higher positions. Recent promotions came from the batch of employees who completed the 40 Hours Gantry Crane Certification and on the job training which took place last August 2020.

We extend our congratulations to Christopher Waki, Frank Cepeda, Jr., and Jonathan Blas for being selected as a Crane Operator.

8. **Application of U.S. Department of Labor Rules in Defining Exempt and Non-Exempt Positions.** On August 23, 2004, Governor's Executive Order 2005-28 took effect and listed all bona fide exempt positions in the executive, administrative, professional, and other categories with the Executive Branch. All supervisors with the Port were identified in the executive order as exempt. Through the guidance of the U.S. Department of Labor, Wage & Hour, tests were conducted to determine if first-line supervisors were exempt. Their review

found that certain supervisory, administrative and professional positions were found to be non-exempt.

On March 14, 2012, the Assistant District Director of U.S. Department of Labor & Wage Division conducted an orientation with Port supervisors and managers regarding the revised regulations of the Fair Labor Standards Act. Based on the orientation, Port was advised to conduct the tests to determine if the non-exempt positions previously identified continue to be non-exempt status.

However, before the Port's Human Resources (HR) staff could finalize their review, the former General Accounting Supervisor for Expense in 2012 or early 2013 converted those non-exempt positions back to exempt positions. Since then, employees occupying these positions have been paid straight time status for actual hours worked over 40 hours of straight time. In 2013, HR staff completed its review and presented their findings to the former General Manager, and unfortunately no action was taken to provide for fairness, parity and the proper implementation of the Governor's Executive Order 2005-28.

On June 2, 2021, HR staff presented their findings to me and provided an updated listing of exempt and non-exempt positions for approval. We immediately approved the listing and informed ALL division heads of this change, noting that this change will be implemented prospectively.

9. **On-going Efforts to Support Custom's Mandate to Secure Our Borders.** We issued a public notice May 25, 2021, reminding all vessel operators that commercial cargo activity at the Hagåtña and Agat marinas is strictly prohibited and that the Port will continue to enforce this prohibition.

On May 28, 2021, we met with those vessel operators who are engaging in this type of commercial cargo activity from the Hagåtña marina to Rota. During this meeting, we discussed the treacherous waters they would encounter if they are traversing their vessels from Hagatna marina to Apra Harbor and then to Rota. A discussion centered on the Port's new implemented processes to allow commercial activity on a temporary basis to occur at the Hagåtña marina.

Following this meeting, we held another meeting with Port Police, Customs & Quarantine Agency, Guam Police Department Marine Division and U.S. Coast Guard, as well as the Port's Harbor Master and Commercial Division. We all agreed that commercial cargo activity will be allowed, at least for the time being, provided certain processes are followed by these vessel operators. We are all currently reviewing a draft policy.

Our collective efforts are two-fold: One is to secure our borders from any potential drug and human trafficking, in this case between Rota and Guam, and to provide for the safety of everyone who uses the Port's Marinas.

10. **RWUMP Requirement.** We were recently advised by the Department of Parks and Recreation (DPR) that the Port's watersport's tenants would need to obtain a Recreational Water-Use Management Plan (RWUMP) permit. This permit is issued by DPR. We then issued a notice of this requirement to our tenants, informing all of them that they must secure a RWUMP permit in order to operate jet skis, or similar watercraft equipment within Apra Harbor. We are working with Port tenants, as well as DPR to ensure compliance.

11. **Harbor Rules and Regulations.** The Harbor Rules and Regulations were last updated in 2001. The need to update is advisable, as some laws have changed, or need to be inserted. Certain commercial vessel requests, or watersport activities have become more popular, which are non-existent, or not clearly defined in the rules and regulations; therefore, requiring a set of rules for operating in Outer Apra Harbor to protect the marine environment, and to create a safe operating condition for all who utilize Port Authority owned waters. Some examples of commercial vessel requests include: in-water hull cleaning, propeller and sea chest cleaning, pest fumigation, and vessel stack scrub and washing. Certain operations pose a marine environment threat that are prohibited, or require clearance from local and federal agencies, and are clearly not stipulated in the rules and regulations. Currently, we are working on permitting fishing, swimming, and other recreational activities in Outer Apra Harbor and have found that some of these activities are not clearly defined or areas designated. The typhoon condition of readiness for the government and Guam is addressed, but the U.S. Coast Guard port heavy weather condition is not, which have some variant differences in conditions of readiness and requirements for commercial vessels, and port authority operations. In coming across these issues, it is evident that the rules and regulations need to be updated. We plan to look into each section carefully, make notes on needed updates or possible changes, and create a draft for initial review.

12. **Port Employee Photo Contest.** For the first time ever, the Marketing Division held a photo contest open to all employees which ran from March 1, 2021 to April 30, 2021. Employees were invited to enter photos taken within any area of the Port for a chance to win a cash grand prize and to have their photos utilized for various Port publications. Eleven employees entered the contest and more than 30 photos were submitted for judging. This contest brought out hidden talents and skills possessed by our employees. The team of judges tasked to make the difficult selection of the winning photos included General Manager Rory J. Respicio, Deputy General Managers Dominic G. Muna and Luis R. Baza, and Corporate Services Manager Vivian C. Leon. On June 18, 2021 the Port Employee Photo Contest Awards Ceremony was held where all participants were presented with a Certificate of Participation. Certificates were awarded for First, Second and Third Place and the First Place winner was awarded with a \$200 cash prize donated by PAGGMA.

Congratulations to the winners which included:

- First Place - Ronnie Sablan Jr. - Crane Operator
- Second Place – Frankie Cruz - Transportation Supervisor
- Third Place – Christopher Aguigui – Winch Operator

13. Grant Awards and On-going Grant Submissions.

- a. **EDA Grant Application.** On June 10, 2021, the Port received the grant award notification from EDA on its fuel pipeline connectivity project. In acceptance of the award, the Port submitted the following required documents to EDA: 1) ACH Vendor Payment Enrollment Form (required for EDA funding drawdowns), 2) Form CD-450 (Acceptance of award and acknowledgement of award conditions), and 3) Port Planning, Engineering, and Finance personnel certification of completion of EDA/OIG's Fraud and Abuse Training.

Project Cost Estimate:	\$3,016,363.00
Grant Award:	\$2,413,091.00 (80% Cost Share)
PAG Share:	\$ 603,272.00 (20% Cost Share)

b. **Department of Agriculture Grant.**

1. **Harbor of Refuge (HOR)** - Although the HOR drawings were finalized in 2015, the Port was advised by the Department of Public Works Building Inspector & Permits as well as the Port's Engineer Manager that the drawings will have to be recertified by the Engineering Firm or Engineer of Record (EoR). The drawings for the wastewater ejector pump station and storage was recertified by the EoR, N.C. Macario & Associates. As for the proposed demolition and repair plans of the mooring system and anchor block, the EoR is reviewing the drawings. Hence forward, project updates will be reflected on the FY 2021 Grant/Bond Strategy – Monthly Update.

Next Steps:

- 1) Planning will follow up with the EoR for the recertification of the mooring system and anchor block drawing.
- 2) Planning will submit procurement documents in preparatory for the procurement meeting.
- 3) Issuance of IFB.

The MOU allows for significant improvements to the HOR in installing a pump station, wastewater ejector pump, and mooring blocks.

The Guam DoAG grant award is in the amount of \$776,684.50; FWS Share-\$621,347.60 (75% Cost Share). PAG Share - \$155,336.90 (25% Cost Share).

2. **Agat Marina Dock B and Public Boat Ramp Repairs** - Amended MOU is being reviewed by the Attorney General's Office. Upon final approval by all parties, Guam Department of Agriculture will issue a Notice to Proceed to the PAG. The scope of work has been prepared and finalized by the Engineering staff and submitted to DoAG for their review and will be attached to the Amended

MOU for their review and disposition. Hence forward, project updates will be reflected on the FY 2021 Grant/Board Strategy – Monthly Update.

Next Steps:

- 1) Planning will follow up with DoAG for the Amended MOU.
- 2) Planning will submit procurement documents in preparatory for the procurement meeting, and
- 3) Issuance of IFB.

The Guam DoAG grant award is in the amount of \$512,759 for the Dock B Repairs and \$40,000 for the Repair of Agat Marina's Boat Ramp Bumpers.

c. Gantry Crane Acquisition.

1. **USDA Direct Loan.** Pre-Application is completed and revised for the fabrication and installation of Two (2) Ship-to-Shore Gantry Cranes for a proposed amount of \$30M direct loan.

Next Steps:

- 1) Pre-application will be submitted to the state office before the end of the month.
- 2) Pre-application will be reviewed by the state office.

2. **EDA Grant. *No new development.*** A grant application is currently on hold pending the grant program to be submitted and advisement by EDA. The estimated cost is \$30M for two STS cranes, with the Port's share at \$15M.

- d. **FEMA BRIC Grant Application – Rehabilitation and Upgrade of Port Wharves F1-F6. *No new development.*** The Governor's Office, through the GAR, has ranked the PAG's application as priority #1 for Guam. Currently waiting on FEMA's initial review findings. Grant Application is \$22,660,014.67 with a 75%/25% cost share.

- e. **MARAD Marine Highway Program – Guam/CNMI Joint Marine Route Designation and Equipment Designation Applications. *No new development.*** Both the route and equipment designation has been submitted to MARAD; currently awaiting review and decision.

- f. **Office of Local Defense Community Cooperation (Formerly Office of Economic Adjustment – OEA) - \$1.5M grant award for the Port's Owner's Agent Engineer (OAE) Services.** RFP No. PAG-021-003 was published in PDN and PAG website on June 16, 2021. Deadline for RFP submittal is Wednesday, July 7, 2021 no later than 4:00 pm Deadline for Questions and Concerns is Friday, June 25, 2021, no later than 4:00 pm.

- g. **MARAD Infrastructure for Rebuilding America (INFRA) Grant Program. *No new development.*** Currently waiting on MARAD's review/decision on PAG's application submitted March 19, 2021, competing for \$8,380,625.00 (Cost Share: Fed 60%/PAG 40%) for ground improvements to F4 thru F6, which includes assessment and soil stabilization. The INFRA program provides financial assistance to jurisdictions' capital improvement projects, highway and freight projects that enhance transportation movement on land and sea.

- h. **Port Security Grant Program. *No new development.*** On May 13, 2021, PAG submitted its application on the Non-Disaster grant for the following Investment Justifications:
 - a. Acquisition of Radar Intrusion and Vessel Tracking System; and
 - b. Acquisition of Transportation Worker Identification Credential (TWIC) System.

Grant application amount is \$488,334.25 (Cost Share: Fed 75/PAG 25)

14. **Port Revenue Bonds Project Status.** As of June 18, 2021, the attachment provides information on the status of the revenue bond projects that consist of rehabilitation of hotel wharf, golf pier repairs and improvements, waterline replacement/relocation, EQMR building, and warehouse 1 repair/upgrades, new admin annex building, and other priority projects.

V. OLD BUSINESS

There were no old business discussed.

VI. NEW BUSINESS

1. **IFB-PAG-CIP-021-004 Spalling Repair CFS Building.** The General Manager presented the executive summary of IFB-PAG-CIP-021-004 wherein sixteen (16) firms officially obtained IFB packets, while only two (2) companies participated in the bid opening. During the bid opening process, a review of the required documents was made and therefore, determined that the responsible and responsive bidder with the lowest bid was ProPacific Builder Corporation in the amount of \$197,700.00. This procurement bid has gone through legal review and will be funded by Port Authority funds.

Director Koki made motion to approve the award to ProPacific Builder Corporation for IFB-PAG-CIP-021-004 for the Repair of Concrete Cracks and Spalls the PAG Container Freight Station (CFS) Building. Motion was seconded by the Vice Chairman and was unanimously approved.

2. **Proposed Projects – Funded by Federal Highway Administration.** The General Manager mentioned that ongoing efforts and discussions began as early as December 2020 with Department of Public Works (DPW) on the possibility of utilizing remaining Federal Highway Administration (FHWA) funds which is \$825,000.00 from the seawall project to fund proposed projects, identified as: 1) Expansion of Route 11 Auto Lot with the additional access point from the Public Cargo Terminal; and 2) New shared entrance driveway for access to Customs Inspection Facility and Port Truckers Lot from Route 11. Also, the possibility on the repair of Route 11 roadway is being considered. This section of Route 11 is located at the cross intersection of Cabras Industrial Park up to Area A Tank Farm. He said at this juncture, DPW is currently preparing the Memorandum of Agreement between DPW, FHWA and the Port, and therefore requested Board authorization to proceed with the MOA, subject to Port legal review. The General Manager mentioned that these are high-priority projects that the Port will have to do anyway, and any funding from FHWA will be well-received, and in the event of any shortfalls will be funded either by Port funds or through grant opportunities.

Director Harris made motion to authorize Management to enter into a Memorandum of Agreement, subject to Port counsel review, with Department of Public Works and Federal Highway Administration for the funding or partial funding of Route 11, as well as the expansion of Route 11 Auto Lot and new shared entrance driveway projects. Motion was seconded by Director Koki and was unanimously approved.

VII. ADJOURNMENT

There being no further business to discuss, it was moved by Director Koki and seconded by the Vice Chairman to adjourn the meeting at 3:49 p.m. The motion was unanimously passed.



ISA MARIE C. KOKI, Board Secretary
Board of Directors

APPROVED BY:



FRANCISCO G. SANTOS, Chairman
Board of Directors





PORT OF GUAM
ATURIDATI PUETTON GUAHAN
Jose D. Leon Guerrero Commercial Port
1026 Cabras Highway, Suite 201, Piti, Guam 96925
Telephone: 671-477-5931/35 Facsimile: 671-477-2689/4445
Website: www.portguam.com



Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

General Manager's Report for Board of Directors July 29, 2021

1. COVID-19 Vaccination Dashboard.

- Fully vaccinated – 275 or 80% of 344 Port employees
- Port Employees who received 1st dose: 12 (*If these 12 employees receive their 2nd dose, the Port will be at 84% of Port employees vaccinated.*)

2. COVID-19 Vaccination Outreach Clinic

- On June 30, 2021, seventy-eight (78) individuals were vaccinated. This included Port employees, Port tenants, our industry partners, and their families.
- On June 20, 2021, and July 5, 2021, dockside vaccination clinics were held for vessel crew members in the Port's terminal yard and on these vessels, respectively.

3. Emergency Procurement – Warehouse 1 Wall Demolition: On July 8, 2021, the Department of Public Works (“DPW”) conducted an onsite inspection of the double partition CMU walls and associated support columns in Warehouse 1, Bays 6, and 7, located on Dock F3 at the Port.

Pursuant to DPW's Determination Letter to the Port dated July 9, 2021, DPW found that the double CMU partitioned walls and their associated support columns show signs of structural failure. The condition of the walls and columns is such that its demise (collapse) cannot be predicted. Therefore, DPW recommends its immediate removal for the safety and wellbeing of the occupants and personnel accessing or working within.

The Port's engineering team conducted its own investigation and has also confirmed that the CMU partitioned walls and its associated support columns show signs of structural failure and present an imminent danger to the safety and wellbeing of all occupants. Thus, immediate removal and repair of the CMU partitioned walls and its associated support columns are imperative to protect all occupants and prevent further irreparable damage to the overall structure of the entire building.

Therefore, based on DPW's engineering and the Port's engineer manager's assessment, I determined, based on the guidance from the Port's Engineer Manager, that an emergency condition exists and initiated an emergency procurement to address and resolve the imminent threat to public safety quickly and efficiently. Further, I determined, based on the guidance from the Port's Staff Attorney, that the acquisition of services was fully compliant with 5 GCA § 5215 and the Guam Procurement Law. My declaration was made pursuant to Title 6 GCA § 4308, under penalty of perjury, declaring that the statements contained in that emergency procurement record are true and correct to the best of my knowledge, information, and belief.

The Port's procurement and engineering division invited construction companies to submit a proposal based on the scope of work provided. We conducted a sealed bid opening on July 13, 2021. Three potential offers submitted sealed bids, and all sealed bids were opened up at the same time. They are (1) ProPacific Builder Corporation, which submitted a bid for \$123,000; (2) Top Builders, which submitted a bid for \$64,490.00; and (3) Valcon Guam, LLC, who submitted a bid for \$38,990. Therefore, Valcon Guam, LLC was awarded the project. Since this work was under One Hundred Thousand (\$100,000), the Governor's declaration of an emergency was not required.

The contractor mobilized on July 15, 2021, and fabricated the wood barrier walls, disconnected the electrical conduits, and installed metal brackets to relocate the electrical conduits. Portions of the wall was demolished on July 25, 2021. This project was completed yesterday, July 28, 2021.

Following completion of the emergency demolition work, the true condition of the existing Warehouse #1 building interior columns was revealed by our Engineer Manager. Two columns and one door Jamb are in dire condition, structurally speaking. In addition, one interior column in Bay #7 shows signs of localized spalling, and the North wall interior face in the same Bay requires a great deal of spall repair. The scope of work was discussed with the Contractor (Valcon Construction L.L.C.) on July 27, 2021. The performance period for this emergency Job will be 60 calendar days.

Thus, based on the unforeseen imminent and present danger to life and property that continues to exist, I determined that an emergency condition remains in effect based on the guidance from the Port's Engineer Manager. And, that a change order be initiated and executed quickly and efficiently to address and resolve the threat to public safety.

Considering the complicated scope of the project specifically involving the replacement of two reinforced concrete columns, and the South-West Door Jamb, the \$80,000 proposed price (reduction of \$7,000 from the original price of \$87,000 plus a substantial increase in scope from repair to replacement of some major structural elements) is determined to be fair and reasonable. Again, I determined, based on the guidance from the Port's Staff Attorney, that the acquisition of the services mentioned above is fully compliant with 5 GCA § 5215 and the Guam Procurement Law and that this emergency repair work commences as soon as possible.

Since the first amount, together with the additive change order, exceeds the \$100,000 threshold, we submitted a request to Lt. Governor Joshua F. Tenorio, in his capacity as the Acting Governor, late yesterday afternoon, July 28, 2021. After the Governor's legal counsel's review, Acting Governor Tenorio immediately approved our request to concur that an emergency exists and must be immediately addressed. The Acting Governor's approval permits this procurement to proceed. We will be submitting this entire procurement record to Legislative Speaker Therese M. Terlaje, which is a statutory requirement.

We would like to recognize DPW. Director Vince Arriola for sending out the DPW engineers and for issuing his demand letter on the same day. Director Arriola's letter was necessary to initiating this emergency procurement. We would also like to recognize the Port's commercial, engineering, operations, and procurement divisions, including our Port Staff Attorney for working closely to make this expedited project possible. Deputy General Manager Dominic Muna was also instrumental in overseeing this work. Deputy Director Luis Baza led the administrative aspect of this effort, including hand-delivering our letter to the Acting Governor. We would also like to thank the Governor and Lt. Governor for ensuring that this work continues in a manner set forth by 5 GCA, the Guam Procurement Law.

- 4. Preparation of Port's Fiscal Year 2022 Budget:** Division heads are preparing their divisional Fiscal Year 2022 Budget. We anticipate providing the Board with the budget digest by August. In the July 6, 2021, memorandum, they were advised in Fiscal Year 2020, despite the impact of the COVID-19 pandemic, containers handled during the past year resulted in an increase of 0.2% compared to last year. We experienced a decrease in the total operating revenues of 1.1% and a corresponding significant revenue loss. However, because of prudent fiscal management and spending 7% less than budgeted, the Port ended the fiscal year with a negative net income of \$990K. Even with the global crisis and an increase in cargo, the employees were able to move those cargo containers faster than the previous fiscal year.

They were reminded that when we came on board on January 8, 2019, austerity measures were immediately implemented to handle the Port's finances outlined by prior management in Fiscal Year 2019. We inherited the Fiscal Year 2019 Budget, which did not include expenses, i.e., the 25th market percentile implementation; expenditures incurred for the pre/post work for Typhoons Yutu and Wutip; and OSHA certification costs for the Port's gantry cranes. Despite this unfunded expense, the Port operated within the total annual approved budget and managed to meet the Port's bond indenture requirements without having to seek any increases in budget authorization to you.

For this fiscal year budget, we asked the Port's division heads to use the performance-based budgeting and focus on targets that will allow the Port to offer flexibility to allocate funds when necessary. They were told we would continue to set aside real cash for a rainy day and request that the vacancy pool continues. We asked the division heads to remain mindful that we are an autonomous agency, meaning the revenues we generate remain with the Port and are used for our current and future needs.

5. **General Manager's Notes for YTD Finances, as of June 30, 2021.** We are providing the following summary:

REVENUES AND CARGO THROUGHPUT:

- The Port's Total YTD Operating revenue for June 2021 is \$42.1 million, .6% or \$245K higher than the YTD June FY21 budget projection of \$41.8M.
- The total number of containers handled as of June 2021 is 64,579, which is 2.4% higher or 1,488 more containers than last year's June 2020 total of 63,091.

OPERATING EXPENSES:

- Overall YTD Operating expense, as of June 30, 2021 is \$37.1M, which is 7.3% lower than the YTD budget as of June of \$40.0M, or \$2.9M in YTD cost avoidances.

OVERTIME EXPENSE AND DIRECT LABOR REVENUE:

- Overtime YTD for Divisions involved in Operations is \$1,059,458, which is 9.7% or \$93K higher than the YTD overtime budget of \$966,069. The overtime for June resulted in an increase of 57% or \$72K compared to May, from \$127K in May to \$200K in June.

Note: We attribute the 57% spike in OT to the following occurrences:

- o Correction of OT pay policy: Line supervisors are now getting OT instead of straight time due to our correction of the past misapplication of exempt versus non-exempt employees. Their OT work is currently being captured, 100% in the OT account, whereas their straight time for hours worked beyond 40 hours a week was previously charged in the Port's regular salary account. Theoretically, this new budget categorization accounts for 19% of the 57% spike in OT.

Another reason is our cargo revenue for June is 27% higher than the monthly projection for June. Meaning that there is more work than probably normal. Here's some of the operational increase in June:

Container	26%
Breakbulk	170%
Roro	242%
Direct Labor	18%
Reefer Plug/Unplug	17%

- Direct Labor reimbursement is \$2.5M, which is 1.1% or \$27K higher than the FY21 budget of \$2.4M. Here is the breakdown:

Direct Labor Revenue:	\$2,472,027
Operations Overtime:	<u>\$1,059,458</u>
Variance:	\$1,412,569

YTD OPERATING REVENUES MINUS YTD EXPENSES

- Operating revenues minus operating expenses resulted in an operating income of \$5 million. The final result for June is a net positive income of \$1.0 million, after deducting net of Other Income/Expense totaling to a -\$3.9 million.

Note: The -\$3.9 is the net balance of Other Income and Expense, which is composed of Interest Income, Interest Expense, Federal Reimbursements, Federal Expenses, Retirees COLA, Supplemental, Medical and Dental, and Other NonOperating Income & Expenses.

Other Financial Highlights, as of June 30, 2021.

- The debt service ratio as of June is 1.71. This debt service ratio is 37% higher than the Bond Indenture Debt service ratio requirement.
- Days Cash on Hand is 867 days, 73% or 367 days higher than the 500 days requirement of Moody's Rating agency.

DEBT SERVICE RATIO – JUNE 2021

Projected Annual Debt Service Coverage	1.71
Debt Service Coverage Requirement	1.25
Variance	0.46
% Above the Indenture Requirement	37%

6. **Update on Hotel Wharf Project:** The procurement for the rehabilitation of Hotel Wharf and Route 11 Reconstruction was issued on July 26, 2021, after holding 15 weekly meetings with GHD, the Port's Construction Manager. The rehabilitation project is being funded through a \$10 million federal grant and local port funds. Work will include reinforcing the old wharf and building, a security fence, installing lighting, and constructing other surface work. Additional funds will be used to upgrade the access road on the Glass Breakwater leading to the wharf. The upgrades to Hotel Wharf will comply with the US Coast Guard criteria to regain certification as a designated waterfront facility and expand wharf capacity to alleviate any congestion at the main cargo terminal due to Guam being a major transshipment port for the region. Anticipated bid opening is scheduled for September 8, 2021, and notice to proceed to contractor to be issued on October 14, 2021. This project is expected to be closed out by December 31, 2023.
7. **Port's Owner Agent Engineer Consultants Visit:** W.S.P., the Port's Owner Agent Engineer, will be on Guam from August 1 to 5, 2021. Meetings have been scheduled with division heads and Port stakeholders from August 2 to 5, 2021. WSP will be presenting a Master Plan Update briefing to the Governor and Lt. Governor on August 5, 2021, at 3:00 p.m. in the Governor's Conference Room. We are also requesting your presence at this briefing on the progress of the Port's Master Plan update by the Port's consultants.
8. **Meeting with Rota Senator Paul Atalig Manglona:** On June 24, 2021, Deputy General Managers Dominic Muna and Luis Baza, Corporate Services Manager and Acting Commercial Manager Vivian Leon, and I met with Rota Senator Paul Atalig

Manglona to discuss the on-going matter involving commercial cargo being shipped to Rota that is taking place at the Hagåtña Marina.

We explained to Sen. Manglona our steps to ensure the boaters are following all safety plans and properly registering as cargo vessels, and that we have been meeting with local and federal law enforcement entities, seeking their assistance with this matter to ensure full participation of all agencies when these boats carrying commercial cargo arrive and depart the Hagåtña Marina.

Sen. Manglona is quoted in our press release, issued following our meeting:

"I truly believe that all parties are working together to ensure the goods that the people of Rota need are still delivered, but done following all rules, regulations, and statute," Manglona said.

Our statement in the same release, issued following our meeting:

"We thanked Sen. Manglona for the meeting and assured the senator and many others that Governor Leon Guerrero, Lt. Governor Tenorio, and our Board recognize that this activity is a vital lifeline for the people in the Marianas. In the spirit of One-Marianas, we are working with all affected vessel operators so that our procedures enhance all federal and local law enforcement efforts to securing and protecting our borders," said Respicio.

- 9. On-going Efforts to Support Custom's Mandate to Secure Our Borders.** We issued Policy Memorandum No. 2021-01 on July 8, 2021. This policy sets out the Loading and Unloading of Commercial Cargo requirements at the Gregorio D. Perez Marina. Policy Memorandum No. 2021 was also issued to all marina tenants and users. We scheduled another meeting for July 27, 2021, with the commercial cargo operators with Port Police, Customs & Quarantine Agency, Guam Police Department Marine Division, and US Coast Guard, as well as the Port's Harbor Master and Commercial Division in an on-going effort to keep the communication lines open.

Our collective efforts are two-fold: One is to secure our borders from any potential drug and human trafficking, in this case between Rota and Guam, and to provide for the safety of everyone who uses the Port's Marinas.

- 10. MWRC and RWUMP Requirements:** Department of Parks and Recreation (DPR) advised the Port of our need to submit a Motorized Water Recreational course

(MWRC). This permit is a requirement for commercial and private recreational Jet Ski operators to operate within the Apra Harbor, so the Port's tenants engaging in this business activity must adhere to the requirement to obtain a Recreational Water Use Management Plan permit. On July 15, 2021, the Port submitted its proposed course and hours of operation. Thankfully, Parks and Recreation approved our plan on the same day it was submitted. We would like to recognize both the Harbor Master and Commercial Division for addressing Parks and Recreation's notice to the Port to address their concern.

11. **2021 Youth Employment Internship Program:** The Port participated in the 2021 Youth Employment Internship Program. We hosted 16 students and placed these summer interns in the Commercial, Finance, Procurement & Supply, Information Technology, and Human Resources divisions. The program began June 21, 2021, and is aimed to provide our island's youth with opportunities for positive development and valuable workforce experience needed to become responsible, productive, and contributing members of society. The program will end on July 30, 2021. We would like to acknowledge Human Resources for overseeing this summer program and all divisions for their participation.
12. **G.C.C. Summer Program Tour:** Students from Guam Community College Sumer Transportation Institute toured the Port facilities on June 8, 2021. Twenty (20) middle-school students and two instructors participated in the tour. The students were exposed to a dockside view of the gantry cranes and wharves where operations take place. They were able to see the different sections within the terminal facilities, i.e., maintenance, gatehouse, CFS, reefer section, and walked along F5. This program is a federally funded program sponsored by the US Department of Transportation's Federal Highway Administration. The purpose of the program is to expose participants to the different sectors of transportation that include air, land, sea, and safety components of the industry in hopes of generating interest and developing a career path for these individuals in this field.
13. **Employment Skill Assessment Tests (Practical Portion of the Interview):** On July 23, 2021, 24 applicants were interviewed for the Stevedore (Casual) position. All 24 applicants participated in employment skill assessment tests or the practical portion of the interview. This test focused on the environmental aspect of the position. It included lifting the applicant onto a 2-high container with a manlift and handling a 40-pound lashing rod to lash and unlash the containers.

14. **Hawaii Navy Shipyard:** Port management met with the Hawaii Navy Shipyard representatives on June 14, 2021. We were advised Naval Shipyard in Hawaii plans to place a mini shipyard on Naval Station, Guam to be manned by 100 civilians to support the maintenance of the submarines and Navy vessels. They anticipate the transfer of personnel to begin in December 2021 and be completed by Fiscal Year 2023. Cargo equipment shipment to support their operations will arrive at the Port of Guam beginning October and November 2021. They advised the Port that a military construction study is currently on-going to determine the type of facilities needed to support such mission and is expected to be completed by December. They anticipate construction to occur beginning Fiscal Year 2028.

15. **Military Surface Deployment & Distribution Command (SDDC):** US Army representatives met with Port staff to understand the Port's capacity in terms of space and equipment; potential future military operations at the Port and Port's ability to service one of their vessels as an alternative to the Navy's Port. Based on the site inspection of the terminal facility, the US Army representatives were content the Port can service the military vessels.

16. **US Army Reserve 797 Engineer Company (Vertical):** Port management met with representatives of the US Army Reserve 797 Engineer Company (Vertical) regarding the assistance they can provide to Port on disposing the recently removed partition wall at Warehouse 1, the Port Beach pavilion demolition and construction work and miscellaneous work at the Port's Family Beach.

17. **Upcoming Port Week Festivities:** This year's Port week celebration will mark the 46th year the Jose D. Leon Guerrero Commercial Port became an autonomous agency. In consultation with our chairman, we are planning for this year's event to be held on October 18 to 22, 2021. This year will also the 43rd year the Port of Guam joined our sister mainland ports in celebrating National Port Week. Once the events for the week have been finalized, we will provide the Board with a budget request for the Port Week celebration and to appropriately recognize the Port Strong Family, especially for their bravery as front liners for keeping the Port 100% operational, and our brother +Henry San Nicolas, who we lost to the coronavirus, and who will forever be remembered as a covid warrior and frontline hero.

18. **Relay for Life of Guam:** Before COVID-19, the American Cancer Society of Guam's Relay for Life was usually held annually as a one-day event during which cancer survivors, their families, friends, and volunteers gather to walk in support of the survivors and bring awareness to cancer. This year's celebration will be different,

with separate ceremonies and activities spread throughout the year. Divisions held fund-raising activities, and as of July 23, 2021, the Port met its targeted goal of \$7,075.00 thanks to PAGMA advancing the Port's assessment. Monies are being raised by all Divisions, to include a monetary contribution made by the Port's Deputy General Managers and myself, to cover PAGMA's interim-donation, then any collections in excess of this loan from PAGMA will be donated to the American Cancer Society.

19. **Port's Drug-Free Workplace Program (DFWPP):** Recently, the Port's DFWPP service provider conducted random, suspicionless drug testing on all employees occupying law enforcement positions at the Port. The results of these random, suspicion-less drug testing were all negative. We received legal guidance from the Port's Staff Counsel on February 5, 2021 and a Guam Attorney General opinion dated October 6, 2017, citing case law against conducting random, suspicionless drug testing.

Specifically, the Port, pursuant to its DFWPP and Personnel Rules and Regulations, may conduct random drug testing of its employees when a degree of reasonable suspicion arises. Although suspicionless drug testing is allowed for certain positions, particularly those employees with "test designated positions," random drug testing of *all* employees based on a general need, or a broad-stroke approach to deter drug use, is unconstitutional.

In our letter, dated February 5, 2021 to the Port's legislative oversight chair, we wrote:

"While broadly instituting random, suspicionless drug testing of government employees would be unconstitutional, I recognize that random, suspicionless drug testing is permissible for certain positions, particularly those with "test designated positions" or safety-sensitive positions. At the Port, there are indeed some of those positions, but not all, that fall within such category – i.e., port police officers, mechanics, crane and equipment operations, cargo checker, electricians, harbor master, safety inspector, armed security guards, stevedores, welders, etc. However, the government's interest in public safety still does not justify a plan for random drug testing of *all* its employees. *Harmon v. Thornburgh*, 878 F.2d 484 (D.C. Cir. 1989), *cert. denied* 493 U.S. 1056 (1990); *see also Loder v. City of Glendale*, 14 Cal.4th 846, 922 P.2d 1200 (1997). Thus, the guidance from the attorney general is clear that "a broad brushed attempt to institute random, suspicionless drug testing of all government of Guam employees without

regard to the nature of the employee's duties and the specific violation intended to be addressed will offend constitutional protections against warrantless searches."

This is why we have been proceeding cautiously with how the Port's drug testing policy is being implemented, even for those positions that have been designated as test-designated positions. Based on well-established case law, even those employees holding "test designated positions" or safety-sensitive positions are still afforded reasonable expectations of privacy. The Port will, no doubt, continue to conduct random, accident, reasonable suspicion, and follow-up drug testing in accordance with the Port's DWPP and will remain within the confines of the United States Constitution.

20. Association of Pacific Ports (APP): We recently advised the APP of PAG Board Chairman's selection of PAG Board of Director Dot Harris to serve on the APP Executive Committee as the Port Authority of Guam's Regional Representative for the calendar year 2021-2022. PAG Board Secretary Isa Koki was serving in this capacity; however, she offered her seat to Director Harris. PAG Board Chairman Santos then designated Director Koki as the Port's alternate representative to the APP's Executive Committee.

21. Port has a new Assistant Port Police Chief: On July 19, 2021, the Port welcomed on board Mr. Jesse Mendiola as the Assistant Port Police Chief. Prior to his employment with the Port, Mr. Mendiola held the positions of Director of Mariana Regional Fusion Center of Homeland Security, Acting Director for Guam Customs and Quarantine Agency, Site Manager Guam/Saipan for Paragon Systems, Inc. Mendiola held various positions with DynCorp International, who was the leading security contractor to support the safety and security of US diplomatic personnel serving in Iraq. Mendiola's selection as the Port's Assistant Police Chief was made pursuant to the merit system and his qualifications and suitability for this position, including a certification signed by Mr. Robert Camacho, POST Executive Director on August 2, 2019, which he certified that Mr. Mendiola met all the requirements by law and is POST certified.

22. Proposed Projects Funded by Federal Highway Administration: We received the draft Memorandum of Agreements (MOA) from the Department of Public Works to allocate the remaining funds from the Seawall Project to fund the expansion of Route 11 Auto Lot and the new shared entrance driveway for access to the Customs Inspection Facility and Port Truckers Lot from Route 11. The Port's Staff Counsel is

reviewing these MOAs. Once a legal review has been completed, an agreement will be signed by me, as General Manager of the Port, and Mr. Vince Arriola as Director of the Department of Public Works. The PAG Board authorized this action in your last monthly board meeting.

23. Real estate:

- **Marianas Yacht Club:** Discussion began on the proposed terms and conditions of the lease agreement and requested to increase their lease area due to shrinkage of property due to climate change. The property points are not legible on the maps in the Department of Land Management's possession., Marianas Yacht Club, and Port for their leased area. Commercial staff is working with Procurement Division on issuing a request for quotation to survey the parcel, locate the original points of their leased area, and determine the boundary between the US Navy and the Port's Parcel 3.
- **Area A:** Discussions are on-going with Tristar on the request to lease and develop Area A.
- **Potential Multi-Waterfront Facility Development:** Port has engaged with Cornerstone to appraise the property across the Port terminal facility.

24. Grant Awards and On-going Grant Submissions

- E.D.A. Grant Application. On June 10, 2021, the Port received the grant award notification from EDA on its fuel pipeline connectivity project. In acceptance of the award, the Port submitted the following required documents to EDA: 1) ACH Vendor Payment Enrollment Form (required for EDA funding drawdowns), 2) Form CD-450 (Acceptance of award and acknowledgment of award conditions), and 3) Port Planning, Engineering, and Finance personnel certification of completion of EDA/OIG's Fraud and Abuse Training. On July 14, 2021, EDA sent an update via email that a welcome package is being prepared and routed for Regional Director's signature to be given to the Port.

A Kick-off meeting is to be determined.

Here are the breakdowns for this grant award:

Project Cost Estimate:	\$3,016,363.00
Grant Award:	\$2,413,091.00 (80% Cost Share)
PAG Share:	\$603,272.00 (20% Cost Share).

- **Department of Agriculture Grant (DoAG).**
 - **Harbor of Refuge (HOR).** Engineer of Record (EoR) has provided updated drawings to the Port. Engineering Division will review before recertification by the EoR. Project updates will be reflected on the FY 2021 Grant/Bond Strategy – Monthly Update.

Next Steps:

1. Engineer of Record (EoR) documents received. Engineering to review updates to the design;
2. Planning will submit procurement documents in preparatory for the procurement meeting; and
3. Issuance of an IFB.

The MOU allows for significant improvements to the HOR in installing a pump station, wastewater ejector pump, and mooring blocks.

The Guam DoAG grant award is in the amount of \$776,684.50; FWS Share - \$621,347.60 (75% Cost Share). PAG Share - \$155,336.90 (25% Cost Share).

- **Agat Marina Dock B and Public Boat Ramp Repairs.** The Attorney General's Office proposed changes to the MOU. These changes were incorporated and resubmitted to the AG's Office for final review. Upon approval by all parties, DoAG will issue a Notice to Proceed to the PAG Project updates will be reflected on the FY 2021 Grant/Board Strategy – Monthly Update.

Next Steps:

1. Planning will follow up with DoAG for the Amended MOU;
2. Planning will submit procurement documents in preparatory for the procurement meeting; and
3. Issuance of an IFB.

The Guam DoAG grant award is \$512,759 for the Dock B Repairs and \$40,000 for the Repair of Agat Marina's Boat Ramp Bumpers.

- **Gantry Crane Acquisition.**
 - **USDA Direct Loan.** The Port's pre-application packet was submitted to USDA. Upon completion of the USDA's initial review, the Port was informed that other documents were required as part of the pre-application.

The Port is currently compiling these documents and will be submitting during the first week of August.

Next Steps:

The Port will submit all other required documents to USDA Continued collaboration with USDA in preparation for the actual application

- E.D.A. Grant. Planning is updating its grant application to reflect and address the EDA's Public Works (PW) grant program requirements. The initial grant application was written addressing the 2019 Supplemental Disaster grant requirements. Since funding in this program has been depleted, the Port needed to update its application, ensuring that EDA's PW guidelines are met. Our anticipated submission to EDA is mid-August. The estimated cost is \$30M for two STS cranes, with the Port's share at \$15M.
- FEMA BRIC Grant Application – Rehabilitation and Upgrade of Port Wharves F1-F6. FEMA has not released its funding allocation as of this report. Upon receipt of notification, the Board will be updated on the status of the Port's application. The Governor's Office, through the GAR, has ranked the PAG's application as priority #1 for Guam. Currently waiting on FEMA's initial review findings. Grant Application is \$22,660,014.67 with a 75%/25% cost share.
- MARAD's Marine Highway Program – Guam/C.N.M.I. Joint Marine Route Designation and Project Designation Applications. MARAD invited the Port to its senior leadership TEAMS meeting this morning, July 29, 2021, to notify the Port that the PAG/CNMI Marine Route and Project Designation applications were approved. This great news marks the Guam/C.N.M.I. route as the 52nd in the nation. Both designations open up the Port's opportunity to apply for grant funding related to its yard equipment upgrade plan as highlighted in its Project Designation, the "Guam Marine Transportation Enhancement Initiative."
- Office of Local Defense Community Cooperation (Formerly Office of Economic Adjustment – OEA) - \$1.5M grant award for the Port's Owner's Agent Engineer (O.A.E.) Services. The Procurement process resulted in only one (1) offeror submitting its proposal. The PAG Evaluation Committee has completed its review, with all results having been submitted to Procurement for final review and action. This matter, thankfully, is an agenda item for your review and disposition.

- MARAD's Infrastructure for Rebuilding America (INFRA) Grant Program. Currently waiting on MARAD's review/decision on PAG's application submitted March 19, 2021, competing for \$8,380,625.00 (Cost Share: Fed 60%/PAG 40%) for ground improvements to F4 thru F6, which includes assessment and soil stabilization. The INFRA program provides financial assistance to jurisdictions' capital improvement projects, highway and freight projects that enhance transportation movement on land and sea. The Port's application was not awarded for this round of funding.
- Two new grant awards awarded to the Port from the Port Security Grant Program. FY2021 Preparedness Grant Programs Final Allocation Announcement - PAG was awarded the full 75% federal share of its projects (\$366,251.00). Pending receipt of award documents.

Here are the breakdowns for these grant awards:

Acquisition of Radar Intrusion and Vessel Tracking System

Project Cost Estimate: \$268,333.00

Grant Award: \$201,250.00 (75%)

PAG Share: \$67,083.00 (25%)

Acquisition of Transportation Worker Identification Credential (TWIC.) System

Project Cost Estimate: \$220,001.00

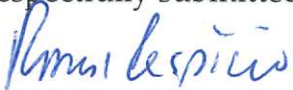
Grant Award: \$165,001.00 (75%)

PAG Share: \$55,000.00 (25%)

- E.P.A. Diesel Emissions Reduction Act (DERA.) Program. On July 9, 2021, PAG submitted its application to EPA to replace two (2) additional container yard tractors. This grant application amount is \$240,000.00 with no local cost-share required. The Port is awaiting review and decision by EPA.
- USDOT Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Program. The PAG resubmitted its application for the Rehabilitation and Upgrade of Port Wharves F1-F6 on July 12, 2021, to increase the project's chances of being funded. PAG's OAE has updated the scope and cost of this project, which is reflected in the revised grant application submitted under this program. Investment amount for this project is \$22,427,496.00 (Cost Share: Fed 80%/PAG 20%).

25. Port Revenue Bonds Project Status. As of July 23, 2021, the attachment in our divisional report provides information on the status of the revenue bond projects that consist of the rehabilitation of hotel wharf, golf pier repairs and improvements, waterline replacement/relocation, EQMR building, and Warehouse I repair/upgrades, new admin annex building, and other priority projects.

Respectfully submitted,



Rory J. Respicio
General Manager

**2018 Port Revenue Bonds Status Report
As of July 23, 2021**

Bond Project	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
Rehabilitation of "H" Wharf (Federal Share & Port Share)	\$10,000,000.00 \$13,774,255.00	\$0.00 \$666,666.85	\$10,000,000.00 \$13,107,588.15	PO No. 16332-OF for Coral Relocation at \$482,700.00 to WSP awarded on February 18, 2020. PO No. 17043-OF for \$2,249,945.54 awarded to GHD Inc. for CM Services. Change Order No. 1 PO No. 17159-OF for \$198,140.16 Total - 2,448,085.70	Quarterly Report submitted on July 19, 2021. Building permits were obtained by GHD. Construction IFB announcement anticipated for the week of July 26, 2021. Anticipated Completion Date: 08/2023
Golf Pier Repairs and Improvements	\$2,000,000.00	\$354,876.53	\$1,645,123.47	RFP No. 2019-02: A&E Design for \$484,000.17 awarded to NC Macario	Requisition 19199-OC has been submitted by Engineering. Procurement Planning meetings are ongoing. Procurement packet being updated. Anticipated Completion Date: 09/2022
Waterline Replacement and Relocation	\$6,000,000.00	\$277,801.71	\$5,722,198.29	RFP No. 2019-03: A&E Design for \$1,406,427.48 awarded to NC Macario	Procurement Planning meetings are ongoing. Procurement packet being updated. Anticipated Completion Date: 12/2022
EQMR Building Repairs and Upgrades	\$3,628,800.00	\$395,333.19	\$3,233,466.81	RFP No. 2019-03: A&E Design for \$1,406,427.48 awarded to NC Macario	Procurement Planning meeting held on July 19, 2021. Procurement packet being developed. Anticipated Completion Date: 12/2022
Warehouse 1 Repairs	\$2,000,000.00	\$395,333.19	\$1,604,666.81	RFP No. 2019-03: A&E Design for \$1,406,427.48 awarded to NC Macario	Requisition 19492-OC has been submitted by Engineering. Procurement Planning meeting held on July 19, 2021. Procurement packet being developed. Anticipated Completion Date: 12/2022
Other Priority Projects - Repair of F-1 Fuel Pier - Repair of F-3, F-4, F-5, and F-6 waterfront facilities - Upgrade of the Port's IT system and integration of TOS	\$4,980,745.00	\$0.00	\$4,980,745.00		1. The PAG is currently awaiting review/approval on its Hazard Mitigation Grant Program grant application submitted to FEMA's Building Resilient Infrastructure & Communities (BRIC) grant program. The project name is PAG Wharves Service Life Extension - Hardening of F1 - F6 in the amount of \$22,660,014.67. Status Quo. 2. Work is ongoing for TOS Cloud option. Pending appropriate documentation from third party vendor. Status Quo.
Other Priority Projects - EnterpriseOne Financial Management System	\$2,500,000.00	\$1,304,408.43	\$1,195,591.57		E1. went Live on May 18, 2021. There will be a 2 year system support by Oracle. Currently working on E1 enhancements and a continuation of job costing. Status Quo.
New Admin. Annex Building	\$10,445,000.00	\$0.00	\$10,445,000.00		Three draft layout options for the Admin Building has been completed by the PAG's OAE and is being reviewed by Management. No decision on which option has been selected as of this report. Status Quo.
Grand Total	\$55,328,800.00	\$3,394,419.90	\$51,934,380.10		

**Port Authority of Guam
Board of Directors Regular Board Meeting
July 29, 2021**

**Executive Summary
Request for Proposal 021-003
OWNER AGENT ENGINEER- TECHNICAL CONSULTING SERVICES**

PURPOSE: Port Authority of Guam management request the Port Authority of Guam (Port) Board of Directors for conditional approval of the award and contract to **WSP USA Inc. – OWNER AGENT ENGINEER TECHNICAL CONSULTING SERVICES PAG-RFP-021-003.**

BACKGROUND:

On Wednesday, June 16, 2021, a Request for Proposal (RFP) was issued and published in the Guam Pacific Daily News. The RFP was to solicit to qualified companies/firms to provide Owner Agent Engineer – Technical Consulting Services RFP-021-003. Eleven (11) prospective offeror's expressed their interest by registering online and downloading the RFP packet from the Port's website. The deadline for all proposal's to be submitted was scheduled for Wednesday, July 7, 2021 at 4:00pm.

On the day of the RFP submittal, only one company, WSP USA Inc. submitted a proposal prior to the deadline established. On July 19, 2021 the proposal was opened and a review was conducted by the procurement staff and found the offeror to be in compliance with the RFP packet and the procurement requirements and therefore, responsive. On July 20, 2021 an evaluation committee was established by the GM, the evaluation, scoring and ranking was completed on July 23, 2021. WSP USA Inc. being the only offeror received a total score of 489 out of a total possible score of 500 ranking them number one and the only offeror. A Notice of Intent to Award was issued on July 26, 2021 requesting WSP USA Inc. to submit their rate and fees associated with the Owner Agent Engineer Technical Consulting Services to be provided to the Port.

On July 20, 2021, the Port's cost negotiations committee was established and will be engaging WSP USA Inc. in the negotiations of "fair and reasonable" rates/fees, once the cost proposal is received by WSP USA Inc.

LEGAL REVIEW:

The Port's Legal Counsel (SAAG) has participated in every step of the procurement process and will continue to participate in the cost negotiations and witness the efforts by both parties, ensuring both parties agree to fair and reasonable rates. Upon successful negotiations, a request to the PUC for contract review and approval will be made via a petition. A draft contract agreement has been drafted and approved by our legal counsel and upon successful negotiations, the WSP USA Inc. rates and fees will be incorporated into the final agreement for PUC review and approval. Should the PUC approve this contract, the final contract will be routed for full signature execution by both parties.

FINANCE REVIEW:

Funding for this **Request for Proposal RFP-PAG- 021-003 Owner Agent Engineer- Technical Consulting Service** is provided by the Office of the Governor of Guam and the assistance of the Office of Economic Adjustment. **The current grant amount for this project is One Million Five**

Hundred Thousand dollars (\$1,500,000.00). Additionally, the Port committed One-Hundred Thousand Dollars (\$100,000.00) as seed money.

RECOMMENDATION:

Management requests that the Board of Directors' conditionally approve the award and contract to WSP USA Inc., as well as the Board Resolution authorizing management to petition the PUC for review and approval of the contract, subject to successful negotiations between the Port and WSP USA Inc. Thus, upon successful cost negotiations with WSP USA Inc., the Port will move forward to proceed with PUC contract review and approval requirements. Should the cost negotiations fail, Port Management may decide to re-solicit this RFP at a later date. The terms of the contract will be for an initial term of One-year (1) with Four (4) additional options to renew this contract for periods of one-year intervals and may not exceed a total five (5) year period. WSP USA Inc. is deemed responsive and responsible and has met all the requirements and specifications set forth in the Request for Proposal (RFP), which is consistent with Guam Procurement Regulations.

BOARD OF DIRECTORS
Francisco G. Santos, Chairman
Nathan T. Taimanglo, Vice Chairman
Isa Marie C. Koki, Board Secretary
Dorothy P. Harris, Member



Resolution No. 2021-08

RELATIVE TO PETITIONING THE PUBLIC UTILITIES COMMISSION (PUC) FOR THE APPROVAL OF THE AWARD TO WSP USA, INC. FOR THE OWNER AGENT ENGINEER TECHNICAL CONSULTING SERVICES FOR THE PORT AUTHORITY OF GUAM

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PORT AUTHORITY OF GUAM:

WHEREAS, on Wednesday, June 16, 2021, the Port Authority of Guam (PAG) issued Request for Proposal (RFP) No. 021-003 to solicit qualified companies/firms to provide Owner Agent Engineer – Technical Consulting Services for the PAG; and

WHEREAS, a total of eleven (11) prospective offerors expressed their interest by registering online and downloading the RFP packet from the PAG website; and

WHEREAS, only one (1) company, WSP USA, Inc., submitted a proposal prior to the established deadline of Wednesday, July 7, 2021, at 4:00 p.m.; and

WHEREAS, on July 19, 2021, the proposal was opened and reviewed by PAG procurement staff, finding the offeror to be in compliance with both the RFP packet and procurement requirements and therefore, was deemed responsive; and

WHEREAS, on July 20, 2021 an evaluation committee was established by the PAG General Manager. The evaluation, scoring and ranking was completed on July 23, 2021. WSP USA, Inc. being the only offeror received a total score of 489 out of a total possible score of 500 ranking them the number one and only offeror; and

WHEREAS, at the conclusion of the evaluation process, WSP USA, Inc. has been deemed to have met all the requirements of responsibility and responsiveness set forth in the RFP, and is consistent with the Guam Procurement Regulations; and

WHEREAS, a Notice of Intent to Award was issued on July 26, 2021, requesting WSP USA, Inc. to submit their rate and fees associated with the Owner Agent Engineer Technical Consulting Services to be provided to the PAG; and


WHEREAS, this project is made possible through the Office of the Governor of Guam and the assistance of the Office of Economic Adjustment. The current grant amount for this project is One Million Five Hundred Thousand Dollars (\$1,500,000.00). Additionally, One Hundred Thousand Dollars (\$100,000.00) has been allocated by the PAG as seed money; and

WHEREAS, the PAG Board of Directors at its regular meeting of July 28, 2021, conditionally approved the award and contract to WSP USA, Inc., subject to successful cost negotiations between the PAG and WSP USA, Inc.; now therefore be it

RESOLVED, that the Board of Directors hereby authorizes management to petition the Public Utilities Commission (PUC) to review and approve the contract award to WSP USA, Inc., subject to successful cost negotiations between the PAG and WSP USA, Inc., in accordance with the Contract Review Protocol for the Port Authority of Guam; and be it further

RESOLVED, the Chairman certify to, and the Secretary attest to, the adoption hereof and that a copy of this resolution be sent to the Public Utilities Commission.

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 29th DAY OF JULY, 2021.


FRANCISCO G. SANTOS
CHAIRMAN, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM

Digitally signed by Isa Koki
Date: 2021.08.09
11:16:49 +10'00'

ISA MARIE C. KOKI
SECRETARY, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM





PORT OF GUAM
ATURIDAT I PUETTON GUAHAN
Jose D. Leon Guerrero Commercial Port
1026 Cabras Highway, Suite 201, Piti, Guam 96925
Telephone: 671-477-5931/35 Facsimile: 671-477-2689/4445
Website: www.portguam.com




Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

July 29, 2021

MEMORANDUM TO FILE

TO: Board of Directors

FROM: General Manager, Port Authority of Guam 

Subject: **RFP-PAG-021-001 for Information Technology Consulting Services**

On December 7, 2020, the Port issued RFP-PAG-021-001, seeking proposals from qualified firms, professional individuals, or companies to provide professional information technology consulting services to the Port. In accordance with 5 GCA § 5216(c) a public notice and distribution of the RFP was published with the Guam Pacific Daily News and the Guam Daily Post. *See* 5 GCA § 5216(c); *see also* 2 GAR §§ 3114(e) and 3109(2). The RFP was also posted on the Port's website as required by law.

Four (4) firms officially submitted their proposals in response to the RFP. After the opening of all sealed proposals and determining that all offerors were responsive, the submitted proposals were distributed and inspected by the evaluation committee. The results of the evaluation committee revealed Ledge Light Technologies Pacific as the most qualified offeror.

As part of the RFP procurement process, a letter of Notice of Intent to Award was sent on March 8, 2021, to contact Ledge Light Technologies Pacific to submit their cost proposal with proposed rates in order to initiate the cost negotiation proceedings. On March 18, 2021 a cost proposal and list of rates was submitted by LLTP. To effectuate this contract, negotiations were conducted on by our cost negotiation team. The Port Cost Negotiations Team reviewed LLTP's proposal and agreed to submit a counteroffer in writing to them. On May 18, 2021, the Port submitted a counteroffer to Ledge Light Technologies Pacific. On May 20, 2021, Ledge Light Technologies Pacific officially accepted the Port's counteroffer.

Before the Port took further action on the procurement, it was revealed that the Port had previously been provided a list of deliverables and assessments from its prior contractor, information unknown prior to soliciting the above referenced RFP. While it is true that

July 29, 2021

Page 2 of 2

there is much work to be done in order for the Port to improve its cybersecurity requirements, consummating a contract at this time would not be in the best interest of the Port as it does not specifically address the deliverables to help the Port meet its objectives at this time. Consequently, as a contract for duplicative services would not be in the best interest of the Port, the Port must cancel the award of the contract for the above referenced RFP. The Port, however, intends on re-soliciting a revised RFP once it can properly build a scope of work to address its specific shortcomings and an infrastructure in support of the Port's Operations and Cyber Security.

Therefore, for the reasons set forth above, we have determined that it is in the best interest of the Port to not move forward with the award of the contract to Ledge Light Tehcnologies Pacific, and we request your approval to cancel and disapprove such contract for the above referenced RFP.

I am available for any questions you may have. *Si Yu'os Ma'ase.*



PORT OF GUAM
ATURIDAT I PUETTON GUAHAN
Jose D. Leon Guerrero Commercial Port
1026 Cabras Highway, Suite 201, Piti, Guam 96925
Telephone: 671-477-5931/35 Facsimile: 671-477-2689/4445
Website: www.portguam.com




Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

July 26, 2021

MEMORANDUM

To: Board of Directors

From: Rory J. Respicio, General Manager 

Subject: Resolution Authorizing the General Manager to Use Port Revenues, Port Unrestricted Funds and/or Other Revenues and Federal Grants to Supplement the Funding of Revenue Bond Projects

Hafa Adai! The Port Authority of Guam's Board of Directors adopted PAG Board Resolution 29-03 on March 29, 2019, authorizing management to present to the Governor Lou Leon Guerrero and members of the 35th Guam Legislature a request to introduce legislation to amend P.L. 34-70 relative to projects funded by the 2018 Revenue Bonds. PAG Board Resolution 29-03 formally outlined the need to include the authorization of critical projects to be financed by the revenue bond proceeds, which was not listed initially in Public Law 34-70: These critical projects include the following:

- To repair our revenue-generating wharf facilities (F-1, F-3 to F6);
- to install a connectivity line at F-1 to allow discharged or loaded fuel to be routed to and from other petroleum fuel companies' storage tanks as Golf Pier is being repaired;
- integrating the Port's financial management system and terminal operating system to enhance the invoicing and ensure 100% cost recovery per established tariff is met; and
- upgrade its current information technology system for accurate financial data on expenses and related services versus revenues.

We also identified a potential savings of \$7M through this Revenue Bond reset by pursuing a 2010 Master Plan recommendation to construct an annex with a bridge connecting to the existing administration building and NOT needing to construct a brand new administration building.

July 26, 2021

Page 2 of 2

Governor Leon Guerrero and all members of the 35th Guam Legislature unanimously agreed with PAG Board Resolution 29-03. Public Law 34-70 was amended to allow for the reprogramming of such bond proceeds to fund these critical projects. On October 16, 2019, Governor Leon Guerrero signed Public law 35-44, which authorized the reprogramming of the Port revenue bond proceeds and amended the capital improvement projects in Section 4(a) of Public Law 34-70.

After the passage of the law, the Port issued the procurement on the architectural and engineering (A&E) designs for the revenue bond projects, and based on the engineering estimates, the construction cost associated with the repairs far exceeded those amounts outlined and capped in Public Laws 34-70 and 35-44. Please be advised that the engineering cost estimates outlined in Public Laws 34-70 and 35-44 were determined in 2014, and are all severely underfunded. Unfortunately, we cannot speak to how those 2014 estimates were even determined by previous management.

As you know, we have been actively submitting federal grant applications to fund some of these projects. We were informed of the award of \$2.4 million by U.S. Economic Development Administration (EDA) for the fuel connectivity line, which will free up a portion of the revenue bond proceeds for that project.

Public Laws 34-70 and 35-44 specifically identify the revenue bond project and provides funding from the 2018 Revenue Bond proceeds. The Port is not permitted to reallocate revenue bond proceeds to address the anticipated shortfalls of the construction costs tied to the statutory mandates.

Therefore, the proposed PAG Board Resolution 2021-07, if passed by the PAG Board of Directors, will authorize the General Manager to utilize Port revenues, unrestricted Port funds and/or other revenues, and federal grants to supplement the shortfall funding of the revenue bond projects. This authorization shall remain subject to procurement and public utilities statutory requirements and engage, if necessary, with the Guam Economic Development Authority, members of the 36th Guam Legislature and Governor Leon Guerrero to remove any statutory impediments created by Public Laws 34-70 and 35-44.

Your approval on the passage of the attached resolution is greatly appreciated. *Si Yu'os Ma'ase.*

Attachment

BOARD OF DIRECTORS

*Francisco G. Santos, Chairman
Nathan T. Taimanglo, Vice Chairman
Isa Marie C. Koki, Board Secretary
Dorothy P. Harris, Member*



Resolution No. 2021-07

RELATIVE TO AUTHORIZING THE GENERAL MANAGER TO USE PORT REVENUES, PORT UNRESTRICTED FUNDS AND/OR OTHER REVENUES AND FEDERAL GRANTS TO SUPPLEMENT THE FUNDING OF REVENUE BOND PROJECTS, ALL OF WHICH SHALL REMAIN SUBJECT TO PROCURMENT AND PUBLIC UTILITIES STATUTORY REQUIREMENTS.

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

WHEREAS the Jose D. Leon Guerrero Commercial Port's modernization program is designed to meet the island's growth including the expansion of military and growing tourism market; and

WHEREAS, the key project initiatives justified to the bond market investors were: (1) expansion of wharf space to accommodate larger vessel and increase vessel handling capacity; (2) upgrade terminal operating system to allow for automated invoicing, cargo and container tracking, financial management and maintenance management; (3) expansion of existing facilities to support fishing and cruise line industries; and (4) replacement of gantry cranes at the end of the useful life to maintain uninterrupted cargo movement; and

WHEREAS, as part of the modernization program, the Port through Public Law 34-70 obtained \$71,445,000 in revenue bonds to finance certain capital improvements and to refinance all or a portion of outstanding loans of the Port Authority; and

WHEREAS, on July 20, 2018, Pro Marine Technology submitted an Underwater Assessment and Inspection Services of F-1, F-3, F-4, F-5 and F-6 and based on their assessment found that waterfront facilities were in dire need of repair and provided recommendations for such repairs; and

WHEREAS, to ensure the uninterrupted flow in the deployment of fuel products which could be obtained in F-1 fuel Pier or Golf Pier, a connectivity line would need to be installed at F-1 to allow discharged or loaded fuel to be routed to and from other petroleum fuel companies' storage tanks; and

WHEREAS, to enhance the Port's invoicing to ensure 100% cost recovery per the established tariffs, the Terminal Operating System and Financial Management systems must be integrated, along with an upgrade of the Port's current information technology system for accurate financial data on the expenses rendered to vessel and related services versus revenues; and

WHEREAS, the 2010 Master Plan included a recommendation for the current Port Administration Building be extended with an annex and a bridge connecting the building to the existing building for compliance with the Americans with Disabilities Act (ADA), but such project was changed in the 2013 Master Plan Update which endorsed that a new large building be constructed and the current administration building be demolished; and

WHEREAS, the Port presented to Governor Lourdes A. Leon Guerrero and members of the 35th Guam Legislature that if the Port pursues the 2010 Master Plan recommendation to construct an annex with a bridge connecting to the existing administration building, a portion of the funding originally earmarked for the construction of the new administration building could otherwise be used to address the deficiencies of the Port's revenue-generating waterfront facilities, a connectivity fuel line between Golf Pier and F-1, and improvements needed for the Port's information technology systems; and

WHEREAS, the 35th Guam Legislature unanimously agreed that an amendment to Public Law 34-70 would allow for the reprogramming of such bond proceeds needed to address the deficiencies of the Port's revenue-generating facilities, the connectivity fuel line between Golf Pier and F-1 and improvements needed for the Port information systems and all remaining balances, if any, shall be allocated to provide for supplemental funding for the procurement of a new gantry crane; and

WHEREAS, on October 16, 2019, Governor Leon Guerrero signed Public Law 35-44 which authorized the reprogramming of the Port Authority revenue bond proceeds and amending the capital improvement projects in Section 4(a) of Public Law 34-70; and

WHEREAS, the Port issued procurement on the architectural and engineering (A&E) designs for the Port revenue bond projects and based on the engineering estimates provided in the A&E designs the construction cost associated with the repairs exceeded those outlined in Public Laws 34-70 and 35-44; and

WHEREAS, the engineering cost estimates outlined in the revenue bond mandates were obtained in 2014 and the reality is that the costs of construction pegged at 2014 are all severely underfunded; and



WHEREAS, because the mandates specifically identifies the revenue bond project costs to be funded by the revenue bond proceeds, it does not allow the Port to reallocate revenue bond proceeds to address the anticipated short-falls of the construction costs for those which has specific costs associated in the mandates; and

WHEREAS, Port's management has been actively submitting federal grant applications to fund some of the revenue bond projects, i.e., the fuel connectivity line, which the Port has been informed of the award of \$2.4 million by U.S. Economic Development Administration, freeing up a portion of the revenue bond proceeds for that project; and

WHEREAS, the Board of Directors fully understands the need to authorize the General Manager to use other funding sources for the payment of the costs of construction or improvement or any part thereof or any available money or funds of the Port Authority made available by a federal grant to be expended for the purpose of accomplishing the commitment of ensuring the Port's modernization program is not further delayed or jeopardized as a result of the legislative funding caps strictly tied to the 2018 Revenue Bond funds outlined in Public Laws 34-70 and 35-44; and

WHEREAS, the Board of Directors also recognize the need for the General Manager to engage with Guam Economic Development Authority, members of the Guam Legislature, and Governor Leon Guerrero on any possible legislative remedies to remove any statutory impediments created by Public Laws 34-70 and 35-44; now therefore be it

RESOLVED, that the Board of Directors hereby authorizes the General Manager to utilize Port revenues, unrestricted Port funds and/or other revenues and federal grants to supplement the short-fall funding of the revenue bond projects, all of which shall remain subjected to procurement and public utilities statutory requirements and engage, if necessary, with the Guam Economic Development Authority, members of the 36th Guam Legislature, and Governor Leon Guerrero to remove any statutory impediments created by Public Laws 34-70 and 35-44; and be it further

RESOLVED, that the Chairman certify to and the Secretary attest to, the adoption hereof and that copies of the same be transmitted to Governor Leon Guerrero; Lt. Governor Joshua F. Tenorio; Speaker Therese M. Terlaje of the 36th Guam Legislature; Port's Legislative Oversight Chairperson Senator Telena C. Nelson of the 36th Guam Legislature; and Melanie Mendiola, Administrator of Guam Economic Development Authority for informational purposes only.

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 29th DAY OF July, 2021.


FRANCISCO G. SANTOS
CHAIRMAN, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM

Digitally signed by
Isa Koki
Date: 2021.08.09
10:56:28 +10'00'
ISA MARIE C. KOKI
SECRETARY, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM





PORT OF GUAM
ATURIDATI PUEYTON GUAHAN
Jose D. Leon Guerrero Commercial Port
1026 Cabras Highway, Suite 201, Piti, Guam 96925
Telephone: 671-477-5931/35 Facsimile: 671-477-2689/4445
Website: www.portguam.com



Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

July 29, 2021

TO: Board of Directors

FROM: General Manager, Port Authority of Guam 

Subject: **Board of Directors Policy Memorandum No. 2009-02**

Port Authority of Guam Board of Directors Policy Memorandum No. 2009-02 Subject: Designation of Emergency First Responders and On-Call Emergency Management Personnel allows certain employees within the Port Authority of Guam to utilize Port vehicles on a twenty-four (24) hour basis. However, a recent legal review of this Policy Memorandum reveals that we are prohibited from allowing any employee to take home a vehicle from the Port as the Policy Memorandum is in contravention to law.

Title 4 GCA § 1103, governing Government Vehicles and Use, is quite clear: "No such vehicles shall be used for the transportation of any government officer or employee between his place of abode and place of employment ... " and further states that this restriction does not apply to any vehicle assigned for the use of *I Maga'lahaen Guåhan*, *I Segundu na Maga'lahaen Guåhan*, the Speaker of *I Liheslaturan Guåhan*, the Presiding Judge of the Superior Court of Guam, and the Chief Justice of the Supreme Court of Guam. The law also provides a narrow exception for Peace Officers, who may drive vehicles to their homes only if the Peace Officer could not proceed to duty except by using a government vehicle. Such use shall be limited only to the operation of the vehicle to and from the Officer's place of residence and shall not be used for any other purpose.

According to our Port Staff Attorney, our Policy Memorandum is in direct conflict with Title 4 GCA § 1103, which clearly prohibits the unauthorized personal use of government vehicles by government employees not exempted by Title 4 GCA §§ 1103(b) or (c). The positions listed in the 2009 Policy Memorandum do not fall into any of the exemptions provided for in 4 GCA §§ 1103 (b) or (c).

Therefore, based on the apparent conflict between Board of Directors Policy Memorandum No. 2009-02 and Title 4 GCA § 1103, I am respectfully requesting your approval to rescind Board of Directors Policy Memorandum No. 2009-02, Subject:

Memo to File to BOD

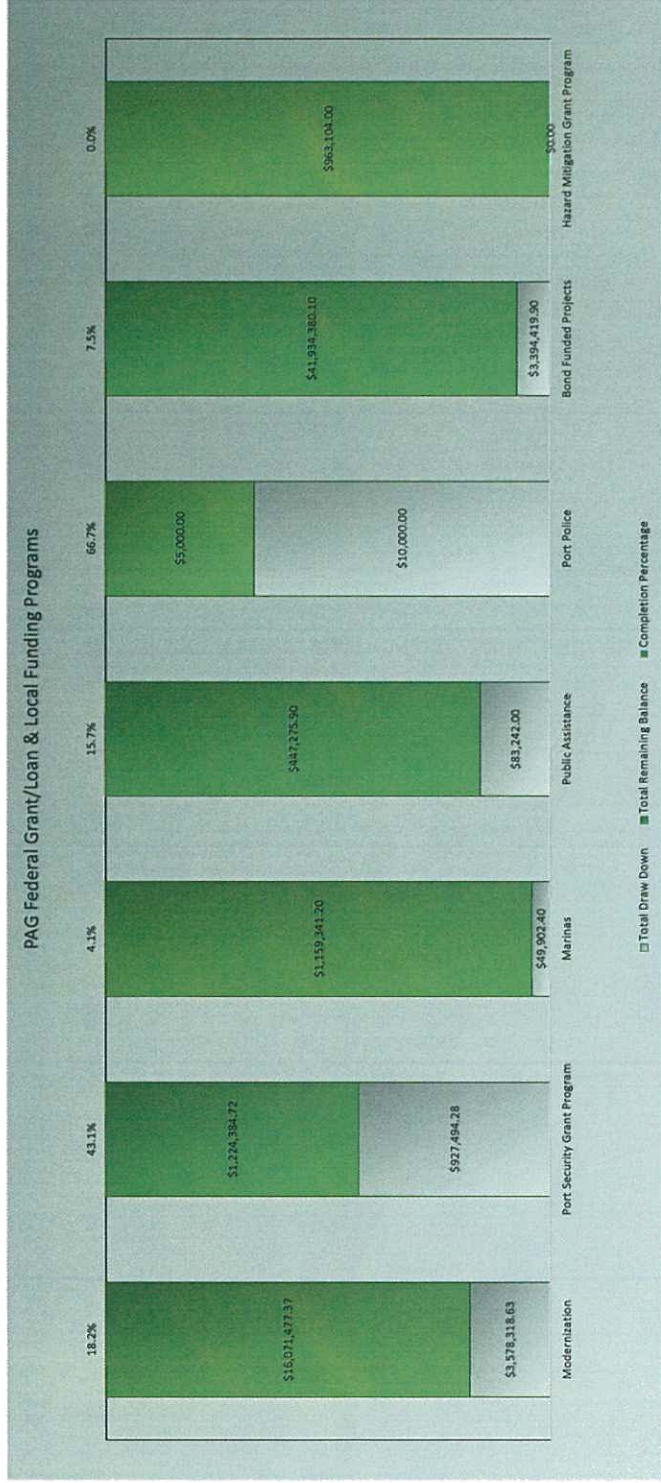
July 29, 2021

Page 2 of 2

Designation of Emergency First Responders and On-Call Emergency Management Personnel, in order to come into compliance with Guam law.

I am available for any questions you may have. *Si Yu'os Ma'ase.*

FY 2021 Port Modernization Plan
Grant/Bond Strategy - Monthly Update
As of July 23, 2021



Grant Program	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RF/PO Number	Status
Modernization DTMA91G1600007 - Rehabilitation of "H" Wharf	\$19,649,796.00	\$3,578,318.63	\$16,071,477.37	PO No. 17043-OF for \$2,249,845.54 awarded to GHD Inc. Change Order No. 1 PO No. 17159-OF for \$198,140.16	Quarterly Report submitted to MARAD on July 19, 2021. Building permits were obtained by GHD. Construction IFB announcement anticipated for the week of July 26, 2021. Anticipated Completion Date: 08/2023
GR882-18-01 - Owner's Agent Engineer Support Services	\$900,000.00	\$899,933.63	\$66.37		Final invoice paid and reimbursement request submitted to the Office of the Governor on July 22, 2021. Pending reimbursement of \$1,086.23
GR882-19-04 - 2020 Master Plan Update GR882-20-06 - OAE Supplemental Support Services	\$1,600,000.00	\$644,137.80	\$955,862.20		WSP is scheduled to conduct site visits/meetings on Guam from August 2-5, 2021. The 2020 Master Plan update continues to progress through the collaboration between Management, Port Division Heads, and the Port's OAE on the following initiatives: 1) Completion of the draft Customs Inspection Facility Feasibility Study, 2) RSM Study - goal is information integration between and amongst carriers, the PUGG, Customs, and the PAG, 3) Tariff Simplification - streamlining and refining PAG rates and services, 4) STS Crane Procurement Support, 5) PAG/GPA collaboration on proposed Liquefied Natural Gas (LNG) capability at the Port, 6) Crane Demolition - removing of Gantry 2 and 3, Mobile Harbor Crane and Rubber Tyred Gantry (RTG) cranes, and 7) Solar Power Feasibility Study - PAG effort to utilize solar energy to reduce PAG dependence on GPA island power.

**FY 2021 Port Modernization Plan
Grant/Bond Strategy - Monthly Update
As of July 23, 2021**

GR882-21-08 - PAG Construction Technical Oversight Services	\$1,500,000.00	\$0.00	\$1,500,000.00	Procurement for OAE Services resulted in only (1) proposal being submitted. The Evaluation Committee has concluded its review and submitted the rating/evaluation sheets to Procurement for further review prior to recommendation to management for award or no award.
Port Enterprise Fund - Port of Guam Construction Deficiencies and Equipment Purchases	\$2,844,530.00	\$2,034,247.20	\$810,282.80	<p>Project 1 - PO No. 1557-OF for \$139,449.00 awarded to American Builder LLC</p> <p>Project 2 - PO No. 15589-OF for \$82,940.00 awarded to Highway Safety Services LLC</p> <p>Project 3 - PO No. 15449-OF for \$10,311 awarded to AB Mer Construction</p> <p>Project 4 - PO No. 15213-OS for \$1,639,976 awarded to Morrigo Equipment LLC</p> <p>Project 5 - PO No. 16866-OF for \$195,844.55 awarded to ProPacific Builder Corp. Change Order No. 1 PO No. 17034-OF for \$25,000.00 Change Order No. 2 PO No. 17157-OF for \$78,000.00 Total Project 5 - \$298,844.55</p> <p>Project 6 & 7 - IFB-PAG-003-21</p>
07-79-07614 - F1 Pier to Golf Pier Fuel Connectivity Project	\$2,413,091.00	\$0.00	\$2,413,091.00	On July 14, 2021, EDA stated that a "Welcome Package" is being prepared for the PAG. This package will contain grant information. Once this is delivered, EDA will meet with the PAG to discuss the next steps.
D20AP00136 - Phase 1: Port Authority of Guam - Welding Shop	\$240,325.00	\$0.00	\$240,325.00	The SHPO responded to the OIA's Section 106 consultation letter on July 7, 2021. Their response recommends HABS level 1 Mitigation for the Welding Shop which requires documentation of the structure in its current state as well as its history. A response is being prepared by the USACE on behalf of the OIA.
D21AP10142 - Phase 2: Port Authority of Guam - Welding Shop	\$151,850.00	\$0.00	\$151,850.00	PAG received the Notice of Award from the OIA on July 7, 2021. This Project is to repair concrete spalling and paint the exterior of the Welding Shop and to purchase specialized Welding Equipment. The Port Match is \$151,850 for a total project cost of \$303,700.
Marinas	\$1,209,243.60	\$49,902.40	\$1,159,341.20	
F14AP00191 - Harbor of Refuge Repairs - 1. Repair, Plan of Mooring System and Anchor Block - 2. Wastewater Ejector Pump Station and Storage Facility	\$56,484.60	\$14,765.40	\$41,719.20	EoR has provided updated drawings to the PAG. Engineering Division will review prior to recertification by the EoR.
				<p>Next Steps:</p> <ol style="list-style-type: none"> 1) EoR documents received. Engineering to review updates to the design. 2) Planning will submit procurement documents in preparatory for the procurement meeting. 3) Issuance of IFB. <p>The MOU allows for significant improvements to the HOR in installing a pump station, wastewater ejector pump, and mooring blocks.</p> <p>The Guam DoAG grant award is in the amount of \$775,684.50; FWS Share - \$621,347.60 (75% Cost Share). PAG Share - \$155,336.90 (25% Cost Share).</p>
F16AP00261 - Harbor of Refuge Moorage Repairs	\$200,000.00	\$11,895.00	\$188,105.00	See above line item.
F17AP00486 - Harbor of Refuge Moorage Repairs	\$200,000.00	\$13,194.00	\$186,806.00	See above line item.
F19AP00334 - Harbor of Refuge Moorage Repairs	\$200,000.00	\$10,048.00	\$189,952.00	See above line item.

**FY 2021 Port Modernization Plan
Grant/Bond Strategy - Monthly Update
As of July 23, 2021**

F19AF01199 - Guam Fisheries Development: Construction of Agat Marina's Dock B	\$512,759.00	\$0.00	\$512,759.00	AG's Office proposed changes to the MOU. These changes were incorporated and resubmitted to the AG's Office for final review. Upon approval by all parties, DOAG will issue a Notice to Proceed to the PAG. Next Steps: 1) Planning will follow up with DoAG for the Amended MOU. 2) Planning will submit procurement documents in preparatory for the procurement meeting, and 3) Issuance of IFB. The Guam DoAG grant award is in the amount of \$512,759 for the Dock B Repairs and \$40,000 for the Repair of Agat Marina's Boat Ramp Bumpers.
F19AF01210 - Repair of Agat Marina's Boat Ramp Bumpers	\$40,000.00	\$0.00	\$40,000.00	See above line item.
Port Security Grant Program	\$2,151,879.00	\$927,494.28	\$1,224,384.72	Project completed on May 21, 2021. Payment made to G4S for \$31,800.00. PAG expenses totaling \$9,984.45 included in total project cost. Close out report being prepared.
EMW-2016-PU-00523-S01 - Acquisition & Installation of Additional Cameras at Strategic Port Facilities	\$130,983.00	\$0.00	\$130,983.00	PO No. 17108-OS - G4S Security Systems Inc. Project completed.
EMW-2016-PU-00523-S01 - Upgrade & Refurbishment of Existing Damaged Security Light Poles at Strategic Port Locations	\$356,412.00	\$356,412.00	\$0.00	Project completed.
EMW-2017-PU-00177-S01 - Maintenance and Sustainment Contract for Prime Power Generators	\$179,550.00	\$80,720.10	\$98,829.90	Year 1 - PO No. 16208-OS for \$75,207.00 Pacific Unlimited Inc. Year 2 - PO No. 16988-OS for \$75,207.00 Pacific Unlimited Inc.
EMW-2017-PU-00177-S01 - Refurbishment and Hardening of Load Center Buildings Housing Prime Power Generators	\$384,469.00	\$306,948.80	\$77,520.20	PO No. 16150-OF for \$314,450.00 to Murphy Enterprises Inc. Project completed on January 31, 2021.
EMW-2017-PU-00177-S01 - US Coast Guard Multi Agency National Association of State Boating Law Administrators (NASBLA) Training for Port Police	\$56,250.00	\$54,749.00	\$1,501.00	Project completed on August 2018.
EMW-2018-PU-00441-S01 - IDEN Technology Redundant Interoperable Communications System Monthly Service	\$94,944.00	\$60,241.81	\$34,702.19	ICoconnect sold all its assets to ITE. ITE is now the service provider and support entity for the Port's IDEN Technology push to talk radios. Services ongoing.
EMW-2018-PU-00441-S01 - Maintenance and Sustainment Contract for FEMA-acquired AS&E ZBV Backscatter X-Ray Van	\$195,669.00	\$44,541.20	\$151,127.80	PO No. 16227-OF - American Science & Engineering 70,724.00 Reimbursement from Guam Customs for 25% cost share being processed. Pending submission of invoices and recommendations for payment from Guam Customs for May-July 2021.
EMW-2018-PU-00441-S01 - Replacement CCTV System Existing Analog Cameras with Digital IP Cameras	\$160,867.00	\$23,881.37	\$136,985.63	IFB-PAG-003-21 Bid pricing was unveiled on July 13, 2021. Evaluation committee to submit report to the General Manager the week of July 26, 2021.
EMW-2019-PU-00295-S01 - Acquisition & Installation of Prime Power Generator & Components for Load Center 3	\$226,484.00	\$0.00	\$226,484.00	PO No. 17097-OS - Caterpillar, Inc. Caterpillar signed & acknowledged amendment on June 4, 2021. 180 days for delivery (On or before Dec. 1, 2021)
Port Security Grant Program 2021	\$366,251.00	\$0.00	\$366,251.00	FEMA awarded 75% of the Port's two projects totaling \$488,334.00. The PAG's investment justifications (Us or projects) were: I# 1 - Acquisition of Radar Intrusion and Vessel Tracking System - \$268,333.00 I# 2 - Acquisition of Transportation Worker Identification Credential (TWIC) System - \$220,001.00
Public Assistance	\$530,517.90	\$83,242.00	\$447,275.90	Project is ongoing.
4398DR - Typhoon Mangkhut #66352	\$530,517.90	\$83,242.00	\$447,275.90	
Port Police	\$15,000.00	\$10,000.00	\$5,000.00	
PT21-03-03PPD - Operation A dai He Hao	\$15,000.00	\$10,000.00	\$5,000.00	Quarterly Report submitted to the OHS on July 7, 2021. Port Police will participate in Standardized Child Passenger Safety Technician (CPST) Courses on August 30, 2021 to September 2, 2021 and September 20, 2021 to September 23, 2021.
Bond Funded Projects	\$45,328,800.00	\$3,394,419.90	\$41,934,380.10	
New Administration Building	\$10,445,000.00	\$0.00	\$10,445,000.00	Three draft layout options for the Admin Building has been completed by the PAG's OAE and is being reviewed by Management. No decision on which option has been selected as of this report. Status Quo.

**FY 2021 Port Modernization Plan
Grant/Bond Strategy - Monthly Update
As of July 23, 2021**

Waterline Replacement and Relocation	\$6,000,000.00	\$277,801.71	\$5,722,198.29	RFP No. 2019-03 - A&E Design awarded to NC Macario	Procurement Planning meetings are ongoing. Procurement packet being updated. Anticipated Completion Date: 12/2022
EQMR Building Repairs and Upgrades	\$3,628,800.00	\$395,333.19	\$3,233,466.81	RFP No. 2019-03 - A&E Design awarded to NC Macario	Procurement Planning meeting held on July 19, 2021. Procurement packet being developed. Anticipated Completion Date: 12/2022
Warehouse 1 Repairs and Upgrades	\$2,000,000.00	\$395,333.19	\$1,604,666.81	RFP No. 2019-03 - A&E Design awarded to NC Macario	Requisition 19492-OC has been submitted by Engineering. Procurement Planning meeting held on July 19, 2021. Procurement packet being developed. Anticipated Completion Date: 12/2022
Golf Pier Repairs and Improvements	\$2,000,000.00	\$354,876.53	\$1,645,123.47	RFP No. 2019-02 - A&E design for \$484,000 awarded to NC Macario	Requisition 19199-OC has been submitted by Engineering. Procurement Planning meetings are ongoing. Procurement packet being updated. Anticipated Completion Date: 09/2022
Rehabilitation of "H" Wharf (Port Share)	\$13,774,255.00	\$666,666.85	\$13,107,588.15	PO No. 16332-OF for Coral Relocation at \$482,700.00 to WSP awarded on February 18, 2020. PO No. 17043-OF for \$2,249,945.54 awarded to GHD Inc. for CM Services. Change Order No. 1 PO No. 17159-OF for \$198,140.16	Quarterly Report submitted on July 19, 2021. Building permits were obtained by GHD. Construction IFB announcement anticipated for the week of July 26, 2021. Anticipated Completion Date: 08/2023
Other Priority Projects	\$4,980,745.00	\$0.00	\$4,980,745.00		1. The PAG is currently awaiting review/approval on its Hazard Mitigation Grant Program grant application submitted to FEMA's Building Resilient Infrastructure & Communities (BRIC) grant program. The project name is PAG Wharves Service Life Extension - Hardening of F1 - F6 in the amount of \$22,660,014.67. Status Quo. 2. Work is ongoing for TOS Cloud option. Pending appropriate documentation from third party vendor. Status Quo.
Other Priority Projects - EnterpriseOne Financial Management System	\$2,500,000.00	\$1,304,408.43	\$1,195,591.57		EI went live on May 18, 2021. There will be a 2 year system support by Oracle. Currently working on E1 enhancements and a continuation of job costing. Status Quo.
Hazard Mitigation Grant Program	\$963,104.00	\$0.00	\$963,104.00		Grant application submitted. Pending review by Federal Agency. M&A costs listed at \$30,148.92.
Fendering System Hardening Project	\$603,689.00	\$0.00	\$603,689.00		Grant application submitted. Pending review by Federal Agency. M&A costs listed at \$19,292.08.
Warehouse 1 Hardening Project	\$359,415.00	\$0.00	\$359,415.00		
Grand Total	\$69,848,340.50	\$8,043,377.21	\$61,804,963.29		

PORT AUTHORITY OF GUAM
CONTRACT SUMMARY UPDATE

No.	Consultant/Vendor	Type of Service	Solicitation Method Reference No.	Division	Contract Term	Initial Term	Expiration After Options	Next Renewal Due Date	Annual Amount (Comments / Notes)
PROFESSIONAL SERVICES									
1	A1 - Guam WEBZ	Web Development, Hosting, Support and Maintenance Svcs	IFB-002-20	IT	3 years w/2 1 yr options	04/01/2020 to 03/31/2023 w/ 2 1yr options	03/31/25	03/31/23	Fees based on rates
5	AM Insurance	Insurance Coverages	GSA/PAG-020-17	Finance	5 years	10/01/2017 to 09/30/2022	09/30/22	09/30/21	Premium based
6	AM Insurance	Workers Compensation Coverages	IFB-PAG-008-19	Finance/Safety	3-years	3/20/20 to 3/19/23	03/19/23	03/19/23	
7	Matson	PMC for Gantry Cranes	RFP-020-005	EQMR					Currently in Cost Negotiations
8	Bank of Guam	Banking Services	RFP 020-004	Finance	5 years	5/14/21 to 5/13/26	05/14/26	05/14/26	Board approved 4/29/21
9		Management and Operations of Golf Pier	RFP-PAG-021-002	Commercial	5 years				Meeting w/Mobil 5/20/21
10	OMEGA Safety	OSHA Training & Certification Services for Maritime Terminal Operations	RFP-017-003	Human Resources	3yr w/ 2-1yr options NTE 5 years	8/13/2018 to 8/13/2021	08/13/23	08/13/21	Fees based on rates
11	Pacific Human Resources, Inc.	Drug Free Workplace Program	RFP-020-003	Human Resources	Initial 3yr term with 2 add'l one year options, not to exceed 5 yrs	06/15/20 to 6/14/2023	06/15/25	06/15/23	
12	Milo Appraisals	Real Estate Appraisal Services	RFP-021--004	Commercial	3yrs w/ 2 option				Currently in Cost Negotiations
13	TakeCare dba: FHP	Medical Examination Services	RFP-017-002	Human Resources	3 yr. w/ 2 options NTE 5 years	9/21/17 to 9/20/20	09/20/22	09/20/21	Renewal option in progress
14	Trident Cross LLC.	Underwater Assessment & Inspection Services	IFB/PAG-006-20	HarborMstr	1 Year	08/20/20 to 08/19/21	08/19/21	IDIQ - Indefinite Quantity Bid	\$24,894.00
15	Tristar Terminal Guam	M & O of F-1 Fuel Pier Facility	RFP-019-004	Commercial	5 years	04/01/21 to 03/31/26	04/01/21	03/31/26	
16		Environmental Consulting Services-SWPPP Compliance		Environmental					
17	Deloitte & Touche	Annual Independent Audit Services	RFP-018-003	Fiscal	FY18, FY19, FY20, w/ 1yr Option	FY18, FY19, FY20, w/ 1yr Option	12/31/2022	12/31/2021	\$45,000.00
18	WSP USA Inc.	OAE - Owner Agent Engineer	RFP-021-003	Planning	1 yr w/ 4 options NTE 5 yrs				NOIA issued 7/26/2021, Cost negotiations
19	N.C. Macario & Associates	A/E Design and Consulting Services Golf Pier	RFP 019-002	Engineering	1/6/2020 to 1/5/2023	3 years w/2 options	1/5/2025	1/5/2023	\$484K

Port Authority of Guam
Active Project Status
Engineering Division

As of July 23, 2021

Fact Sheet No. 105

Project:	A/E Services for Golf Pier Repair
Project No.:	RFP-PAG-019-002
Project Amount:	\$484,017.13
Amount Paid to date	\$354,876.53 remaining balance of \$129,140.00 is to be paid as post design services.
Funding Source:	PAG Bonded Project
Designer:	N.C. Macario and Associates
Construction Manager:	TBD
Notice to Proceed to Designer	January 6, 2020
Design Completion:	Performed within 6 months (July 5, 2020)
Work Status:	Related documents such as Drawings, Specifications, Scope, Bid Schedule, Requisition Process, Determination of Need Letter were completed and were submitted to the Procurement as IFB Documentation.

Project	Golf Pier Repair and Improvements (Construction Phase)
Project No.:	IFB (TBD)
Project Amount:	TBD
Amount Paid to date:	N/A
Funding Source:	PAG Bonded Project
Contractor:	TBD.
Designer:	N.C. Macario and Associates
Construction Manager:	TBD
Notice to Proceed:	TBD
Project Completion:	TDB.
Work Status:	Procurement conducted a planning meeting with PAG Engineering, PAG Legal and Facility Maintenance that was held on June 4, 2021. Procurement to respond and submit Forms 12 and 14 for legal review prior to the preparation of the bid advertisement. On March 31, 2021, Bid documents including Drawings, Specifications, Editable Electronic Files, Scope of Work in PDF Format and the Determination of Need Letter were submitted to PAG Procurement. Project Requisition was re-entered into the new E1 JD Edwards System. Procurement Division can NOW enter into IFB Process.

Project: A/E Services EQMR, WH I, Bldgs & Relocation of PAG WaterLine (Design Phase)
Project No.: RFP-PAG-019-003
Project Design Fees: \$1,406,427.48
Amount Paid to date: \$1,187,186.76, Remaining Balance of \$219,240.72 is to be paid as post design services for all three design projects.
Funding Source: PAG Bonded Projects
Designer: N.C. Macario and Associates
Construction Manager: TBD
Notice to Proceed to Designer: February 17, 2020
Project Completion: 8 months (October 16,2020 was the initial deadline. However, due to COVID, POP was extended to December 4, 2020) Project design was completed by December 4, 2020.
Work Status: drawings, bid documents including drawings, specifications, summary scope of work, determination of need and the bid schedule, and cost estimate were submitted to the Procurement Division.

Project Warehouse I Building Upgrades (Construction Phase)
Project No.: IFB (TBD)
Project Amount: TBD
Amount Paid to date: N/A
Funding Source: PAG Bonded Project
Contractor: TBD.
Designer: N.C. Macario and Associates
Construction Manager: TBD
Notice to Proceed: TBD
Project Completion: TDB.
Work Status: Bid Documents including Drawings, Specifications, Editable Electronic Files, Scope of Work in PDF Format and the Determination of Need Letter were submitted to PAG Procurement Division for IFB documentation. Project Requisition was re-entered into the new E1 JD Edwards System. On July 16, 2021, Procurement Division initiated and conducted a coordination meeting with Legal and Engineering Division to review potential changes from the IFB Package especially in Division 00 Bid Procurement and Contracting requirement.

Project	EQMR Building Upgrades (Construction Phase)
Project No.:	IFB (TBD)
Project Amount:	TBD
Amount Paid to date:	N/A
Funding Source:	PAG Bonded Project
Contractor:	TBD.
Designer:	N.C. Macario and Associates
Construction Manager:	TBD
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	Bid Documents including Drawings, Specifications, Editable Electronic Files, Scope of Work in PDF Format and the Determination of Need Letter were submitted to PAG Procurement Division for IFB documentation. Project Requisition was re-entered into the new E1 JD Edwards System. On July 16, 2021, Procurement Division initiated and conducted a coordination meeting with Legal and Engineering Division to review potential changes from the IFB Package especially in Division 00 Bid Procurement and Contracting requirement.

Project	PAG Waterline Replacements (Construction Phase)
Project No.:	IFB (TBD)
Project Amount:	TBD
Amount Paid to date:	N/A
Funding Source:	PAG Bonded Project
Contractor:	TBD.
Designer:	N.C. Macario and Associates
Construction Manager:	TBD
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	Procurement conducted a planning meeting with PAG Engineering, PAG Legal and Facility Maintenance that was held on June 4, 2021. Procurement to respond and submit Form 12 and 14 for the preparation to have a bid advertisement packet. Bid Documents to include Drawings, Specifications, Bid Schedule, editable electronic files, PDF formatted files and the Determination of Need Letter were submitted to PAG Procurement Division on Feb.12, 2021 for IFB documentation. Project Requisition was re-entered into the new E1 JD Edwards System.

Project:	New Administration Building
Project No.:	TBD
Project Amount:	TBD
Funding Source:	PAG Bonded Project-Pending
Contractor:	TBD
Construction Manager:	TBD
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	Pending

Project:	Repainting of PAG North CMU Wall Phase II Project and Port Various Buildings
Project No.:	PAG-CIP-020-002
Project Amount:	\$298,844.55
Amount Paid to Date:	\$198,482.18
Funding Source:	MARAD
Contractor:	Pro Pacific Builders Corp. (PPBC)
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	November 16, 2020 (182) calendar days.
Project Completion:	6 months - (182) initial POP calendar days plus additional 44 days as extension per CO #1 and C.O. #2 (New Completion Date is June 28, 2021).

Work Status: On June 7, 2021, Pro -Pacific, PAG Engineering and Planning Division conducted a pre-final inspection of the project. Punch list items were identified in High Tower, Lower Tower, Old Gate House and Safety sign in LC buildings. On June 10, 2021 a Final Inspection with PPBC, PAG Engineering and Planning Division was conducted and all Identified Punch list items were corrected by the contractor PPBC and were approved by PAG Engineering and Planning Divisions. PPBC to submit all reports, close-out documents and final project billing for processing and closure prior to June 28,2021 deadline. Project is 100% completed.

Project:	Renovation of Harbor Master Office
Project No.:	Request for Quotation
Project Amount:	\$59,497.00
Funding Source:	FEMA and PAG
Contractor:	Pro Pacific Builder Corp.(PPBC)
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	January 19, 2021
Project Completion:	May 18, 2021 (120) calendar days
Work Status:	As of April 26, 2021 ProPacific Builders Corp. completed this project and submitted the closeout documents and final Invoice was paid. Therefore the project is now closed.

.....

Project:	Supply and Installation of New 24 Ea. Cylindrical Fendering System at F-3 and 10 Ea. New Rubber Leg Arch Fender at Wharf F-4 thru F-6
Project No.:	IFB. -PAG-CIP – 021-001
Project Amount:	\$298,259.00
Funding Source:	FEMA and PAG
Contractor:	Guam Ship Yard (Guam Industrial Services Inc.)
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	June 10, 2021
Project Completion:	February 10, 2021
Work Status:	PAG Engineering conducted a Pre-construction meeting with Guam Shipyard and Port's various Divisions on June 4, 2021. Discussed during this meeting, were the required documentations to include General Liability Insurance, work plan, phasing plan, staging area and safety plan. Official Notice to Proceed was issued to Guam Ship Yard to commence work on June 10, 2021. As of July 21, 2021. PAG Management authorized Engineering to engage with the contractor GSP. On July 22, 2021, Pag Engineering Met with GSY regarding their missing project documentation and requesting full submittal to Engineering in a timely manner. To further accommodate GSY, PAG Engineering conducted additional site visit for the contractor.

.....

Project:	Harbor of Refuge Pump Station and Installation of Wastewater Ejector Pump
Project No.:	TBD
Project Amount:	TBD
Funding Source:	Dept. of Agriculture Fish and Wildlife Boating Infrastructure Grant
Contractor:	TBD
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	N.C. Macario (the Designer of the Record) submitted the updated recertified bid drawings, specifications and supplemental submittals for invitation to bid (IFB) packet. The packet will be submitted to the PAG Planning and Procurement Divisions today. As of July 21,2021, PAG Planning and Engineering Division await Notice to Proceed from the Federal and Local Agencies prior to Invitation for Bid advertisement.

Project:	Harbor of Refuge Installation of Mooring Blocks
Project No.:	TBD
Project Amount:	TBD
Funding Source:	Dept. of Agriculture Fish and Wildlife Boating Infrastructure Grant
Contractor:	TBD
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	PAG Planning and Engineering are currently working with the AM.Orient (the Design Firm) to update the drawing's certification prior to submittal to Procurement for IFB advertisement. As of July 23, 2021, Planning and Engineering Division received from Am Orient (Designer of Record). PAG Planning and Engineering Division await Notice to Proceed from the Federal and Local Agencies prior to Invitation for Bid advertisement.

Project:	Rehabilitation of H-Wharf and Access Road CM Services
Project No.:	RFP No. PAG-020-002
Project Amount:	\$2,448,085.70
Funding Source:	Tiger Grant and PAG Revenue Bond
Construction Manager:	GHD Engineering
Notice to Proceed:	Has been issued
Project Completion:	24 months after the NTP
Work Status:	PAG Management and GHD signed the contract agreement on March 15, 2021. PAG Management Team and GHD conducted a coordination meeting on April 21, 2021 with regards to a change order allowing GHD to provide 100% pre-bid and bid phase services. GHD and Procurement are to bid the project in the very near future.

Project:	Rehabilitation of H-Wharf and Access Road (Construction Phase IFB)
Project No.:	TBD
Project Amount:	TBD
Funding Source:	Tiger Grant and PAG Revenue Bond
Contractor:	TBD
Construction Manager (CM):	GHD Engineering
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	As of July 23, 2021, GHD and Procurement Division are processing and preparing an invitation to bid document for construction. Therefore, GHD and Procurement are to bid the project in the very near future.

Project:	Repair of Concrete Spalling in CFS Building
Project No.:	IFB-PAG-CIP-021-004
Project Amount:	\$197,700
Funding Source:	PAG 2021 Budget
Contractor:	TBD
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	July 14, 2021
Project Completion:	January 14, 2022
Work Status:	PAG Engineering re-entered requisition into the E1 JD Edwards. PAG Procurement Division conducted the bid opening on May 25, 2021, Pro-Pacific Builders Inc. submitted the lowest bid. On July 16, 2021, Pro Pacific Builders submitted General Liability Insurance, submittal material specification and schedule of values and other needed documents for PAG Engineering review, comments and approval on July 23, 2021.

Project:	Supply and Install Automatic Turnstile Gate Entrance at the Port Police
Project No.:	RFQ-PAG-021-008
Project Amount:	\$79,989.00
Funding Source:	PAG Internally Funded Projects 2021 Budget
Contractor:	Top Builders, LLC
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	May 10, 2021
Project Completion:	November 10, 2021 or (180 calendar days)
Work Status:	Contractor, Top Builders is to provide material submittals for approval by the PAG Engineering. On May 21,2021, Top Builders was issued TWIC Cards from TSA. PAG Engineering requested Top Builders via E-mail again to submit material submittal for the automated turnstile Gate on July 19,2021

.....

Project:	Supply and Install Typhoon Shutters at the High Tower Building 2nd and 3rd Floors
Project No.:	RFQ-PAG-021-006
Project Amount:	\$23,691.94
Funding Source:	PAG Internally Funded Project CY 2021 Budget
Contractor:	TBD
Construction Manager:	PAG Engineering
Notice to Proceed:	May 10, 2021
Project Completion:	November 10, 2021
Work Status:	PAG Engineering has approved the material submittal and the contractor awaits fabrication from manufacturer (EMI). As of July 21, 2021. Contractor Top builders and EMI are fabricating the typhoon shutters for the above project.

Project:	Supply and Install Three Glass Doors at the Operation and Commercial Offices.
Project No.:	RFQ-PAG-021-007
Project Amount:	\$21,989.46
Funding Source:	PAG Internally Funded Projects 2021 Budget
Contractor:	Top Builders, LLC
Construction Manager:	PAG Engineering
Notice to Proceed:	May 10, 2021
Project Completion:	November 10, 2021
Work Status:	As of June 15, 2021. Contractor Top builders awaits completed fabrication and installation of the doors from the Manufacturer (EMI). As of July 1, 2021, Top builders completed the project and submitted all close-out documents and final invoice to be processed by Engineering Division for payment.

Project:	Repair of Trench & Asphalt Pavement at Wharf F-6.
Project No.:	RFQ-PAG-021-005
Project Amount:	\$32,010.62
Funding Source:	PAG Internally Funded Projects 2021 Budget
Contractor:	Top Builders, LLC
Construction Manager:	PAG Engineering
Notice to Proceed:	May 10, 2021
Project Completion:	November 10, 2021
Work Status:	Top Builders to mobilize on June 21,2021 to commence field work prior to receiving concrete flowable fill and hot mix asphalt pavement for this project. As of July 1, 2021, Top builders completed the project and submitted all close-out documents, final invoice for processing by Engineering Division for payment.

Project:	Installation of Dock “B” Agat Marina and Maintenance of Public Boat Ramps
Project No.:	TBD
Project Amount:	TBD
Funding Source:	Dept. of Interior, Dept. of Agri. Fish and Wildlife, DOA/WR and PAG 2021 Budget Share
Contractor:	TBD
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	PAG Engineering submitted the design-build scope of work to Planning Division who awaits funding approval from various grantors shortly.

Project:	A/E and Const. Management Services for Various Port Facilities and Projects
Project No.:	TBD
Project Amount:	TBD
Funding Source:	PAG Internally Funded Projects 2021 Budget
Contractor:	TBD
Construction Manager:	TBD
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	Pending Engineering Proposals and Management Approval.

Project:	Design-Build of Agat Marina Bathrooms
Project No.:	TBD
Project Amount:	TBD
Funding Source:	PAG Internally Funded Projects 2021 Budget
Contractor:	TBD
Construction Manager:	PAG Engineering
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	PAG Engineering submitted the scope of work and conceptual drawings based on precise topo survey to determine the best location for the project. The documents have been submitted to the PAG Procurement, for a Design-Build IFB, the request for an account number is awaiting approval by the Management. The Determination for Need prepared by the Engineering has been signed by the GM.

Project:	CCTV Installation Agana Marina Design-Build
Project No.:	19441 ON
Project Amount:	\$31,800.00
Funding Source:	Grant Funding PSGP 2016
Contractor:	G4S
Construction Manager:	PAG Engineering,
Notice to Proceed:	April 16, 2021
Project Completion:	May 21, 2021
Work Status:	As of May 21, 2021, The project was 100% completed.

Project:	Spot Corrosion Removal/Paint Repair of Mobile Pipelines
Project No.:	RFQ-PAG-021-009-CIP
Project Amount:	\$46,800.00
Funding Source:	PAG
Contractor:	RDE Construction
Construction Manager:	PAG Engineering,
Notice to Proceed:	July 2, 2021
Project Completion:	October 2, 2021
Work Status:	As of June 15, 2021, project requisition was re-entered from AS 400 to E1 JD Edwards in the amount of \$46,800 for the Procurement Division to issue a purchase Order. On June 30, 2021, PAG Engineering and RDE construction conducted a pre-construction meeting regarding the project. On July 2, 2021, PAG Engineering issued the Official Notice to Proceed to the contractor, On July 16, 2021, PAG Engineering and RDE construction attended a Safety briefing at Mobil for the mobilization scheduled on July 19,2021.

.....

Project:	Installation of Canopy Fronting Building Maintenance Bay
Project No.:	TBD
Project Amount:	TBD
Funding Source:	PAG
Contractor:	TBD
Construction Manager:	PAG Engineering,
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	Procurement Division prepared a Design-Build IFB packet for advertisement. Entered into the AS400 on April 15, 2021. Scope of Work, Conceptual Drawings, Determination of need, Bid Schedule, Photos, and Vicinity/Location Maps were submitted to the Procurement Division on April 20, 2021 for initiating the IFB Advertisement. Project was advertised and pre-bid conference was conducted on July 14, 2021. Site visit was conducted on July 16, 2021. Procurement is awaiting bid opening on Wednesday July 28, 2021

Project:	Establishment of Survey Markers and Partial Topo Determination of the Wharves F3, F4, F5, and F6 in order to Monitor Impacts of loading and unloading operations on the Wharves' Surfaces.
Project No.:	TBD
Project Amount:	TBD
Funding Source:	TBD
Contractor:	PAG Engineering Division
Construction Manager:	PAG Engineering
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	Several points were established. However, to complete the work and develop ability to monitor the wharves' potential subsidence of its surfaces, purchasing survey equipment are required.

Project:	Emergency Demolition of an Interior Double CMU Partition Walls/Columns along Gridline #7 between Bays 6 and 7 of Warehouse 1
Project No.:	Req. No. 19676 OR
Project Amount:	\$38,990.00
Funding Source:	PAG 2021 Budget
Contractor:	Valcon Guam LLC
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	July 15, 2021
Project Completion:	Extended to July 28, 2021
Work Status:	On July 15, 2021. Contractor commenced mobilization and start fabrication of a Wooden Barrier Wall, disconnection of electrical conduits, Installation of uni-strut metal bracket for the relocation of Electrical conduits attached to the CMU walls that are subject for demolition. Valcon Construction submitted a formal letter of request to extend the period of performance.

Port Authority of Guam
Operations Division Report
June 2021

I. OVERVIEW

Vessel Calls	20
Cans Handled	8687
Special Service(s)	102

a. Productivity

Vessel Op	Avg NMPH	TOP GANG	M/Hr
Matson Domestics	25.1	6	30.2
Feeder	0	0	0
MSA Barges	14.2	4	30.0
Kyowa, Candor	15.2	5	20.0
Ambyth Mariana/Triton	11.4	3	14.5
MELL Kotas	22.6	5	26.4
APL Herodote/Saipan	20.8	6	22.8

b. Equipment Status

As of : 07/01/2021	ON HAND	UP	RM	Repair
GANTRYS	3	3		
TOP LIFTERS	9	4		5
20T FORKLIFT	2	1		1
10T FORKLIFT	4	2		2
5T FORKLIFT	8	6		2
TRACTORS	23	14		9

II. YEAR TO DATE

a. Vessels_YTD 175

b. Can_Cnt YTD

June	FY20		FY21		Variance	
	I	E	I	E	I	E
Local	25038	24554	25969	25350	4%	3%
TS	4651	4815	4561	4601	-2%	-4%
TSMT	2044	1989	2067	2031	1%	2%
TTL	31733	31358	32597	31982	3%	2%

FY-21 WORK INJURY REPORT
(01/01/21 to 12/31/21)

<u>Divisions</u>	<u>*Lost-time</u>	<u>**Recordable</u>	<u>*** Refused Treatment</u>
Stevedoring	1	0	1
Transportation	0	0	2
Terminal	0	0	0
EQMR	0	0	0
Port Police	<u>0</u>	<u>0</u>	<u>2</u>
Total	1	0	5

Work Injury Summary for this reporting period: 7/16/2021

Total Injuries for FY-21 to date: 6–Injury

- 1-- Lost-time
- 0– Recordable
- 5– Refused Medical Attention

Last disabling work injury was on: 05/07/20

Number of days since last disabling work injury: 70-days

Note: PAG best record was 222 days or 7months w/o a disabling work injury

***Lost-time** = If an employee was injured on the job and medical doctor sent him/her home, his/her injury is considered a lost-time.

****Recordable** = If an employee was injured on the job and medical doctor treated him/her and released him/her back to work on the same day (Recordable because of medical charges).

*****Refused Medical Attention:** Filed WC Forms 201 & 202 for record purposes only.