



NEWSLETTER

PORT AUTHORITY OF GUAM

MARCH 2024

Board of Directors

- Dorothy P. Harris**
Board Member
- Conchita S.N. Taitano**
Board Member
- Fe Valencia-Ovalles**
Board Member

Port Management

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



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FEMA Prioritizes Repair of Fuel Piers



On March 5, 2024, off-island Federal Emergency Management Agency (FEMA) officials took a tour of the Port Authority of Guam fuel piers that were damaged by Typhoon Marwar.

FEMA's Michael Plostock, Acting Director, Recovery Division and Michael Gayard, Region 9 Public Assistance Branch Chief, along with other FEMA officials visited both Golf Pier and F1 Pier to view damage sustained from Typhoon Mawar. The team was on island to meet with critical infrastructure grant applicants.

Several of the Port's maritime and upland assets, to include Golf Pier (currently inoperable) and F1 Pier experienced substantial damage from the severe winds, wind-driven rain, and storm surges resulting from the Category 4 typhoon which struck the island on May 24, 2023. FEMA and the Port have made Golf Pier a priority for repairs. As a result of the team's site assessment, the priority for F1 Pier has also been elevated and will be addressed after the Golf Pier scope and cost estimates are finalized.

"Repairs to these critical assets and restoring full operations to these

piers are of utmost importance for the Port as these are the fuel and cement lifelines to our community," said Port Authority of Guam General Manager Rory J. Respicio. "We are working closely with FEMA and our Owner Agent Engineer, WSP, to finalize these cost estimates to expedite the repair and/or replacement of each of the piers."

Other FEMA officials in attendance included Field Coordinating Officer Bern Ruiz, Infrastructure Branch Director Grace Tebarwa, Deputy Infrastructure Branch Director Colby Wright, External Affairs Specialist Antonio Joyce, and Public Assistance Program Coordinator Candise Aragon from the Guam Recovery Office.

Other significant Typhoon Mawar related development is the Port's no cost scope modification request to MARAD on its \$22 Million Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant award. This proposal would take allocated funding for F1 Pier repairs and shift it to fund the entire repair for wharves F2 – F6. The Port is finalizing the scope of work and cost estimate breakdown for submission to MARAD.

Aging Port Cranes on Guam a Weak Link in Indo-Pacific Chain, Officials Say



The Port of Guam is the U.S. territory's only deepwater port and receives about 90 percent of the island's imports. (Sara Muir/U.S. Coast Guard)

By Jonathan Snyder | Stars and Stripes

Guam Gov. Lou Leon Guerrero emphasized the island's growing role in Indo-Pacific defense recently as she lobbied in Washington, D.C., for a share of federal money to replace aging cranes at Guam's port.

President Joe Biden under an executive order Feb. 21 announced plans to improve cybersecurity at U.S. ports, citing threats to systems that provide ship navigation and cargo tracking. The administration had already apportioned \$20 billion alone to upgrade port infrastructure over five years.

The infrastructure initiative targets port cranes manufactured in China for replacement, also due to cybersecurity concerns. Among other measures, the initiative makes funds available to replace Chinese-made cranes in use at U.S. ports with U.S.-built cranes, according to a White House press release Feb. 21.

"Securing these cranes is imperative for our national security," Guerrero said in a Feb. 23 news release from spokeswoman Krystal Paco-San Agustin. "With the Biden Administration's heightened concerns, securing funding aligned with U.S. security policies to prevent reliance on China-manufactured equipment is crucial."

The Port of Guam employs three used gantry cranes more than 40 years old that must be replaced in a few years, Rory J. Respicio, Port Authority of Guam general manager, told Stars and Stripes by email Wednesday.

The cranes were made in Japan by Hitachi in the mid-1980s and relocated to Guam from the Port of Los Angeles, according to documents on the Port of Guam website.

However, components of the cranes, specifically the head blocks and wheel brakes, were made in

China and installed during a 2008 refurbishment, Respicio said. The cranes came to Guam in 2012.

Ship-to-shore, or STS, gantry cranes are familiar sights that tower along the docks at commercial ports, where they're used to load and unload intermodal containers.

The Port of Guam has applied for federal grants and loans and written the specifications for the replacement cranes it needs, Respicio said.

Guerrero used the military buildup on Guam — among them the creation of a new Marine Corps base, bolstering the Coast Guard presence and plans for a ring of air defense missile sites — to make the territory's case for funding new cranes, according to the Feb. 23 release.

"The Port Authority of Guam is at a pivotal moment, with the acquisition of three new STS gantry cranes critical for sustaining its commercial and military operations," the release said.

Three cranes can meet the forecasted demand for the Department of Defense buildup, Respicio said.

"But if just one of those cranes goes out of service prior to replacement, it will delay the military buildup by four years and if two of those old cranes go out of service, the Port would not be able to meet commercial demand or the DOD mission," he said.

In January, the Gantry 6 crane was out of service for nearly two days for repairs, according to Guam's Pacific Daily News.

"We are pursuing every opportunity for the Department of Defense and the Department of Transportation Maritime Administration to become major benefactors in the Port's acquisition of new cranes, as well as the replacement of yard equipment, and the rehabilitation of wharves and aging facilities," Respicio said.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

March 12, 2024

The Honorable Pete Buttigieg
Secretary of Transportation
U.S. Department of Transportation
1200 New Jersey Ave., SE
Washington, DC 20590

RE: Funding Requirements to Replace Port Authority of Guam's three STS Gantry Cranes

Dear Secretary Buttigieg,

Buenas yan Håfa Adai! I am writing to follow up on our discussion at the National Governors Association (NGA) Winter Meeting concerning the Port Authority of Guam's critical role in our nation's security and commerce. This role is now more pronounced due to the cybersecurity objectives outlined in President Joe Biden's recent executive order. The condition of our port infrastructure, particularly the three STS gantry cranes nearing the end of their service life, presents an urgent and serious vulnerability. Our Port board and management have been actively seeking funding through the USDOT Maritime Administration (MARAD) but have faced challenges due to the Buy American requirements.

Mr. Secretary, as I have conveyed, the need to replace these cranes goes beyond economic impact; it is a national security imperative. Our reliance on aging infrastructure, which could be compromised by adversaries, poses a national security risk. Aligning our funding with U.S. security policies to mitigate these vulnerabilities is crucial. If the Port's procurement is constrained due to funding stipulations, we risk delaying other vital infrastructure projects essential for our strategic readiness and may be forced to consider purchasing STS gantry cranes from China.

As the Governor of Guam, I fully understand the benefits of decisive action, a perspective you share as Secretary of the U.S. Department of Transportation. We actively seek the Department's support to acquire new cranes, leveraging all available funding opportunities, even those beyond MARAD, adopting a comprehensive, whole-of-government approach. We share a mutual, unwavering commitment to enhancing cybersecurity and ensuring a resilient supply chain for Guam in the interest of commerce and national security. With your support, we aim to enhance the efficiency of the Port Authority of Guam, boost the island's economy, and strengthen the United States' strategic posture in the Indo-Pacific theater. Your continued involvement in these projects is highly valued, and I am confident in our collaborative efforts to make critical infrastructure improvements on our island.

Thank you for your attention to this crucial issue. We are ready to work closely with your office to provide any further information needed to advance this initiative. *Si Yu'òs Ma'åse!*

Senseramente,

A handwritten signature in purple ink that reads "Lourdes A. Leon Guerrero".

LOURDES A. LEON GUERRERO
Maga'hågan Guåhan
Governor of Guam

RICARDO J. BORDALLO GOVERNOR'S COMPLEX
513 W. Marine Corps Drive Hagåtña, Guam 96910
governor.guam.gov | (671) 472-8931

Port welcomes board member Fe Valencia-Ovalles

Fe Valencia-Ovalles is now the newest member of the Port Authority of Guam Board of Directors.

On March 22, 2024, the 37th Guam Legislature unanimously confirmed Governor Lou Leon Guerrero's nomination of Valencia-Ovalles to serve as member on the Port's Board of Directors for a period of three years commencing July 1, 2023 to June 30, 2026 to fill the expired term of Dr. Judith P. Guthertz.

Valencia-Ovalles has diverse experience in finance, management, and public service positions and will serve as an additional strategic board member to assist the agency as we navigate through these critical times. With a fresh perspective and a proven unwavering dedication to public service, Valencia-Ovalles embodies the qualities essential for effective board leadership, crucial for addressing the port's multifaceted programs and issues being addressed now and in the near future.

Confirming Valencia-Ovalles reaffirms the commitment to ensure Guam's only commercial seaport and nexus to the global supply chain remains uninterrupted for the continued prosperity of our community and that of the Western Pacific Region.

Her previous appointments to government services include that of Special Assistant of Community Affairs/Medical Referral to Lt. Governor Michael Cruz, Special Assistant of Labor, Protocol and Ethnic Affairs to Governor Joseph F. Ada, Chief Passport Officer and Deputy Director of the Department of Labor.

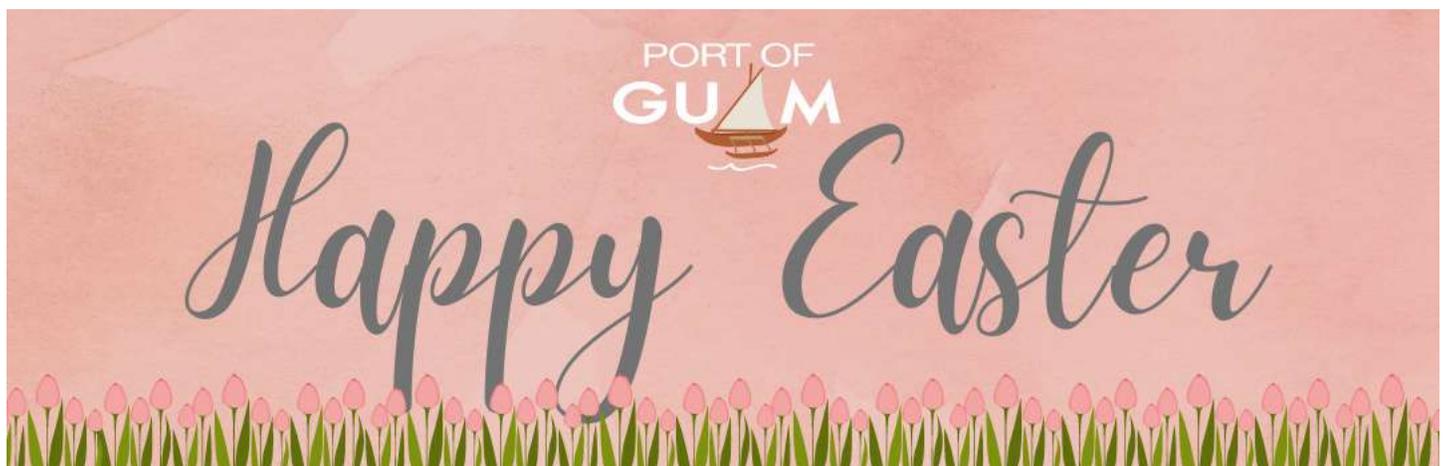
She has also served on various boards and



commissions to include Member to the Board of Directors of the Guam Mass Transit, the Guam Airport Authority, the Guam Housing Corporation, the Guam Economic Development Authority as well as Member to the Advisory Council of the Guam Regional Medical City and as Chairwoman to the Board of Trustees for the Guahan Academy Charter School.

In a civic capacity, she is Charter President of the Guam Sunshine Lions Club, Charter Vice President of the Guamerica Lions Club and a member of the Rotary Club of Northern Guam.

Valencia-Ovalles is the President and CEO of Guam Marianas Management Services, Inc. which she began in 1995.





The Office of Public Accountability (OPA) has recently concluded an audit of the Port Authority of Guam and has found no instances of fraud or abuse in the transactions tested.

Port General Manager Rory J. Respicio said this audit underscores the Port's commitment to maintaining ethical financial practices and he expressed appreciation for the audit's findings.

"The OPA's acknowledgment of no fraud or abuse within the Port's transactions is a testament to our dedication to ethical financial management," Respicio said.

In response to the audit's findings, the Port Authority of Guam has implemented several measures to strengthen its financial management systems, including:

- Revision of policies and procedures to uphold the highest standards of accountability.
- Enhancement of staff training programs to ensure adherence to updated procurement procedures.
- A comprehensive review and update of travel policies to reflect the unique operational needs of the Port, distinguishing them from federal guidelines.

"We are committed to transparency and integrity in our financial operations," Respicio added. "We are actively addressing the audit's recommendations to ensure that our efforts in financial management are recognized and that our practices going forward uphold the high standards we have placed on ourselves."

Public Auditor Benjamin Cruz also commented on the audit's outcomes, emphasizing the constructive nature of the process. "The recent audit highlighted no instances of fraud or abuse, affirming the Port's commitment to ethical practices and financial integrity. Our audits aim to foster transparency and continuous improvement. This audit is not merely about finding faults but reinforcing the strong foundation the Port Authority operates on. We value our collaborative relationship with the Port and are committed to working together to implement the audit recommendations," said the Public Auditor.

The Port remains dedicated to working closely with the OPA to address any concerns and continuously enhance its financial management systems, ensuring ongoing service excellence to the people of Guam, Respicio said.

Gantry Three Disassembly

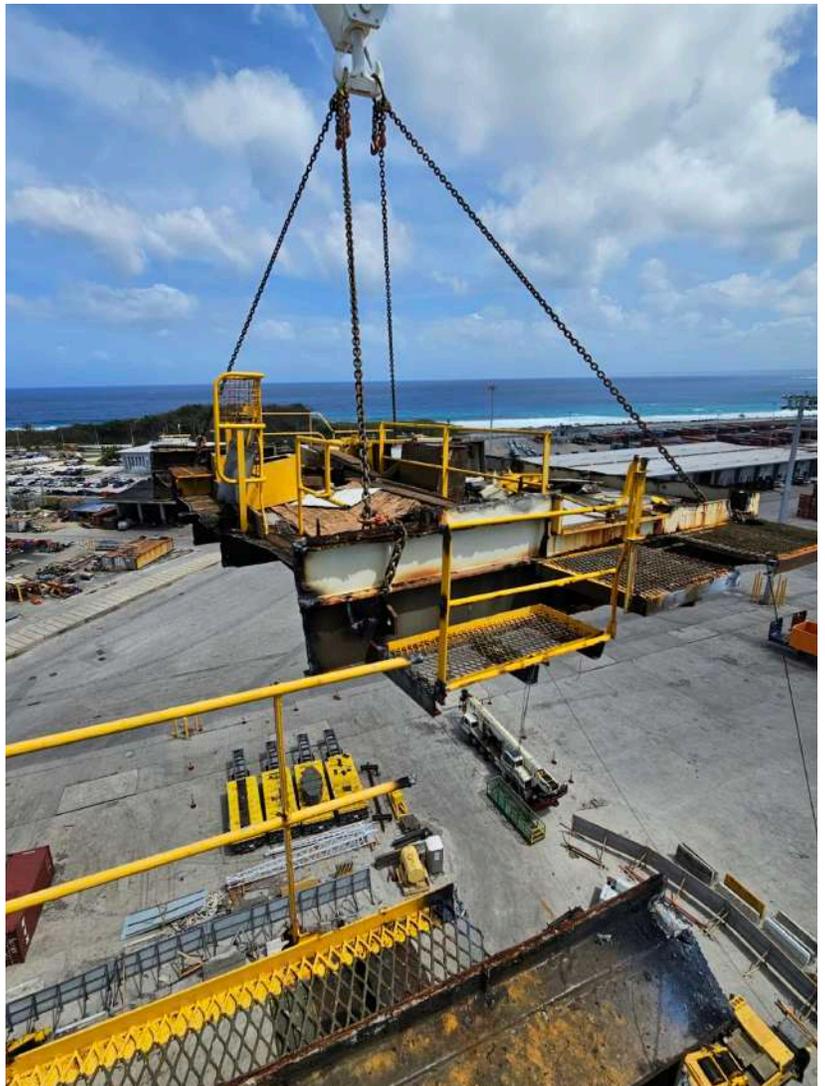
The Port Authority of Guam's Gantry 3 has been subject to recent disassembly, marking a significant milestone in the maintenance and development of the port. This operation reflects the port's commitment to ensuring the efficiency and safety of maritime operations in the region.

The process of disassembly involves intricate planning and coordination among various stakeholders, including engineers, technicians and port operators. Each step is meticulously executed to guarantee the safety of personnel and preservation of equipment. Earlier in the month the Guam Shipyard, with the assistance of their subcontractor Smithbridge, submitted cut sequence and lift study assessments to the Port team prior to beginning crane deconstruction. Once plans were reviewed and approved to proceed, two mobile cranes were brought in to assist with the deconstruction of Gantry 3 and safety protocols have been strictly adhered to at every stage to mitigate potential risks and prevent accidents.

"The disassembly of Gantry 3 aligns with Governor Lou Leon Guerrero and Lt. Governor Josh Tenorio's prioritization of Guam's business development and economic initiatives by removing inoperable assets at the Port to free up valuable dock space and generate increased revenue and toward acquiring new cranes," said Port General Manager Rory J. Respicio. "The proactive stance of the Governor, the Lieutenant Governor, and our board in emphasizing the link between port and military readiness is forward-thinking. We are modernizing the port to the best of our financial ability and advocating for support to address infrastructure shortfalls, notably the urgent replacement of remaining gantry cranes."

Other ongoing projects at the port include preparing to remove a sunken barge, as well as Typhoon Mawar recovery measures such as floating a drydock along F3 which had sunk as a result of the storm and removing and disposing debris that remained along Highway 11.

Story continues on pg. 7



The removal and proper disposal of these inoperable assets eliminates unsafe working conditions for Port employees as well as Port users, ensures the continued functionality of port facilities, and facilitates the smooth flow of maritime commerce for the region. As the Port evolves to meet the demands of a dynamic global economy, such strategic initiatives will play a vital role in sustaining its resilience for years to come.



Port Revives Physical Fitness Program

The Port Authority of Guam's Marketing Division recently conducted a comprehensive Port Employee Wellness Check survey to assess employee general well-being, satisfaction and participation with the Government of Guam's worksite wellness program.

Responses to the survey indicated that 68.71% of those who participated feel they maintain a healthy work-life balance, while 48.55% of responses indicate that they were aware of the fitness programs offered and wellness resources available to them, the remaining respondents were not.

"This feedback prompts us to focus on increasing the visibility of our wellness resources and ensuring that every employee has the information and access necessary to benefit from them," said Port General Manager Rory J. Respicio. As a result, Respicio has instructed the Human Resources Division to enhance the Port's wellness program by encouraging employee

participation and including other initiatives such as mental health support services, fitness programs, nutritional counseling and stress management workshops.

"We acknowledge the challenges faced by our workforce, especially as they pertain to wellness resource utilization and work-life balance," said Respicio. "Despite available programs, our efforts must continue to address your barriers and foster an environment where you feel supported and encouraged to prioritize your health and well-being."

Meanwhile, the Government of Guam held a re-launch of the Government of Guam worksite wellness program on March 19, 2024 at the University of Guam Field House. The government-wide program was established in 2012 through an executive order which aims to improve the health, overall well-being and productivity of all GovGuam employees by building a resilient, stronger workforce that lives longer, healthier lives.

Port welcomes three cruise ships in March

The Port Authority of Guam welcomed three passenger vessels in the month of March with the arrival of the MS Asuka II on March 3, the Queen Elizabeth on March 21 and the Le Soléal on March 24, 2024.

The arrival of these three vessels collectively account for nearly 4,400 visitors to Guam via maritime transport for the month of March.

“The increase in cruise ships visiting our island this year is a boost to Guam’s tourism industry and highlights Guam as a premiere luxury cruise destination,” said Port Authority of Guam General Manager Rory J. Respicio.

Future cruise ship visits to Guam for the remaining calendar year include the Carnival on April 8th, the Seabourn on May 14th and September 7th, the Le Soleal on October 8th, the Carnival on October 22nd, and the MS Asuka II on December 30th.



U.S. Fish and Wildlife meeting

Officials from the U.S. Fish and Wildlife Service (WSFR) visited the Port Authority of Guam on March 13, 2024 highlighting the completion of key projects funded by WSFR, Guam Department of Agriculture and the Port that include:

- **Public Boat Ramp (Catwalk):** Completed in November 2022 for \$80,000 and allows the boating community access to and from waterways for recreational or commercial activities.
- **Harbor of Refuge Moorage System:** Completed in May 2023 for \$870,000 and enhances safety and capacity, accommodating boaters seeking refuge during inclement weather and transient vessels restocking supplies.
- **Agat Marina Dock “B” and Pile Repairs:** Completed in Feb 2024 for \$1.49 Million to rehabilitate and repair for recreational boaters at the marina.

Officials who attended the site visit included



WSFR Chief/Assistant Regional Director David Teuscher, Lead Grants Fiscal Officer (WSFR) Kelly Sliger, Fiscal Officer (WSFR) Kohl Taberner, Grants Program Manager for Guam and CNMI Ruth Utzurum, DAWR Division Chief Jay Gutierrez and DAWR Biologists Brent Tibbatts and Thomas Flores, Jr.

College students visit the Port



Students from the Mississippi College visited the Port Authority of Guam on March 12, 2024 as part of the institution’s Study Abroad Program. The group of students majoring in Business, Communication, and Modern Languages were on Guam from March 2 to March 16 to study the island’s economy and sustainability, the renaissance of the Chamorro language and culture, and crisis communications and public relations following the Typhoon Mawar disaster.

The visit started with a presentation from General Manager Rory J. Respicio and CFO

Jojo Guevara and Chief Planner Jose Javellana, followed by a tour of the Port’s facilities. The team gave an overview of Port’s operational and financial performance for the past five years, challenges faced and outlook for the future, as well as experiences during the pandemic and port recovery after Typhoon Mawar.

This Study Abroad program is funded in part by the U.S. Dept. of Education Business and International Education Program and partnered with the University of Guam School of Business and Public Administration.

Biba!

Mes CHamoru!



CELEBRATING AND SHARING
GUAM'S UNIQUE CULTURE,
HERITAGE AND HISTORY.



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Quarterly Employee Awards - 1st Quarter of FY 2024

Employee of the Quarter

Category 1:



Brenda Atalig, Planner III

Category 2:



Eric Balajadia, Equipment Operator III



John Quintanilla, Jr., Welder I

Supervisor of the Quarter

Category 1:



Donna Lizama-Acosta, Planner IV

Category 2:



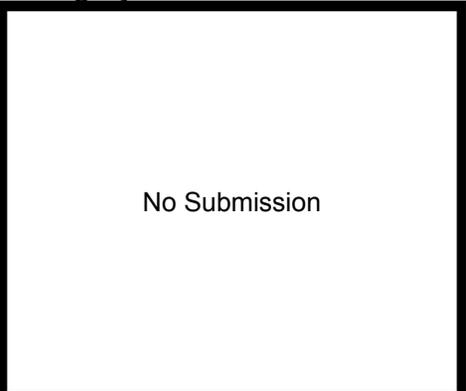
Gus Aromin, Crane Mechanic Leader



Patrick Claros, Transportation Supervisor

Outstanding Work Center of the Quarter

Category 1:



No Submission

Category 2:



Transportation Division

Good Housekeeping Work Center of the Quarter

Category 1:



General Manager's Office

Category 2:



Operations Division

March Photo Highlights



HAPPY ANNIVERSARY!
AGA
CGFM

AGATM
Guam Chapter

2024 FEATURED

CGFM
Certified Government Financial Manager

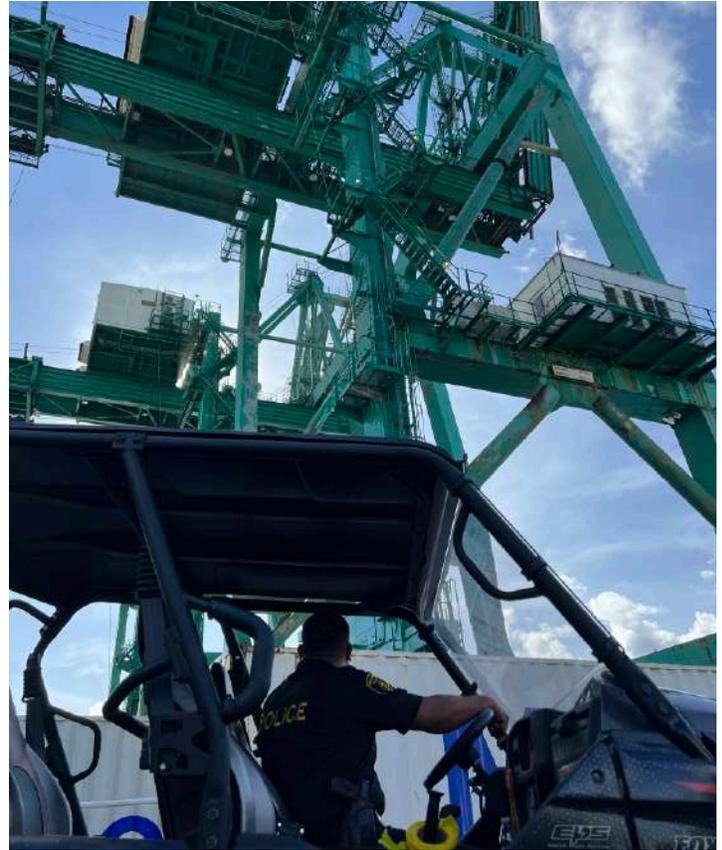
Jose "Jojo" Banzon
Guevara III, CGFM, PMP
Chief Financial Officer
Port Authority of Guam



Celebrating **30** Years

CGFM





Happy *Birthday* to you!

JOHN L. LEON GUERRERO
FRANK S.N. CEPEDA
HONOFRE J. CHARGUALAF
IREMAR C. GUTIERREZ
JULIE AIDA S. KABILING
PETER A. SALAS
JOEY Q. AQUININGOC
MARY C. FEJERAN
RORY J. RESPICIO
PETERSON F. GUERRERO
MICHELE SNAER BRILLANTE

ANTONIO C.P. BUENVIAJE
JARED N.C. PEREZ
JEROME PETER P. GUERRERO
EDWARD Q. CHARGUALAF
VINCENT Q. LEON GUERRERO
STEVEN P. MUNA
KYLE S. ALVAREZ
JOSEPH P. CRUZ
GERALDO E. TAJALLE
ROBERT L. RABAGO

