



**PORT AUTHORITY OF GUAM  
TIGER IV  
DISCRETIONARY GRANT APPLICATION**



**Port  
Modernization  
Program  
Projects**



**Contact Information:**

**Mary C. Torres**  
*General Manager*

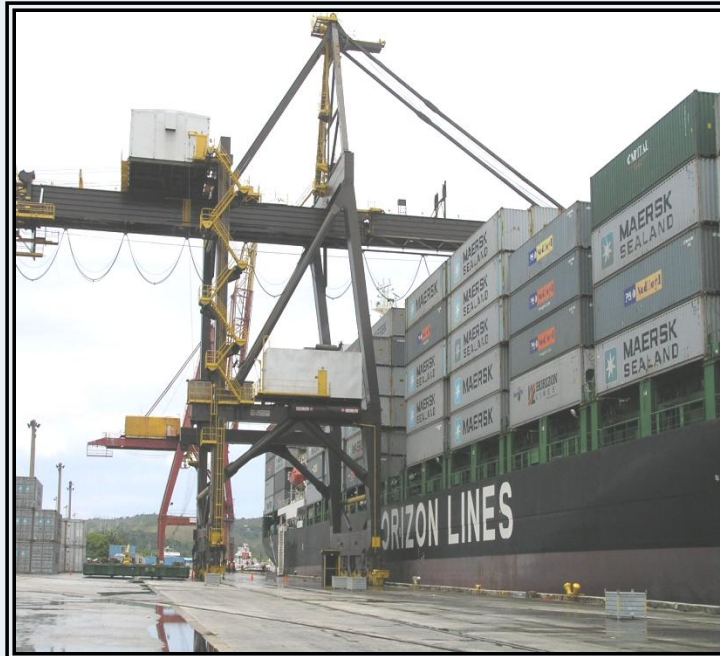
1026 Cabras Highway, Suite 201  
Piti, Guam 96925

[mctorres@portguam.com](mailto:mctorres@portguam.com)

Tel: (671) 477-5931

Fax: (671) 477-4445

[www.portguam.com](http://www.portguam.com)



## **I. Executive Summary**

The Port Authority of Guam, hereinafter called the PAG or the Port, is privileged to once again have the opportunity to submit its application to the US DOT's TIGER IV Discretionary Grant Program for funding consideration.

The projects contained herein are a combination of seven (7) shovel ready projects that are part of a larger and more comprehensive Port Modernization Program that has been structured to support both an expected military buildup on Guam and long-term organic population growth on Guam.

While the modernization initiative has been supported by Guam legislation and found to be consistent with overall Guam Mast Plan objectives, portions of the program remain an unfunded mandate due to the unpredictable nature of the pace of the military buildup and the associated increased cargo generating revenues. This presents both a problem and a unique opportunity to help the Port "get out in front of" the military buildup when it otherwise may not be able to do so without the TIGER IV funding.

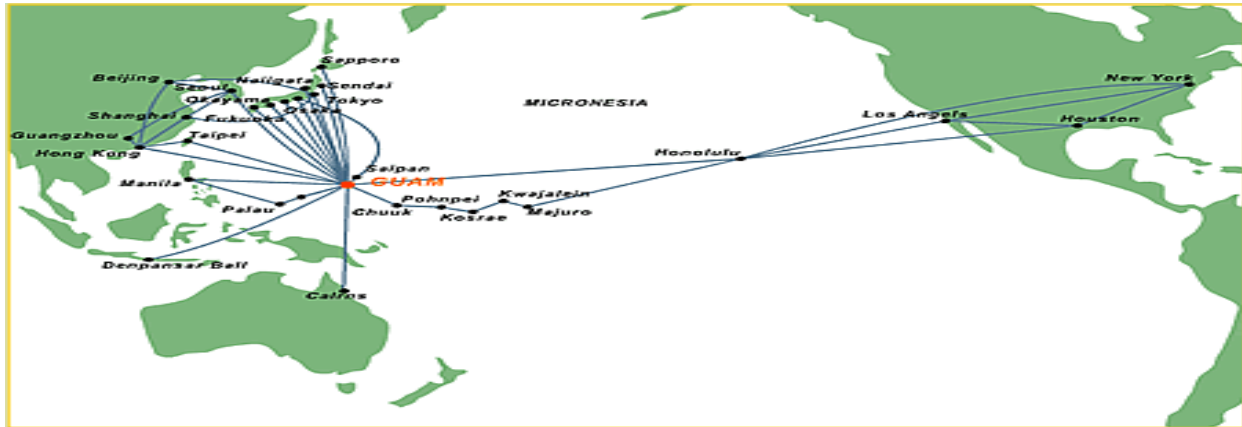
In order of priority, these unfunded projects are:

- Break-bulk Cargo Improvements
- Existing Container Yard Improvements
- Container Yard Drainage and Pavement Repair
- Container Freight Station (CFS) Operations Facility Renovation
- Maintenance, Supply, and Rigging (MSR) Building Construction
- Welding Shop Renovation
- Inbound/Outbound Optical Character Recognition (OCR) Portal Canopy Construction

These projects have been designed to the 30% stage and are addressed in the overall Draft NEPA Environmental Assessment document currently being reviewed by MARAD. The only thing holding back their execution is the aforementioned absence of cargo-revenue-supported investment capital and agency approvals of the pending NEPA documentation. Design completion and NEPA document processing can be accomplished in parallel to expedite execution following the receipt of necessary funding.

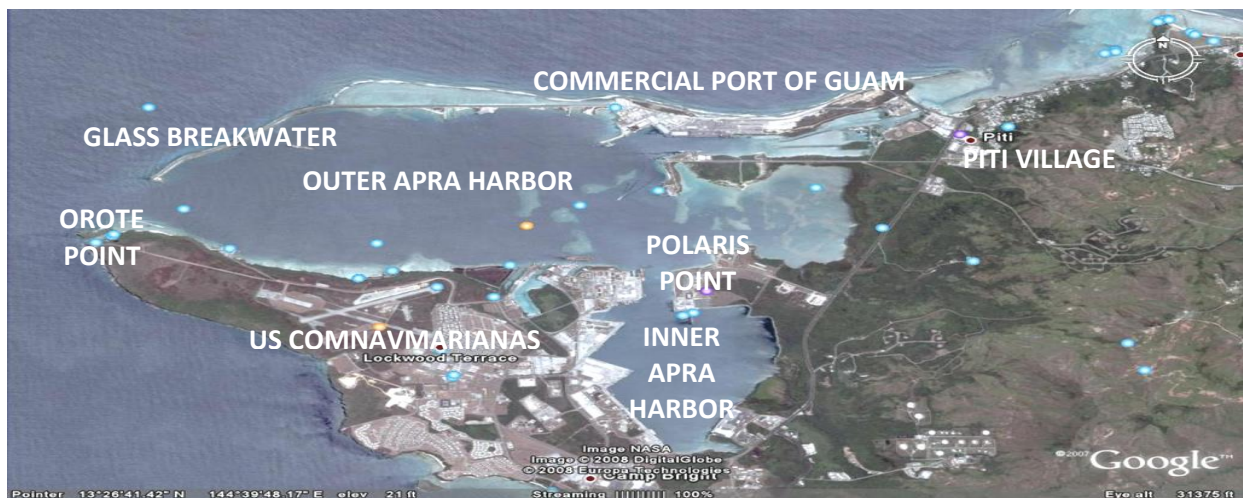
### ***Background:***

The PAG is a legal public corporation and an autonomous instrumentality of the Government of Guam. Located at the Outer Apra Harbor area and recently designated as the US 16<sup>th</sup> commercial strategic seaport, the Port is the only commercial cargo handling marine facility on the island. As the primary seaport in Micronesia, it serves as a transshipment point for the entire Western Pacific region, to include the Commonwealth of the Northern Mariana Islands (CNMI), Palau, and the Federated States of Micronesia (FSM.) In addition to playing a major role for these islands, the Port performs a crucial and indispensable role in the lives of Guam's civilian and military population. Over 90% of the day-to-day goods and supplies consumed by its constituents pass through the Port.



The Port is dedicated to providing full services to ocean vessels in support of loading and unloading cargo for Guam and Micronesia. It serves as the main lifeline for transporting consumer goods into the island, and as such, recognizes its responsibility to deliver these goods in a timely and efficient manner. In support of this mission, the Port also leases land and infrastructure to private entities to further develop the maritime industry on Guam. As a public corporation, it dedicates all of its profit to the upgrading of equipment and facilities that are vital in supporting sustainable and efficient operations.

The Port is equipped to handle the diversified mix of containerized, break bulk, aggregate, fish, and passenger traffic industries. It is on one of the shipping routes currently served by the Jones Act carriers, namely Matson Navigation. These carrier vessels sail from the mainland west coast area (Matson stopping by Hawaii) and continuing on to Guam. Transshipment cargoes destined for the CNMI, Palau, and FSM are offloaded from these vessels to the Port and then loaded onto feeder vessels that performs the delivery to the respective island destination.



Because of its role in the supply chain for all island residents, it has been determined that all Port facilities be maintained and upgraded to address long term sustainability and increasing demands that follow the island's organic growth. Additionally, the Port has to contend with supply demands, infrastructure challenges, and the potential for increased cargo volume traffic due to a DoD-planned military buildup.

***PAG Master Plan:***

On August 7, 2007, the Port commissioned an update to its Master Plan that included an Impact Assessment on its facilities and services in preparation for the planned military relocation.

On April 2008, the comprehensive 2007 Port Master Plan Update was completed, <http://www.portguam.com/docs/modernization/master-plan-2008.pdf>. Supported by the Governor of Guam, endorsed by the people of Guam through the Port's Public Outreach Program, and approved by the Guam Legislature (PL 29-125), this Master Plan Update serves as the framework for the PMP and focuses on development that achieves both Regional (organic growth) and National (military buildup) objectives.

The Master Plan Update included 1) a comprehensive solution and approach to improving cargo movement and traffic management, 2) an assessment of existing facility and infrastructure conditions related to code compliance, safety upgrades, and sustainable operations, and 3) guidance and recommendations on phased construction to allow continuity of operations and increased cargo volumes while addressing facility shortfalls and construction challenges.

It confirmed that the Commercial Port has remained largely unchanged with some areas falling into a state of significant disrepair. It also determined that with the military buildup driving cargo handling capacity demand to higher levels, the Port needs to combine terminal yard re-configuration and expansion, expanded equipment maintenance, and improved waterfront access in order to achieve these objectives.

***PAG-MARAD Partnership:***

To assist the PAG in its redevelopment efforts toward alignment on National objectives (meeting military buildup cargo demands and assuring stewardship of federal expenditures), the Guam Port Improvement Enterprise Program (PIEF) was established in Public Law No. 110-417 (October 14, 2008). The law reflects Congressional authorization for the PIEF to provide "planning, design, and construction of projects for the Port of Guam to improve facilities, relieve port congestion, and provide greater access to port facilities". Under this same law, the Secretary of Transportation, acting through the Maritime Administrator, has been given the authority to establish and carry out the PIEF with responsibilities that include receiving and managing funding, coordinating NEPA requirements, and coordinating and providing technical assistance for individual PIEF projects.

The partnership between MARAD and the PAG will take the PAG Master Plan and its initial "road map" of key activities and project packages from the planning phase through the design, construction, and operational start-up phases.

The PAG-MARAD partnership will extend coordination to other Federal (DOD, USDA, EDA, OIA, EPA, USFWS, NMFS) and non-Federal (Guam Legislature, Guam regulatory agencies) entities reviewing PIEF projects for NEPA and program compliance and also address the general stewardship interests of Federal and non-Federal (commercial and private lenders, Guam Public

Utility Commission reviewing PAG tariffs/borrowing) parties providing PIEF project funding support in the form of funds transfers, appropriations, commercial loans, grants, PAG bonds, etc.

This collaboration between Federal, Territory, and private/commercial entities is unprecedented in scale and was strategically planned to move the Port Modernization Program forward. See Section V.8, Partnership, for additional information.

## **II. Port Modernization Program and Project Descriptions**

### ***The Port Modernization Program Overview:***

The Public Cargo Terminal at the Port Authority of Guam (PAG) must undergo an accelerated modernized improvement program in the very near future because it is facing increases in break-bulk and container cargo handling demand at a time when it is in dire need of significant maintenance, repair and improvement of its facilities.

It was determined during the development of the Master Plan Update that the Port has not undergone significant maintenance, repair, and improvement since its creation in 1969, with the exception of the replacement of a portion of Berth F-5 as a result of its failure in a 1993 earthquake. At the time the Port's Master Plan was updated (2008), a major driver for modernizing Port facilities was identified as the military buildup on Guam. While the scale and pace of the buildup is now being reviewed, it is still assumed that it will result in substantial increases in break-bulk and containerized cargo associated with ongoing and future construction of military facilities and related Guam infrastructure improvements.

In order to deal with cargo that is anticipated to increase from its current level in the next 3-4 years, the Port needs to be expanded and reconfigured. Reconfiguration is needed to create expanded break-bulk capability and improved operational efficiency. Different types of break-bulk cargo that would be accommodated at the port include dry bulk such as aggregate; unitized cargo such as asphalt drums, cement bags; pipe, pre-slung, roll on/roll off autos and other construction cargo.

Expansion of the container cargo yard area is needed as a first step to preserve cargo-handling capacity while executing follow-on reconfiguration (including maintenance and repair work) of existing terminal yards and accommodate the temporarily reduced container yard area, and accommodate increased container yard lay-down needed to address near-term and long-term military and commercial cargo volumes.

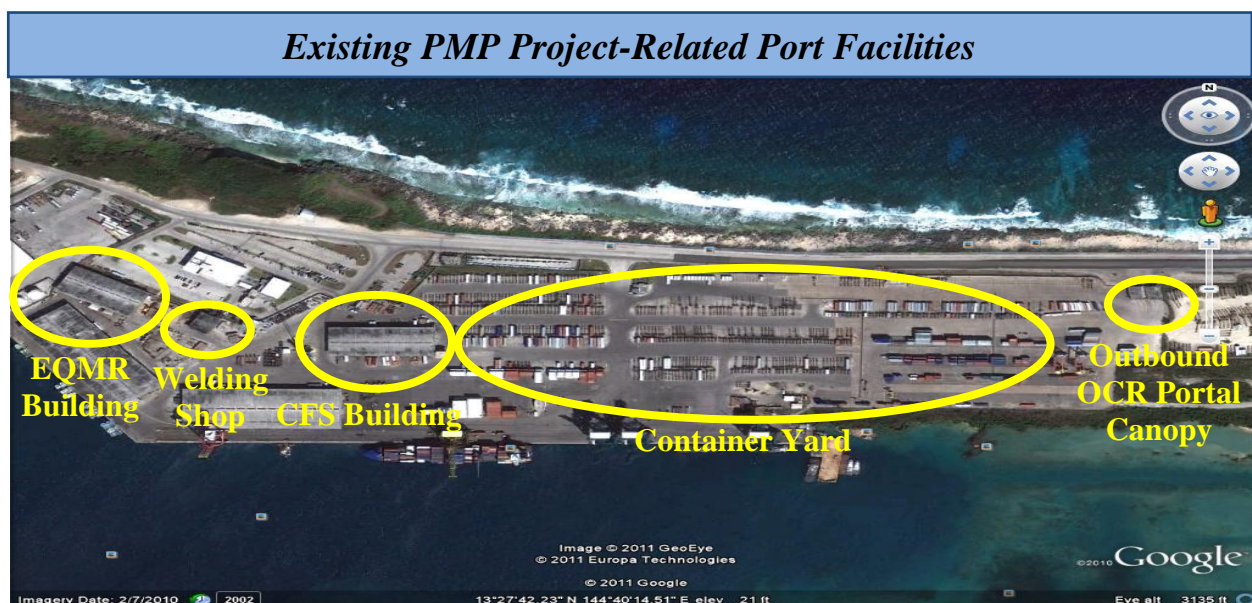
### ***Project Listing and Descriptions:***

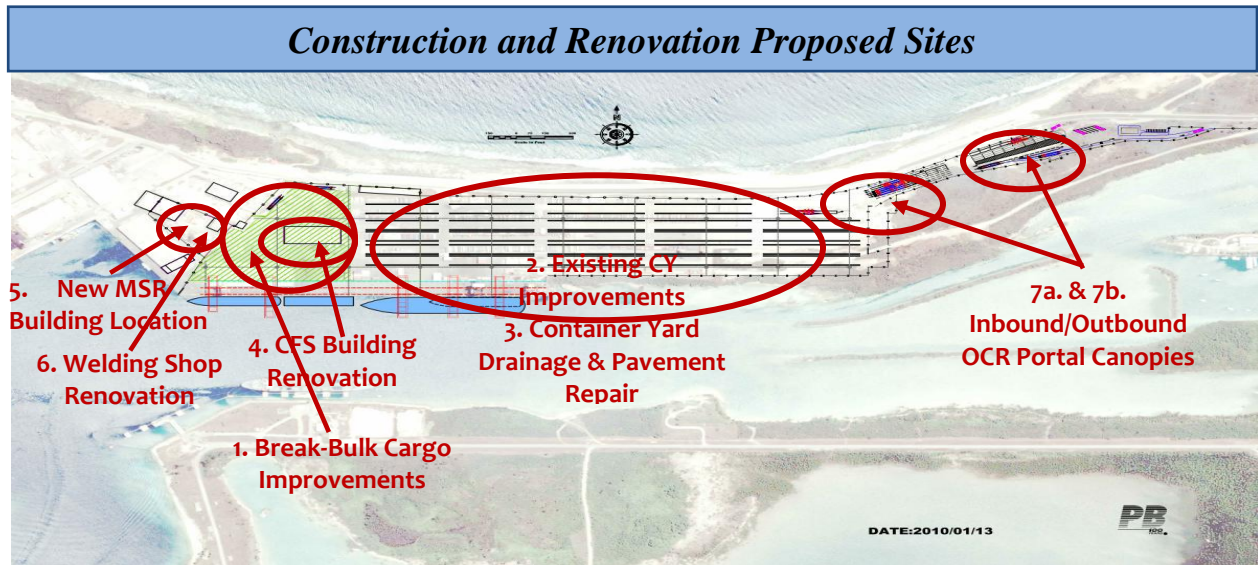
As previously mentioned, there are seven (7) component projects that have been identified for TIGER IV Discretionary Grant consideration. Since a Draft Environmental Assessment has been completed and submitted to MARAD, these projects fall within this study and thus will readily meet all national environmental clearances and requirements upon MARAD's issuance of a NEPA Determination.

To meet part of its facility reconfiguration, expanded support functions, and sustainable operations requirements, a total amount of \$20,695,812.98 is needed for this particular subset of unfunded PMP Projects. Of this amount, the Port is requesting TIGER IV Discretionary Grant funding in the amount of \$16,556,650.39. Coupled with the Port's 20% cost share of \$4,139,162.60, the Port is confident that construction of the following projects can be initiated quickly. TIGER IV Discretionary Grant funding will be obligated by the Port and transferred to the PIEF for direct execution by MARAD by September 2013.

<b>Project Name (in order of priority)</b>	<b>Constr. Period</b>	<b>Raw Cost</b>
Break-Bulk Cargo Improvements	18 months	\$3,062,793.00
Existing Container Yard Improvements	24 months	\$4,199,657.00
Container Yard Drainage and Pavement Repair	18 months	\$1,991,492.00
Container Freight Station (CFS) Operations Facility Renovation	18 months	\$1,242,149.00
Maintenance, Supply, and Rigging (MSR) Building Construction	24 months	\$1,401,397.00
Welding Shop Renovation	12 months	\$139,096.00
Inbound/Outbound Optical Character Recognition (OCR) Portal Canopy Construction	12 months	\$649,369.00
<b>Subtotal:</b>		<b>\$12,685,913.00</b>
<b>Markup Costs (see Port Modernization Program Projects Table for actual breakdown)</b>		<b>\$8,009,899.98</b>
<b>Total Program Cost:</b>		<b>\$20,695,812.98</b>

The PAG is hopeful that these projects will be funded so that MARAD and the Port can move forward with the implementation of these critical components of the PMP.





### ***1. Break-Bulk Cargo Improvements***

This stand-alone configuration project calls for the creation of approximately 2.3 new acres of additional break-bulk yard space to add to the existing 5.7 acres. The project consists of the demolition of several existing structures, improved waterfront access, expanded/consolidated break-bulk lay-down area, and creation of overflow container area; all coordinated with other projects to improve lighting, traffic flow, truck weight monitoring, and site security. The improved area will be able to accommodate different types of non-containerized cargo like aggregate, asphalt, cement bags, pipe, bulk scrap metal, loose construction materials, heavy lift, pre-slung rebar and Roll-on/Roll-off vehicles.

The existing footprint will not provide sufficient open storage area to accommodate the expected increase in break-bulk materials or heavy equipment volumes associated with the expected horizontal construction. Failure to fund this project will result in break-bulk operations encroachment on the container yard, reduced efficiency gains from separately improved waterfront access, and limitations on break-bulk dwell time impacting trucking operations and potential off-site marshalling of materials. It will also result in excessive wear and tear on the existing 5.7 acre pavement as a result of inefficient yard use and double-handling of materials. This continued limitation of usable yard space will increase operational costs due to increased handling and storage of cargo. The shortened dwell times and expedited movement of cargo off-site will potentially increase the costs of cargo recipients and create real and perceived reductions to the level of service to Port stakeholders.

If funded, the resulting 9 acres is expected to provide a suitable lay down area to handle the volume of construction break-bulk cargo expected in the foreseeable future. In the event the Port is tasked to function in its strategic seaport role, this increased storage area will be used to handle the various military vehicles and equipment required for emergency deployments. As the nature of cargo demand changes, this open area will also serve as surge capacity to store and handle wheeled or grounded containers when the need arises.

### *Benefits*

The improvements will generate cost savings as follows:

#### **Port:**

- Improve operational efficiency as cargo is moved from ships to land thereby reducing operational expense and time
- Efficient consolidation/segregation of different types of break bulk cargo
- Minimize personnel and yard equipment operational hours
- Improve process for receiving and issuance of cargo
- Enhance overflow capacity in break-bulk and container yards
- Improve safety and security of all activities conducted in yards

#### **End Users:**

- Improve scheduled pickup time of goods and minimize actual time it takes to retrieve and handle items stored on site
- Provide a safe and secure working environment for personnel
- Allow for less expedited items and longer dwell time on site

#### **Stakeholders (tenants):**

- Reduce vessel turnaround time
- Reduction of operational hours
- Speedy delivery of consumer goods to consignee will result in improved customer service

The detailed Scope of Work/Project Cost can be viewed at [www.portguam.com/tiger-4-application](http://www.portguam.com/tiger-4-application).

**Project Raw Cost: \$ 3,062,793.00**

## ***2. Existing Container Yard Improvements***

Also included in the GCPI Program Report, this project proposes improvements to the PAG's existing container yard to maximize overall land-usage, support an anticipated increase in cargo volume, and provide an improved environment for a more efficient cargo handling operation. Renovations will include the demolition of identified structures, fencing removal, replacement of chassis wheel stops, pavement rehabilitation, installation of communications infrastructure, and upgrades to administrative facilities such as the High Tower and Gate Administration buildings. Installation of low voltage electrical and communication line work will include but not limited to trenching, installation of conduits, manholes, cabling, and trench pavement restoration.

If left unimproved, the existing container yard will be incapable of meeting future demands associated with the increase of throughput from both organic growth and the military buildup on Guam. As stated earlier, additional operating yard space is garnered by the proposed demolition of the identified structures. Coupled with pavement hardening activities, this project will provide a measure of flexibility in cargo activities supporting hybrid operations.



The Port's buildings were all constructed when the Port was built in 1967 and are incompatible with modern port cargo handling practices. Communications and space utilization improvements to administrative facilities located in the terminal yard will modernize and improve efficiency and flexibility in all vessel and yard activity planning, which includes but is not limited to: ship to berth container movement, yard layout and segregation strategy, and dispatching and issuing/receiving of cargo. These selected buildings must be refurbished to accommodate several work stations, an area with a self-service desk for truck drivers to use and a counter for resolving discrepancies that arise when delivering or picking up cargo. These improvements will result in a reduction in overall PAG operational hours for container tracking/locating and vessel turn-around time.

Additionally, the proposed installation of terminal yard conduits for critical security/communication links between facilities will greatly increase overall capacity and security at the Port.

Demolition, upgrades, and improvement activities are highlighted in the Detailed Scope of Work/Project Cost available at [www.portguam.com/tiger-4-application](http://www.portguam.com/tiger-4-application).

**Project Raw Cost: \$ 4,199,657.00**

### ***3. Container Yard Drainage and Pavement Repair***

Since its initial construction, the existing container yard pavement and drainage systems have remained largely unchanged. The pavement in various areas is rapidly deteriorating and the drainage deficiencies that come with pavement subsidence needs correcting. The combined work of repairing pavements and correcting drainage deficiencies presents a unique opportunity to simultaneously upgrade surface runoff (storm water) treatment.

Pavement deterioration is caused by evolving operations and the associated changes to cargo handling equipment used at the Port. This evolution has involved the somewhat restricted use of straddle hoists and rubber gantry cranes and progressed to the less restricted use of high-wheel-load top loaders, side loaders, and 20-ton forklifts. This equipment mix evolution was driven by the needs of hybrid (both grounded and wheeled storage) container operations and RoRo {Roll on Roll Off} break-bulk operations.

Unlike previous operations, which restricted heavy activities to an area of the container yard that was hardened for this purpose, the hybrid operation has created heavy cargo traffic in areas of the container and break-bulk yards that were not designed for these weight and usage levels. Consequently, this has resulted in accelerated degradation of the container yard surface and pavement subsidence that has contributed to surface ponding and lost conveyance efficiency for the drainage systems.

The dilapidated condition of the drainage system and pavement surface requires Port container handling equipment operators and commercial truckers to re-route access to the container yard to avoid seriously damaged areas.

With the yard configuration required to support an expanded break-bulk facility and retention of hybrid operations, comes a continuing and expanded requirement to place high traffic demands on existing pavements. These pavements need to be structurally sound and adequately drained, and these critical repairs and upgrades must be made.

***Proposed Solution***

The Port proposes to implement repairs to damaged areas in the container yard to include pavement restoration of asphalt and concrete exhibiting serious deterioration. Such patches will require surgical removal of both asphalt and concrete with subsurface improvement and replacement of a new structural pavement section. Repair work would require the removal of existing concrete supports for the drainage gates and modifications to the drainage trough to support new gates. In addition, the work will include the installation of oily-water separators and/or cartridge filtration vaults in the existing main storm water trunk lines leading to waterfront outfalls into Apra Harbor.

***Benefits***

This repair project will mitigate significant wear and tear on pavements and equipment. It will also improve storage load capacity, safe container handling and stacking, equipment routing. This will in turn promote the safe transport of hazardous and oversized cargo within the terminal break-bulk and container yards.

Repairs will also expedite the port's capabilities and responses to conversions from chassis operations to grounded operations, as needed, based on cargo/shipper demands, and increase the Port's response capabilities for Strategic Port designation requirements.

The project will also mitigate the existing potential for the release of oil contaminants in the waterfront outfalls and upgrade environmental sustainability operations.

Lastly, the project will enhance flexible use of the terminal yards in support of hybrid operations and varying volumes associated with periodic cargo surges.

(Pictures of existing conditions and the detailed Scope of Work/Project Cost can be viewed at [www.portguam.com/tiger-4-application](http://www.portguam.com/tiger-4-application))

**Project Raw Cost: \$ 1,991,452.00**

***4. CFS Operations Facility Renovation***

This facility is currently used as a container and chassis repair facility and maintenance shop. Its usage needs to change to accommodate the relocation of functions currently resident in Warehouse 2 which is scheduled to be demolished. The demolition of Warehouse 2 is needed to free up waterfront access at berth 4 in support of expanded and more efficient break-bulk operations.

Functions that will move from Warehouse 2 into the renovated CFS Building include Port Operations personnel offices and locker rooms, Port Operations warehouse, Port Riggers, Port Police extended offices, and a personnel screening area utilized during cruise ship calls.

While this is the best facility for accommodating improved waterfront access and break-bulk yard storage requirements, it needs to be renovated to do so. Renovation requirements include the following:

- Creation of covered cargo storage: There is a total of 25,200 sq. ft. including reconfigured interior space and outside space under the eaves. This permanent allocation of space will help the Port deal with surges in break-bulk cargo and the specialized equipment and supplies protection needs of the Military during mobilization under the Strategic Port initiative
- Creation of a Reefer Maintenance Shop: approximately 13,000 sq. ft. including the addition of a mezzanine for offices
- Parking for yard equipment and official vehicles: under the eaves on the east end of the building
- Installation of rollup doors to facilitate cargo storage and maintenance operations

Activities associated with this renovation include but are not limited to:

- Substructure work
- Shell modifications including addition of roll-up doors
- Interior work requirements
- Services
- Equipment and Furnishings
- Special construction and demolition
- Building site work

The Scope of Work/Project Cost can be viewed at [www.portguam.com/tiger-4-application](http://www.portguam.com/tiger-4-application).

**Project Raw Cost: \$ 1,242,149.00**

### ***5. MSR Building Construction***

This new energy efficient 12,562 sq. ft. building will support all necessary maintenance, repair, and rigging activities associated with expanded operations and an increased inventory of yard equipment brought about by both organic growth and the anticipated military buildup. Specifically, the facility will provide space to support:

- Additional maintenance requirements for the rolling stock equipment (hostlers, top picks, bomb carts, forklifts, etc.) that will be used to address the increased cargo demands;
- Office and working space for some of the personnel that will be displaced as a result of terminal reconfiguration and the demolition of the Port's Warehouse 2; and
- Secure storage and a Maintenance Operations Center for critical tasks and services.

The existing Port facilities do not have the capacity to address sustainable and expanded equipment maintenance and repair. It will require upgrades and expansion. Because of new equipment that has been and will continue to be purchased to support the increase in break-bulk and containerized cargo, the construction of the MSR Building at the east end of existing equipment maintenance and repair facility is a prudent investment. This new structure will accommodate new shop bays for maintenance of heavy equipment, an expanded supply storage

area for equipment maintenance supply and parts, work space for personnel and riggers displaced from the demolition of Warehouse 2, and a paint shop with spray booth.



Activities associated with this renovation include but are not limited to:

- Substructure work
- Shell
- Interior work requirements
- Services
- Equipment and Furnishings
- Special construction and demolition
- Building site work

The Scope of Work/Project Cost can be viewed at [www.portguam.com/tiger-4-application](http://www.portguam.com/tiger-4-application).

**Project Raw Cost: \$ 1,401,397.00**

## ***6. Welding Shop Renovation***

Essentially, the Welding Shop will stay where it is currently located. However, because of the nature of its operations, it must be separated from the secured cargo area through divider walls and other measures to restrict access. Facility maintenance employees requiring access to the cargo area will need to go through one of the secured entrance and exit points. In addition, outside access for delivery of supplies and materials will need to be provided via the north side of the building from the parking lot area.

With regards to its equipment welding and repair functions, there is a need to accommodate and address additional maintenance and repair requirements as new heavy equipment are acquired to support the increased handling of cargo volume. The renovation and upgrade of this critical facility will ensure that these new assets are periodically maintained and repaired on a timely and efficient manner when damaged.

A new overhead bridge crane is needed to support major and heavy equipment repair work. Additionally, roll-up doors must be installed to protect the interior of the building and secure the contents of the shop.

Activities associated with this renovation include but are not limited to:

- Substructure work
- Shell
- Interior work requirements
- Services
- Equipment and Furnishings (to include overhead bridge crane)
- Special construction and demolition
- Building site work

The Scope of Work/Project Cost can be viewed at [www.portguam.com/tiger-4-application](http://www.portguam.com/tiger-4-application).

**Project Raw Cost: \$ 139,096.00**

***7a. Inbound Optical Character Recognition (OCR) Portal Canopy Construction***

The 2700 sq. ft. inbound OCR Gate Portal is a single lane automated checkpoint for containers and trucks. It electronically scans, identifies, processes and validates or rejects trucks and containers entering the terminal while the truck is in motion. Upon exiting the OCR complex there is an electronic sign directing the truck to proceed to the inbound gate or to trouble parking. Three queuing spaces are located before the sign to ease traffic. The OCR complex parallels Route 11 and serves as the first inspection point for container traffic entering the terminal. If required by PAG in the future, gamma ray scanners can be co-located within the OCR canopy to scan returning empty containers.

This is a fully enclosed Canopy with sidewalls needed to protect sensitive OCR equipment that must remain fully operational with minimal downtime when operations are fully automated. This becomes a special challenge in Guam because of the severe weather associated with typhoons and because of the corrosive environment associated with windblown salt spray from the nearby Philippine Sea and sulfur emissions from the nearby Power Plant. The structure needs to be on elevated footings due to prevailing floodplain issues.

The Scope of Work/Project Cost can be viewed at [www.portguam.com/tiger-4-application](http://www.portguam.com/tiger-4-application).

**Project Raw Cost: \$ 364,930.00**

***7b. Outbound Optical Character Recognition (OCR) Portal Canopy Construction***

The 2700 sq. ft. outbound OCR complex is a single lane automated checkpoint for containers and trucks. It electronically scans, identifies, processes and validates or rejects trucks and containers exiting the terminal while the truck is in motion. Upon exiting the OCR there is an electronic sign directing the truck to proceed to the outbound gate or to trouble parking. One queuing space is located before the sign to ease traffic. The complex serves as an inspection point for container traffic exiting the terminal and is located due west of the gate complex for efficient transition.

The same weather protection and floodplain accommodation issues apply to this building. In addition, the interior space needs to be sufficient to warehouse future gamma ray scanners and radiation portal monitor scanners.

The Scope of Work/Project Cost can be viewed at [www.portguam.com/tiger-4-application](http://www.portguam.com/tiger-4-application).

**Project Raw Cost: \$ 284,439.00**

**Total Program Cost: \$20,695,812.98**

Port Modernization Program Projects				
DESCRIPTION (listed in order of priority)	TYPE OF WORK	QUANTITY	UNIT	RAW COST
1. Break-bulk Cargo Improvements	New Constr/Renov.	9	Acres	\$ 3,062,793.00
2. Existing Container Yard Improvements	New Constr/Renov.			\$ 4,199,657.00
3. Container Yard Drainage & Pavement Repair	Renovation	11,000	SF	\$ 1,991,452.00
4. CFS Operations Facility Renovation	Renovation	24,000	SF	\$ 1,242,149.00
5. MSR Building Construction	New Construction	12,562	SF	\$ 1,401,397.00
6. Welding Shop Renovation	Renovation	5,500	SF	\$ 139,096.00
7. Inbound/Outbound Optical Character Recognition (OCR) Canopy Portals (2,700 SF ea.)	New Construction	5,400	SF	\$ 649,369.00
<b>SUBTOTAL RAW COST</b>				<b>\$ 12,685,913.00</b>
COST ADJUSTMENT FACTORS				TOTAL COST
<b>SUBTOTAL</b>				<b>\$ 12,685,913.00</b>
<b>1. Area Cost Factor Adjustment</b>				\$ 334,908.10
<b>SUBTOTAL</b>				<b>\$ 13,020,821.10</b>
<b>2. Supervision, Inspection &amp; Overhead</b>				\$ 846,353.37
<b>SUBTOTAL</b>				<b>\$ 13,867,174.47</b>
<b>3. Contingency</b>				\$ 4,160,152.34
<b>TOTAL 1</b>				<b>\$ 18,027,326.82</b>
<b>4. Planning and Design</b>				\$ 1,261,912.88
<b>TOTAL 2</b>				<b>\$ 19,289,239.69</b>
<b>MARAD (3%)</b>				\$ 578,677.19
<b>TOTAL 3</b>				<b>\$ 19,867,916.89</b>
<b>Guam Receipt Tax (GRT) (4.167%)</b>				\$ 827,896.10
<b>TOTAL CONSTRUCTION COST (FY 2012)</b>				<b>\$ 20,695,812.98</b>
<b>TOTAL PROGRAM COST</b>				<b>\$ 20,695,812.98</b>
COST ADJUSTMENT FACTORS		% AMOUNT		
1. Area Cost Factor		2.640		
2. Supervision, Inspection and Overhead (SIOH) Factor (%)		6.500		
3. Contingency Factor (%)		30.000		
4. Planning and Design Factor (%)		7.000		

### III. Selection Criteria

#### **Long Term Outcomes**

The construction projects described in this application are part of a broader and comprehensive Port Modernization Program (PMP). The PMP is designed to address both National and Regional objectives. At the national level, the Port is preparing for significant growth attributed to DOD plans for a reduced military buildup on Guam. This growth involves: 1) the influx of Marines and their dependents, 2) the cargo associated with supporting military construction, 3) the island-wide infrastructure improvement to utilities and roads, and 4) the increased demand for everyday consumer goods. At the regional level, the Port is addressing sustainability (capital plan replacement) concerns for aging facilities and preparing for the long-term organic growth of non-military portions of the population of Guam and surrounding islands.

As the Port balances its preparations to meet both its National and Regional objectives, it must construct facilities at an accelerated pace controlled by available funding and cash-flow that is largely dependent on overall projected cargo flow and related revenues. Because the island's organic growth will take 30-40 years to materialize, early Capital Program Investment must be supported by placing a primary emphasis on national objectives and relying on funds and revenue created by a combination of increased military cargo flow, federal grants, and tariff adjustments to support limited affordable borrowing.

The full benefits of the Master Plan Update as discussed below will be realized when all funded and unfunded elements of the PMP are fully executed. The site and building improvements contained in this application will facilitate reprogramming and expansion of building space, reconfiguration, and efficient use of yard areas. Furthermore, the improvements will revise ingress and egress for various cargo types, enhance safety and efficiency that goes with the separation of cargo and non-cargo related functions, and support sustainability activities that will expand equipment maintenance and repair functions.

➤ ***State of Good Repair:***  
**Capital Asset Conditions**

The Master Plan has revealed that many Port assets and systems have outgrown their intended useful life and purpose. These assets must either be demolished, expanded, renovated, or supplemented. Some of these requirements are addressed in the funded portion of Port's Master Plan Upgrade. Others are being addressed in this grant application.

Following the execution of a strategically thought out modernization plan in collaboration with MARAD, the PAG will identify annual maintenance and sustainment capital for all retained, renovated, or supplemented facilities and address these requirements in the Port's future annual operating budget.

**Buildings and Miscellaneous Structures**

Some of the Port's facilities consist of administrative buildings, maintenance sheds, and other miscellaneous structures. As stated above, some of these facilities need to be

demolished, expanded, renovated, or supplemented. This, combined with infrastructure improvements to restore facilities service capability and code compliance, will serve to modernize and improve operations efficiency, flexibility, capacity, and security while improving compatible use of land and facilities. Equally important, the new construction and renovations are designed to meet current seismic standards.

#### **Container Yard**

The last container yard paving maintenance was performed in 1990-1991, except a portion behind berth F-5 that was retrofitted in 1997 after earthquake damage. Since then, no major maintenance has been performed in the yard area leaving it in poor condition with visible cracks and extreme wear and tear. The yard pavement rehabilitation included in the PMP is necessary to facilitate storm water management improvements (minor grade adjustments, trench drain repairs, and storm water treatment vaults) and the reconfiguration of below-grade utilities (also included as a part of the Project). It is also necessary to upgrade or restore pavement capacity in heavily trafficked areas to improve the paving for top-pick (top loader) and side-pick (side loader) container handling equipment with high operating wheel loads.

#### **Capitalization of Assets**

Life-cycle costing analysis was used to determine which investments would have the lowest life-cycle cost. The new and renovated buildings and improved infrastructure will be of higher quality and be able to withstand natural (e.g. typhoon and seismic event) and unnatural wear far better than the structures constructed 40 years ago. The higher quality and longer life of the assets will minimize operating and maintenance costs and will be a more cost-effective investment when considered over the entire life of the assets.

Furthermore, the economic benefits and additional revenues that these improvements will generate will improve the PAG's financial stability through increased operational activities and reduced equipment maintenance and repair costs. The new facilities will contribute to increased operating flexibility and revenue generating potential by deploying reliable and well maintained equipment that will improve the handling of containerized and break-bulk cargo. This added capability will in turn allow the Port to better serve Guam's island residents, the private sector, the military, and the surrounding Pacific islands region by providing flexibility in cargo handling and continuity of operational equipment at the Port of Guam.

#### ➤ ***Economic Competitiveness:*** **Effectiveness of the Port of Guam**

The redevelopment of the Port of Guam will improve both near- and long-term efficiency, reliability and cost-competitiveness in the movement of goods to and from Guam and throughout the surrounding area, including to the Commonwealth of the Northern Mariana Islands (CNMI), the Federated States of Micronesia (FSM), the Republic of Palau, and the Republic of the Marshall Islands (RMI).

The PMP Projects are essential in delivering and sustaining the DOD buildup on Guam. Without these projects, the DOD buildup and supply of cargo to the local population and



the regions will be severely constrained because the current Port situation simply cannot handle the expected increase in cargo volume.

Even without the military buildup, the Port is reaching capacity to serve its existing markets, and in the near future, if left unimproved, will be incapable of meeting the local demand on Guam as previously mentioned.

#### **Operational Cost Savings**

The execution of the PMP will significantly improve the efficiency of the break-bulk and container terminals. These efficiency gains will create operating costs savings that range from \$8 to 20 million per year, returning the cost of uplands capital investments in just 10 years after project completion. A detailed model of port operations was developed to assess how cargo operations (containerized and break-bulk) utilize key components of the terminal under current conditions as compared with improved conditions. The improvements will generate cost savings as follows:

- ***Reduced Truck Delays within the Yard and at the Gates:*** Trucks will be processed faster and will require substantially less service time inside the yard. Important sub-components include gate queuing time, gate processing time, and yard service time.
- ***Reduced Operating Labor Costs:*** Improved facilities will support gate operations and will likewise improve (decrease) the Port's cost of operating the terminal. Important sub-components include truck gate operating hours, container yard grounding service, and vessel stevedoring service (loading and unloading cargo on and off ships).
- ***Maintenance Labor and Capital Costs:*** Reductions in equipment operating hours will also lower maintenance costs.

As the Port acquires more state of the art equipment, the need to maintain, repair, and upkeep all its assets will be important. The new buildings will allow the Port to quickly perform the necessary services to ensure that critical operations are uninterrupted.

#### **Reduced Inventory Carrying Costs**

The completion of the PMP will reduce the inventory carrying costs of shippers in Guam by reducing the time that cargo remains in the terminal prior to arriving at the shipper's warehouse or retail store. As multiple carriers serve the Port (ensuring there is sufficient competition), it is expected that some of this cost savings will be passed on to consumers, benefiting the residents of Guam. This is particularly important in Guam because of the Island's high inflation rate.

#### ➤ ***Livability:***

For the more than half-million people that live in this rural region (covering over 1.5 million square miles), the Port is a critical link to the rest of the world. The improvements achieved through the PMP Projects will ensure better access to consumer goods, improve cargo delivery from the Port to the consignees, ease maintenance and repair congestion, and lengthen the life of Port equipment and assets due to the improved yard conditions.

Additionally, the Projects could also have a marginal impact on reducing the cost of services in the region (because almost all goods must be shipped to Guam, changes in shipping costs and Port efficiency can impact consumer prices). In an Economically Distressed Area such as Guam, this vital service link takes on added significance.

As part of the planning process and ensuring island residents' involvement, the Projects have been a part of the Port's Public Outreach Program where full community participation was encouraged through village meetings and forums.

➤ ***Environmental Sustainability:***

***Air Quality, CO2 Emissions, and Fuel Savings***

The Port is located in an air quality non-attainment area that exceeds National Ambient Air Quality Standards (NAAQS). As a result, the potential for Port-related emissions savings are particularly important. One positive impact of the PMP when all funded and unfunded projects are completed is that it will allow trucks to move through the facility with fewer delays and less idling. This goal will be reached progressively as selected terminal areas are reconfigured, gates are automated, pavement and terminal flexibility is improved, and systems automation features are deployed. Ground operations efficiencies will result in shorter Port Calls for vessels as offloaded or loaded cargo is handled more efficiently within the Terminals. Both of these impacts will reduce emissions and fuel consumption. As compared to a no build scenario, the Project will reduce Nitrogen Dioxide (NO<sub>2</sub>) emissions by approximately 81 tons in 2015; Carbon Dioxide (CO<sub>2</sub>) emissions will be reduced by approximately 8,400 tons over the same period, Diesel Particulate Matter (DPM) by 8 tons, and Sulfur Oxide (SOX) by 93 tons. As a result of reduced vessel and truck dwell times and reductions in equipment operating hours, the Projects will also lead to an annual saving of 945,000 gallons of fuel by 2015 (as compared to the no build scenario).

***LEED Standards***

The new and renovated buildings will be designed to operate more efficiently through the use of energy efficient heating, ventilation, lighting systems, and equipment for other utilities. Building systems and components will utilize recycled materials and be designed with appropriate Leadership in Energy and Environmental Design (LEED) targets in mind.

***Storm Water Management***

The current 1960s design permits storm water runoff to enter the harbor without treatment. This has been a stated concern of visiting representatives from U.S. EPA, Guam EPA, U.S. Fish and Wildlife, and National Marine Fisheries. The new storm water system improvements will ensure that storm water runoff will pass through the storm water treatment (oil separation and filtration as required) vaults improving the quality of discharge to Apra Harbor.

➤ ***Safety:***

The enhanced maintenance and sustainment of equipment capabilities achieved through the PMP Projects will greatly improve the overall operational safety of the Port. The

rehabilitated container yard will minimize traffic congestion and conflict, support the operational life of yard equipment, and reduce the likelihood of accidents. Features such as OSHA-compliant lighting and code-compliant storm water collection systems will also permit safer operating conditions at night and during inclement weather.

As noted previously, the buildings on the Port are approximately 40 years old and reflect the lower design standards of the time. They have been subject to harsh natural conditions and are at risk of failure under a natural disaster such as the earthquake that damaged Port facilities in 1993. The new buildings constructed as part of the PMP will be built to withstand such events.

The PMP will also upgrade the Port's fire protection system to support the new terminal operations and facilities. These upgrades will include increased water pressure and new storage tanks to provide the volume of water needed to fight individual fire events.

Coupled with demolition activities, staged closure of portions of the existing terminal, reconfigured traffic patterns, the continuing need to preserve safe access/egress, the movement of staff and tenants as facilities are adjusted, the need to emphasize grounded operations to support container yard space constraints, and the increased volume of cargo to be handled, stored and tracked all complicate the process of transforming the Port's facilities.

#### IV. Benefit Cost Analysis

The Port, in the past few years, has shown good records of its return of investments. To quantify the Benefit Cost Analysis for the PMP Projects, information extracted from the Port's FY2010 Audited Financial Statement were utilized. Based on interviews with the Operations Manager, Maintenance Manager, Financial Affairs Controller, and other key Port personnel, benefits were primarily estimated based on efficiency and revenue gains through increased volume with slight increases in equipment and maintenance costs over the previous 2009 fiscal year.

Shipping agents' vessel and non-vessel cargo operations, Port assets and services, revenue collected, overall net costs and present value were factors utilized to develop the analysis for the entire facility using a 3% and 7% discounted rate.

The proposed PMP Projects indicated a benefit cost ratio of 2.04 at 3% and 1.96 at 7% discounted rates.

##### Summary of Benefits/Costs Analysis

	3% Discounted Rate	7% Discounted Rate
Discounted Benefits	\$40,636,642.62	\$38,960,904.78
Costs	\$19,914,861.00	\$19,914,861.00
Net Present Value	\$20,721,781.62	\$20,440,084.05
<b>BCA Ratio</b>	<b>2.04</b>	<b>1.96</b>

The resulting benefit impact provides insight into the anticipated changes brought about by an increase in volume and activity. The end products are additional revenue, potentially improved wages, job creation, and overall enhanced services at the Port.

## V. Job Creation and Economic Stimulus

With the construction and renovation the PMP Projects, a total of 399 (FTEs, New, and Casual) Port employees will be retained providing for long-term jobs. The short-term jobs are primarily related to the construction of the project while the long-term jobs are related to the operation and maintenance of the facility:

- Short Term Jobs (project construction)
  - 100 - 150 full-time multi-disciplined workers to complete the PMP Projects in a period of eighteen (18) to twenty four (24) months
- Long Term Jobs (PAG)
  - Over 31 FTE Port employees ( New and Vacant)

PAG will work with the Guam Contractors Board and its resources to ensure that all local construction and support businesses will have the opportunity to bid on the project. Anticipating that the PMP Projects will fall in line with other scheduled local government and military projects, the PAG will recommend to the Department of Labor that local manpower resources from this Economically Distressed Area must first be utilized.

Coordinating with the Guam Trades Academy and the Guam Community College will provide project exposure to potentially qualified individuals that may have the opportunity to be employed by participating contractors.

Due to a limited amount of supplies produced on Guam, a significant portion of the construction supplies are expected to come from the Continental United States, sharing a significant portion of the positive effects with the mainland. In particular, much of the lumber, steel, and other materials will be manufactured in the U.S. mainland as well as some of the equipment used to undertake the construction. These supplies will also be carried by Jones Act ships constructed in the U.S. and sailed with U.S. flags and U.S. crews.

### *Job Creation in an Economically Distressed Area*

The Project will generate jobs and economic stimulus in a severely distressed area. As shown in following table, Guam's per capita income was a mere \$12,768 in 2005, approximately 37% of the U.S. average. The most recent unemployment rate available for Guam is for March 2011, when Guam experienced a 13.3% unemployment. At the time, Guam's unemployment rate was 4.2 percentage points higher than the U.S. average (at 9.1%). In general, unemployment has a history of being higher in Guam than in the mainland United States. Guam meets the criteria for determination as an Economically Distressed Area as defined by Section 301 of the Public Works and Economic Development Act of 1965.

The jobs created during construction will be high-quality jobs, as the average wage paid will be significantly higher than the average wage in the private sector:

- According to the Government of Guam Department of Labor, the average annual wage in Guam is currently \$21,970 across all private sector jobs.
- Construction jobs in Guam (general contracting) average \$27,900 per year, which is 26.8% higher than the average private sector wage in Guam.

**Comparison of Guam and U.S. per Capita Income and Unemployment Rate**

Year	Per Capita Income			Unemployment Rate		
	U.S.	Guam	Difference	U.S.	Guam	Difference
2010	\$39,945.00	\$12,864.00	\$27,081.00	9.1%	13.3% (March 2011)	+4.2%
2008	\$39,751.00	\$13,200.00	\$26,551.00	7.1%	9.3% (Sept. 2009)	+2.2%
2007	\$38,615.00	N/A	N/A	6.2%	8.3%	+2.1%
2005	\$34,690.00	\$12,768.00	\$21,922.00	4.8%	7.0%	+2.2%

Note: Totals may not add due to rounding

**1. Proposed Project Schedule**

If the unfunded PMP Projects are funded by this grant, the PAG will work expeditiously with MARAD to ensure that construction activities commence immediately upon receipt of the grant award. Federal procurement procedures and local Department of Public Works requirements will be strictly followed. Because it is critically important that the PAG address its operational challenges immediately, the following aggressive construction schedule has been developed to ensure that the project's full implementation is achieved within the eighteen (18) to twenty-four (24) months construction period.

Milestones	Start Date	Completion Date
1. Anticipated DOT Notification of Grant Award	September 1, 2012	October 31, 2012
2. USDOT/PAG coordination to address any project issues if necessary	November 1, 2012	November 30, 2012
3. Coordination between PAG Engineering and Procurement to develop Project Action Plan	December 1, 2012	January 31, 2013
4. Coordination between PUC, GSA, DPW, and the PAG Procurement Division to develop the Request For Proposal package	February 1, 2013	April 30, 2013
5. Completion of RFP documents to include but not limited to: Solicitation Announcement, Evaluation of SOW, Selection of Contractors and Issuance of Contract)	May 1, 2013	June 30, 2013
6. Groundbreaking & requirement for Contractor to perform site assessment to be completed within 60 days	July 1, 2013	August 31, 2013
7. Start of construction (24 months)	September 1, 2013	August 31, 2015
8. Contractor facility turnover to PAG	September 1, 2015	September 30, 2015

## **2. Environmental Approvals**

The Port has prepared a Programmatic NEPA Environmental Assessment and once MARAD reviews this document and issues a NEPA Determination, these projects will be ready for final local permitting and execution within the timeframes required and specified.

## **3. Legislative Approvals**

The PMP includes funded and unfunded program elements and is consistent with the Port produced Master Plan Update that was publicly vetted and approved by the Guam Legislature in 2008. Follow-on legislation created an authorized debt-ceiling allowing the Port to borrow up to \$ 54.5 M in support of the organic growth driven portions of the PMP. To the extent that cargo flow and revenues support borrowing, the Port will pursue funding for elements of the PMP not included in this grant application.

Federal support for this PMP was also included in the DOD Appropriation Act of 2009. This was later supported by a transfer of DOD Funding to the Port Improvement Enterprise Fund in 2010.

The Port has been working with the U.S. Department of Agriculture to secure commitments to previously authorized loans in support of Phase IA projects and the Crane Acquisition Portion of Phase 1B.

Public Law 30-52, signed on July 14, 2009, included the Port as a public utility under the regulatory oversight supervision of the Public Utilities Commission (PUC) previously created by Public Law 17-74. The legislation provided the Port with a method for timely review of proposed rate changes and appropriate oversight of such rate changes by an independent regulatory authority. The law provided that any existing rates and other items and charges of the Port would remain in effect unless or until modified by law. The PUC is authorized to establish interim rates and charges as may be necessary to cover the operation and maintenance of Port facilities and equipment.

The Port has been operating with interim rates that were adjusted in early 2010. Periodically, the Port is required to study its rates and charges. In general, rate and tariff adjustments are designed to allow the Port to undertake sustainable operations and services. This means creating the revenue needed to address the cost of daily operations and any capital program debt service (principal and interest on loan repayments, amortization of depreciable assets, and expected return on investment).

## **4. State and Local Planning**

PMP requirements have been progressively defined through a series of development planning, financial analyses, operations planning, site assessment, stakeholder outreach, legislature coordination, and preliminary engineering and design activities. This progression represents a mix of requirements definition, stakeholder alignment,

and legislative compliance requirements that have served to inform the Implementation Plan development effort.

## 5. Technical Feasibility

The components of the PMP have been designed and determined to be technically feasible. Seven (7) of the highest priority but currently unfunded PMP components have been specifically identified in page 5 and described in detail starting on page 6 of this application.

The development of the Project Schedule, the Specifications/Scope of Work, Preliminary Designs, and Budget Cost Estimates (please see [www.portguam.com/tiger-4-application](http://www.portguam.com/tiger-4-application)) validates that this is a technically feasible project that will have both immediate short and lasting long-term benefits.

## 6. Financial Feasibility

There have been recent delays to the military buildup schedule (and cargo flow) as DOD prepares a Master Plan that is responsive to both its troop relocation plans and the pressures to reduce overall military spending plans at the national level.

Assuming the military re-set adjusts but does not do away with the program, this presents an opportunity for the Port to get out in front of the buildup by making cargo handling capacity improvements and thereby removing the potential bottleneck before cargo flow climbs to projected levels. However, this is somewhat of a catch 22 situation given that cargo flow is needed to support Port borrowing.

To resolve this challenge, early program funding needs will have to be met by federal grants and increased tariffs on existing or slightly increased cargo volumes. Consistent with this approach, the Port is prepared to continue to balance regional and national objectives by raising tariffs enough to borrow funds in order to achieve a 20% funds match for this application. Following that, increased Port borrowing will follow the natural increase of cargo and resulting revenues and be applied to remaining unfunded mandates in order of priority.

## 7. Innovation

The PMP involves a unique combination of creative financing, technology upgrades, systems integration, and hybrid operations designed to maximize flexibility, be sensitive to local shipper needs, and allow progressive development in the face of uncertain cargo revenues.

Systems upgrades will involve automation and integration of the Terminal Operating System, Gate Operating System, and Financial Management System. It will have features that employ DGPS technology, OCR readers, gamma ray scanners, weigh-in-motion scales, and surveillance cameras, and have links to Security Monitoring, Emergency Operations, Customs Operations, and Weigh-In-Motion facilities to monitor highway loading.

Financing will involve a mix of DOD funding, DHS Security Grants, Port Funds (in the form of USDA loans, commercial loans, operating funds, and tariff adjustments), and ARRA funding (if this application is successful). Hybrid operations will involve a mix of wheeled and grounded operations and provide for flexible use of ground area to support either type of operation depending on cargo handling needs. The site will be used to support island imports, transshipment imports/exports, break-bulk cargo and container cargo, and storage and retrieval of empty containers, full containers, chassis-borne containers and grounded containers.

Gate and systems improvements will: 1) remove traffic queues from the local highway, 2) speed up cargo processing which will reduce on-site congestion, air pollution, and fuel consumption and 3) facilitate trouble-truck management and pre-scheduled arrivals to reduce traffic congestion and truck queues. The Port will partner with its shippers to assure an adequate supply of wheeled chassis owned by the shippers with overflow on-site storage capacity to improve accessibility. The site development geared toward meeting national security needs, national cargo handling demands, and organic growth demands will progress with front end federal support and growing Port borrowing over time as cargo volumes generate the revenue needed to service loans on both a near-term and sustainable basis.

## **8. Partnership**

The PMP involves an unprecedented partnership between Guam and the Federal Government including MARAD, Department of Defense, Department of Homeland Security, Department of Agriculture, Economic Development Administration, Office of Insular Affairs, Department of Interior, and DOD's Office of Economic Adjustment.

In 2008, the Port signed an MOU with MARAD to share in Program Definition and complete final design and construction. MARAD also serves as the Lead Agency for the NEPA Process and acts as the steward and reporting agency for Federal Program Funds collection and disbursement. Other federal agencies have provided grants in support of program definition, site investigation, preliminary planning and engineering, infrastructure improvement and security posture improvement.

Collectively, the partnership is contributing to a workable financial approach that allows the Port to make progress in the face of evolving national program needs, future regional growth requirements, and uncertain cargo growth. The partnership extends to the Governor's Office and Guam Legislature. The PMP is consistent with growth management and land-use management for the island. Legislative authorization and oversight of the PMP and Public Utility Commission oversight of Port finances assures that the PMP is consistent with Territorial management and stewardship requirements.

The PMP Project Team consists of collaboration between PAG and MARAD with assistance from its respective agents; the Owner's Agent/Engineer (OAE) for PAG and a Program Management Team (PMT) for MARAD. The general framework for



this partnership involves enabling federal legislation and the contracts put in place for the OAE and PMT.

The 2008 MOU outlines the roles of each party to implement the Port Improvement Enterprise Program. According to this MOU, MARAD with the assistance of its PMT will complete the final design of Phase I-A and Phase IB projects after receiving preliminary design documents (drawings, outline specifications, project design requirements report) and other performance requirements included in the Port Modernization Program Implementation Plan, from PAG. Once final designs are complete, the PMT will initiate applicable solicitations (Invitation for Bids, purchases, Request for Proposals [RFPs]) for all construction related activities. The PMT will oversee execution of construction and assist MARAD with the necessary management interface with the Port and other key stakeholders.

## **VI. Project Readiness and NEPA**

MARAD has received the Port's Draft Phase IA Environmental Assessment for review and is charged with issuing a NEPA Determination as part of its NEPA lead Agent role. The PMP falls within this study and thus have met all NEPA clearances and requirements.

## **VII. Federal Wage Rate Certification**

The Port Authority of Guam has signed a certification that it will comply with Subchapter IV of Chapter 31 of Title 40 of the United States Code.

## **VIII. Environmentally Related Federal, State, and Local Actions**

The Port will ensure that all other Federal and local government environmental requirements will be satisfied through the permits and approvals process.

## **IX. Supporting Documentation**

The following documents can be found on the Port Authority of Guam's TIGER III website, [www.portguam.com/tiger-4-application](http://www.portguam.com/tiger-4-application)

- PAG Master Plan Update 2007 Report, April 2008, Performed by PB International, Inc.
- PAG-MARAD MOU, Adopted 12/08/2008
- Jose D. Leon Guerrero Commercial Port of Guam Master Plan Update 2007 Report to the Legislature Pursuant to 5GCA Chapter 9 §9301
- Break-Bulk Cargo Improvements Scope of Work/Project Cost Summary
- Existing Cargo Yard Improvements Scope of Work/Project Cost Summary
- Container Yard Drainage and Payment Repair; Figure 5.5-1 Selected Terminal Photograph of Existing Conditions and Scope of Work/Project Cost Summary
- Alternative Break-Bulk East Variation; Figure 5.5-1 Selected Terminal

- Alternative Break-Bulk West Variation
- Container Freight Station (CFS) Operations Facility Drawing Numbers A2-6 and A2-7/Project Cost Summary
- Maintenance, Supply, Rigging (MSR) Building Construction Drawing Numbers A4-13 and A4-14 and Scope of Work/Project Cost Summary
- Welding Shop Renovation Drawing Numbers A10-23 and A10-24/Project Cost Summary
- Inbound/Outbound OCR Canopy Portal Drawing Numbers A8-21/A11-25 and Project Cost Summary
- Agreement between the Government of Japan and the Government of the United States of America Concerning the Implementation of the Relocation of the III Marine Expeditionary Force Personnel and their Dependents from Okinawa, Japan to Guam signed February 17, 2009
- 2011 Port Authority of Guam Updated Financial Feasibility Report
- Financial Statements and Other Financial Information, Port Authority of Guam, Years ended September 30, 2011 and 2010 with Report of Independent Auditors
- FOIA Annual Report, FY2011
- FY2012 Year to Date Staffing Pattern Report – December 31, 2011 (New and Vacant Positions)
- BLS Bureau of Labor Statistics Department of Labor Government of Guam, Per Capita Income and Unemployment Rate
- Federal Wage Rate Requirement Letter signed by the General Manager of the PAG, March 2012