



NEWSLETTER

PORT AUTHORITY OF GUAM

July 2020

Board of Directors

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Board Secretary

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General Manager

Dominic G. Muna
Deputy General Manager, Operations

Luis R. Baza
Deputy General Manager, Administration & Finance



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Notices

Although Guam is now in PCOR 3, all employees should continue to be diligent in your hygienic and social distancing practices. Wear your mask at all times. Maintain social distancing of 6-feet. Wash hands with soap and water for at least 20 seconds. Sanitize all surface areas.

Port finances stable amidst global pandemic

Port General Manager Rory J. Respicio told board members during the July Board Meeting that Port finances are doing very well despite the ongoing global health crisis.

General Manager Rory Respicio told board members that the overall spending YTD (Actual versus Budget for FY2020) is 10% less, or \$3.7M in YTD cost avoidances. This means that despite the slight dip in revenues and cargo throughput amounting to \$1.5 million lower than year to date revenue projections, the overall spending of 10 percent less actual versus budget – or \$3.7 million – puts the port in a stable financial position.

Meanwhile overtime was down by 22 percent, or \$22,000, as compared to May of last year. Also expenses by the Port that are reimbursable by the tariff is \$2.6 million or a \$57,000 increase.

“This means that although OT expense is 22.5% over budget YTD, this projected budget shortfall is covered by the direct labor reimbursement,” Respicio told the board.

The Port’s Container throughput revenue for June, 2020 compared to June, 2019 is 5.3 % lower than last year’s total, and 6.2% or \$1.2M lower than FY20 budget projections. The total revenue for the Port as of June, 2020 is \$41.1 million, which is 3.6% or \$1.5M lower than YTD revenue projections.

The total number of containers handled as of June 2020 is 63,091, which is 2% lower or 1,190 fewer containers compared to last year’s June 2019 total. Overall spending YTD is 10% less, or \$3.7M in YTD cost avoidances.

Overtime YTD for Operations is \$1,105,458, which is 22.5% higher than YTD overtime budget of \$902,064. The overtime for June resulted in a decrease of 22% or \$22K as compared to May, from \$101,303 in May to \$79,393 in June.

Direct Labor reimbursement is \$2.6M, a 2.3% or \$57K increase from the FY20 budget. This means that although OT expense is 22.5% over budget YTD, this projected budget shortfall is covered by the direct labor reimbursement. Direct Labor Revenue is \$2,577,754, Operations Overtime is at \$1,105,458 and Variance is at \$1,472,296. Total Net Income YTD is \$4.6M. The YTD Income is 8.7% lower than net income projections for FY2020. For the months of April and May, the cargo throughput revenues is averaging a decrease of 19% or \$415K

and in other cargo related revenues category, the result is an average decrease of 15% or \$278K. Although the Port’s non-operating revenues is showing increases as compared to the projections and the operating expenses resulting to 10% decrease as compared to budget, the decrease in operating revenues for the past two months is one of the primary reasons in the -8.7% net income result as compared to the net income projection in the nine months of the fiscal year.

Meanwhile, the Port Board also voted to accept the proposed evaluation rate from SPPC for the extension of their fuel tank farm Sublease Agreement and to establish a General Reserve Fund Account setting cash aside in addition to the regular bank fund balances for when regular cash flow is disrupted.

GM Respicio also gave board members an update on the July 18 Fire Water Line Break and a run down on the Office of the Public Auditor findings that the former General Manger received illegal pay raises. He also provided an update on a petition filed by the Guam Federation of Teachers for exclusive recognition of Port Police Personnel, the application of the Freedom of Information Act to Settlement Agreements and the port’s work to obtain several significant federal grant opportunities to assist the Port Authority of Guam through the pandemic. Respicio also updated the board on the Outstanding Performance Evaluation of Deputy General Manager Luis R. Baza which was affirmed unanimously by the board of directors.



COVID -19 Update

The Port Authority of Guam continues efforts to assist the island of Guam during the Coronavirus pandemic.

The Port is currently managing the distribution of massive amounts of hand sanitizers to clinics, hospitals and government agencies across the island.

“We are all in this COVID-19 battle together,” Port General Manager Rory J. Respicio said. “We have been helping on numerous fronts in the island-wide effort and at the same time maintaining 100 percent

operation from the very beginning of this pandemic. That speaks to the Port Strong spirit of the employees and our commitment to everyone on our island.” The drums full of hand sanitizer were donated from FEMA to Guam Homeland Security. GHS designated the Port Authority of Guam to be in charge of this project and the drums are stored at the Port’s main facility. PAG personnel coordinate the delivery of the hand sanitizers to locations around the island at the direction of Homeland Security.



FEMA Hand Sanitizer Devanning1: Port Authority of Guam employees recently off load drums of hand sanitizer for storage and distribution at clinics, hospitals and government agencies on Guam.



FEMA Hand Sanitizer Devanning2: Drums of hand sanitizers are stored at the Port Authority of Guam for use across the island and to be distributed by Port Authority of Guam.

Port E-Advisories

July 2, 2020

Port E-Advisory No. 10

The Joint Information Center (JIC) has reported an alarming increase in positive test results for COVID-19 from multiple labs this week as follows:

Date	Samples Tested	Confirmed Cases
July 2	Unknown	9
July 1	514	12
June 30	370	4
June 29	200	7

To date, there have been a total of 280 confirmed cases of COVID-19 with 5 deaths, 179 released from isolation and 96 active cases. Of those cases, 234 are classified as civilians and 46 are military service members. This week, while visiting the terminal yard, I stopped by several offices and observed that we have been pretty relaxed on the social distancing and wearing our masks.

We need to continue to be diligent in your hygienic and social distancing practices. As a reminder of the Governor’s executive orders, you are mandated to:

- Wear your mask at all times, while at work and in all public places.
- Maintain your distance 6-feet of space from someone else
- Wash your hands often with water and soap for at least 20 seconds; and
- Sanitize all surface areas.

Based on the positive tests of COVID-19, we are seeing flare-ups of the virus in our community. We understand that wearing your mask can be uncomfortable, but it is proven the virus spreads less easily when everyone is wearing their masks or face coverings.

To ensure that we comply with the mandates, effective Monday, July 6, 2020 and until the of the Governor’s Public Health Emergency, any Port employee found not adhering to the public health directives and Port’s advisories will not be eligible for COVID-19 differential pay for his/her entire shift where the violation occurs.

Your division head will have the latitude to enforce these precautionary measures and document any violations so that the offending employee’s respective timesheets can be adjusted accordingly.

As stated in prior advisories, we must continue to act as if though we have COVID-19, as well as, those we come in contact with also are positive for COVID-19.

Stay Safe Everyone!


Rory J. Respicio, General Manager

July 20, 2020

Port E-Advisory No. 11

Governor Lou Leon Guerrero signed Executive Order 2020-24 declaring Pandemic Condition of Readiness (PCOR) 3 for the island, effective at 12:01 AM on Monday, July 20, 2020. Under PCOR 3 and as guided by DPHSS Guidance, most activities are permitted to operate under moderate restrictions.

Gatherings or congregations, including, but not limited to, gatherings outdoors or in private accommodations, shall be limited to no more than fifty (50) persons, regardless of whether the individuals are of a single household unit.

Although Guam is now in PCOR 3, you should continue to be diligent in your hygienic and social distancing practices. As a reminder of the Governor’s executive orders, you are mandated to:

- Wear your mask at all times, while at work and in all public places.
- Maintain your distance 6-feet of space from someone else
- Wash your hands often with water and soap for at least 20 seconds; and
- Sanitize all surface areas.

We must continue to act as if though we have COVID-19, as well as, those we come in contact with also are positive for COVID-19.

This public health emergency is now set to expire on August 29, 2020.

Stay Safe Everyone!


Rory J. Respicio, General Manager

The Port Authority of Guam has been 100% operational since the beginning of the pandemic. When the COVID-19 crisis began, the port stood up a Clinic to address the safety and concerns of all employees and tenants. As of today, we have recorded 20,639 visits to the Port Clinic. We are strong. We are essential. We are safe. We are YOUR port.



PORT CLINIC 20,639 SERVED

#essentialworkers #portofguam
#portstrong #staysafeguam



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media pages!



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Port Publishes Citizen Centric Report

The Port Authority of Guam recently published the annual Citizen Centric Report for FY2019.

"This report gives the public an overall performance review on how we are doing and a look into our finances including our revenues and expenses," said General Manager Rory J. Respicio. "This report also shows our general outlook and challenges facing our agency."

According to the report, in FY 2019, earnings from operations amounted to \$6.9M, which was a 92% improvement from FY 2018. The total non-operating expenses were \$4.1M which resulted in an increase in net position (net income) by \$3.5M compared to a \$103 thousand loss in FY 2018. The Citizen Centric Report also notes that PAG's operating revenues increased by 2% or \$1.1M in FY 2019.

The report published today also shows that the Port's operating expenses decreased by 4.7% or \$2.4M in FY 2019. The decrease in operating expenses was accomplished despite PAG absorbing \$2M in the middle of the fiscal year for unbudgeted payroll requirements, as well as booking \$3.1M in contingent liabilities for

ongoing labor issues. In September 2018, prior management implemented a new pay schedule under PAG's Compensations and Classification plan, which was not part of the expense projection in the PAG's FY 2019 Budget.

As for the outlook, the report notes that the Port is engaged in a 5-year Port Improvement Program for FY 2018-2022 to support the Port's future challenges and economic vision.

This includes Capital Improvement Plans which will cost approximately \$70.7 million and are financed through a combination of federal grants, Port revenues and proceeds of the 2018 bonds.

The Port's focus is on new construction, significant repairs, renovations and upgrades to the Authority's facilities and major equipment required to maintain operations. This includes buildings and support facilities, pavements and structures, security fencing and gates, computerized terminal operating systems (TOS), and upgrade of a 20-year old financial management system.

Port Pays Tribute to Retired Port Police Chief

A Tribute in honor of Retired Police Chief Thomas C. Tamares was held on July 16th 2020, in front of the Port Administration Building with Governor Lou Leon Guerrero and Lt. Governor Joshua Tenorio in attendance along with many of Tamare's former coworkers.

A sense of sadness could be felt as Police vehicle sirens could be heard from a distance while the funeral motorcade approached the Administration building. Employees watched the hearse drive in along with family members who came to the Port for the Tribute prior to the funeral Mass. Deacon Fernandez delivered the Responso, then Governor Leon Guerrero and Lt. Governor Tenorio presented the family with a Guam flag. A certificate of recognition was also presented by Board Chairman Frank G. Santos assisted by GM Rory Respicio and DGMs Dominic G. Muna and Louis R. Baza.

Tamares passed away on July 6, 2020 at the age of 83. Chief Tamares began his career with the Port Authority of Guam in October 1989 as a Security Supervisor and in June 1995 he was promoted to Port Police Supervisor. A year later in June of 1996, Tamares rose to the ranks of Port Assistant Police Chief. In October of 1999 he was promoted to Port Police Chief, the highest position within the Port Police Division, which he held until his retirement in April of 2003.

The event was broadcast live on the Port Authority of Guam's Facebook and Instagram page.



Port Police Enforce Speed Limit

Officers from Port Police have been taking extra measures to ensure that motorists adhere to the speed limits along their areas of jurisdiction which include the roadways of Rout 11, 18 Cabras Highway, Navy Fuel dock in Piti, Route 1 – Hagatna, Asan, & Piti, Route 2, 2A – Sumay and Agat. Using their LTI 20/20 laser speed gun, numerous citations have been issued to motorists for exceeding the 25 mph limit on Route 11 and the 35 mph limit along Route 1 Marine Corps Drive.

Through federal funding from the National Highway Traffic Safety Administration obtained by Strategic Planning, Port Police Division has been a participant of Operation Adaihe Hão! (Watch Out!) since 2015 in an effort to reduce speeding, crashes related to speeding, reckless driving, imprudent driving and unsafe driving habits. The program provided funding to acquire a laser speed gun, certification training for officers operating the equipment and overtime pay associated with the implementation of the Operation Adaihe Hão! (Watch Out!).

The officers certified in the use of the laser speed gun are Joy Cruz, Eric Salas and David Untalan. Port Police Division also participates in the Click-It-Or-Ticket, Child Passenger Safety Week and Drive Sober or Get Pulled Over campaigns in conjunction with Guam Police Department and Guam Airport Authority Police. This 5-year grant reimburses the Port Authority annually as a sub-grantee through the Department of Public Works Office of Highway Federal Grant Funds. For CY 2020, the Port was awarded \$15,000 for overtime expense.

As a condition of the federal funding, quarterly reports are submitted to the Office of Highway Safety documenting overtime

labor cost associated with the program and citation statistics as required by the federal grantor agency. For CY 2020, Port Police Division reported 18 traffic crashes, 2 traffic crashes with injury, 106 speeding citations, 6 DUI arrests, 2 child restraint citations and 0 seatbelt citations. All citations are paid to the Superior Court of Guam.

Port Police want to caution employees and members of the public to obey all traffic laws while they travel through this area as Route 11 is a heavy industrial zone and can be quite hazardous with all the large trucks moving in and out of the area. Due to social restrictions brought about by the COVID-19 pandemic, we've seen an increase of fitness-related activities taking place along Route 11 such as biking, jogging, walking and swimming near the USO beach. As such, motorists are advised to use extra caution when traversing in and out of the Port Authority.



PAG Assists JP Torres Success Academy and Southern High School

Employees from Transportation and Stevedoring Division made time to assist JP Torres school in relocating teacher's desks, filing cabinets, electronic equipment, classroom equipment and furniture to its new locations.

The success academy will close its physical doors in Santa Rita and move to its central location, Tiyán High, and southern location, Southern High School, at the opening of this school year.

JP Torres School was originally a behavioral reform school for middle and high school students, but over recent years, it has transformed into a school dedicated on credit recovery and high

school completion for its students. Students range from the age of 17 to 21 and they lack credits to graduate. Since its conversion into a success academy about two years ago under GDOE's Second Change Program, the school has graduated more than 100 students and has gained accreditation.

The difference between ordinary and extraordinary is that little extra.

Thank you to the Port Strong employees of Transportation, Stevedoring, EQMR and Facility Maintenance for all the little extras you do to serve and assist our community.



Port Users Group Guam (PUGG)

Members of the Port Users Group Guam (PUGG) held their monthly Industry Meeting on July 22, 2020 at the Port Authority of Guam Board Room. Discussions included Covid-19 Updates, Hotel Wharf Status and the plan of action for the gantry crane removal. The PUGG was created to facilitate communication of and solutions to operating issues at the Port of Guam common to all users. The Port Users Group Guam advocates for safety, security, environment, productivity, efficiency, training and technology. Members include representatives from Ambyth Shipping & Trading, APL, Cabras Marine Corporation, Kyowa Lines, Matson Navigation, Marianas Express Lines, Marianas Steamship Agencies, Norton Lilly International, Pacific Development Corp., Saipan Shipping Company, Inc. and Seabridge, Inc. Industry partners include Port Authority of Guam, U.S. Coast Guard (USCG), Guam Customs & Quarantine, Guam Legislature – Oversight Committee (Senator Clynt Ridgell) and U.S. Navy (Port Operations).

Team Operations load military equipment bound for Saipan

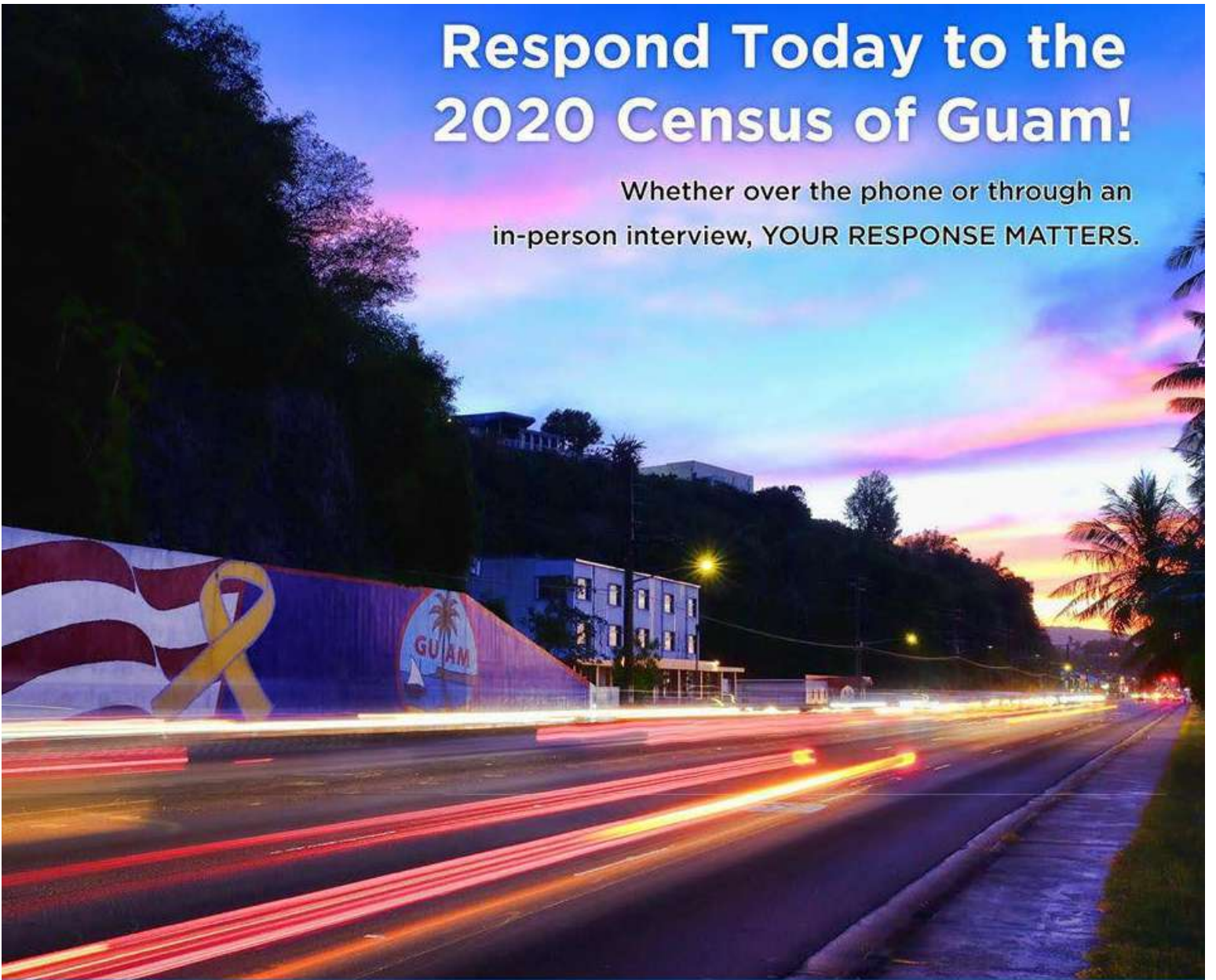
Working hand in hand, Transportation and Stevedoring Division perform break bulk operations to load military equipment onto a Barge on July 17, 2020. Chartered by APL with MSA as the agent, the

cargo reached its destination of Saipan after an estimated 16-hour voyage. Moving a total of 22 units, the operation took 21.3 hours to complete. Great job Team Operations!



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Learn more about the 2020 Census of Guam

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Guam

Port Employees Celebrate August Birthdays



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Robert F. Camacho, Jr.
Michael D. Taitano
Perry O. Blas
Dominick V. Fernandez
Christopher J. Aguigui
Adrian Gene P. Camacho
Sonja L. Cruz
Edwin A. Malaga
Gussieannmarie Diaz
Lina M. Quinata

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Lester M. Van Meter
Keesha Ann F. Duenas
Paul P. Francisco
Jake M. Padrones
Kirt K. Mizusawa
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Reed K.S. Topasna
Victor Q. Duenas
Albert E. Santos
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Frank V. Lujan
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