



The Port Report

February 2009

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Incentive Award Recipients

Employees and divisions were recognized during the last Board of Directors meeting for their outstanding performance and received awards for the Quarter of October to December 2008. Congratulations to all awardees; keep up the good work.



Supervisor of the Quarter
Jose P. Bamba
Crane Operator Leader



Employee of the Quarter
Arnold P. Fernando,
Equipment Operator II



Outstanding/Good Housekeeping Center of the Quarter
Human Resources Division



Outstanding Work Center of the Quarter
Stevedoring Division - Shift I



Good Housekeeping Work Center of the Quarter
Maintenance Manager's Office - Maint. Dpt.

FY 08 Audit Highlights

For the 6th year in a row, the Port Authority closed fiscal year 2008 with an increase of \$737 thousand in net assets as reported by independent auditors Deloitte & Touche. This was primarily due to an increase of \$1.3 million in operating revenues from

cargo throughput and equipment/space rental. This increase was primarily attributed from new rates implemented in Feb 2007 for fuel surcharge, security surcharge, hot work permit, labor charge-out and transshipment fees, and several new lease agreements. Also reported as an increase was the Port's operating expenses which rose by \$1.8 million compared to prior fiscal year 2007. This was mainly due to increases in salaries and

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and benefits, legal counsel, repairs and maintenance, and operational supplies. Although the independent auditors rendered a “clean” opinion on the Port’s financial records, several issued need to be addressed relative to computer data security, lease invoicing, and procurement matters.

Exercising fiscal responsibility and making every effort to cut costs

and curb waste, credit is given to all employees who continue to work diligently to serve the people of Guam. Keep up the great work.

Celebrating Chamorro Month



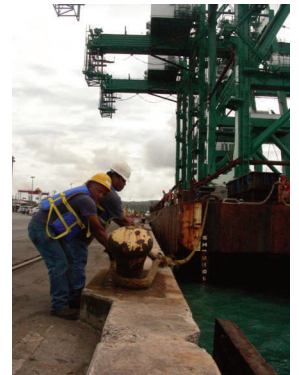
March is a special time of the year when the community celebrates our island’s culture, language and traditions. The Department of Chamorro Affairs, lead agency for these events, is requesting that all government agencies participate by setting up cultural displays, encouraging employees to greet guests and clients with a warm “Hafa Adai,” playing Chamorro music, and attending the cultural events and activities taking place throughout the month. Employees are invited to attend a two-day festival on March 21 & 22 for cultural presentation, performance and displays. For more information, you may contact the Marketing Division at ext. 315/545 or the Dept. Of Chamorro Affairs at 475-4278/9.

POLA Cranes at F6

It is difficult not to notice the 3 green, mean, machines sitting on F-6. The refurbished cranes owned by Matson and Horizon arrived February 7 and are currently being worked on by Bikerton Ironworks and Shaw Group to get it up and operational by the end of March. The equipment was officially

inaugurated during a blessing ceremony held on February 11 aboard one of Seabridge’s tugboats. The cranes have been retrofitted and modified to enhance their productivity and handling capabilities. They are equipped with state-of-the-art electronic control drives and modern diesel generator power packs. Other upgrades

include lifting beams capable of handling 45-foot containers and new disc-style main function brakes. Fully assembled, the cranes are over 160-feet tall and have a lift height of over 90 feet and will be operated by Port Authority of Guam employees.



Modernization Updates

As the Port Authority moves forward to modernize its facility, several initiatives are on going to assist the agency in accomplishing its mission to upgrade the facility. Regular updates will be reported as progress is being made.

MARAD Project Management Team (PMT): General Manager Glenn A. Leon Guerrero traveled to Washington, D.C. in early February to join U.S. Maritime Administration (MARAD) officials in hearing oral presentations from companies interested in being the PMT that will implement the Port's modernization plan. The PMT will oversee the actual implementation and construction of the modernization plan which will cost approximately \$195 million. MARAD hopes to award the PMT contract in March.

Owner's Agent/Engineer (OAE): After reviewing proposals submitted by three offerors who responded to the Port's RFP announcement in October 2008, the selection committee awarded the contract to the best qualified offeror, Parsons Brinckerhoff International, Inc (PBI). The OAE contract consists of five task orders which comprise of:

I) Mobilize Team and Kickoff Work, II) Develop Implementation Plan, III) NEPA Schedule Driven Activities, IV) Design Development, and V) Funding, Financing and Outreach Activities. Last week, the notice to proceed was issued authorizing PBI to commence work.

Strategic Port Designation: The Port Authority of Guam is seeking designation as a U.S. Strategic Port, recognizing its critical role for Guam and the Mariana Islands and its strategic importance to National security. During its January meeting, the board of directors passed a resolution asking the Governor and members of the 30th Guam Legislature to solicit the help of Congresswoman Madeleine Bordallo in this effort. The board would like for Bordallo to introduce a resolution or legislation requesting the Department of Defense and the Department of Transportation's U.S. Maritime Administration (MARAD) to conduct an assessment on the feasibility of designating Guam's port as a U.S. Strategic Port.

Strategic Military Seaport designation is assigned to U.S.

seaports that the Department of Defence intends to utilize for the quick movement of military equipment and personnel overseas in times of crisis, and for military exercises. The designation is given to a seaport only after an intense evaluation process by the MTMC and MARAD. They closely evaluate how a port's facilities, capabilities, inland access, and geographic location can serve the needs of the U.S. military when timely deployment of equipment and personnel is essential.

The benefits of Strategic Port designation to a U.S. seaport are numerous and significant. They include: increased federal investment in the port district; improved access to federal security and port infrastructure funding; dramatically increased cargo volumes during periods of military deployment; and the establishment of an ongoing partnership between the seaport and the Department of Defense, resulting in the development of joint projects benefiting both the military and the commercial port. In addition, a strategic designation will showcase to the commercial industry our capacity to serve the needs of their companies and our entire community.

On Wednesday February 25, the Deputy General Manager presented Department of Corrections with certificates of appreciation for their help in beautifying the Port Authority of Guam. DOC Director Jose B. Palacios, Warden Francisco B. Crisostomo, and Sgt. Alan San Nicolas have been instrumental in allowing detainees to cut the grass and pick up trash along Route 11. Deputy General Manager Joaquin Cruz along with ASO Chilang Delgado met with Palacios, Crisostomo, and San Nicolas to offer their thanks and discuss further ways the corrections department can assist our Port.



Reminders:

TWIC Cards: The new federal security system for access to the Port's terminal yard will be implemented April 15, 2009. Employees and port users who do not hold a TWIC card, will not be allowed access to the port's restricted areas unless they are escorted. The TWIC requirement applies to over 1,500 workers in Guam including port employees, and personnel working for the carriers, agents, trucking companies and restricted fuel facilities. All port employees and port users who has not applied for a TWIC card, are reminded of the April 15 implementation date. You are advised to call 477-0655/56 or visit the TWIC office located by the Board Conference Room.

Wage Study Comments: Oral or written testimonies relative to the Port's proposed Personnel Rules and Regulations for Maritime-Related Positions Unique to Port Operations and Certified, Technical, and Professional Employees will be accepted until March 11, 2009. Employees are encouraged to review the regulation and submit their input at the HR office or online at comments@portofguam.com. Please include your name when submitting testimonies online.



WITH DEEPEST SYMPATHY

Our condolences to families of the late Jesus Quintanilla, father of Joe "Cheba" Quintanilla (Stevedoring Division) who passed away on January 11, 2009 and George Q. Taimanglo, brother of Patricia "Babylove" Munoz (Finance Division) who passed away on February 14, 2009. Our deepest condolences are extended to the families.

2008 PAGGMA Financials

Revenue	
Membership Dues	7,084.00
Commission fee	
Pepsi	1,848.25
Coca Cola	505.34
Snack Machine	75.00
Other Revenues	
Marina Lease (Lib)	150.00
Reimbursement	
BOD Stipends Donation	2,350.00
Christmas Ticket sales	4,916.00
Christmas Unused Fund	63.24
Unused Port Week Fund	16.62
Donations	1,420.00
PW08 (Disbursement)	15,000.00
Stale Dated Checks	111.90
Fundraiser	
PTC	1,310.00
Softball	600.00
Bowling	390.00
Cookout	1,700.00
Billiards	
Darts	
Karaoke	20.00
Basketball	320.00
Total Revenues	37,880.35
Expenses	
Supplies Expense	(157.02)
Employees Benefits Expense	
Death	
Hospitalization	(50.00)
Charitable Expense	
Charity	(1,463.75)
Members Events Expense	
Softball	(1,795.76)
Basketball	(518.00)
Super bowl	(600.00)
Liberation Day	(1,397.86)
Labor Day	(157.92)
Port Week 07/08	(19,163.93)
Halloween	(178.00)
Christmas Party	(13,030.68)
Poki Lubut	(700.00)
Member (Caps/Visor)	(1,672.50)
Fundraiser Expense	(272.00)
Miscellaneous Expense	(1,167.01)
Total Expenses	(42,324.66)
Balance Brought Forward	9,996.80
Total Revenue	37,880.35
Total Expense	(42,324.66)
Year Ending Balance	5,552.49

PAGGMA Legends Fundraiser



PAGGMA 2009 Super Bowl



Thank you to all employees, tenants, and friends who supported PAGGMA's recent fundraiser held at the Legends Lounge. DJ sounds was provided by Ken Camacho (Facility Maintenance) and raffle prizes were donated by Ambros and AM Insurance. Thank you! Be on the lookout for future events sponsored by the association. If you'd like to be a member, please contact Jenni Leon Guererro at ext. 240 or Leonora Taylor at ext. 336.

FYI - Check out the new vending machines at WH2 and EQMR selling your favorite beverages to include black/green tea and iced coffee.