



PORT OF GUAM
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Eddie Baza Calvo
Governor of Guam
Ray Tenorio
Lieutenant Governor

**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, December 22, 2011**

I. CALL TO ORDER

There being a quorum, the regular meeting of the Board of Directors was called to order at 11:45 a.m., Thursday, December 22, 2011. Present at the meeting were:

Daniel Tydingco, Chairman
Michael Benito, Vice Chairman
Eduardo Ilao, Board Member
Shelly Gibson, Board Member
Pedro A. Leon Guerrero, General Manager
Anisia B. Terlaje, Deputy General Manager
Atty. Rick Bordallo, Co-Counsel

Also present were Jimmy Camacho-Senator Tom Ada's office; AnnMarie Muna/Trish Granillo-AM Insurance; Agility (Tristar)-Maggie Cruz/John Dennett; PB-Zach Sprute; APP-Dave Hunt and Port Management staff.

Addendum to Agenda: Before proceeding with the agenda items, the Chairman asked that the following item 2012 AAPA Shifting International Trade Routes be added under new business. There were no objections.

a. **Election of Officer-Board Secretary:** The Vice Chairman made motion to elect Ms. Mary Michelle Gibson as the Board Secretary of the Port Authority Board of Directors, seconded by Mr. Ilao. Motion was unanimously passed.

II. APPROVAL OF MINUTES

a. **November 17, 2011:** The Vice Chairman made motion to approve the minutes of November 17, 2011 subject to correction. The motion was seconded by Ms. Gibson and was unanimously passed.

III. COMMUNICATIONS

a. **GFT Negotiations:** The Chairman advised Legal Counsel to work with the General Manager on this matter.

b. **USDA Loan Commitments:** The Chairman said a response letter dated December 20, 2011 requesting for an extension has been made relative to the USDA loan commitments. Awaiting response from USDA.

c. **Port Informational Briefing-Legislature:** The Chairman mentioned that an informational briefing is slated for January 5, 2012 at 6:00 p.m. before the Guam Legislature. He advised management to ensure the information as requested is prepared.

d. **KM&T – Port Property Lease:** For Board's information.

III. OLD BUSINESS

1. **Financial Report:** The financial report for the month of November 2011 was presented to the Board for information.

2. **Insurance Report:** The insurance report for November 2011 was presented to the Board for information. Ms. Annmarie Muna, Port Insurance Broker noted that on the matter of Watts Construction law suit, there will be no coverage or reimbursement of defense costs and that the file has been closed.

3. **List – Federal Grant / Local Funding Programs:** Mr. Joe Javellana, Planning division provided status of the following highlights:

- 2009 ARRA PSGP Maritime and Port Security Operations Center Construction
- 2010 PSGP Command and Control Integration
- 2009 HSGP Acquisition of Fully Equipped Emergency Response Vehicle

He also mentioned that the Port Authority unfortunately was unsuccessful with its application on the US Department of Transportation Tiger III Grant Program that would support the port modernization program of about \$24M. US DOT has announced the award to 46 recipients.

4. **Port Modernization Program – Implementation Plan:** Pending MARAD.

5. **Program Management Manual:** Pending MARAD.

6. **PAG 09-001 Owner's Agent/Engineer Consultant Agreement – Third Option Year:**

7. **Task Order No. 28-10 – Project Management:**

8. **Task Order No. 34 – Public Involvement:**

9. **Task Order No. 35 – OAE Support Services:**

As the matter relates, the members entertained items 6 thru 9 at the same time. The Chairman said the only issue on this matter is the certification of the availability of funds as the Financial Affairs Controller has to ensure there are monies available. Specific to Task Order No.

28-10, as this is for a nine month period, he felt this should be looked at on a quarterly basis. Mrs. Vivian C. Leon, Corporate Services Manager presented the members with an amended version of Task Order No. 28-10 that covers a period of six months which reduces the services amount. The Vice Chairman said the key thing to do is to approve this task order to enable services of other task orders, with the understanding that it is based on the availability of Port funds. The Chairman asked whether the consultant is agreeable to this arrangement. The General Manager replied positively.

As requested at the Board and Management working session relative to grant funds, Mrs. Leon mentioned that a total of \$684,000 have been identified for Port reimbursements under the OEA grants. She also indicated that upon execution of Task Order No. 35, the Port would be able to request for reimbursement of an additional \$111,824.34; totaling \$795,000+ in federal monies. Relative to Task Order No. 34, Mrs. Leon requested that the task order be executed subject to Port approval of the sub-consultant.

The Vice Chairman made motion to approve PAG 09-001 Owner's Agent/Engineer Consultant Agreement-Master Agreement-Third Option Year, seconded by Ms. Gibson. Motion was unanimously approved.

The Vice Chairman made motion to approve in quarterly increments as certified by the Financial Affairs Controller subject to the availability of funds for Task Order No. 28-10 as amended, Task Order No. 34 subject to Port approval of sub-consultant and Task Order No. 35. Motion was seconded by Ms. Gibson and was unanimously approved.

10. **Route 11 Consolidation:** The General Manager said discussions were held with representatives of Department of Public Works and Department of Land Management regarding equitable land transfer and the correction of right of way / easement alignments of Route 11 to ensure there is no impact on the Port's efforts on future expansion and development as proposed in the Master Plan. The Port is awaiting concurrence from both government entities on whether this proposal is feasible.

11. **PAG-CIP-012-001 – Container Yard Lighting Upgrade:** As discussed at the previous meeting, Mrs. Alma B. Javier, Procurement Manager said an IFB was issued to solicit construction work for twenty-eight container yard lighting upgrade. Fifteen firms expressed interest having nine bidders that submitted bid proposals. The bid opening took place on November 29, 2011. The funding for this project is through the Homeland Security, Port Security Grant Program. It is now being requested for Board approval to award the contract to DCK Pacific dba Bishman Continental.

Mr. Ilaio made motion to approve the contract award to DCK Pacific dba Bishman Continental for IFB PAG-CIP-012-001 Container Yard Lighting Upgrade, seconded by the Vice Chairman. Motion was unanimously approved.

12. **Amendment – Drug-Free Workplace Program Policy:** Ms. Gibson made motion to approve the amendment on the Drug-Free Workplace Program Policy as prepared by Pacific Human Resources Services, Inc., seconded by Mr. Ilaio. Motion was unanimously approved.

IV. NEW BUSINESS

1. **Compensation Structural Adjustment:** Tabled.

2. **January 12-13, 2012 – APP Winter Conference, Oahu, Hawaii:** At this time, the members recognized the presence of Mr. Dave Hunt, APP Executive Director. Mr. Hunt thanked the members and Port Authority for its involvement in the Association of Pacific Ports and was especially excited about the 99th APP Annual Conference that will be held in Guam next year July 18-21, 2012. APP delegations are representatives from North America and Asia which typically brings about 50 delegates. This is a great opportunity for a shared variety of issues, networking, expanding port trade relationships and sharing best practices in ports and building upon those issues. The annual conference is being sponsored by Port of Guam as well as Port of Marshall Islands. Mr. Hunt mentioned that the Hawaii conference presents an opportunity for planning purposes between RMI, Guam and APP.

Ms. Gibson made motion to approve travel authorization for two participants to attend the January 12-13, 2012 APP Winter Conference in Hawaii, seconded by Mr. Ilaio. Motion was unanimously approved.

3. **Washington D.C. – January 2012:** The Chairman said the Oversight Chair and Congresswoman are holding conversations to possibly scheduling a face-to-face meet with officials of Maritime Administration and Department of Defense Inspector General in the coming weeks regarding the port modernization program. He said as a contingent in the event a meeting is firmed, parties that are most likely to attend are the Port, OAE, Congresswoman, Guam Legislature, Office of the Governor, Port Users Group.

Ms. Gibson made motion to approve travel authorization in the event one is called for up to six port officials to attend the Washington D.C. meeting slated for January 2012 for purposes of the port modernization program. Motion was seconded by the Vice Chairman and was unanimously approved.

4. **USDHS Port Security Grant Program:**

a. **Typhoon Preparedness Training on January 9-13, 2012, Miami, FL:**

b. **EOC/Fusion Center Tour & Demonstration on January 17-18, 2012, NY City:**

Mr. Javellana said the New York City EOC/Fusion Center has invited the Port to the opening, tour and demonstration of its state of the art facility to be held on January 17-18, 2012. In light of the Port's efforts to enhance its capability to mitigate, prevent, respond to and recover from both man-made and natural incidents, the Port's maritime and port security operations center and command control integration projects will soon start construction and participation to gather first hand information will assist in the planning and preparedness activities.

Additionally, contingents will also have the opportunity to participate in the US DHS sponsored HAZUS MH for hurricane training in January 9-13, 2012 to be held at the FEMA Emergency Management Institute in Maryland which has changed from Florida. It is therefore being requested to allow port participants to take advantage of these training opportunities which is 100% federally funded.

Mr. Ilaio made motion to approve travel authorization for port participation in the Typhoon Preparedness Training on January 9-13, 2012 in Maryland as well as the EOC/Fusion Center Tour & Demonstration in New York City on January 17-18, 2012. Motion was seconded by Ms. Gibson and was unanimously approved.

5. **2012 AAPA Shifting International Trade Routes, January 19-20, 2012, Florida:** Mr. Ilaio made motion to approve travel authorization for Mr. Glenn B. Nelson, Commercial Manager to attend the AAPA Professional Port Manager (PPM) Certification Program for the Shifting International Trade Routes program scheduled for January 19-20, 2012, Tampa, Florida. Motion was seconded by the Vice Chairman and was unanimously approved.

V. PUBLIC COMMENT

The Chairman advised management to address the concern of Aqua World regarding difficulty accessing road due to deterioration.

VI. EXECUTIVE SESSION

RECESSED: Meeting recessed at 12:20 p.m.

RECONVENED: The meeting reconvened at 12:22 p.m.

At this time, the Board went into executive session. Executive Session ended at 12:28 p.m. The Board is now back in regular meeting session.

Items addressed in executive session includes: Port vs Sun Bay Corporation, Civil Case No. 0905-10; IP&E and Termination Letters.

Mr. Ilaio made motion to approve the Settlement Agreement on Civil Case No. 0905-10 Port vs Sun Bay Corporation, seconded by Ms. Gibson. Motion was unanimously approved.

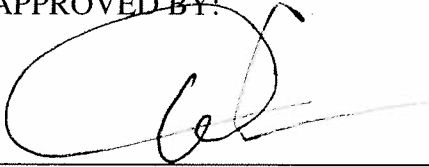
VII. ADJOURNMENT

There being no further business to discuss, it was moved by Mr. Ilaio and seconded by Ms. Gibson to adjourn the meeting at 12:30 p.m. The motion was unanimously passed.



MARY MICHELLE GIBSON, Board Secretary, Board of Directors

APPROVED BY:



DANIEL J. TYDINGCO, Chairman, Board of Directors

