



**PORT OF GUAM**  
ATURIDAT I PUETTON GUAHAN  
**Jose D. Leon Guerrero Commercial Port**  
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**Lourdes A. Leon Guerrero**  
Governor of Guam  
**Joshua F. Tenorio**  
Lieutenant Governor

REGULAR MEETING OF THE BOARD OF DIRECTORS  
Jose D. Leon Guerrero Commercial Port  
Thursday, January 28, 2021  
Virtual Board Meeting  
3:00 p.m.

A G E N D A

- I. CALL TO ORDER
- II. ELECTION OF OFFICERS
- III. APPROVAL OF MINUTES
  1. December 22, 2020 – Regular Board Meeting
- IV. PUBLIC COMMENTS:
  - a. Public Comments
  - b. Employee Comments
  - c. PAGGMA Association
- V. GENERAL MANAGER'S REPORT (deferred to Old/New Business Items)
- VI. OLD BUSINESS
- VII. NEW BUSINESS
  1. RFP-PAG-020-002 CMS Rehabilitation for H-Wharf & Highway 11 Roadway Reconstruction
  2. Resolution No. 2021-01 CMS Rehabilitation for H-Wharf & Highway 11 Roadway Reconstruction
  3. South Pacific Petroleum Company; Parcel 2 Lot 3A
  4. Performance Evaluation
- VIII. ADJOURNMENT



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**MINUTES OF THE  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
Tuesday, December 22, 2020**

**I. CALL TO ORDER**

There being a quorum, the regular meeting of the Board of Directors was called to order at 3:00 p.m., Tuesday, December 22, 2020. Present at the meeting were:

Francisco G. Santos, Chairman  
Nathan T. Taimanglo, Vice Chairman  
Isa Marie C. Koki, Board Secretary  
Dorothy P. Harris, Board Member  
Rory J. Respicio, General Manager  
Dominic G. Muna, Deputy General Manager, Operations  
Luis R. Baza, Deputy General Manager, Admin/Finance  
Atty. Thomas Keeler, Assistance Attorney General, OAG

Present was Office of Senator Clynt Ridgell-Michael Carlson; GEDA-Melanie Mendiola, Joann Camacho, Joaquin Flores, Diego Mendiola and Port Staff.

**II. APPROVAL OF MINUTES**

a. **November 24, 2020 – Regular Board Meeting:** Director Koki made motion to approve the minutes of November 24, 2020, subject to correction. The motion was seconded by the Vice Chairman and was unanimously passed.

**III. PUBLIC COMMENTS**

- a. **Public Comments:** None.
- b. **Employee Comments:** None.
- c. **PAGGMA Association:** PAGGMA President Steve Muna announced that in light of the challenging times this year amid the coronavirus, the association will be giving back member contribution to its members as an effort in promoting the spirit of Christmas.

**IV. GENERAL MANAGER'S REPORT**

1. **Port's COVID Dashboard.** Clinic visits total 39,175.

- Total COVID-19 cases of the Port Authority are 20:
  - o 19 Port employees are all back to work
  - o 1 Port employee (+Henry San Nicolas) passed away due to COVID-19.

2. **Port's Recommended Plan for Vaccination.** A memo was submitted to DPHSS Director Art San Agustin recommending the following:

<b>Departments/Divisions</b>	<b>Total Employee Count</b>
<b>Operations Department:</b> Transportation, Stevedoring, Terminal <b>EQMR Department:</b> Maintenance Office, Facility Maintenance, Equipment Maintenance <b>Divisions:</b> Harbor Master, Occupational Health & Safety, Port Police	285
<b>Remaining Divisions (Admin):</b> Port employees at high risk for severe COVID-19 illness due to underlying medical conditions, or high-risk groups.	To be determined
<b>Remaining Divisions (Admin):</b> Corporate Service, Commercial, Marketing, Human Resources, Information Technology, Finance, Procurement, Strategic & Plans, Engineering, General Manager's Office  <i>*Note: Less high-risk group.</i>	73*
<b>Total:</b>	<b>358</b>

3. **Board Appointment to the Port Board of Directors.** As reported on October 6, 2020, Governor Lou Leon Guerrero appointed Ms. Dorothy P. Harris to fill the seat of former Board member Maria Taitano, whose term has expired. A virtual confirmation hearing was held on October 21, 2020, by the Guam Legislature. The Guam Legislature has duly confirmed Ms. Harris on December 1, 2020.
4. **General Manager's Notes for YTD Finances, as of November 30, 2020.** The following summary is being provided.

**REVENUES AND CARGO THROUGHPUT:**

- The Port's Total YTD Operating revenue for November 2020 is \$9.1 million, which is -2.5% or \$186K lower compared to YTD November FY21 budget projection of \$9.3M.
- The total number of containers handled as of November 2020 is 13,856 which is 6.2% lower or 910 less containers compared to last year's November 2019 total of 14,766.

**OPERATING EXPENSES:**

- Overall spending YTD (Actual versus Budget for FY2020) of \$8.1M is 6.5% lower than the budget for November of \$8.6M, or \$556K in YTD cost avoidances.

**OVERTIME EXPENSE AND DIRECT LABOR REVENUE:**

- Overtime YTD for Divisions involved in Operations is \$189,582, which is 12% lower than YTD overtime budget of \$214,682. The overtime for November resulted in an increase of 3% or \$2.5K as compared to October, from \$96,663 in October to \$99,205 in November.
- Direct Labor reimbursement is \$570K which is 5% or \$26K higher than the FY21 budget of \$543K. Here is the breakdown:

Direct Labor	
Revenue	\$569,643
Operations	
Overtime	<u>\$189,582</u>
Variance	\$380,061

**YTD OPERATING REVENUES MINUS YTD EXPENSES**

The net income for the month of November is \$126K.

**5. Training & Development.**

a. **Leadership Workshop.** Deputy General Manager Louie Baza conducted a Leadership Workshop that was held virtually on December 11, 2020. The workshop was presented to Division Heads, Superintendents, and Supervisors touching on the following areas:

- Leadership: Natural Born Leader? Or Leader by Experience?
- Leader's role: a leader's job is to look into the future and see the organization, not as it is, but as it should be.
- Know your stuff: set parameters and priorities, establish vision and goals, set timelines, stay focused, remain flexible.
- Establish climate of open communication.
- Value your team.
- Manager/supervisor basic responsibilities.
- General skills to build for effective supervision.
- Constructive confrontation.
- Humor/Balance Your Life.
- Substance abuse in the workplace, sexual harassment, violence prevention and threat management.
- Stress management, effective communication, managing change.
- Principles of organization and enforcement.

b. **Work Performance Appraisal System Training.** Personnel Services Administrator Francine Rocio conducted a Work Performance Appraisal System Training held virtually on December 16, 2020. This training was presented to Managers and Supervisors. This Board ordered that management implement Key Performance Indicators (KPI) as the basis to which



all Port employees will now be evaluated. A lot of work has been done in the past year to develop the KPIs for each position, and this Work Performance Appraisal System Training is another component of this plan's rollout. The training provided hands-on interaction and step-by-step instructions in completing the new evaluation forms and understanding its procedures. Management previously reported that it is anticipated this plan will be implemented in the current Fiscal Year 2021. Therefore, since each port employee's KPIs is done, his/her job evaluation will now be based on his/her performance identified by job factors for each position and range of measurements determined for each factor. These performance reviews will be done on an annual basis.

6. **In-House Counsel.** An official offer to Attorney Christine Claveria on December 9, 2020 was made. Attorney Claveria accepted and will start on January 4, 2021. This date was chosen to coincide with a new pay period ending following her two-week notice to her present employer.
7. **Status of on-going critical procurement matters.** Assistant Attorney General Tom Keeler is assigned to the Port to assist in our procurement projects. Attorney Keeler is focusing on the following procurement projects:
  - **Legal Services** (currently being reviewed by Attorney Keeler);
  - **Deconstruction of Port Assets (2 STS Cranes, 2 RTG Cranes, and Sunken Barge at F6).** Many meetings have been held these past few months with the Port's committee and procurement. WSP developed the multi-step invitation for the bid procurement package. The anticipated date of publication is December 31, 2020;
  - **Golf Pier Repair.** Construction management RFP procurement was canceled because the A&E engineering design revealed the repair costs are higher than what was anticipated. An invitation for bid procurement package is being prepared to obtain a realistic price to repair the facility. This to be expected to be issued within the first quarter of 2021;
  - **ITCF-Information Technology Consulting Firm.** RFP was published on December 7, 2020; and
  - **CCTV & Access Control.** This procurement packet was provided by AG's last week, and the AG's concerns are being addressed with Attorney Keeler.
8. **Selection of Operations and Assistant Operations Manager Positions.** Glenn Nelson for Operations Manager and Patrick Alvarez for Assistant Operations Manager.
9. **Professional Services, Leases, and Continuing Procurement Agreements/Contracts.** A directive was issued to Port end-users to keep track of their respective contractual term periods with tenants and vendors to avoid crisis mode in services provided to the Port. Port end-users were advised to give adequate time to the review process and issue appropriate procurement or solicitation documents within six months before the contract or agreement's expiration date. In doing so, will ensure the Port's operational requirements remain uninterrupted to which will also provide sufficient time and effort on the procurement process.

10. **Creation of a Marina User Group.** A Marina User Group will be formed. This group will be similar in principle and practice to the Port Users Group. The goal is to provide a forum to better serve our Marina tenants and users and the Island's recreational, sustenance, and commercial boating communities by enabling all marina users an opportunity to address their concerns or ideas to the Port. As a startup, a "user survey" will be provided that speaks to the marina's strengths/weaknesses, pressing needs, opinion on fee structure, dock replacement, to name a few. A dedicated link on our Port website was created, specifically for the Marinas, ensuring that this will provide a wealth of information for the Port's Marina users.
  
11. **Abandoned Derelict Vessel Project.** A Port Water Tour was done on December 4, 2020, and Guam EPA was the lead agency. Those on this tour included the Governor, Lt. Governor, Guam EPA, and Port General Manager. There are 14 abandoned derelict vessels located within the Outer Apra Harbor – 11 in the Harbor of Refuge; 1 at F6 Pier, and the remaining two sunken ships are located within Sasa Bay Marine Preserve.
  
12. **Excellence in Citizen-Centric Reporting & Accountability and Transparency Awards.** The Port received notification from the Association of Government Accountants Guam Chapter (AGA) that the Port earned the First Place Platinum "Excellence in Citizen-Centric Reporting Award." The Port also earned the "Accountability and Transparency in Citizen-Centric Reporting Award." The Citizen-Centric Report initiative, adopted through Guam Public Law 30-127, assists in advancing accountability and transparency in our government. This report provides information about the agency's goals, performance measures, audited financial statements, challenges and outlook of operations, and most importantly, how taxpayer or ratepayer dollars are spent in a manner that is easily understandable and accessible to our citizens. These national and local recognitions are first-time awards for the Port Authority of Guam. The virtual awards presentation is scheduled for December 23, 2020.
  
13. **Grant Opportunities**
  - a. **EDA Grant Application.**
    - Guam Acting SHPO Carlotta Leon Guerrero issued Section 106 Concurrence for the Port's fuel pipeline connectivity project, paving the way for EDA to move to the next step in finalizing the Port's grant award. Total project amount \$3.016M; EDA Share - \$2.41 M (80% Cost Share). PAG Share - \$603K (20% Cost Share).
    - The Port's Strategic Planning Division facilitated an introductory meeting with new EDA Program Manager Belinda Barr.
    - Next Steps – EDA .is moving forward with its legal review towards grant award issuance.
  
  - b. **Department of Agriculture Grant. *No new development.***
    - Strategic Planning Division followed up with DOAg on the MOU status for Dock B repairs at the Agat Marina and Moorage repairs at the Harbor of Refuge on Monday

12/14/2020 and subsequently on Thursday 12/17/2020. DOAg informed us that they would follow up again with the AG's Office.

**c. Gantry Crane Acquisition**

**i. USDA Direct Loan.**

- A conference call is being scheduled with USDA.

**ii. EDA Grant.**

- Cost breakdown from Port Consultant WSP has been finalized; the Strategic Planning Division has completed both the Preliminary Engineer's Report and the Budget Narrative. Chief Planner currently reviewing all supporting grant application documents for finalization.
- A conference meeting with new EDA Program Manager Belinda Barr recommends that the PAG submit its grant application after the new administration has been in place.
- The estimated cost for two (2) cranes is \$30M, with the PAG's share at \$15M.

**d. FEMA – COVID-19 Public Assistance.**

- Project Worksheet (PW) #1 – Pending FEMA review and decision on PAG reimbursement submission of \$21,920.29 for the cost associated with PPEs, supplies, and materials.
- Project Worksheet (PW) #2 – Pending formal denial response by FEMA. Upon receipt, the PAG will appeal. The PAG is seeking reimbursement for labor costs for \$7.3M in federal funds.
- Project Worksheet (PW) #3 – The project worksheet for additional safety and sanitation of PAG facilities' request for reimbursement has been submitted online.

**e. MARAD America's Marine Highway (AMH) Program.**

- On Thursday, 12/3/2020, a meeting was held with Port Officials from the Commonwealth of the Northern Marianas Islands (CNMI), facilitated by MARAD.
- MARAD is recommending that the Port Authority of Guam and the CNMI submit one designation application. CNMI agreed. The Port also agreed to accept MARAD's recommendation.
- Program Manager Mauricio Castro and AMH Head Tim Pickering discussed the process and the potential project awards that can be applied through the program.
- The PAG is 75% complete with its application. The Port is looking forward to coordinating with the CNMI team for their input to the draft.
- A tentative PAG/CNMI Teams meeting has been scheduled during the week of 12/21/2020.
- A tentative PAG/CNMI/MARAD Teams meeting has been scheduled for early January 2021.

**14. 2020 Master Plan Update.** The Port's Management Team continue to meet with WSP weekly (every Wednesday), resulting in significant progress in the following areas:

- **Stakeholders Meetings** – WSP and the Port has been successful in data gathering through interviews with the Port’s partners – military, federal, and private sector.
- **PORT/PUGG/Customs collaboration on systems integration.** This is the RSM Project – an initiative to define the need for improved data and information sharing/reporting between all stakeholders involved in the cargo supply chain at the Port.
  - Port’s Objective: Improved efficiencies in operations, billing, collections, going paperless, and meeting the Port Users’ operational needs.
  - Port User’s Objective: Going paperless, pre-clearing of cargo containers, improving operational efficiencies, digital sharing of the manifest.
  - Custom’s Objective: Automation, going paperless, advance clearing of cargo containers, significantly reduce front-facing clearances, searchable bill of lading, digitized manifest, interdiction of drugs, bio securities, terrorism, and improved collections of the use tax.
- **IT Upgrade discussions** – WSP support to Port IT and TOS to promote efficient interface and operations.
- **Guam Customs Inspection Facility Feasibility Study** – The Port met with Customs and WSP on December 10, 2020. In this meeting, Custom’s agreed to the proposed facility design on a 4-acre parcel of land adjacent to the main terminal gate. This design aims to two-fold—allow privacy of the operations inside the facility and the mandatory use of the Department of Public Works' weight station.
- **Tariff Simplification** – The Port’s Tariff Simplification Team (Finance, Operations, IT) continues to meet with WSP weekly. The following is a “Guiding Principles” document to establish the meeting’s objectives and how the Team will accomplish the simplification of Port tariffs. The Guiding Principles provide the following purposes:
  - **Revenue neutral** - Ensure the revisions will result in neither a material increase nor decrease in Port revenues
  - **User-friendly** - Present schedule of rates table in front of tariff to allow customers to quickly and easily calculate fees
  - **Transparent** - Itemize details, rules, and regulations associated with combined rates via a hyperlink in latter sections of tariff
  - **Streamlined** - Consolidate charges to align with all-inclusive port services and performance reports
  - **Modernized** - Support the integration of the Port’s NAVIS Terminal Operating System and JDE Financial System
  - **Time-saving** - Minimize/eliminate manual data entry of charges and provide invoices to users expeditiously
  - **Cost-effective** - Reduce administrative costs, manual entry errors, disputes, and delayed payments

- **Update CIP and Port Wharves Project** – The Port and WSP has been aggressively assessing critically important CIP projects and working towards completing F1 – F6 comprehensive assessments towards Scopes of Work development.
- **Area A Feasibility Study** – A continued collaboration between the Port and WSP is on-going weekly on best uses and development of potential alternative uses for the former Mobil site housing a building structure and several empty fuel tanks. A Solicitation of Interest (SOI) on Area A has been published on the Port’s website and a newspaper of general circulation. Deadline to submit interest/proposal is January 18, 2021.
- **Solar Power Feasibility Study** – The Port and WSP continues to engage in the feasibility of installing a solar panel system on several Port building rooftops to reduce the Port’s power consumption outlay.

15. **Port Revenue Bonds Project Status.** As of December 17, 2020, the attachment provides information on the status of the revenue bond projects that consist of rehabilitation of hotel wharf, golf pier repairs and improvements, waterline replacement/relocation, EQMR building, and warehouse 1 repair/upgrades, new admin annex building, and other priority projects.

#### V. OLD BUSINESS

There were no old business discussed.

#### VI. NEW BUSINESS

1. **RFP No. 019-004 Management & Operations of F1 Fuel Pier:** The General Manager said three (3) firms officially submitted their bid offer in response to the request for proposal. The Evaluation Committee selected IP&E Holdings as the best qualified offeror; however, after several negotiation meetings and counter offers, PAG terminated negotiations with IP&E Holdings on March 17, 2020 on the basis of an unsuccessful cost negotiation. In compliance with Section 3114(I)(4) of the Procurement Rules and Regulations, the Port commenced negotiations with the next most qualified offeror-second highest ranked offeror, namely Tristar Terminals Guam, Inc. After a series of cost negotiation discussions and counter offers, on December 18, 2020, the Port and Tristar Terminals Guam, Inc. reached a mutual agreement to the terms of the contract; thus resulting to a successful negotiation of a fair and reasonable fees. At this time, Management requests the Board of Directors’ approval of award to Tristar Terminals Guam, Inc. as the second highest ranked offeror for the RFP on the F1 Fuel Pier. Tristar Terminals Guam, Inc. has been deemed to have met all the requirements set forth in the request for proposal and is consistent with the Guam Procurement Regulations.

Director Koki made motion to approve the award to Tristar Terminals Guam, Inc. for RFP No. 019-004 Management and Operations of F1 Fuel Pier, seconded by Director Harris. Motion was unanimously approved.



a. **Resolution No. 2020-18 Management & Operations F1 Fuel Pier.**

Director Harris made motion to approve Resolution No. 2020-18 relative to petitioning the Public Utilities Commission (PUC) for the approval of the award to Tristar Terminals Guam, Inc. for the management and operations services for F-1 fuel pier and facility. Motion was seconded by Director Koki and was unanimously approved.

2. **Kal's Corporation; Term of Lease Agreement.** The General Manager mentioned that Kal's Corporation is the owner and operator of the Marina Grill. The restaurant facility is located at the Agat Small Boat Harbor. The current lease agreement commenced November 1, 2015, for an initial period of five years which ended on November 1, 2020. However, the lease further references an option to extend for another five years. In its letter dated December 3, 2020, the Port had advised Kal's Corporation that their lease expired and that a holdover occupancy period will be on a month-to-month basis, subject to the terms of the expiring agreement. Upon guidance and approval as to form by Atty. Thomas Keeler, Assistant Attorney General assigned to the Port, Kal's acknowledged and accepted the terms. Based on this, Board approval is being requested to authorize Management to continue the lease with Kal's Corporation on a month-to-month basis subject to the same terms of the expired agreement; and further authorize Management to proceed with the Notice of Area Available solicitation.

Director Koki asked whether the month-to-month would be considered a new lease and whether it is within the confines of the law. The General Manager replied that the month-to-month is a holdover period having both parties agreeing to the same terms and conditions of the expired lease as guided by Atty. Keeler. Once a solicitation of interest and selection process is completed, would render a new lease term of five years. Should the Board not approve the month-to-month arrangement, the Port will then advise the tenant to vacate the premise. Atty. Keeler mentioned that the lease agreement with Kal's Corporation is a five-year lease term; however, the option to extend for another five years was not enforceable. The lease had referenced the possibility of securing legislative approval that was never obtained, so therefore, there is no need to discuss the option because the option does not exist. At this point because the lease has expired, Atty. Keeler mentioned that the Port had the option of either requiring the tenant to vacate or as having suggested to the Port – to proceed on a month-to-month lease and move forward with a new procurement process on that lease area as soon as possible. He said there has been questions on whether a month-to-month lease is technically legal which is a grey area. Although the lease does not provide a provision indicating that if the tenant extends past the termination period that technically it's on a month-to-month basis, it is the recommendation of counsel for the Port to treat it as if that provision was stipulated in the lease agreement. Atty. Keeler further expressed that going on a month-to-month basis is in the best interest of the Port as well as the government of Guam to allow the tenant to continue to occupy the space until a new tenant is selected through the procurement process.

Director Harris certainly appreciates the temporary solution to the leased property until a formal request is issued for the notice on the area of availability. She said the activity at the Agat Marina is a valued operation and if the Port is able to continue to keep a vendor in the area that is

an asset as a temporary measure until the Port completes the procurement process, she is in full support of this approach.

Without further discussion, Director Harris made motion to authorize Management to continue the lease with Kal's Corporation on a month-to-month basis subject to the same terms of the expired lease agreement; and further authorize Management to proceed with the notice of area available solicitation subject to the approval of the General Manager and legal counsel. Motion was seconded by the Vice Chairman and was unanimously approved.

3. **Construction of Sea wall at Hagatna Marina.** The General Manager said the Port received a letter from GEDA dated December 18, 2020 requesting funding support. By way of background, under the 2012 Hotel Occupancy Bond, \$3M was set aside for the Fishermen's Co-op new building project. To date, \$900K has been expended for design work. It is anticipated that the remaining \$2.1M will be used for the construction of the structure itself. However, in order for the new structure to be protected, there is a significant need for a sea wall to reinforce the shoreline at a cost of \$1M. The General Manager said if the Board considers approval of the funding request of \$1M, it will fall under port capital improvement projects wherein a payment schedule can be arranged monthly or quarterly between the Port and GEDA.

Director Harris recalled that several years ago there were a number of upgrades made to the Hagatna Boat Basin as it falls under the Port's jurisdiction which included slip replacements and sheet piling repairs surrounding the marina proper. These repairs had taken place since the Hagatna Marina was first constructed in the 1970s by Army Corp of Engineers. She remembered discussions in performing work on the sea wall which is almost 50 years old since any attention has been paid to it, so this project would help to protect Port investment and facilities as well. Director Harris mentioned that the Hagatna marina plays a very important role in the traditions of the island people as a fishing community; supports fishes that are sold at the Fisherman's Co-op; it provides for launching facilities; supports search and rescue activities; and is a valuable component of the islands tourism industry. She said to protect all the investments that has taken place and to continue to support the islands seafaring community, she felt this would be an opportunity for the Port to consider.

Director Koki clarified that as a capital improvement project of the Port that would not be a direct expense to the Port's bottom line, but more so as an investment, whether the sea wall would be property of the Port when completed. The General Manager replied that the sea wall will be built at the channel area where boaters traverse through and if no work is performed soon, then the Port may end up losing property in that area due to erosion. He said the project will be booked as an investment.

At this time, the members recognized the presence of GEDA Administrator Melanie Mendiola. Ms. Mendiola thanked the members and said there is a project team in place ready to move this project forward. She mentioned that if the Port partners with GEDA it would benefit the community and island fishermen. Ms. Mendiola stated that GEDA was made part of this project to provide the assistance and support to the Fishermen's Co-op in accelerating the project

through completion. GEDA is also trying to close-out all the projects that are under the Hotel Occupancy Bond and to see the Governor of Guam's vision through, one of which is the diversification of the island's economy through aquaculture, agriculture – and fishing is a huge part of it.

Without further discussion, Director Harris made motion to authorize the General Manager to remit up to \$1M of Port funds to GEDA based on payment schedule developed by GEDA; and to report to the Port Board of Directors whenever those transactions are exercised, seconded by the Vice Chairman. Motion was unanimously approved.

#### VII. ADJOURNMENT

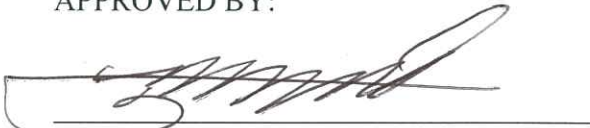
There being no further business to discuss, it was moved by Director Koki and seconded by Director Harris to adjourn the meeting at 4:09 p.m. The motion was unanimously passed.



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ISA MARIE C. KOKI, Board Secretary  
Board of Directors

APPROVED BY:



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FRANCISCO G. SANTOS, Chairman  
Board of Directors





**PORT OF GUAM**

ATURIDAT I PUETTON GUAHAN

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Governor of Guam

Joshua F. Tenorio  
Lieutenant Governor

General Manager's Report for Board of Directors  
January 28, 2021

1. **Port's COVID Dashboard.** Clinic visits total 44,647.

- Total COVID-19 cases of the Port Authority are 20:
  - o 19 Port employees are all back to work
  - o 1 Port employee (+Henry San Nicolas) passed away due to COVID-19.

2. **PAG Employee Opinion Survey.** The Port employees were invited to anonymously speak their truths in an organizational survey, and the results show a high employee morale, job satisfaction, and support for management. The organizational climate survey was conducted earlier this month by the agency's Human Resources, Planning, and Marketing Divisions. Employees were encouraged to anonymously take the survey, and 317 out of 356 employees submitted a response, which is an 89 percent response rate. Last year was a challenging year for everyone, so we wanted to gauge the relationship between the Port organization and its employees to determine if we are moving in a better direction as an agency. The survey provided employees an opportunity to anonymously rate different levels of our agency. It assessed what they value most in their employment and provided them an opportunity to make positive suggestions for improvement.

The results showed overwhelmingly positive results in job satisfaction and revealed that employees believe that morale is at an all-time high. The survey showed that 99% felt positive that they are proud to work for the Port Authority of Guam and that 97% felt positive that management is accessible and approachable. 98% of all employees who took the survey felt positive that management has an open-door policy and that the Port is a great place to work. Results showed that 91% felt positive that management is fair, 93% were positive that management was transparent, and 92% were positive that management is accountable.

Regarding the situation involving COVID-19, 94% felt positive that management made their work environment a safe place to be during the COVID-19 Pandemic and 96% felt positive that management kept them well informed. The results showed that 94% felt positive that management made it clear to them that they cared about their safety and wellbeing during the COVID-19 Pandemic, and 93% felt positive that management provided them the resources they needed to do their jobs safely.

On the topic of career development, 91% felt that superiors share their knowledge and skills on handling situations. In comparison, 81% felt that training opportunities were provided to everyone, and 89% felt positive that promotional opportunities were available to them. When surveyed about communication, 91% felt positive that their supervisors provide clarification and guidance on the job, and 93% felt that management provides them with regular updates on current events and advisories. Results showed that 88% felt their supervisor communicates frequently and honestly about issues that may affect them and that management supports two-way communication between managers and employees.

Employee relations were also a focus of the survey, and 90% felt positive that Port Authority employees have a good relationship with each other, and 93% felt they were able to approach their supervisor if they had a problem. Meanwhile, 91% felt positive that they could go to management if they had a problem, and 92% said their co-workers are always willing to help each other. Teamwork at the Port also got high remarks as 97% of the employees felt positive that they make an effort to be a part of the team. Additionally, 92% positively responded that they support Gov. Lou Leon Guerrero and the Port's Board of Directors' vision for the Port. And, 91% believed that they work as a team in their departments.

The results of this survey certainly validate that we're doing the right things. We are making considerable progress at the Port, while boosting morale and that we are doing the right things and making considerable progress ensuring fairness, openness, transparency and accountability.

3. **Legislative Informational Hearing.** Senator Telena Nelson, Committee Chairperson on Border Protection and Maritime Transportation, held a Virtual Informational Hearing on January 25, 2021, on the Port Authority. Agenda items included: 1) Drug-Free Workplace Program Policy: drug test protocols, disciplinary action, and Employee Assistance Program; 2) COVID-19: safety guidelines, protocols, and testing; and 3) Port Finances: revenues and cargo throughput.

Port Board Chairman Frank Santos, Deputy General Manager's and I were present. Prior to addressing the main items on the agenda, I had an opportunity to present the following accomplishments and port updates before the committee members, that include: significant milestones; overview of the port modernization program; 2020 masterplan update and key timelines; status of revenue bond; tiger grant and OEA funded projects; status of grants and grant opportunities and results of the climate survey. After the presentation, Committee Chair Senator Nelson and Vice-Chair Senator Mary Camacho Torres were very receptive to our presentation. We thank them for allowing us to showcase everything the Port employees have



been able to accomplish under the Leon Guerrero Tenorio Administration and our current Board of Directors.

Following the presentation, discussion began on the Port's Drug-Free Workplace Policy, Covid-19 and Port finances. Attached is our presentation made to the Guam Legislature, which we are requesting that it be part of the General Manager's report.

The Informational Hearing was recessed and will reconvene on February 2, 2021 at 9am. Agenda items include continuing discussions on the Port Drug-Free Workplace Program Policy. Immediately after that, an Oversight Hearing will commence at 10am, same day regarding Port's recruitment practices, hiring procedures, and human resources management from 2016 to present.

4. **General Manager's Notes for YTD Finances, as of December 31, 2020.** We are providing the following summary:

**REVENUES AND CARGO THROUGHPUT:**

- The Port's Total YTD Operating revenue for December 2020 is \$14.9 million, 7% or \$943K higher than the YTD December FY21 budget projection of \$13.9M.
- The total number of containers handled as of December 2020 is 21,753, which is 1% higher or 162 more containers than last year's December 2019 total of 21,591.

**OPERATING EXPENSES:**

- Overall spending YTD December (Actual versus Budget for FY2020) of \$12.9M is 1% lower than the budget for December of \$13.0M, or \$86K in YTD cost avoidances.

**OVERTIME EXPENSE AND DIRECT LABOR REVENUE:**

- Overtime YTD for Divisions involved in Operations is \$271,863, which is 16% lower than YTD overtime budget of \$322,023. The overtime for December resulted in a decrease of 23% or \$23K compared to November, from \$99,205 in November to \$75,995 in November.
- Direct Labor reimbursement is \$848K, which is 4% or \$34K higher than the FY21 budget of \$815K. Here is the breakdown:

Direct Labor Revenue:	\$848,913
Operations Overtime:	<u>\$271,863</u>
Variance:	\$577,050

**YTD OPERATING REVENUES MINUS YTD EXPENSES**

- The net income for December is \$452K. December's net income is <sup>14%</sup>56% lower than the YTD Dec. FY21 Net Income budget of \$1.0 million. or 877K

**5. Other Financial Highlights, as of December 31, 2020.**

- The debt service ratio is 50% higher than the Bond Indenture Debt service ratio requirement.
- Days Cash on Hand is 845 days, which is 345 days higher than the 500 days requirement of Moody's Rating agency.

**DEBT SERVICE RATIO – DECEMBER 2020**

Projected Annual Debt Service Coverage	<b>1.88</b>
Debt Service Coverage Requirement	1.25
Variance	0.63
% Above the Indenture Requirement	50%

**DAYS CASH ON HAND – AS OF 12/31/2020**

CASH IN BANK BALANCE - \$110,877,579

Daily Cash On Hand Ratio	844.93
Rating Agency Requirement	500
Variance	345
	69%

**6. Training & Development.**

a. **Progressive Disciplinary Action Workshop.** Deputy General Manager Louie Baza conducted a Progressive Disciplinary Action Workshop that was held virtually on January 22, 2021. The workshop was presented to Division Heads, Superintendents, and Supervisors touching on the following areas:

- What is disciplinary action.
- Progressive disciplinary action procedure.
- Examples of inappropriate behavior or misconduct that will result in disciplinary action.
- Absenteeism due to sickness.
- Dealing with different kinds of employees.
- Two types of offenses employees are normally disciplined for: conduct and performance.

- What is adverse action.
- Due process.
- What is the 90-day rule.
- Case Study Discussions.

7. **Random Drug Testing.** I had issued a memorandum on December 30, 2020 to the port employees regarding the Authority's Drug-Free Workplace Program and our collective efforts to ensuring the Port's properties are free of drug and alcohol use. We encouraged employees who have drug and alcohol abuse problems to seek assistance through our Employee Assistance Program. We made written assurances that if an employee voluntarily identifies themselves to our Port's HR Division or me, they will not be subject to disciplinary action for their use as users of illegal drugs. The employee's declaration and self-surrender must be made before being identified by other means determined through random drug testing, reasonable suspicion, or drug testing following a workplace accident or injury.

We also emphasized if supervisors, including division heads, have reasonable suspicion of any employee under their supervision is using drugs illegally. They must document such employee behavior and request them to be drug test for reasonable suspicion. They are responsible for providing management with information, facts, and circumstances leading to and supporting their suspicion. Moreover, failure to report such reasonable suspicion of an employee will subject the respective employee's leader and all leadership positions all the way up the chain of command to appropriate disciplinary action by me.

We further informed them that violation of the Port's Drug-Free Workplace Program, including refusal to submit to a drug test, will be disciplined accordingly.

On January 11, 2021, random drug testing occurred for Port employees with one of our divisions.

1. 24 employees drug tested, 24 were all found to be negative;
2. Two employees of this division left the Port's premises without submitting to the drug test;
3. These two employees' respective supervisors, leaders, and a superintendent allegedly have been aware of these two employees' suspected behavior before this drug test was conducted; and
4. One employee posted a message on his division's WhatsApp chat warning employees not to bring illegal items into the Port compound because Port Police is conducting random searches.

As a result, the two employees who evaded the drug testing submitted their resignation letters and are no longer employed by the Port. I issued a notice of proposed adverse action to the employee who posted the warning message for obstructing the drug-free workplace policy. I also issued a notice of proposed adverse action to a supervisor, two leaders, and superintendent

for willfully endangering Port employees' lives and for dereliction of their duties and responsibilities in providing a safe, drug-free workplace.

We further mentioned to them that we must end the "acceptance or practice of looking the other way" when other Port employees are knowingly under the influence of drugs or alcohol. My most recent memo on this subject also gave notice to those in leadership positions at the Port. As leaders, if we reasonably suspect our subordinates of being under the influence of drugs or alcohol, and choose to do nothing about it, then we are just as culpable and must be disciplined accordingly. Choosing to do nothing remains a tragedy just waiting to happen. Port employees were further advised that it will take all of us, including themselves, to get those who need help for substance use and do so before it is too late.

8. **PUGG - COVID-19 Vaccination Distribution to Critical Waterfront Personnel.** In its meeting held on January 27, 2021, the Port Users Group requested the support and assistance of the Port Authority in the vaccination of their critical waterfront personnel. PUGG expressed that they have worked tremendously throughout the pandemic sustaining production levels and ensuring that the people of Guam can count on receiving their goods timely which is key to continue the steady flow of supply chain operations. I have reached out to Governor Lou Leon Guerrero and Public Health Director Arthur San Agustin to consider Port Users Group request as it is necessary to harden the supply chain at all levels. Port Users Group are within the essential critical infrastructure workforce guided by the U.S. Department of Transportation.
9. **Grant Opportunities.**
  - a. **EDA Grant Application. *Update:*** The Port is waiting on EDA's issuance of the grant award and for any other questions that may arise.
    - Guam Acting SHPO Carlotta Leon Guerrero issued Section 106 Concurrence for the Port's fuel pipeline connectivity project, paving the way for EDA to move to the next step in finalizing the Port's grant award. Total project amount \$3.016M; EDA Share - \$2.41 M (80% Cost Share). PAG Share - \$603K (20% Cost Share).
    - The Port's Strategic Planning Division facilitated an introductory meeting with new EDA Program Manager Belinda Barr.
  - b. **Department of Agriculture Grant.** Planning Division met with DOAg on 12/30/2020. The amended MOU agreement was returned by the AG's Office. AG's Legal Counsel recommended additional language from federal law. Draft MOU agreement is being revised and will be resubmitted in mid-February.

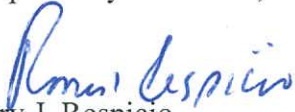
**c. Gantry Crane Acquisition.**

1. **USDA Direct Loan.** Application is completed for a \$15M direct loan. Next step is to meet with USDA upon their return to normal business.
2. **EDA Grant.** Grant application will be submitted in mid February 2021. The estimated cost is \$30M for two STS cranes, with the Port's share at \$15M.

- d. **FEMA BRIC Grant Application.** The Port submitted a grant in the amount of \$22,660,014.67 to repair Pier F1 and Wharves F2 to F6 to a state of good repair and resiliency that will prolong the assets' life span for the next 15-20 years. Cost share: FEMA at 75% and the Port is 25%.

10. **Port Revenue Bonds Project Status.** As of January 22, 2021, the attachment provides information on the status of the revenue bond projects that consist of rehabilitation of hotel wharf, golf pier repairs and improvements, waterline replacement/relocation, EQMR building, and warehouse 1 repair/upgrades, new admin annex building, and other priority projects.

Respectfully submitted,

  
Rory J. Respicio  
General Manager



**2018 Port Revenue Bonds Status Report**  
**As of January 22, 2021**

Bond Project	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
Rehabilitation of "H" Wharf (Federal Share & Port Share)	\$10,000,000.00 \$13,774,255.00	\$0.00 \$582,846.62	\$10,000,000.00 \$13,191,408.38	PO No. 16332-OF - Coral Relocation at \$482,700.00 to WSP awarded on February 18, 2020.  RFP No. 2020-002 - CM Services	On January 14, 2021, MARAD approved the PAG's request for a No Cost Schedule Modification. The RFP for CM Services is pending PAG Board Approval, AG's Office contract review, and PUC concurrence. After the completion of these tasks, the CM Contractor will assist the Port in the construction procurement process. <b>Anticipated Completion Date: 08/2023</b>
Golf Pier Repairs and Improvements	\$2,000,000.00	\$354,876.53	\$1,645,123.47	RFP No. 2019-02: A&E Design for \$484,000.17 awarded to NC Macario	Construction Management RFP cancelled. Requisition for construction entered and specifications provided to Procurement. Documents currently pending legal review. <b>Anticipated Completion Date: 09/2022</b>
Waterline Replacement and Relocation and EQMR Building and Warehouse 1 Repairs and Upgrades	\$11,628,800.00	\$1,068,468.09	\$10,560,331.91	RFP No. 2019-03: A&E Design for \$1,406,427.48 awarded to NC Macario	Construction Management scope of work and procurement packet being developed. <b>Anticipated Completion Date: 12/2022</b>
Other Priority Projects - Repair of F-1 Fuel Pier - Repair of F-3, F-4, F-5, and F-6 waterfront facilities - Upgrade of the Port's IT system and integration of TOS	\$4,980,745.00	\$0.00	\$4,980,745.00		1. The initial task that the Port will address with regards to wharves service life extension is a comprehensive updated conditional assessment of F1 to F6. This is still undergoing revisions.  2. As part of Task Order 10 (existing OAE technical services support), the Port's TOS upgrade is going through its assessment process. TOS Cloud option also being explored. This is pending response by WSP. Status Quo.
Other Priority Projects - EnterpriseOne Financial Management System	\$2,500,000.00	\$461,276.42	\$2,038,723.58		Phase 1 of Financial Management Migration 100% complete. Phase 2 is ongoing and projected end date is February 19, 2021. Phase 3 is also ongoing. This consists of training, testing, and final migration. Phase 3 is the final phase.
New Admin. Annex Building	\$10,445,000.00	\$0.00	\$10,445,000.00		WSP to revisit in Master Plan Update. SOW to be updated for both the current Administration Building and the proposed Annex.
<b>Grand Total</b>	<b>\$55,328,800.00</b>	<b>\$2,467,467.66</b>	<b>\$52,861,332.34</b>		

## Jose D. Leon Guerrero Commercial Port



Presentation to the Hon. Telena Cruz Nelson, Chairperson and members of the Committee on Education & Infrastructural Advancement, Border Protection & Maritime Transportation, Guåhan Preservation & Self-Determination, & Federal & Foreign Relations  
*I Mina'trentai Sais na Liheslaturan Guåhan | 36th Guam Legislature*

January 25, 2021



### Agenda

- I. Significant Milestones (January, 2019 to present)**
- II. Overview – Port Modernization Program**
- III. 2020 Masterplan Update & Key Timelines**
- IV. Status of Revenue Bond, Tiger Grant and OEA Funded Projects**
- V. Status of Grants and Grant Opportunities**
- VI. Results of Climate Survey**





## Significant Milestones (January, 2019 to present)

- **Averting the Loss of Port Insurance:** Averted the potential cancellation action by the insurance carriers to cancel the Port's insurance coverage if payment of premiums were not made.
- **Averting the Loss of \$10M TIGER Grant on the Rehabilitation of Hotel Wharf:** Submitted the environmental plan of action to MARAD and prevented the risk of Port losing the \$10 million TIGER grant.
- **Revenue Bond Legislation and Projects:** Amended prior legislation to increase the Port's share of TIGER grant; construct an annex building, repair of the waterfront facilities, install a connectivity fuel line connecting Golf Pier and F-1 and upgrade the Port's information technology system and integrate the terminal operating and financial management systems. A&E design and consulting services were awarded in 2020 for the first four projects: 1) structural repairs for Golf Pier, 2) repair and expansion of EQMR Building, 3) repair of Warehouse 1, and 4) replacement and relocation of waterlines in terminal facilities.
- **Negotiated Union Contract within 100 Days:** The union contract was approved by the Board on July 30, 2019 after being stalled by previous management in 2013.



## Significant Milestones (January, 2019 to present)

- **Stabilizing Operations & Maintenance Employee Work Schedule:** Implemented a new work schedule of 8 hours for employees in day and night shifts—resulting in 14.6% decrease in overtime costs.
- **Procurement Delegation:** After 14 years of losing its procurement delegation, the Chief Procurement Officer restored the full delegation of procurement authority in May 2020.
- **2020 Port Master Plan Update:** Collaborative efforts between the Port and the Governor's Office resulted in the award of \$1.6 million from the Office of Economic Adjustment (OEA) to update the Port's 2013 Master Plan.
- **Guam Customs Inspection Facility:** Area within Cabras Island agreed upon to construct a customs inspection facility. This happened in the first 30 days.
- **Golf Pier Management Agreement and Area A:** Amended the management agreement to remove Area A under the operation of the Manager.



### Significant Milestones (January, 2019 to present)

- **Training:** Port ensured that employees possess the necessary certifications as mandated by federal OSHA, U.S. Department of Transportation and U.S. Coast Guard after years of such certifications being expired.
- **Port Finances:** Turned around the finances from a loss of \$103,000 in Fiscal Year 2018 to earning nearly \$7.5 million for Fiscal Year 2019. Despite the pandemic, the Port posted a projected income of \$4.1 million for Fiscal Year 2020.
- **Income Statement & Fiscal Year 2018 Budget:** In 2019, through austerity measures, the Port realized a positive net income of \$3.5 million irrespective despite the fact the FY 2018 Budget did not include the cost of the 2018 compensation plan, expenditures incurred during the preparation and post operations of Typhoons Yutu and Wutip and OSHA certification inspections, and past liabilities.
- **Removal of Port's Inoperable Assets:** Since 2016, the Port has attempted to remove inoperable assets from its facilities to accommodate the military build-up peak but to no avail. We expect an award to occur this first quarter of this year to remove the assets.



### Significant Milestones (January, 2019 to present)

- **Organizational Structure:** Rescinded the May 30, 2018 prior Board action reverting Finance Division to its original structure and reflecting the Financial Affairs Controller as the head of the division.
- **Crane Surcharge Reserve Account:** Established a crane surcharge reserve interest bearing account which allowed the Port to obtain an estimated increase in earnings of about \$60,000.
- **Facility Maintenance Fee Investment Account:** Opened an interest bearing account which revenues deposited will accrue a higher interest income similar to the crane surcharge reserve account.
- **Policies:** Added onto the approved list of holidays for no vessel operations—Labor Day—to recognize the value of employees and their contributions they made to the strength, prosperity and well-being to the island. Reinstated the Board's policy on salary increment sub-steps for educational achievements, training certifications and licenses which was arbitrarily stopped by prior management.





## Significant Milestones (January, 2019 to present)

- **Interpersonal Relationships:** Established a mutual trust and understanding with Port customers, federal and local stakeholders and employees, which resulted in cargo operation productivity increasing and regular participative discussions affecting the Port and its users being held.
- **Legal Services:** Entered into a memorandum of understanding with the Attorney General on assigning an attorney to the Port to review the procurement solicitation packages. In December, an attorney accepted the Port's offer for employment as its in-house counsel, who will be reviewing business development matters that have been on hold for the last 10 years and assisting in the review of procurement related issues.
- **Port's Compensation and Classification Plan:** Developed and implemented the Key performance indicators and work performance appraisal system, which were held in abeyance since 2013 by former management. The new evaluation system will be used for Fiscal Year 2021.



## Significant Milestones (January, 2019 to present)

### ONGOING PROJECTS

- **Port/PUGG/Customs collaboration on systems integration.** This project is to define the need for improved data and information sharing/reporting between all stakeholders involved in the cargo supply chain at the Port.
- **Tariff Simplification:** The goal is to simplify the tariff to make the Port's informational technology systems—terminal operating and financial management systems—to communicate better and streamline the invoicing.
- **Gantry Crane Purchase:** To replace two of the POLA cranes, a grant application will be submitted to U.S. Economic Development Administration for consideration. U.S. Department of Agriculture has also been engaged about the possibility of a potential loan to procure 1 gantry crane in the event the grant application is not approved.
- **Micronesia Cruise Ship Development:** A working group has been established to determine the benefits of homeporting a small cruise ship and using Hotel Wharf as the primary receiving area for visiting cruise ships.
- **Recycling Enterprise Zone:** Identifying an area that would be ideal for a recycling facility on Cabras Island.
- **Leases:** Reviewing GEDA master leases that were conveyed to the Port in 1988 and determine if the Supreme Court decision on Guam YTK had an impact on the renewal of the leases.





## Port Modernization Program

### Overview

- Funded by a grant from the Office of Economic Adjustment (OEA) under the Department of Defense (DoD), the Port Authority of Guam (PAG) commissioned Parsons Brinckerhoff to update its 1999 Master Plan of the Jose D. Leon Guerrero Commercial Port in 2007; the Master Plan's Port Improvement Program (PIP) was later updated in 2013 to reflect DoD's reset plans to reduce the number of Marines to be transferred to Guam;
- The 2013 Master Plan (MP) Update summarized the evolution of change in the PAG's modernization program and provided a "roadmap" to guide the modernization and future development strategy for the Port of Guam over the next 20 years; and
- However, in January of 2019, the PAG Board and Management determined that based on the Leon Guerrero/Tenorio's Transition Report, outlining the goals and objectives for the Port of Guam in preparation for the military buildup and organic growth, a 2020 Master Plan Update was required, and sought \$1.6M in OEA funding for such undertaking.



## Port 2020 Masterplan Update

### Purpose

The purpose of the 2020 Port of Guam Master Plan is to assist the PAG define its near-term and long-term approach to modernization, maintain fiscally sustainable operations, and promote increased awareness and consensus on its approach among all affected stakeholders and the rate payers of Guam.



## Port 2020 Masterplan Update

### Goals

- Provide a comprehensive overview of the Port's current conditions including governance, financial, operational, and physical attributes;
- Assess the current and projected cargo opportunities based on Guam's market drivers, which consist of military expansion, tourism, transshipment and organic growth;
- Determine near-term improvements and operational adjustments to accommodate the peak of the military build-up and future deployments of military assets;
- Estimate the Port's capacity and ability to meet the projected demand and tenant requirements;
- Identify long-term modernization efforts targeted towards continuing operational and economic sustainability;
- Establish optimal requirements for operations, maintenance and repair, and capital improvement projects;
- Validate the efficient and effective use of the Port's resources and assets;
- Present commercial strategies for PAG to diversify its revenue base and enhance its financial self-sufficiency including a comprehensive tariff assessment and its economic impact thereof;
- Assess the impact of the recommended strategies on Guam's economic conditions; and
- Prepare an implementation program to support a coordinated approach of continuous Port improvement balanced with sustainability.



## Port 2020 Masterplan Update

### Specific Planning Initiatives

- Agat and Hagåtña Marinas
- Area A Feasibility
- Cargo Terminal
- Guam Customs Inspection Facility
- Harbor of Refuge
- Proposed LNG Facility
- PUGG Initiative for System Integration
- Solar Panel Initiative Feasibility Study



## Port 2020 Masterplan Update

### Specific Planning Initiatives

- 20-year infrastructure and land use plan will be developed for each demand scenario
- Review of on-going commercial and non-commercial development
- Review of impact of other developments, such as:
  - Improved Guam Customs facility
  - Improved PAG/PUGG communication processes
  - STS crane fleet upgrades
  - Future PMC support
  - Improved facilities (H-Wharf, EQMR, Admin Bldg., Golf Pier, F-1, etc.)
  - New/expanded opportunities (Container yard, LNG, Expanded tank farm, etc.)
  - Integration of relevant stakeholder inputs on scenario analysis
- Near-term and Long-term CIP development program



## Port 2020 Masterplan Update

### Financial & Economic Analysis

- Update PAG financial model since 2018 bond issuance
  - FY 2019 & 2020 financial and operating results
- Forecasts for 20-year master plan time horizon
  - Cargo throughput
  - Operating and maintenance expenses Capital development plan
  - Revenues
- Financial Feasibility Assessment
  - Existing debt service coverage
  - Funds for port operations & maintenance
  - Capital plan and crane replacement
  - Consider PUGG and military input
- Scenario analysis
- Consider tariff changes if necessary





## Port 2020 Masterplan Update

**Key Timelines/Schedule**

<b>Deliverables</b>	<b>Schedule</b>
• KickOff Meeting	June 2020
• Data Collection	July 2020 - Current
• Stakeholder Outreach	July 2020 – Current
• Draft Findings Presentation	October 2020
• Special Studies Presentation	November 2020
• Market Analysis and Cargo Forecast	November 2020
• Capacity and Needs Analysis	November 2020
• Draft Report – Customs Feasibility Study	December 2020
• Economic Analysis Summary	January 2021



## Port 2020 Masterplan Update

**Key Timelines - Continued**

<b>Deliverables</b>	<b>Schedule</b>
• Draft Master Plan Report	April 2021
• Final Recommendations Presentation	May 2021
• Final Draft Master Plan Report #1	June 2021
• Final Draft Report #2	August 2021
• Public Hearing Announcement	September 2021
• Public Hearing Minutes/Comments Review	September 2021
• Final 2020 Master Plan	October 2021
• BSP Review and Forward to Governor	October 2021
• Governor’s Review	October 2021
• Legislative Submission/Review/Approval	December 2021



## Ongoing Projects (2019 - 2020)

- 2018 Port Revenue Bond Capital Improvement Projects - \$47.5M
  - Hotel Wharf Upgrade & Access Road Repair
  - Golf Pier Repair
  - Waterlines Repair
  - Warehouse 1 Bldg. Repair
  - EQMR Building Repair
  - EnterpriseOne Financial Management System
  - Admin Annex Bldg Construction & Old Bldg Renovation
- Terminal Booth & CMU Wall Repainting & Barb Wire Replacement
- Container Yard Striping
- Load Center Rehabilitation and Upgrade
- CCTV and Access Control System Upgrades
- Agat Marina Dock B Demolition & Repair
- Harbor of Refuge Repair
- Gantry Cranes 2 & 3 Demolition
- Tariff Simplification Project
- Environmental, Health, & Safety Program Development



## Hotel Wharf Upgrade & Access Road Repair



### Golf Pier Repair

**PORT OF**  
**GU/M**

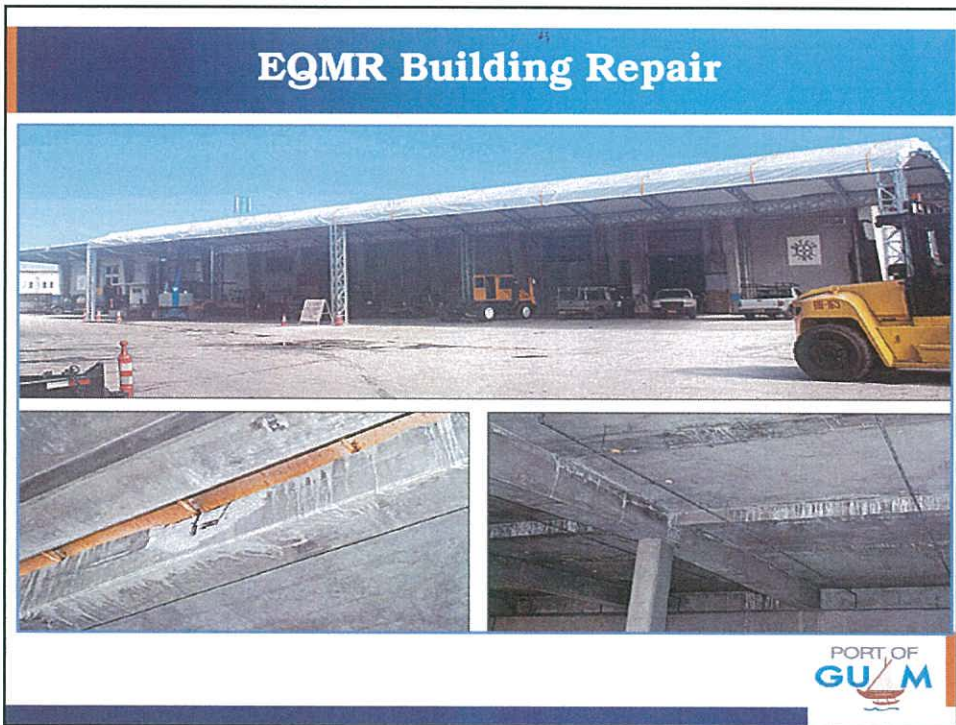
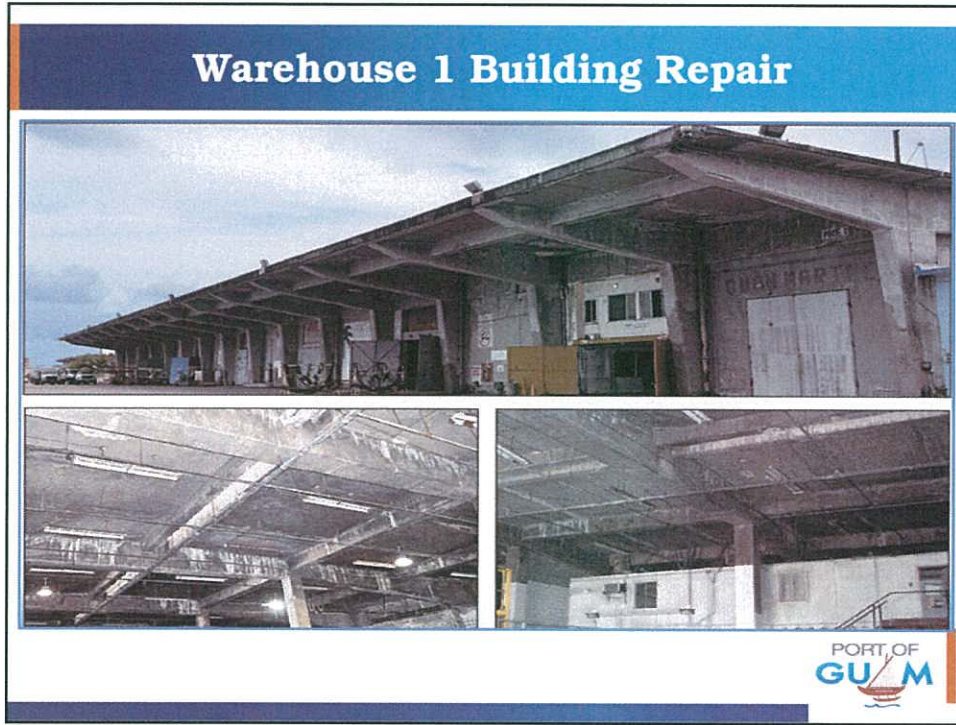
### Waterline Repair Project

**Port Diagram**

— Existing Water Line      - - - - - Proposed New Water Line

**PORT OF**  
**GU/M**









## Load Center Rehabilitation & Upgrade



## Agat Marina Dock B Demolition & Repair





## Harbor of Refuge Repair



## Gantry Cranes 2 & 3 Demolition



## The Way Forward (2019 – and beyond)

### Planned Modernization Initiatives

- 2020 PAG Master Plan Update
- New Crane Acquisition Program
- JDE World Migration to JDE EnterpriseOne (E1) Financial Management System
- Port Wharves Assessment & Upgrade
- Customs Inspection Feasibility Study
- Tariff Simplification
- Solar Power Energy Feasibility Study
- Fuel Connectivity Pipeline System for F1 Pier & Golf Pier
- Administration Building and Annex



## New Crane Acquisition Program

**Objective – Develop grant application to be submitted to EDA for the acquisition of two (2) new Ship-to-Shore Gantry Cranes**






## JDE World Migration to JDE EnterpriseOne Financial Mgmt. System

**Objective – Upgrade the Port's 20 year old Oracle JDE World financial mgmt. system to a more robust and technologically updated Oracle JDE EnterpriseOne System**

JD Edwards EnterpriseOne



Asset Lifecycle Management	Customer Relationship Management	Human Capital Management
Project Management	Financial Management	Supply Chain Management

JD Edwards EnterpriseOne Tools and Technology



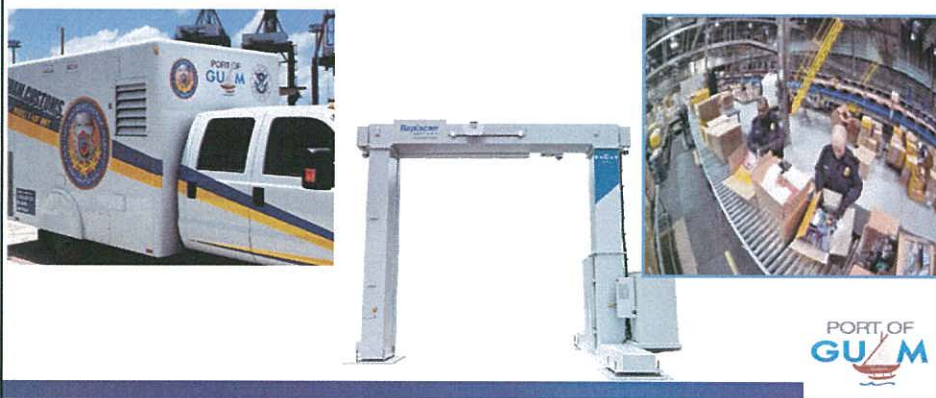
## Port Wharves Assessment & Upgrade

The Port and WSP has been aggressively assessing critically important CIP projects and working towards completing F1 – F6 comprehensive assessments towards Scopes of Work development.

## Customs Inspection Feasibility Study

Update: Custom's agreed to the proposed facility design on a 4-acre parcel of land adjacent to the main terminal gate. This design aims is two-fold—allow privacy of the operations inside the facility and the mandatory use of the Department of Public Works' weight station. The draft Customs Inspection Feasibility is done and Custom's now has a plan to pursue grant opportunities.



## Tariff Simplification

The Guiding Principles provide the following purposes:


- **Revenue neutral** - Ensure the revisions will result in neither a material increase nor decrease in Port revenues.
- **User-friendly** - Present schedule of rates table in front of tariff to allow customers to quickly and easily calculate fees.
- **Transparent** - Itemize details, rules, and regulations associated with combined rates via a hyperlink in latter sections of tariff.
- **Streamlined** - Consolidate charges to align with all-inclusive port services and performance reports.
- **Modernized** - Support the integration of the Port's NAVIS Terminal Operating System and JDE Financial System.
- **Time-saving** - Minimize/eliminate manual data entry of charges and provide invoices to users expeditiously.
- **Cost-effective** - Reduce administrative costs, manual entry errors, disputes, and delayed payments.






## RSM Project


- **PORT/PUGG/Customs collaboration on systems integration.** This is an initiative to define the need for improved data and information sharing/reporting between all stakeholders involved in the cargo supply chain at the Port.
- **Port's Objective:** Improved efficiencies in operations, billing, collections, going paperless, and meeting the Port Users' operational needs.
- **Port User's Objective:** Going paperless, pre-clearing of cargo containers, improving operational efficiencies, digital sharing of the manifest.
- **Custom's Objective:** Automation, going paperless, advance clearing of cargo containers, significantly reduce front-facing clearances, searchable bill of lading, digitized manifest, interdiction of drugs, bio securities, terrorism, and improved collections of the use tax.




## Solar Power Energy Feasibility Study

**Objective – perform a feasibility study on the installation of photovoltaic panel system on the rooftop of several Port buildings**









## F1 & Golf Pier Fuel Connectivity Pipeline

**Objective – Installation of pipeline between two critical Port piers to ensure fuel distribution remains uninterrupted into the island in the event of a major incident impacting either pier.**



## New Administration Annex Building

**Objective – Construction of new Admin. Annex building and renovation of adjacent old Admin. building**



## Deep Draft Wharf Improvement Project Feasibility Study

**Objective – to conduct a feasibility study on: 1) the construction of a new 1,500 linear foot deep-draft wharf, and 2) fill approximately 17 acres of reclaimed land in three 3 shallow embayments within Apra Harbor.**



## Status of Grants and Grant Opportunities

### EDA Grant for Fuel Pipeline Connectivity Project

Guam Acting SHPO Carlotta Leon Guerrero issued Section 106 Concurrence for the Port's fuel pipeline connectivity project, paving the way for EDA to move to the next step in finalizing the Port's grant award. Total project amount \$3.016M; EDA Share - \$2.41 M (80% Cost Share). PAG Share - \$603K (20% Cost Share).

Next Steps – EDA is moving forward with its legal review towards grant award issuance.

### Department of Agriculture Grant

A \$500,000 grant awarded to PAG for Dock B repairs at the Agat Marina and Moorage repairs at the Harbor of Refuge. A draft MOU is with the Department of Agriculture.

### Gantry Crane Acquisition

- USDA Direct Loan for one STS Gantry Crane.
- EDA Grant for two STS Gantry Cranes
  - The estimated cost for two (2) cranes is \$30M, with the PAG's share at \$15M.

### FEMA Hazard Mitigation Grant Program - FY2020 Building Resilient Infrastructure & Communities (BRIC) Grant Application

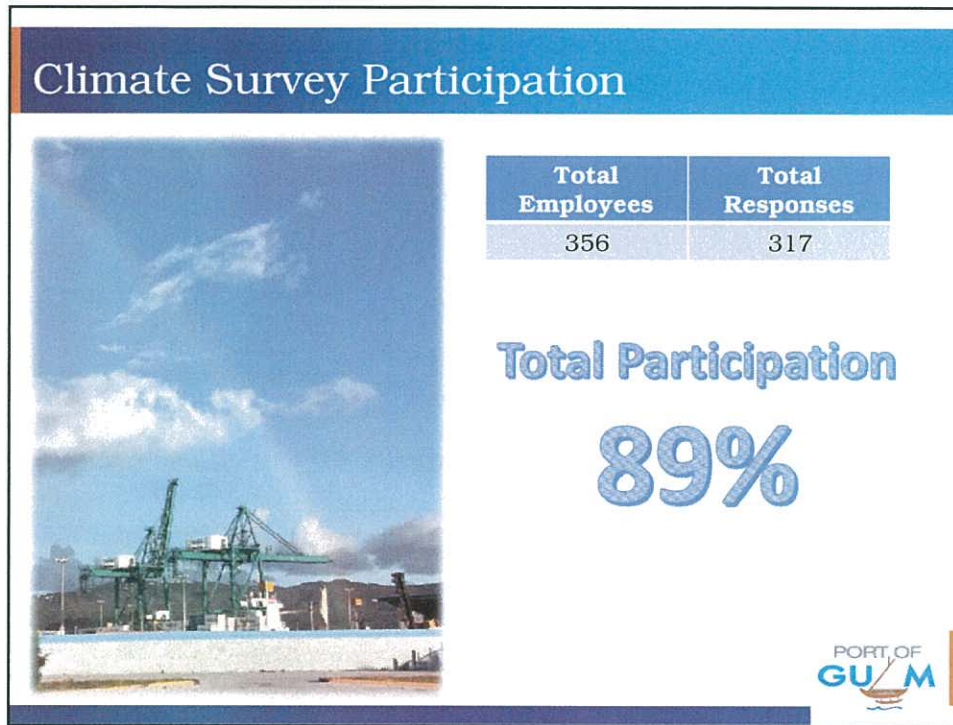
- PAG Wharves Service Life Extension – Hardening of F1 to F6
- Project Cost Estimate - \$22,391,342.00

### MARAD America's Marine Highway Program (AMHP) – Marine Route Designation Application

- AMHP promotes the increased use of navigable waterways to serve as extensions to surface transportation systems in an effort to provide landside congestion relief and new transportation options
- The PAG partnered with the CNMI Commonwealth Ports Authority (CPA) for a joint route designation and projects designation




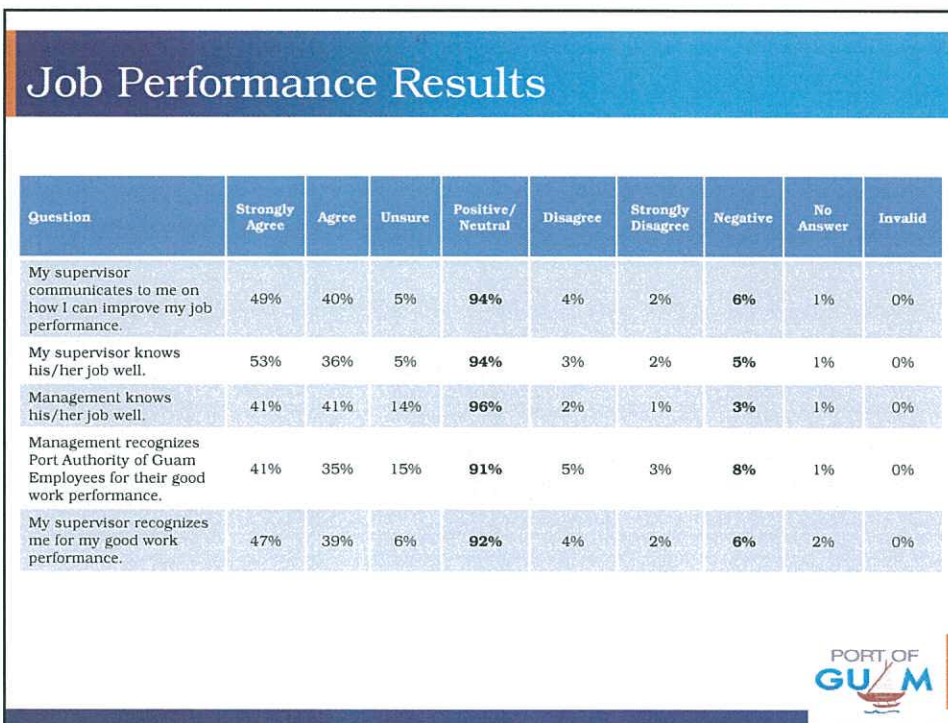
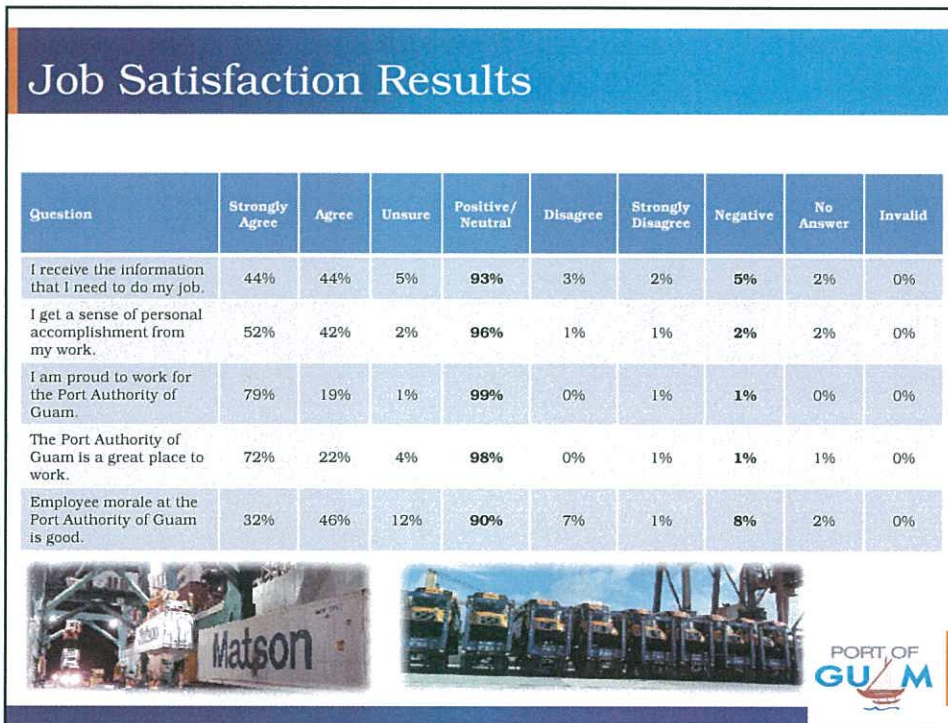




## Definitions

- Positive/Neutral – a combination of Strongly Agree, Agree, Unsure, Excellent, Good, and Average depending on the options available for each question
- Negative – a combination of Strongly Disagree and Disagree or Poor depending on the options available for each question
- No Answer – Recorded when a survey did not have a response for a question
- Invalid – Recorded when there were conflicting answers chosen (e.g. Agree & Strongly Disagree) for a question









## Pandemic Results


Question	Strongly Agree	Agree	Unsure	Positive/ Neutral	Disagree	Strongly Disagree	Negative	No Answer	Invalid
Management makes my work environment a safe place to be during the COVID-19 Pandemic.	43%	42%	9%	<b>94%</b>	3%	1%	<b>4%</b>	2%	0%
Management ensures that I am well informed during the COVID-19 Pandemic.	50%	40%	6%	<b>96%</b>	1%	1%	<b>2%</b>	2%	0%
Management provides me with all of the resources I need to safely do my job during the COVID-19 Pandemic.	45%	40%	8%	<b>93%</b>	3%	2%	<b>5%</b>	2%	0%
Management made it clear to me that they cared about my safety and well being during the COVID-19 Pandemic.	46%	39%	9%	<b>94%</b>	3%	2%	<b>5%</b>	1%	0%



## Career Development Results

Question	Strongly Agree	Agree	Unsure	Positive/ Neutral	Disagree	Strongly Disagree	Negative	No Answer	Invalid
Training Opportunities at the Port Authority of Guam are offered to everyone?	23%	37%	21%	<b>81%</b>	9%	9%	<b>18%</b>	1%	0%
My superiors share their knowledge and skills on how to handle situations and how to become more effective and efficient.	40%	43%	8%	<b>91%</b>	5%	2%	<b>7%</b>	2%	0%
I believe that I will have promotional opportunities at the Port Authority of Guam.	32%	38%	19%	<b>89%</b>	5%	3%	<b>8%</b>	3%	0%





## Communication Results Pt. 1

Question	Strongly Agree	Agree	Unsure	Positive/ Neutral	Disagree	Strongly Disagree	Negative	No Answer	Invalid
My supervisors provide clarification and guidance on the job to help me carry out my work?	43%	41%	7%	<b>91%</b>	4%	1%	<b>5%</b>	3%	1%
Management provides me with regular updates on current events and advisories?	36%	49%	8%	<b>93%</b>	3%	1%	<b>4%</b>	3%	0%
My supervisor communicates frequently and honestly about issues that may affect me.	41%	39%	8%	<b>88%</b>	6%	2%	<b>8%</b>	4%	0%
Management supports two-way communication between managers and employees?	33%	39%	16%	<b>88%</b>	4%	3%	<b>7%</b>	5%	0%



## Communication Results Pt. 2

Most effective communication method:

Type	Total
Face-to-face	123
WhatsApp	100
Email	98
Written Memo	84
Telephone	69
No Answer	28
Social Media	9

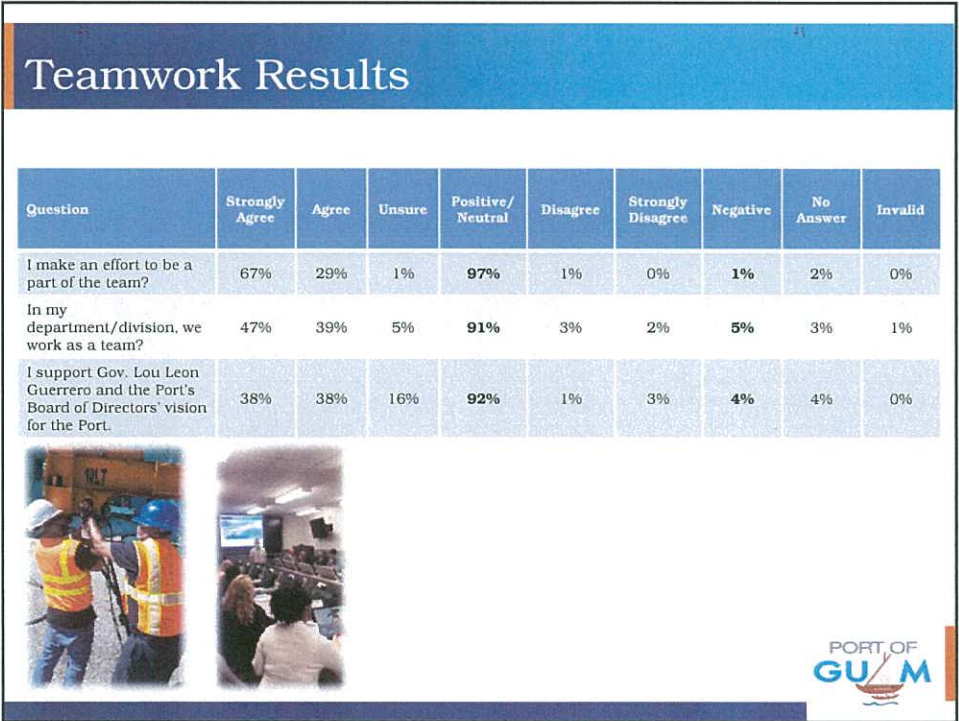
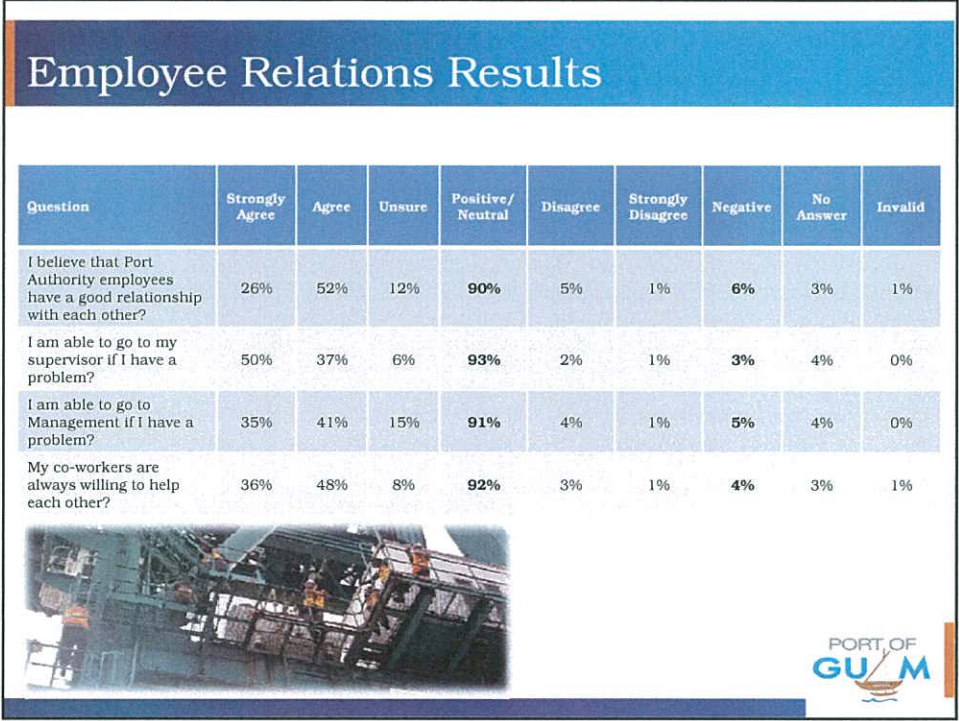
Who do you seek to help resolve problems that prevent you from doing your work?

Source	Chosen
Supervisor	55%
Co-Workers	18%
MGMT	11%
Human Resources	10%
No Answer	4%
Union Steward	2%

Both questions had multiple answers chosen on several surveys.









## Organizational Culture Results

Question	Strongly Agree	Agree	Unsure	Positive/ Neutral	Disagree	Strongly Disagree	Negative	No Answer	Invalid
I show fairness and respect in my interactions with fellow employees.	60%	35%	2%	<b>97%</b>	1%	0%	<b>0%</b>	3%	0%
I can adjust quickly to new situations?	64%	33%	1%	<b>98%</b>	1%	0%	<b>1%</b>	1%	0%
Management has an open-door policy.	47%	35%	16%	<b>98%</b>	1%	0%	<b>1%</b>	1%	0%
Management is accessible and approachable.	44%	39%	14%	<b>97%</b>	1%	0%	<b>1%</b>	1%	1%



## General Survey Results

Question	Excellent	Good	Average	Positive/ Neutral	Poor	No Answer	Invalid
How would you rate your overall work experience at the Port?	56%	38%	4%	<b>98%</b>	1%	1%	0%
How would you rate your overall morale at the Port Authority?	36%	39%	19%	<b>94%</b>	4%	2%	0%
How would you rate Management in the area of fairness?	31%	38%	22%	<b>91%</b>	7%	2%	0%
How would you rate Management in the area of transparency?	34%	37%	22%	<b>93%</b>	6%	1%	0%
How would you rate Management in the area of accountability?	35%	40%	17%	<b>92%</b>	6%	2%	0%



# Port Authority of Guam

## Questions & Answers

**Rory J. Respicio**  
**General Manager**  
**[rjrespicio@portofguam.com](mailto:rjrespicio@portofguam.com)**





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Lourdes A. Leon Guerrero  
Governor of Guam  
Joshua F. Tenorio  
Lieutenant Governor

**Port Authority of Guam**  
**Board of Directors Regular Board Meeting**  
**January 28, 2021**

**Executive Summary**  
**RFP-PAG-020-002**

**Construction Management Services for the Rehabilitation of H-Wharf and Highway 11 Roadway Reconstruction**

**PURPOSE:** Request the Board of Directors to approve this procurement award and issue a resolution in order to petition the Public Utilities Commission (PUC) under 12 GCA § 12004 and in accordance with the PUC contract review protocol, PAG Docket 09-01 for review, concurrence and approval of the award to **GHD** for the **Construction Management Services for the Rehabilitation of H-Wharf and Highway 11 Roadway Reconstruction RFP-PAG-020-002**.

**BACKGROUND:**

On Friday March 06, 2020, a Request for Proposal (RFP) was issued and advertised in the Guam Daily Post soliciting the Professional Engineering Service for **Construction Management Services (CMS) for the Rehabilitation of H-Wharf and Highway 11 Roadway Reconstruction RFP-PAG-020-002**. The RFP was to solicit qualified individuals/firms to provide quality controls for the re-construction of H-Wharf and Highway 11. Twenty-Two (22) individuals/firms registered and picked up RFP packets online through the Port's website. While only seven (7) individuals/firms submitted on or before the established deadline of May 07, 2020 at 4:00pm.

An evaluation committee was established on May 19, 2020. The evaluation committee executed their non-disclosures on May 27<sup>th</sup> and 29<sup>th</sup>, 2020. The General Manager determined that the evaluation committee conducted their evaluation in a fair and transparent manner and in the best interest of the Port. Based on the evaluation committee's recommendation the General Manager determined that all seven (7) proposals were responsive and the proposers to be responsible. A Notice of Intent to Award was sent to the Best Qualified offeror (GHD) on June 22, 2020 requesting that they submit a cost proposal of the rates and fees.

The Port's cost negotiations team was established on June 22, 2020. The cost negotiation members signed their sworn non-disclosure forms on June 29, 2020. The Port cost negotiations team reviewed GHD's proposed scope of services, the professional engineering disciplines proposed, the hourly rates of the personnel identified and the hours allotted for each phase of the construction project. GHD's initial proposal came in at **Two-Million Five Hundred Fifty-One Thousand Eight Hundred Nine Dollars and Nineteen Cents (\$2,551,809.19)**. The Port's negotiations committee made a few adjustments during the negotiations process in order to comply with the Governor's restrictions on public gathering and government meetings during the COVID-19 pandemic. After many meetings and four (4) amendments to GHD's initial proposal, the Port and GHD have agreed to a fair and reasonable



rates and fees. Both the Port and GHD have agreed to ***Two-Million Two Hundred Forty-Nine Thousand Nine Hundred Forty-Five Dollars and Fifty-Four Cents (\$2,249,945.54)*** which is a cost saving to the Port and the People of Guam in the amount of ***Three Hundred and One Thousand Eight-Hundred Sixty-Three Dollars and Sixty-Five Cents. (\$301,863.65)***. On December 15, 2020 a Letter of Acceptance was issued summarizing all cost negotiation, rates and fees, and terms of the contract agreement. Both the Port and GHD have signed the Letter of Acceptance. The term of the contract will be for an initial Two (2) year term with three (3) additional one-year options for renewal, provided this contract does not exceed the total contract term of five (5) years.

**LEGAL REVIEW:**

The procurement was commenced on February 2020 in coordination with then Port Legal Counsel Joseph B. McDonald. Subsequently Assistant Attorney General Thomas P. Keeler was temporarily assigned to the Port to assist with this and other procurement projects. AAG subsequently conducted a detailed review of the procurement file. He also met with procurement to review how the procurement was handled and to review what, if any, issues were encountered during the procurement. Based on the review of the procurement file and meetings with procurement personnel, AAG Keeler recommends that the Port move forward with the award. Upon Board approval, a resolution is requested in order to petition the PUC for their review, concurrence and approval. Upon approval by the PUC. A final contract agreement will be formulated by the Port's Legal Counsel for final execution by both parties.

**FINANCE REVIEW:**

Funding source for this project is made available by the Port Revenue Bonds.

**RECOMMENDATION:**

Management requests the Board of Directors' approval of the award and the issuance of a resolution in order to petition the PUC requesting for their review, concurrence and approval of this award. GHD has been deemed to have met all the requirements of responsibility and responsiveness set forth in the RFP, and is consistent with the Guam Procurement Regulations.

**BOARD OF DIRECTORS**  
*Francisco G. Santos, Chairman*  
*Nathan T. Taimanglo, Vice Chairman*  
*Isa Marie C. Koki, Board Secretary*  
*Dorothy P. Harris, Member*



## **Resolution No. 2021-01**

### **RELATIVE TO PETITIONING THE PUBLIC UTILITIES COMMISSION (PUC) FOR THE APPROVAL OF THE AWARD TO GHD FOR THE CONSTRUCTION MANAGEMENT SERVICES FOR THE REHABILITATION OF H-WHARF AND HIGHWAY 11 ROADWAY RECONSTRUCTION**

#### **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PORT AUTHORITY OF GUAM:**

**WHEREAS**, on March 6, 2020, the Port Authority of Guam (PAG) issued a Request for Proposal (RFP) No. 020-002 for the Construction Management Services for the Rehabilitation of H-Wharf and Highway 11 Roadway Reconstruction; and

**WHEREAS**, a total of seven (7) firms submitted its proposal in response to the RFP which were evaluated and ranked by the Port's Evaluation Committee; and

**WHEREAS**, at the conclusion of the evaluation process, it was determined that GHD has been deemed to have met all the requirements of responsibility and responsiveness set forth in the Request for Proposal, and is consistent with the Guam Procurement Regulations; and

**WHEREAS**, after a series of cost negotiation discussions, on December 15, 2020, PAG and GHD reached a mutual agreement to the terms of the contract; thus, resulting to a successful negotiation of a fair and reasonable fees in the amount of \$2,249,945.54; and


**WHEREAS**, this project is made possible through the Port Authority of Guam Revenue Bonds; and


**WHEREAS**, the Port Authority Board of Directors at its regular meeting of January 28, 2021 approved the contract award to GHD for RFP No. 020-002 for the Construction Management Services for the Rehabilitation of H-Wharf and Highway 11 Roadway Reconstruction; now therefore be it

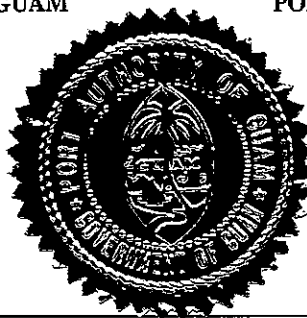
**RESOLVED**, the Port Authority Board of Directors authorizes management to petition the Public Utilities Commission (PUC) to review and approve the contract award to GHD in accordance with the Contract Review Protocol for the Port Authority of Guam; and be it further

**RESOLVED**, the Chairman certify to, and the Secretary attest to, the adoption hereof and that a copy of this resolution be sent to the Public Utilities Commission.

**PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF  
DIRECTORS THIS 28<sup>th</sup> DAY OF JANUARY, 2021.**

  
FRANCISCO G. SANTOS  
CHAIRMAN, BOARD OF DIRECTORS  
PORT AUTHORITY OF GUAM

  
ISA MARIE C. KOKI  
SECRETARY, BOARD OF DIRECTORS  
PORT AUTHORITY OF GUAM







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**Lourdes A. Leon Guerrero**  
Governor of Guam  
**Joshua F. Tenorio**  
Lieutenant Governor

January 22, 2021

## MEMORANDUM

TO: Board of Directors

FROM: Rory J. Respicio, General Manager *Rory Respicio*

SUBJECT: South Pacific Petroleum Corporation; Parcel 2, Lot 3A

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## ISSUE

South Pacific Petroleum Corporation (SPPC) has requested to extend their Sublease Agreement for their smaller fuel tank farm on Parcel 2, Lot 3A.

Through bilateral discussion, SPPC has formally agreed to adopt the negotiated valuation rate of \$217.55 per square meter to their 4<sup>th</sup> successive term rent schedule.

The Port Authority of Guam (Port) is now in position to seek Board approval to apply the proposed rate Lot 3A.

## BACKGROUND

Parcel 2, Lot 3A encompasses  $\pm 13,000$  square meters of open space and serves as SPPC's smaller fuel facility at the Port. SPPC originally entered the sublease on January 18, 1971. Today, this particular lease has an original term of twenty (20) years with seven (7) - ten (10) year options. We are currently on the 3<sup>rd</sup> of 7 successive terms.

In a letter dated June 6, 2020, SPPC formerly exercised their option to renew the Sublease Agreement for the 4<sup>th</sup> option term, to be effective from January 2021 – January 2031.

On June 9, 2020, the Port Board of Directors unanimously approved the valuation process and negotiated rate agreed upon by the Port and Exxon Mobil (Mobil) for an adjacent lot that resulted in an increase of 14.5% from prior rent schedule.

In a letter dated June 11, 2020, SPPC agreed to also adopt the Board approved 14.5% increase from the adjacent Lot 1.

By way of letter to SPPC dated January 7, 2021, the Port and SPPC mutually acknowledged and accepted a prevailing rate, not the equivalent percentage increase, in order for the Port to take the next step to seek Board approval.

**RECOMMENDATION**

The recommendation is to move forward with the negotiated rate.

Currently, SPPC’s annual rent to the Port is \$121,095.07 for Lot 3A. The proposed rate will increase the annual rent to \$226,363.91.

By implementing the proposed unit rate of \$217.55 per square meter (capitalized ROR of 8%) to Parcel 2, Lot 3A that was previously approved by the Port Board on June 9, 2020, the Port will realize an additional \$1.5M over the next 10-year period.

Calculations are provided in the chart below.

<b>LOT 3</b>		
<b>Area</b>	<b>13,006.43 sq.m.</b>	
	<b>"As Is"</b>	<b>"As Proposed"</b>
<b>Land Value</b>	<b>\$1,513,688.32</b>	<b>\$2,829,548.85</b>
<b>Annual Rent (8%)</b>	<b>\$121,095.07</b>	<b>\$226,363.91</b>
<b>Monthly Rent</b>	<b>\$10,091.26</b>	<b>\$18,863.66</b>



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**Lourdes A. Leon Guerrero**  
Governor of Guam  
**Joshua F. Tenorio**  
Lieutenant Governor

## **GENERAL MANAGER PERFORMANCE AND DEVELOPMENT EVALUATION FORM**

Name of General Manager:  <b>Rory J. Respicio</b>	Name of Reviewer/Title:  <b>Francisco G. Santos, Port Board Chairman</b>
Period Covered:  From: <b>01/08/2020</b> To: <b>01/07/2021</b>	Date of Review:  <b>January 27, 2021</b>

### **GENERAL INSTRUCTIONS:**

1. This form is to be used for initial and bi-annual performance evaluation for the General Manager. The performance evaluations are to occur six (6) months into the General Manager's employment with the Port Authority of Guam and every twelve (12) months thereafter.
2. The ratings to be assigned by the Rater for each individual factor are indicated in Part I; for each individual Performance Objective in Part II; and for the Overall Rating in Part III.
3. The Performance Objectives and factors may be weighted at the Rater's discretion.
4. The Reviewer is the Board of Directors.

### **PART I: CORE PERFORMANCE FACTORS**

1. The Board of Directors evaluates the General Manager's proficiency in the following performance factors using a single rating on the following scale:

A = Exceptional Performance  
B = Superior Performance  
C = Average Performance  
D = Acceptable Performance  
E = Needs Improvement



Performance Factors	Rater's Rating
<p><b>1. Leadership</b></p> <p>Displays courage, passion and caring in work.  Sets a professional example.  Motivates other to work toward common goals.  Uses authority responsibly.  Addresses problems proactively.  Gains support and seeks buy-in-through participation of others.  Demonstrates interest in professional growth of others.  Shows good judgment and accepts ownership for decisions in areas of responsibility.</p> <p><b>Supportive Information: See attached.</b></p>	<p style="text-align: center;">A</p>
<p><b>2. Commitment to the Port's Mission, Vision and Values</b></p> <p>Articulates or shows appreciation for the importance of shared vision.  Demonstrates civility in relations with others.  Requires supervised employees to show civility in their relations toward others.  Participates regularly in activities beyond immediate areas of responsibility which support the mission of the Port.  Demonstrates consideration of the Port's values when making decisions.  *(Diversity and civility are examples of University values to be considered.)</p> <p><b>Supportive Information: See attached.</b></p>	<p style="text-align: center;">A</p>
<p><b>3. Management Practices</b></p> <p>Demonstrates commitment to good customer services.  Demonstrates competency in labor-management relations activities necessary to effectively manage the areas of responsibility.  Questions existing practices for continued relevancy.  Effectively initiates and promotes necessary change in the areas of responsibility.  Sets and enforces performance standards effectively.  Recognizes and rewards good performance.  Plans effectively and shows good project management skills.  Shows awareness of "good practices" for areas of responsibility.  Encourages employees to improve performance and grow by actively supporting and encouraging employees to participate in training and development activities.</p> <p><b>Supportive Information: See attached.</b></p>	<p style="text-align: center;">A</p>

Performance Factors	Rater's Rating
<p><b>4. Relational Skills</b></p> <p>Works effectively with others.  Works collaboratively and negotiates effectively.  Maintains confidentiality.  Accepts constructive criticism without offense.  Demonstrates sensitivity to the rights and opinions of others, even in disagreement.  Presents a positive image of the Port to external publics.  Respects cultural differences and embraces activities which support a diverse community.</p> <p><b>Supportive Information: See attached.</b></p>	<p><b>A</b></p>
<p><b>5. Commitment to Diversity</b></p> <p>Respects cultural differences and embraces activities which support a diverse community.  Utilizes recruitment strategies designed to attract diverse applicant pools.  Actively engages in diversity initiatives, such as, mentoring, training and employee networks.  Displays a commitment to diversity.</p> <p><b>Supportive Information: See attached.</b></p>	<p><b>A</b></p>
<p><b>6. Resource Management</b></p> <p>Recruits, selects and retains capable, productive employees.  Effectively deploys staff, equipment and technology to accomplish work.  Shows good stewardship of financial resources.  Demonstrates knowledge of budget and use of financial reporting systems.  Displays creativity/innovative in managing resources.</p> <p><b>Supportive information: See attached.</b></p>	<p><b>A</b></p>
<p><b>7. Communication Skills</b></p> <p>Shares appropriate information with internal and external audiences in a timely and responsible manner.  Manages meetings effectively.  Possesses effective listening skills.  Articulates clearly and writes effectively.  Displays effective presentation skills.</p> <p><b>Supportive information: See attached.</b></p>	<p><b>A</b></p>

Performance Factors	Rater's Rating
<p><b>8. Accountability</b></p> <p>Takes responsibility for fulfilling job duties.                      Meets attendance and punctuality guidelines.                      Demonstrates accuracy and thoroughness.                      Completes work on time.                      Follows instructions and directions.</p> <p><b>Supportive Information: See attached.</b></p>	<p style="text-align: center;">A</p>
<p><b>9. Responsiveness/Customer Service</b></p> <p>Consistently demonstrates respect, responsiveness and professionalism.                      Provides each customer with the same high quality services.                      Fosters and models a commitment to customer service.                      Builds customer and confidence and increases customer satisfaction.                      Makes customers and their needs a primary focus.                      Developing and sustaining productive customer relationship.</p> <p><b>Supportive Information: See attached.</b></p>	<p style="text-align: center;">A</p>
<p><b>10. Decision Making/Problem Solving</b></p> <p>Identifies and understands issues, problems and opportunities.                      Make timely and rational decisions based on analysis of relevant information/data                      Accepts responsibility for decisions and takes proper action when necessary.                      Uses effectively approaches for choosing a course of action or developing appropriate actions.                      Takes action that is consistent with available facts, constraints, and probable consequences.</p> <p><b>Supportive information: See attached.</b></p>	<p style="text-align: center;">A</p>
<p><b>11. Work Environment/Safety</b></p> <p>Promotes and supports a respectful workplace; comply with laws, policies and procedures.                      Models ethical behavior and decision making and ensures compliance.</p> <p><b>Supportive information: See attached.</b></p>	<p style="text-align: center;">A</p>



**PART II: JOB SPECIFIC PERFORMANCE OBJECTIVES**

Instructions: Part II creates the performance deliverable which will be measured. The General Manager and Board of Directors should identify below between 5 and 8 significant deliverable in the form of major initiatives or projects. They may include annual program objectives or project-related work. The intent is that there should be some collaboration between the General Manager and Board of Directors when assigning the deliverables and they should be prioritized if at all possible, with the most important in block 1, next most important in block 2, etc. If more than 8 deliverables require listing, those in excess of 8 may be listed in the back of the last page. (NOTE: It is typical for some priorities to change over the course of the year, and it also foreseeable that some objectives set at the beginning of the cycle may prove unachievable for reasons outside the General Manager’s control.)

<b>Job Specific Performance Objectives</b>	<b>Rater's Rating</b>
<p><b>1. Objective:</b></p> <p><i>Refer to attached memorandum for performance objectives and expected results.</i></p>	
<p><b>Expected Results:</b></p>	
<p><b>Actual Results:</b></p>	
<p><b>2. Objective:</b></p>	
<p><b>Expected Results:</b></p>	
<p><b>Actual Results:</b></p>	
<p><b>3. Objective:</b></p>	
<p><b>Expected Results:</b></p>	
<p><b>Actual Results:</b></p>	

Job Specific Performance Objectives	Rater's Rating
4. Objective:	
Expected Results:	
Actual Results:	
5. Objective:	
Expected Results:	
Actual Results:	
6. Objective:	
Expected Results:	
Actual Results:	
7. Objective:	
Expected Results:	
Actual Results:	

Job Specific Performance Objectives	Rater's Rating
8. Objective:	
Expected Results:	
Actual Results:	

The General Manager and the Board of Directors have met, discussed and agreed to the above initiatives as measurable deliverables for the performance cycle.

<b>Employee' Signature:</b> 	<b>Date:</b> 1/27/21
<b>Board Chairman's Signature:</b> 	<b>Date:</b> 1-27-21

**PART III: SUMMARY OF OVERALL PERFORMANCE:**

The space below is provided for a narrative summary of the General Manager's performance over the immediate cycle to be completed by the Board of Directors (Rater).

*Refer to attached memorandum.*



**PART IV: OVERALL PERFORMANCE EVALUATION RATING: (Please checkmark √)**

Exceptional Performance

Superior Performance

Average Performance

Acceptable Performance

Needs Improvement

**PART V: PERFORMANCE DEVELOPMENT PLAN:**

In the blocks below, the Board of Directors should make specific recommendations designed to identify strategies to enhance the General Manager's current competencies (first block) or correct performance issues (second block).

Professional Growth Strategies:



*Refer to attached memorandum.*

Remedial Strategies:

*Refer to attached memorandum.*

**PART VI: SIGNATURES:**

The General Manager and Board of Directors are required to sign the instrument after completing it and concluding the performance interview. The General Manager is only attesting to having been afforded the opportunity to review the evaluation and discuss the evaluations with the Board of Directors. The General Manager's signatures does not necessary indicate that he/she agrees with the Board of Directors' measurement of his/her performance. Employee's comments are optional.

<b>Board Chairman's Signature:</b> 	<b>Date:</b> 1-27-21
<b>Employee' Signature:</b> 	<b>Date:</b> 1/27/21

<b>Employee comments:</b>	<b>Date:</b>
I would like to discuss with the Board of Directors: <input type="checkbox"/> Yes <input type="checkbox"/> No  As requested, the Board of Directors discussed report.	
<b>Board Chairman's Signature:</b>	



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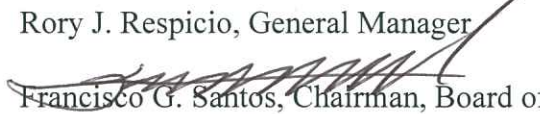


Lourdes A. Leon Guerrero  
Governor of Guam  
Joshua F. Tenorio  
Lieutenant Governor

January 27, 2021

**MEMORANDUM**

TO: Rory J. Respicio, General Manager

FROM:  Francisco G. Santos, Chairman, Board of Directors

SUBJECT: Performance Evaluation – January 8, 2020 to January 7, 2021

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*Hafa Adai!* Title 12 Guam Code Annotated, Chapter 10, Section 10111(c), authorizes the Board of Directors to employ and compensate under the terms and conditions fixed by at the pleasure of the Board for the General Manager position. Title 5 Guam Code Annotated, Government Operations, Chapter 43, Boards and Commissions, Article 2, Performance Evaluation of Agency Heads, required the Board to issue performance reviews of the General Manager six (6) months after employment and every twelve (12) months thereafter.

On January 28, 2020, the Board of Directors approved the performance evaluation for your first year as General Manager. At this meeting, the Board provided you with the following goals and objectives we would like for you to achieve within the second year of employment.

- Port Master Plan Update
- Revenue Bond Projects and Port Modernization Program
- Gantry Crane Purchase
- Real Estate Issues
- Fuel Facility
- Recycling Enterprise Zone
- Current leases with option years and pending leases.
- Audit Report
- Removal of Port Inoperable Assets
- Delegation of Procurement Authority
- Staffing and Manpower Requirements
- Guam Customs Inspection Feasibility Study
- RFP for Specialized Legal Services
- Training Certification and Re-certification of Employees
- Five-year Equipment Replacement Plan
- Capital Improvement Projects.
- Port's Classification and Compensation Plan

Two months into your evaluation period, international news media was reporting on the rise of the Coronavirus, also known as COVID-19, into the Asia Pacific Region, which the U.S. President declared the virus as a public health emergency. Immediately after the President's declaration, you issued guidelines to all shippers, agents, and Port staff providing appropriate measures to reduce the COVID-19 risk to our tenants and employees. Your guideline provided the shipping agents with a process outlining what to do if a crew member was ill and suspected to have COVID-19 and guidance to employees on what they are prohibited from doing when on the vessel during operations. Then in March 2020, the Governor declared a public health emergency pandemic because of the positive COVID-19 cases in Guam.

We witnessed how you and your management team sprang into action, taking every step possible to protect the Port's employees, tenants, and our customers who have business with the Port. Our employees were encouraged to exercise these precautionary measures, both at work and at home, which forced you and them to quickly adopt different working, learning, and connecting ways.

Through the Governor and Director of Public Health's approval, a Port Clinic was established and staffed with Public Health and Department of Education nurses. The Port Clinic, which had more than 44,232 visits, serviced Port employees and the transiting vessel crew members, Port tenants, users, and the communities nearby.

While this crisis brought unprecedented challenges for our employees, you were able to alleviate their fears by implementing the following initiatives to help safeguard the employees, our partners, and valued customers:

1. Guidance on prevention (good hygiene practice, social distancing and require employees who returned from off-island to self-quarantine).
2. Established with the Governor and Director of Public Health's approval, a Port Clinic staffed by healthcare professionals 24/7 on Port premises. The Port Clinic staff provides temperature screening and monitoring of the Port's employees, tenants, agents, and anyone concerned about being exposed to COVID-19. As of today, the clinic has had more than 44,232 visits by employees, tenants, transiting vessel crew members, and customers.
3. Updated the Port's Pandemic Plan on Influenza and distributed it to all employees.
4. Created a group of emails to reduce face-to-face contact between employees, agents, and tenants to minimize the face-to-face interaction.
5. Procured hand washing stations around the Port premises.
6. Generated Port E-advisories on:
  - a. Dispel misinformation of employees who allegedly tested positive;
  - b. Protocol procedures for healthcare professionals at the Port on fever, signs, and lower respiratory illness symptoms;



- c. Mandatory social distancing;
- d. If symptoms are being experienced to immediately self-quarantine and notify the physician and supervisor;
- e. Employees report to their regular duty station unless they are seen and cleared by a nurse at the Port clinic; and
- f. Encouraged employees to be checked at the Port clinic daily.

First-hand, we saw how Port employees worked tirelessly to remain 100 percent operational to ensure the flow of goods and supplies into our community and throughout the region were not interrupted.

In August 2020, the agency experienced an increase in employees exposed to COVID-19. You immediately established the Port's Contact Tracing Team with employees who volunteered to take on additional duties and become certified. You also took the on-line training from the Center for Disease Control to be a certified contact tracer. Together with the six other contact tracers from the Port, your work helped ease the burdens placed on Department of Public Health and Social Services by conducting their own contact tracing, planning for testing, and keeping the employees updated and informed through the consistent circulation of the Port E-advisories. The mental anguish experienced by those employees who had to isolate themselves because of exposure to the disease was minimized through you and your management team in delivering care packages consisting of sanitization and health monitoring products and communicating with them daily.

The threat of COVID-19 became a reality when one of our front-liner employees, +Mr. Henry San Nicolas, passed away in November 2020 because of this disease. We also saw immense grief among the Port employees who lost their immediate family members and friends to this disease. Through your coordination, Guam Behavioral Health and Wellness Center counselors were available to talk to our Port employees about the grief and anxiety brought on by this pandemic.

In December 2020, you submitted a recommended vaccination plan to the Department of Public Health and Social Services, which listed the following priorities: (1) Operations & Maintenance departments; (2) employees at high risk for severe COVID-19 illness due to an underlying medical condition, or high-risk group and (3) less high-risk group of employees at the Administration and Finance and Compliance & Control departments.

Throughout this period, we saw how the employees worked tirelessly during the pandemic to remain 100 percent operational and ensure that the flow of goods and supplies into our community and our region was not interrupted under your leadership as General Manager of the Port Authority of Guam.

Aside from the superb performance you displayed during the pandemic, you also were able to accomplish the following significant milestones:

1. **Procurement Delegation**: After 14 years after the Port lost its procurement delegation, the Chief Procurement Officer, through the close work relationship with you and the Deputies,

restored the full delegation of procurement authority in May 2020. In September 2020, the Chief Procurement Officer continued to grant the Port with the full delegation of procurement authority for Fiscal Year 2021.

2. **Port Modernization Program/Port Master Plan Update:** You continued to push on with the modernization program by leveraging federal funding resources, enhancing revenue generation by deploying a more robust financial management system, and efficiently working towards completing legislatively approved capital improvement projects funded by its 2018 Port Revenue Bonds.

One of the milestone achievements is the collaborative efforts between the Port and the Governor's Office, resulting in \$1.6 million from the Office of Economic Adjustment (OEA) to update the Port's 2013 Master Plan. This funding allowed the Port to work with its Owner's Agent Engineer (OAE), WSP, on a massive initiative to update the plan and layout the framework for the Port's near and long-term vision to modernize its facilities, infrastructure, systems, and operations.

In July 2020, you held a kick-off meeting with the consultants to begin the groundwork for the master plan update. The purpose of the plan is to help the Port define its near-term and long-term approach to modernize, maintain fiscally sustainable operations, and promote increased awareness and consensus on its approach among all affected stakeholders and the ratepayers of Guam.

The goals to achieve were:

- Provide a comprehensive overview of the Port's current conditions, including governance, financial, operation, and physical attributes.
- Assess the current and projected cargo opportunities based on Guam's market drivers, consisting of military expansion, tourism, transshipment, and organic growth.
- Determine near-term improvements and operational adjustments to accommodate the peak of the military build-up and future deployments of military assets.
- Estimate the Port's capacity and ability to meet the projected demand and tenant requirements.
- Identify long term modernization efforts targeted towards continuing operational and economic sustainability.
- Establish optimal requirements for operations, maintenance and repair and capital improvement projects.
- Validate the efficient and effective use of the Port's resources and assets.
- Present commercial strategies for or to diversify its revenue base and enhance its financial self-sufficiency, including a comprehensive tariff assessment and its economic impact thereof.
- Assess the impact of the recommended strategies on Guam's economic conditions; and

- Prepare an implementation program to support a coordinated approach of continuous Port improvement balanced with sustainability.

Based on the projected timeline, we expect the master plan update to be presented to the Governor in October 2021 and Guam Legislature by December 2021 for their approval.

3. **Revenue Bond and Federal or Port Funded Projects:** As a result of your efforts to make sure the Port meets the expectations of our bond investors; we were able to achieve the following:

- Rehabilitation of Hotel Wharf: After MARAD approves the environmental assessment and FONSI for Hotel Wharf and notice to proceed on the rehabilitation project, we were able to relocate the coral head, which was situated near the wharf. Our consultants have conducted monitoring work on the coral head and reported its findings to Guam EPA. We acquired PUC's approval on the additional grant funding for our Owner's Agent Engineer consultants' contract and additional funding for the expanded environmental services. The cost negotiations for the construction management services have been finalized, and the award recommendation is before the Board for approval. We should anticipate the procurement for Hotel Wharf's rehabilitation to be awarded in May 2021, with construction work to commence no later than December 2021.
- Removal of Port's Inoperable Assets: The military build-up peak is expected to occur in 2023. To ensure the Port can stage the increase of cargoes in its terminal facilities and accommodate the additional vessels calling Port, a solicitation of procurement was prepared by a committee comprised of Port staff and our consultants, WSP. The multi-step invitation of the bid was issued on December 31, 2020. We expect an award to occur in February 2021 which is another success since the Port assets' removal was unable to move forward since 2016.
- Revenue Bond Projects: The A&E design and consulting services for the first capital improvement projects funded by the revenue bond proceeds were awarded in 2020. They are:
  - (1) Structural repairs for Golf Pier;
  - (2) Repair and expansion of the Equipment Maintenance & Repair building;
  - (3) Repair of Warehouse 1; and
  - (4) Replacement and relocation of waterlines.

We understand that the Engineering staff is currently reviewing the estimated engineering costs to ensure that the appropriate funding has been budgeted to proceed with the bid procurement packages' invitation.

The other projects funded by the Port's revenue bonds is the Enterprise One Financial Management System. This project aims to upgrade the Port's 20-year Oracle JDE World financial management to a more robust and technologically updated Oracle JDE Enterprise One System. We expect the project to be completed by April 2021.

Your team submitted a grant application with the U.S. Economic Development Administration (EDA) for the Port's fuel connectivity project. The Guam's Acting SHPO issued Section 106 Concurrence, which paved the way for EDA to move to the next step in finalizing the Port's grant award. The total project amount is \$3.016 million with EDA's share of \$2.41 million and Port's share of \$603,000. The monies allocated initially for this project in the revenue bond proceeds may be used for those projects outlined in the legislation.

Engineering and Planning staff are working effortlessly to assess the structural integrity of the Administration Building and the replacement costs for the infrastructure.

- Port and Federal Funded Projects: Other projects currently in progress and/or completed are:
  - Terminal Boom & CMU wall repainting and replacement of the barb wire;
  - Container yard striping;
  - Load center rehabilitation and upgrade;
  - CCTV and Access Control System Upgrades;
  - Agat Marina Dock B demolition and repair;
  - Harbor of Refuge repair; and
  - Environmental, health and safety program development.

Those projects in progress are expected to be completed by the end of the calendar year.

4. Tariff Simplification: One of the tasks under the OEA grant was to have the consultants provide the Port with future tariff support. You and your team saw a need to restructure the terminal tariff using the guiding principles below:
  - Revenue neutral: ensure the revisions will result in neither a material increase nor decrease in Port revenues;
  - User-friendly: present schedule of rates table in front of the tariff to allow customers to calculate fees quickly and easily;
  - Transparent: itemized details, rules, and regulations associated with combined rates via hyperlink in latter sections of the tariff;
  - Streamlined: consolidate charges to align with all-inclusive port services and performance reports;
  - Modernized: support the integration of the Port's NAVIS Terminal Operating System and JDE Financial System;



- Timesaving: minimize/eliminate manual data entry of charges and provide invoices to users expeditiously; and
- Cost-effective: reduce administrative costs, manual entry errors, disputes, and delayed payments.

The consultants have been meeting with the Port staff on a weekly basis and using the following methodology:

- Issue 1: Vessel handling charges of dockage, line handling, and port entry fee are in cargo handling rates: The recommended action would be to separate vessel handling rates from cargo handling rates while maintaining revenue-neutral approach.
- Issue 2: Handling charges are difficult to fully calculate with different rates in different locations of the tariff, such as fuel, security, etc. The recommended action would be to determine a flat rate for common charges and provide a summary of charges at the beginning of the tariff—vessel handling and cargo handling “flat rates.”
- Issue 3: Tariff has throughput condition (less than ten containers or 50 revenue tons) that require manual entry for charges on invoices. The recommended action is to remove throughput condition and evaluate and minimize the impact on smaller shippers.

Once this task has been completed, the recommendations will be transmitted to the Board for approval and then PUC for their concurrence. We would like this task to achieve the ultimate results to allow the terminal operating and financial management systems to communicate and streamline the invoicing, and we believe that you and your team, together with the Port’s consultants, are headed in the right direction.

5. **Area A Feasibility:** After the management agreement with Mobil was amended to carve out Area A from their oversight, and you presented a determination of need to solicit interest to petroleum companies or interested parties to submit proposals in rehabilitating the tanks and area. Such solicitation was issued in January 2021. You continue to work with the consultants in developing incentives to develop fuel capacity at Area A and propose a tiered fee tied to volume for transshipment of fuel for petroleum companies.
6. **Training:** The following trainings conducted during this period were:
  - a. **Certification:** For several years, the Port did not conduct annual and bi-annual training certifications as required by the Code of Federal Regulations for OSHA, U.S. Department of Transportation, and U.S. Coast Guard. Upon the reinstatement of Human Resources staff, you and your Deputies hit the ground running and ensured employees who are required to possess certifications completed the training.

- b. **Basic Supervisory and Leadership Workshops**: About 120 employees occupying supervisory and leader positions participated in the Basic Supervisory and Leadership workshops. The feedback provided by the employees who participated in these workshops was positive.
  - c. **Work Performance Appraisal System Training**: In 2019, we were advised that the Port was supposed to transition into the new performance evaluation forms by 2012. However, the forms, procedures, and Key Performance Indicators (KPIs) were held in abeyance by former management. The Board directed management to implement the KPI as the basis on which all Port employees will now be evaluated. A lot of work has been done in the past year to develop the KPIs for each position, and the Work Performance Appraisal System training is another component of this plan's rollout. In December 2020, the Personnel Services Administrator conducted a virtual training for the managers and supervisors. This training provided hands-on interaction and step-by-step instructions in completing the new evaluation forms and understanding its procedures. After ten years of being held in abeyance, we will be implementing the new evaluation system for Fiscal Year 2021.
7. **Legal Services**: With the sudden departure of the Port's in-house counsel in February 2020, and in order to ensure the procurement processes are not further delayed, you proactively worked with the Attorney General in designating the GSA's Administrative Counsel as the Special Assistant Attorney General for the period the Chief Procurement Officer was assigned to the Port. Then in October 2020, the Attorney General assigned Assistant Attorney General Tom Keeler to assist the Port in reviewing procurement packages. However, his assignment was only for a temporary period. In December 2020, the Port made an offer to an attorney for the in-house counsel position, namely Christine Claveria, which she accepted. This was good news as it enables all procurement activities, such as the bond and CIP projects, to proceed without any further delay.
8. **Finances**: Since the beginning of this administration, you and your management team forged ahead and focused on improving its finances. With the hard work and sacrifice, you were able to turn the finances around from a loss of \$103,000 in Fiscal Year 2018 to earning nearly \$7.5 million in just one year for Fiscal Year 2019. Despite the on-going pandemic, the Port posted a projected net income of \$4.1 million for Fiscal Year 2020.
9. **Gantry Crane Purchase and Maintenance**: In the last evaluation, you reported that a grant application was submitted to MARAD under the Port Infrastructure Development Program to acquire two ship-to-shore gantry cranes. Although our application was not approved, we immediately started discussions with the U.S. Economic Development Administration (EDA) and the U.S. Department of Agriculture (USDA) on the grant application and a potential loan. Your team was able to submit the first draft application for the direct loan to USDA and is working closely with the Port's consultants in compiling the estimated project costs for the application to EDA. The estimated cost under the EDA

grant is \$30 million for two STS cranes, and with the Port's \$15 million share for the purchase of the third STS crane.

The performance management contract (PMC) procurement solicitation to assist the Port in maintaining and repairing our cranes was finally issued and is currently being reviewed by the committee.

10. **Guam Customs Inspection Facility:** You and your team worked closely with Customs representatives in identifying the site where the new customs inspection, holding, and securing area will be located. The Port coordinated with the Department of Land Management on the survey and transfer of the property from Port to Customs and Department of Public Works on the clearing of the property. Our OAE consultant provided proposed facility design layouts on the 4-acre parcel adjacent to the main terminal gate, which Customs has agreed on one of the layouts. The preferred layout design's objective is two-fold: (1) allowed Customs to conduct their privacy operations inside the facility and (2) mandated the use of the Department of Public Works' weigh stations by the truckers.
11. **Port Wharves Assessment and Upgrades:** The OAE consultants reviewed the diving reports on the wharves' condition, which provided a realistic picture of what piers would need immediate repair. Based on their review, WSP reported the dolphins for F1 were in a much more serious condition than what was originally assessed. You immediately engaged with OEA subcontractors to provide analysis on the berthing and mooring of vessels on F-1. This effort was done to provide proper guidance to our fuel managers on the safe capacity of berthing at the pier. At your direction, the Planning staff is preparing federal grant applications to submit to funding the repair work for the wharves and Engineering reviewing the current structural integrity of the wharves to determine the safe loads it can handle.
12. **Federal Grants and Grant Opportunities:** You and your management team worked closely with Planning staff and respective division heads on the following federal grants:
  - a. We were approved for \$500,000 to support Harbor of Refuge's repair work and \$512,759 for the Agat Marina Dock B construction by Department of Agriculture. A draft Memorandum of Understanding is currently with Department of Agriculture for their review.
  - b. An application for the hardening of Port wharves service life extension in the amount of \$22,391,342.00 was submitted under the FEMA Hazard Mitigation Grant Program – FY2020 Building Resilient Infrastructure & Communities Grant.
  - c. The Port has partnered with Commonwealth Northern Marianas Island (CNMI) for a joint route designation and project designation for consideration under MARAD's America's Marine Highway Program. If approved by MARAD, this joint

designation will allow both ports (Guam and CNMI) to apply for grant opportunities for infrastructure upgrades or equipment acquisition.

13. **Abandoned Derelict Vessel Project:** You and your team worked closely with Guam Environmental Protection Agency and Guam Power Authority to remove 14 abandoned derelict vessels within the navigational hazards that pose significant threats to commercial and natural resources in Apra harbor. A port water tour was done in December 2020, which allowed the Governor and Lt. Governor to observe first-hand the locations of these vessels and be briefed on the type of work is to occur in the removal of such vessels. After the boat tour, the Governor signed an executive order forming a group to remove the abandoned vessels from the Port harbor.
14. **Real Estate Issues:** During this period:
  - a. The Port finalized negotiations of Mobil's lease option year, which was approved by the Board. The contract is favorable to the Port in terms of an increase in our revenues for business development.
  - b. South Pacific Petroleum Corporation exercised their option to renew their Sublease Agreement. The Board approved management's recommendation to renew the agreement at a valuation rate of 14.5%.
15. **Information Technology Consulting Firm:** As the Port journeys in improving its technology system, there is a need to contract an Information Technology Consulting Firm who will be collaborating with our IT division in the analysis, design, implementation of the IT infrastructure and cybersecurity compliance. The firm will be required to:
  1. Assess and analyze the Port's IT systems, application, networks, and data infrastructure.
  2. Review, develop and implement virtualization.
  3. Provide recommendations and oversee the implementation of network hardening with end-to-end security and other infrastructure improvements.
  4. Implement an identity management system using Microsoft Active Directory installed on a virtualized environment.
  5. Implement an upgrade or complete replacement of the yard wireless system.
  6. Implement and install a corporate wireless system.
  7. Assist in the planning of IT infrastructure designs/requirements for the Port buildings.
  8. Implement a document management system.
  9. Implement a reliable voice over internet protocol phone system port wide.
  10. Perform other related tasks as directed by the Port.

The procurement for this service was issued in December 2020. We expect the award to occur in the first quarter of 2021.



16. **Solar Power Feasibility Study:** You continue to work closely with our OAE consultants in the feasibility of installing a solar panel system on several of the Port building rooftops to reduce our power consumption.
17. **Policy on Financials:** The Board amended the policy on petty cash disbursement procedures to adjust the limit from \$50.00 to \$400.00 due to inflation of goods and services and to be in line with the procurement rules for small purchases.
18. **Union Contract:** The Board approved the amended version of the collective bargaining agreement on November 19, 2019, as agreed upon by the Port and GFT. The Attorney General had expressed concerns regarding the effective date of the agreement, arbitration clause and exclusive recognition. Both GFT and Port had agreed to the suggestions made by the Attorney General and made changes to the agreement. After the Attorney General had signed the agreement, the Governor signed the collective bargaining agreement on January 20, 2020.
19. **Guam Zero Waste Working Group – Biosolids Compost Pilot Project:** According to Executive Order 2019-28, the Port was named as a partner and member of the Zero Waste Working Group (ZWG). The group is responsible for developing, making recommendations, adopting, implementing, and overseeing all aspects of any ZWG initiatives/projects. The initial project adopted was the Biosolids Composting Demonstration Project, which will determine the viability of processing biosolids into a recyclable usable product. The project is located on a small portion of the Old Hawaiian Rock site.
20. **Overtime Comparison between Old and New Work Schedule:** In Fiscal Year 2019, Operations implemented the old gang schedule from October 2018 to May 2019 at 10 hours for day and night shift. In June 2019, the Port Operations implemented the new schedule of 8 hours for employees in dayshift and night shift. A comparison between the average overtime from October 2018 to November 2019 with the old and new work schedules showed that there was 14.6% decrease in overtime costs.
21. **RSM Project:** One of the participative discussions held with PUGG was the initiative to digitize the cargo tracking, which would provide for greater efficiencies for fee capture and revenue retention for the Port, as well as developing a robust, user-friendly shared interaction that is instantaneously accessible to the Port, Customs & Quarantine Agency and PUGG.

This project would address the safety and security policies of the Port. The objectives by the parties involved are:

- Port: improved efficiencies in operations, billing, collections, going paperless, and meeting PUGG's operational needs.

- PUGG: going paperless, pre-clearing of cargo containers, improving operational efficiencies, digital sharing of the manifest.
- Customs: Automation, going paperless, advance clearing of cargo containers, significantly reduce front-facing clearances, searchable bill of lading, digitized manifest, interdiction of drugs, bio securities, terrorism, and improved collections of use tax.

22. **OPA Report:** You and your deputies worked closely with the Office of Public Accountability to review unclassified employees' pay raises and bonuses. The review's findings were published and pointed out deficiencies in the pay raises for the former General Manager and Deputy General Managers. The audit findings are currently with the Attorney General for his perusal.

23. **Demolition of Derelict Vessel at Seaplane Ramp:** The Port was able to demolish a derelict vessel "Azuma" that had been abandoned for 9 years with Department of Public Works' assistance. After several beatings from numerous storms that hit Guam, the vessel began to take on water at the Agat marina. To prevent it from sinking, it was drained from all remaining fuel, cleared of all toxins, and tugged to Seaplane Ramp.

24. **Interpersonal Relationships:**

a. Internal:

- (1) Familiarization of Operations: To enhance the working relationship from the administration, operations, and maintenance, you and your deputies led the administration employees to tour the operations facilities. The approach allowed the employees to see first-hand how cargo operations and movement of containers/breakbulk are processed. This activity bridges the administration folks with the waterfront employees so that each division can continue to appreciate the labor force and human resources put into cargoes' movement.
- (2) Port Week: This year's 45<sup>th</sup> anniversary was unlike past celebrations which all of the events were held virtually due to the COVID-19 pandemic. The events were broadcasted on the Port's Facebook and YouTube and allowed our customers, employees, and the public to view its opening ceremony consisting of a flag-raising ceremony followed by a parade of trucks, proclamation signing by the Governor and Lt. Governor, resolution presentation by our Legislative Speaker and Oversight Chair, and ending with a video honoring the front-liners. A Virtual Town Hall celebration and Employee Awards Ceremony took place with Port employees joining in on the zoom meeting or watching live via Port's Facebook and YouTube page. At this celebration, over 80 awards were given for years of service, sick leave, and retirement appreciation. We also premiered live the "Port Modernization – We Keep Guam Moving," which honored this agency's men and women and was very emotional. We were proud to know that

all the videos were filmed, compiled, and produced by the reinstated staff of the Marketing Division.

b. External:

- (1) Marina User Group: You are creating a marina user group, similar to the Port Users Group, to provide a forum to better serve our marina tenants and users and the Island's recreational, sustenance, and commercial boating communities by enabling all marina users an opportunity to address their concerns or ideas to the Port. A user survey that speaks of the marina's strengths/weaknesses, pressing needs, opinion on fee structure, dock replacement, etc. was disseminated to the users. The marina users were informed that a dedicated link on the Port's website was created to provide them with a wealth of information.
- (2) Adopt-A-School Program: The Port helped JP Torres Success Academy school relocate its office materials, classroom furniture, supplies, and electronic equipment due to the deterioration of its facility in Santa Rita. The items, furnishing and equipment were relocated to Southern High School and Tiyan.
- (3) COVID-19 support: The Port aided Department of Education in the food drive by coordinating with the shippers to use refrigerated containers and Department of Public Health COVID-19 testing sites.
- (4) Monthly Newsletters: To ensure communication with our employees and customers are constant, the Port reactivated its monthly newsletter, which provides updates on projects and essential information.

25. **Application of FOIA to Settlement Agreements:** The past legal counsels representing the Port had opined that employee settlements were not public documents. You disagreed with their stance and asked the Public Auditor to address the issue. On July 20, 2020, the Attorney General issued an opinion clarifying that settlements were indeed public documents. In order to comply with the Attorney General's opinion, the settlement agreements were then immediately posted on the Port's website.

26. The most prestigious accomplishment under your watch was the **Accountability and Transparency Awards**. We were very humbled and honored to be recipients of awards from Association of Government Accountants Guam Chapter for the 1<sup>st</sup> place Platinum "Excellence in Citizen-Centric Reporting Award" and the "Accountability and Transparency in Citizen-Centric Award. This national and local recognitions are first-time awards for the Port.

As a result, the overall evaluation for the year is **Exceptional Performance**.

As required in Policy Memorandum No. 09-03, the following areas of responsibilities, objectives and measures for the upcoming rating period is being provided:

1. **Revenue Bond Projects, Hotel Wharf and Other CIP Projects.** Continue to work with Engineering and Planning staff on the progress of projects awarded. Follow-up with Procurement and Port Staff Attorney on the required review of procurement packages to be issued.
2. **Removal of Port's Inoperable Assets:** Upon awarding the procurement solicitation, work with the Deputy General Managers to coordinate with divisions under their purview the removal of such assets from the Port premises.
3. **Standard Operating Procedures:** Continue to work with division heads under their purview in updating their standard operating procedures for review and approval by management or the Board whichever is applicable.
4. **Staffing and Manpower Requirements:** Continue to update the Port's human resources assessment for all divisions. Coordinate with the Deputy General Manager, Administration and Finance, to issue the procurement for temporary staffing to supplement human resources needs when the military build-up ramps up.
5. **Union Contract Provisions:** Continue to monitor and provide status on the implementation of the agreement's provisions.
6. **Cyber Security System Plan Implementation:** Continue to work with the Deputy General Managers in developing the framework in implementing the program and the financing of the plan through grants.
7. **Federal Grants:** Continue to work with Deputy General Managers on applying grants for the acquisition of equipment and projects related to the modernization program.
8. **Update of Rules and Regulations and Standard Operating Procedures:** Continue to work with the Deputy General Managers in updating rules and regulations and standard operating procedures.
9. **5 Year Equipment Plan:** Continue to work with respective division heads under your purview to refine the five-year equipment replacement need, which will serve as a planning tool and long-range perspective of the Port's equipment needs over the next 20 years.
10. **Training, certification, and re-certification of employees:** Continue to work with the Deputy General Managers and respective division heads:



- a. Re-establish the apprenticeship program so employees may obtain the necessary academic knowledge and specific on-the-job training of the positions' trades.
- b. Develop a mentoring program and identify employees who have specific skills and knowledge with individuals who need or want the same skills and advantages to move up in work, skill level, or performance.
- c. Ensuring training certifications required by the federal government are provided before their expiration.

**11. Real Estate Issues:** Continue to work with in-house Staff Attorney:

- a. Aqua World: present recommendations to the Board on whether to continue its lease arrangement or pursue the desire to terminate the leasehold.
- b. GEDA Leases: review Supreme Court decision on Guam YTK and the impact it may have on GEDA master leases that were conveyed to the Port in 1988 and present findings to the Board.

**12. Micronesian Cruise Ship Development:** Because of the COVID-19 pandemic, discussions were temporarily ceased. When the island begins to return to normalcy, reach out to GEDA and GVB regarding developing the strategy for a regional small ship cruise industry.

This memorandum will be attached to your performance evaluation to justify Exceptional Performance's overall evaluation and provide specific performance objectives for the next rating period.

We humbly thank you and your team for a job well done.



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Lourdes A. Leon Guerrero  
Governor of Guam  
Joshua F. Tenorio  
Lieutenant Governor

## **DEPUTY GENERAL MANAGER PERFORMANCE AND DEVELOPMENT EVALUATION FORM**

Name of Deputy General Manager: <b>Luis R. Baza, Deputy General Manager Administration &amp; Finance</b>	Name of Reviewer/Title: <b>Rory J. Respicio, General Manager</b>
Period Covered: From: <b>12/13/2019</b> To: <b>12/12/2020</b>	Date of Review: <b>January 26, 2021</b>

### **GENERAL INSTRUCTIONS:**

1. This form is to be used for initial and bi-annual performance evaluation for the Deputy General Manager. The performance evaluations are to occur six (6) months into the Deputy General Manager's employment with the Port Authority of Guam and every twelve (12) months thereafter.
2. The ratings to be assigned by the Rater for each individual factor are indicated in Part I; for each individual Performance Objective in Part II; and for the Overall Rating in Part III.
3. The Performance Objectives and factors may be weighted at the Rater's discretion.
4. The Reviewer is the General Manager.

### **PART I: CORE PERFORMANCE FACTORS**

1. The General Manager evaluates the Deputy General Manager's proficiency in the following performance factors using a single rating on the following scale:  
  
A = Exceptional Performance  
B = Superior Performance  
C = Average Performance  
D = Acceptable Performance  
E = Needs Improvement

Performance Factors	Rater's Rating
<p><b>1. Leadership</b>                      Displays courage, passion and caring in work.                      Sets a professional example.                      Motivates other to work toward common goals.                      Uses authority responsibly.                      Addresses problems proactively.                      Gains support and seeks buy-in-through participation of others.                      Demonstrates interest in professional growth of others.                      Shows good judgment and accepts ownership for decisions in areas of responsibility.</p> <p><b>Supportive Information: See attached.</b></p>	<p style="text-align: center;">A</p>
<p><b>2. Commitment to the Port's Mission, Vision and Values</b>                      Articulates or shows appreciation for the importance of shared vision.                      Demonstrates civility in relations with others.                      Requires supervised employees to show civility in their relations toward others.                      Participates regularly in activities beyond immediate areas of responsibility which support the mission of the Port.                      Demonstrates consideration of the Port's values when making decisions.                      *(Diversity and civility are examples of University values to be considered.)</p> <p><b>Supportive Information: See attached.</b></p>	<p style="text-align: center;">A</p>
<p><b>3. Management Practices</b>                      Demonstrates commitment to good customer services.                      Demonstrates competency in labor-management relations activities necessary to effectively manage the areas of responsibility.                      Questions existing practices for continued relevancy.                      Effectively initiates and promotes necessary change in the areas of responsibility.                      Sets and enforces performance standards effectively.                      Recognizes and rewards good performance.                      Plans effectively and shows good project management skills.                      Shows awareness of "good practices" for areas of responsibility.                      Encourages employees to improve performance and grow by actively supporting and encouraging employees to participate in training and development activities.</p> <p><b>Supportive Information: See attached.</b></p>	<p style="text-align: center;">A</p>

Performance Factors	Rater's Rating
<p><b>4. Relational Skills</b>  Works effectively with others.  Works collaboratively and negotiates effectively.  Maintains confidentiality.  Accepts constructive criticism without offense.  Demonstrates sensitivity to the rights and opinions of others, even in disagreement.  Presents a positive image of the Port to external publics.  Respects cultural differences and embraces activities which support a diverse community.</p> <p><b>Supportive Information: See attached.</b></p>	A
<p><b>5. Commitment to Diversity</b>  Respects cultural differences and embraces activities which support a diverse community.  Utilizes recruitment strategies designed to attract diverse applicant pools.  Actively engages in diversity initiatives, such as, mentoring, training and employee networks.  Displays a commitment to diversity.</p> <p><b>Supportive Information: See attached.</b></p>	A
<p><b>6. Resource Management</b>  Recruits, selects and retains capable, productive employees.  Effectively deploys staff, equipment and technology to accomplish work.  Shows good stewardship of financial resources.  Demonstrates knowledge of budget and use of financial reporting systems.  Displays creativity/innovative in managing resources.</p> <p><b>Supportive information: See attached.</b></p>	A
<p><b>7. Communication Skills</b>  Shares appropriate information with internal and external audiences in a timely and responsible manner.  Manages meetings effectively.  Possesses effective listening skills.  Articulates clearly and writes effectively.  Displays effective presentation skills.</p> <p><b>Supportive information: See attached.</b></p>	A



Performance Factors	Rater's Rating
<p><b>8. Accountability</b></p> <p>Takes responsibility for fulfilling job duties. Meets attendance and punctuality guidelines. Demonstrates accuracy and thoroughness. Completes work on time. Follows instructions and directions.</p> <p><b>Supportive Information: See attached.</b></p>	A
<p><b>9. Responsiveness/Customer Service</b></p> <p>Consistently demonstrates respect, responsiveness and professionalism. Provides each customer with the same high quality services. Fosters and models a commitment to customer service. Builds customer and confidence and increases customer satisfaction. Makes customers and their needs a primary focus. Developing and sustaining productive customer relationship.</p> <p><b>Supportive Information: See attached.</b></p>	A
<p><b>10. Decision Making/Problem Solving</b></p> <p>Identifies and understands issues, problems and opportunities. Make timely and rational decisions based on analysis of relevant information/data Accepts responsibility for decisions and takes proper action when necessary. Uses effectively approaches for choosing a course of action or developing appropriate actions. Takes action that is consistent with available facts, constraints, and probable consequences.</p> <p><b>Supportive information: See attached.</b></p>	A
<p><b>11. Work Environment/Safety</b></p> <p>Promotes and supports a respectful workplace; comply with laws, policies and procedures. Models ethical behavior and decision making and ensures compliance.</p> <p><b>Supportive information: See attached.</b></p>	A

**PART II: JOB SPECIFIC PERFORMANCE OBJECTIVES**



Instructions: Part II creates the performance deliverable which will be measured. The Deputy General Manager and General Manager should identify below between 5 and 8 significant deliverable in the form of major initiatives or projects. They may include annual program objectives or project-related work. The intent is that there should be some collaboration between the Deputy General Manager and General Manager when assigning the deliverables and they should be prioritized if at all possible, with the most important in block 1, next most important in block 2, etc. If more than 8 deliverables require listing, those in excess of 8 may be listed in the back of the last page. (NOTE: It is typical for some priorities to change over the course of the year, and it also foreseeable that some objectives set at the beginning of the cycle may prove unachievable for reasons outside the Deputy General Manager's control.)

Job Specific Performance Objectives	Rater's Rating
<p><b>1. Objective:</b></p> <p><i>Refer to the attached memorandum for performance objectives and expected results.</i></p>	
<p><b>Expected Results:</b></p>	
<p><b>Actual Results:</b></p>	
<p><b>2. Objective:</b></p>	
<p><b>Expected Results:</b></p>	
<p><b>Actual Results:</b></p>	
<p><b>3. Objective:</b></p>	
<p><b>Expected Results:</b></p>	
<p><b>Actual Results:</b></p>	

Job Specific Performance Objectives	Rater's Rating
4. Objective:	
Expected Results:	
Actual Results:	
5. Objective:	
Expected Results:	
Actual Results:	
6. Objective:	
Expected Results:	
Actual Results:	
7. Objective:	
Expected Results:	
Actual Results:	

Job Specific Performance Objectives	Rater's Rating
8. Objective:	
Expected Results:	
Actual Results:	

The Deputy General Manager and the General Manager have met, discussed and agreed to the above initiatives as measurable deliverables for the performance cycle.

<b>Employee' Signature:</b> 	<b>Date:</b> 1/26/21
<b>General Manager's Signature:</b> 	<b>Date:</b> 1/26/21

**PART III: SUMMARY OF OVERALL PERFORMANCE:**

The space below is provided for a narrative summary of the Deputy General Manager's performance over the immediate cycle to be completed by the General Manager (Rater).

*Refer to attached memorandum.*

**PART IV: OVERALL PERFORMANCE EVALUATION RATING: (Please checkmark √)**

Exceptional Performance

Superior Performance

Average Performance

Acceptable Performance

Needs Improvement

**PART V: PERFORMANCE DEVELOPMENT PLAN:**

In the blocks below, the General Manager should make specific recommendations designed to identify strategies to enhance the Deputy General Manager's current competencies (first block) or correct performance issues (second block).

Professional Growth Strategies:

***Refer to attached memorandum.***



Remedial Strategies:

***Refer to attached memorandum.***



**PART VI: SIGNATURES:**

The Deputy General Manager and General Manager are required to sign the instrument after completing it and concluding the performance interview. The Deputy General Manager is only attesting to having been afforded the opportunity to review the evaluation and discuss the evaluations with the General Manager. The Deputy General Manager's signatures does not necessary indicate that he/she agrees with the General Manager's measurement of his/her performance. Employee's comments are optional.

<b>General Manager's Signature:</b> 	<b>Date:</b> 1/26/21
<b>Employee' Signature:</b> 	<b>Date:</b> 1/24/21

<b>Employee comments:</b>	<b>Date:</b>
I would like to discuss with the General Manager: <input type="checkbox"/> Yes <input type="checkbox"/> No  As requested, the Board of Directors discussed report.	
<b>General Manager's Signature:</b>	



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**Lourdes A. Leon Guerrero**  
Governor of Guam  
**Joshua F. Tenorio**  
Lieutenant Governor

January 26, 2021

**MEMORANDUM**

TO: Luis R. Baza, Deputy General Manager for Administration & Finance

FROM: Rory J. Respicio, General Manager 

SUBJECT: Performance Evaluation – December 13, 2019 to December 12, 2020

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*Hafa Adai!* Title 12, Guam Code Annotated, Chapter 10, Section 10111(c), authorizes the Board of Directors to employ and compensate under the terms and conditions fixed by at the pleasure of the Board for the Deputy General Manager position. Title 5, Guam Code Annotated, Government Operations, Chapter 43, Boards and Commissions, Article 2, Performance Evaluation of Agency Heads required that the Board issue performance reviews of the General Manager six (6) months after employment and every twelve (12) months thereafter.

Policy Memorandum 09-04, Subject: Policy on Performance Evaluation for Deputy General Manager, states it is the intent of the Board and general policy to extend the application of the law to the Deputy General Manager. The policy stipulates performance goals for the Deputy General Manager will be established and agreed upon at the beginning of the employment.

On June 15, 2020, this office provided you with the goals and objectives we would like to achieve within your first year of employment.

- Revenue bond projects
- Integration of financial management system and terminal operating system
- Finance revenues and payables
- Update of the Personnel Rules and Regulations
- Update of standard operating procedures
- Real estate issues
- Port finances, staffing and manpower requirements
- Cybersecurity
- Human resources issues

Reviewing your performance goals and objectives, Board minutes, and correspondence, you were able to achieve the following during your first year of employment:

1. **Human Resources Litigation**: Upon your employment, the Board designated you to work with the Port's in-house attorney in reviewing the employee's adverse action appeals and

provide the Board with recommendations as to whether or not litigation should be pursued. With the sudden departure of the in-house attorney of February 28, 2020, you independently worked with the employees and their attorneys to provide closure on the appeals at the direction of the Board. Contingent liabilities were initially estimated to be around \$6 million; however, this estimate decreased to \$3.1 million as a result of your successful negotiations with the affected employees and their lawyers. It should be noted that the liability does not include what the Port paid to its former legal counsel in pursuing such litigations. Based on your recommendation on the merits of each litigation, the Board approved the settlement of the four (4) employee appeals. Out of the remaining four (4) employee litigations, the Port prevailed in one (1) case with Civil Service Commission and three (3) are currently before Civil Service Commission and Supreme Court.

2. **Procurement Delegation:** Through our close working relationship with the Chief Procurement Officer, she restored the full delegation of procurement authority in May 2020. In September 2020, the Chief Procurement Officer continued to grant the Port with the full delegation of procurement authority for Fiscal Year 2021.
3. **Training:** For several years, the Port did not conduct the employees' annual and bi-annual training certifications as required by the Code of Federal Regulations for OSHA, U.S. Department of Transportation and U.S. Coast Guard. Upon the reinstatement of the Human Resources staff, you ensured federal mandated trainings were conducted, which all employees received prior to the Governor's declaration of COVID-19 Condition 1 in August 2020. Additionally, you conducted in-house Basic Supervisory training for over 120 Port employees. The feedback provided by the employees who participated were positive. Because Zoom and Microsoft team conferences is now becoming the norm as a result of this pandemic, you have scheduled leadership trainings for division heads and supervisors for the month of December.
4. **Interpersonal Relationships:**
  - a. **Internal:** One of your first initiatives is to enhance the work relationship of employees from the administration, operations, and maintenance. To allow administration employees to see first-hand how the cargo operations and movement of cargoes are processed, you led a tour of the terminal yard facilities. This activity bridged the administration folks with the waterfront employees so each division can continue to appreciate the labor force and human resources put into the movement of cargo. As a result of your initiative, the employees understood how their divisional roles are critical to the overall Port operations.
  - b. **External:** Because of your vast knowledge in human resources, you served on several government-wide committees to formulate policies, such as differential pay for COVID-19 and the retention of law enforcement personnel at Department of Corrections. Your involvement in the formulation of HR policies has been valuable to not only the Port but government-wide.

5. **Key Performance Indicators (KPIs) & Performance Management Tool:** In 2019, we were advised that the Port was supposed to transition into the new performance evaluation forms by 2012. However, the forms, procedures and KPIs were held in abeyance by former management. When the contract negotiations failed with the former Port Compensation Consultant to assist us in this task, you took the lead to ensure our desire to implement the new performance management tool by October 2020. You and the Human Resources staff held orientations with the division heads on the new performance management tool and the importance of formulating KPIs for positions under their supervision, in which the majority has been submitted. On November 30, 2020, the Work Performance Appraisal System Handbook was disseminated to all supervisors for their guidance. We were able to meet our target date for implementation for Fiscal Year 2021.
  
6. **Revenue Bond and Budget Funded Projects:** Through your efforts in ensuring the Port meets the expectations of our bond investors, we were able to achieve the following:
  - a. **Rehabilitation of Hotel Wharf:** PUC approved the Port's petition for additional funding for its OAE Consultant and additional funding for the expanded environmental services. The construction management services were procured and cost negotiations have been finalized.
  
  - b. **Golf Pier Repairs and Improvements:** The A&E design reflected the engineering cost estimates may be more than what was expected. Based on discussions with division heads, it would be appropriate to cancel the construction management services and issue an invitation of bid to acquire realistic cost in the repair of the pier. Such procurement package is to be issued before the end first quarter.
  
  - c. **Waterline Replacement and Relocation, EQMR Building & Warehouse 1 Repairs and Upgrades:** Because of the COVID-19 pandemic, a request by the A&E firm for an extension on the submittal of the full A&E design has been approved. The new deadline is December 16, 2020.
  
  - d. **Other projects:** During this period, you were able to work closely with the division heads and ensure the following procurement packages were either awarded or issued:
    - i. The E-1 migration from the AS400 is ongoing and expect to be completed by April 2021.
  
    - ii. Port staff have worked closely with the Port's Owner Agent Engineer Consultants, WSP, on the damage assessment of the F1 and other wharves and preparing a grant application under the MARAD's FY2021 Port Infrastructure Development Program (PIDP) for consideration.

- iii. The procurement package for the dismantle of Port assets (gantry cranes, RTGs and mobile harbor crane) have been submitted to Procurement Division for transmittal to Assistant Attorney General for review prior to advertising the procurement package.
  - iv. Painting of CMU Wall: The procurement has been awarded and funding is the left over monies from Port Enterprise Fund with MARAD.
  - v. The Performance Management Contract for Gantry Cranes procurement has been issued and undergoing evaluation.
  - vi. The Information Technology Consulting Firm procurement package has been issued on December 7, 2020 with a closing date of January 8, 2021.
7. **Real Estate Issues:** During this period, you worked closely with the Commercial staff in finalizing the negotiations of option year for Mobil leases for recommendations to submit to the Board of Directors, which was approved. The contract is favorable to the Port in terms of an increase in our revenues for business development.
8. **Special Assistant Attorney General:** With the departure of the in-house attorney and to ensure the procurement process is not delayed, the Attorney General at the Port's request designated Attorney Robert Kono as the Special Assistant Attorney General for the Port for the time frame that the Chief Procurement Officer was assigned to the Port. Then in October 2020, the Attorney General assigned Department of Public Works' Assistant Attorney General to assist the Port in reviewing procurement packages. This was good news as it enabled all procurement activities, such as the bond and CIP projects to proceed without any delay.
9. **OPA Audit Reports:**
- a. **Financial Audit Reports:** You worked closely with the Financial Affairs Controller and respective division heads on the financial audits conducted by the Office of Public Accountability (OPA). The results of the Fiscal Year 2019 audit are not by happenstance. The Port went from a deficit of \$103,000 in Fiscal Year 2018 to a net income of \$3.5 million, even after absorbing \$2 million in the middle of the fiscal year for unbudgeted payroll requirements, as well as, booking \$3.1 million in contingent liabilities. Overall, the Port received a clean audit, and the OPA found no material weaknesses identified over financial reporting. For Fiscal Year 2020, we expect that the audit will reveal the Port's Operating Income will be \$7.2 million.
  - b. **PAG Unclassified Employees' Pay Raises and Bonus:** Upon your employment, you were assigned to provide the OPA with information requested and clarification regarding the pay raises and bonuses issued to the Port's former unclassified



employees. In July 2020, OPA issued their report on the unclassified employees' pay raises and bonus issued to the former General Manager and Deputy General Manager. The report revealed the majority of the pay raises were not properly ratified by the Board of Directors. The Attorney General indicated review of the OPA's findings and recommendations are being made before deciding how to proceed.

10. **Policy on Financials:** You worked closely with the Financial Affairs Controller in updating a 2004 policy on petty cash disbursement procedures. The policy adjusted the petty cash limit due to the inflation of goods and services to be in line with the procurement rules of small purchases.
11. **Information Technology:** Working closely with the Systems Manager, we were able to comply with the Government Open Law on live streaming of board meetings.

The most significant accomplishment during your evaluation period was your leadership in calming the fears of employees and minimizing the exposure of the COVID-19 at the work environment. Two months into your employment, the international news media was reporting on the rise of Coronavirus, also known as COVID-19, into the Asia Pacific Region. Immediately after the President's declaration, we issued guidelines to all shippers, agents, and Port staff providing appropriate measures to reduce the COVID-19 risk to our tenants and employees. Our guideline provided the shipping agents with a process outlining what to do if a crew member was ill and suspected to have COVID-19 and guidance to employees on what they are prohibited from doing when on the vessel during operations.

When the Governor declared a public health emergency pandemic in March 2020 because of the first positive COVID-19 cases, concerns and fears were raised by employees. Employees experienced restrictions on their daily lives, both at work and at home, which forced each of us to quickly adopt different ways of working, learning, and connecting with each other.

While this crisis brought unprecedented challenges for our employees, we were able to alleviate their fears by implementing the following initiatives to help safeguard the employees, our partners, and valued customers:

1. Guidance on prevention (good hygiene practice, social distancing and require employees who returned from off-island to self-quarantine).
2. Established with the Governor and Director of Public Health's approval, a Port Clinic staffed by healthcare professionals 24/7 on Port premises. The Port Clinic staff provides temperature screening and monitoring of the Port's employees, tenants, agents, and anyone concerned about being exposed to COVID-19. As of today, the clinic has had more than 44,232 visits by employees, tenants, transiting vessel crew members, and customers.
3. Updated the Port's Pandemic Plan on Influenza and distributed it to all employees.

4. Created a group of emails to reduce face-to-face contact between employees, agents, and tenants to minimize the face-to-face interaction.
5. Procured hand washing stations around the Port premises.
6. Generated Port E-advisories on:
  - a. Dispel misinformation of employees who allegedly tested positive;
  - b. Protocol procedures for healthcare professionals at the Port on fever, signs, and lower respiratory illness symptoms;
  - c. Mandatory social distancing;
  - d. If symptoms are being experienced to immediately self-quarantine and notify the physician and supervisor;
  - e. Employees report to their regular duty station unless they are seen and cleared by a nurse at the Port clinic; and
  - f. Encouraged employees to be checked at the Port clinic daily.

Most of the Government departments and agencies were closed to the public; however, the Port remained 100% operational to ensure services of goods and materials are not disrupted to the people of Guam. Our outreach meetings with Port employees and effective communication enabled everyone to fully accept their role as an essential employee to the Government of Guam to ensure that the supply chain into Guam, and throughout our region remains uninterrupted. Our quick action ensured that all Port offices were retrofitted and that each employee was provided with personal protective equipment.

As we settle into the “new normal” of social distancing and practicing safe hygiene measures, we continue to focus on the safety, health, and well-being of the employees. We are deeply grateful that the Port has a very resilient team and are all motivated to emerge stronger from the crisis.

During your first year of employment, we were challenged on an unprecedented scale and saw that this disease does not recognize borders. The threat of COVID-19 became a reality when one of our front-liner employees, +Mr. Henry San Nicolas, passed away in November 2020 because of this disease. We also saw immense grief among the Port employees who lost their immediate family members and friends to this disease.

The challenges as a result of COVID-19 brought out the best in our employees as they band together to help others. The fight we are all involved in against this virus shows the importance of working together.

In addition to the above accomplishments, you were able to continue to address day-to-day work activities in such an excellent manner to ensure divisions under your purview are not disrupted.

As a result, the overall evaluation for your first year is Exceptional Performance.

As required in Policy Memorandum 09-04, the following areas of responsibilities, objectives, and measures for the upcoming rating period is being provided:

1. **Revenue Bond Projects**: Continue to work with Procurement staff in preparing and issuing procurement packages for other revenue bond projects and monitor the progress for those projects awarded.
2. **Integration of Financial Management System and Terminal Operating System**: Work with the consultants, Financial Affairs Controller, and Systems Manager to establish a chart of accounts so that the Port would be able to truly see the actual expenditures against a vessel or special operations and revenues received.
3. **Finance Receivables and Payables**: Review with the Financial Affairs Controller and Commercial Manager on what options are available to reduce the 120 days aging accounts receivables.
  - a. Review the current process on accounts payable to determine if the posting of invoices for materials, supplies, and services are done daily or only if payment is to be batched and provide solutions to reflect the true financial payables.
  - b. Review aging accounts payables and provide solutions as to how to address these debts.
4. **Update of the Personnel Rules and Regulations**: Work with the Personnel Services Administrator in updating the 2009 Personnel Rules and Regulations. Since the passage of the current Personnel Rules and Regulations, there have been laws that have amended or repealed specific provisions of the rules.
5. **Standard Operating Procedures**: Work with division heads under your purview in preparing and updating their standard operating procedures.
6. **Real Estate Issues**: Work with Commercial Manager on the following:
  - a. **Bi-annual Review**: Review current rates and determine if Port would need to conduct an appraisal on marina, office, open, and antenna rates according to local mandates, which requires the Port to conduct a bi-annual review.
  - b. **Area A Tank Farm**: Provide feedback on the potential interest in the leasing of Area A Tank Farm.
  - c. **Recycling Enterprise Zone**: Identify the number of acres available for the recycling facility as required by Public Law 28-92 and survey such property for possible issuance of a solicitation of interest to entice eligible companies who would like to establish such facility.

- d. Aqua World Lease: Recommend if the Port wishes to continue its lease arrangement with Aqua World or pursue the desire of terminating the leasehold. If the determination is to maintain the relationship with Aqua World, both parties would need to commence discussion to identify what properties they wish to keep under their leasehold and amend the agreement to reflect the acres they wish to occupy accurately.
  - e. Pending Leases and Current Lease with Option Years: For current lease negotiations, the Port should review the disputed lease and determine if an agreeable resolution can be negotiated with the tenants. For pending leases, work with our commercial division to provide a recommendation for Board action to decide whether it is in the best interest of the Port and its future plans to proceed with the execution of such lease.
7. **Port Finances, Staffing, and Manpower Requirements**: Have division heads under your purview provide you with their proposed human resources assessment. Follow up on the Board's approval to issue a Request for Proposal to provide for temporary staffing as a means of meeting the increased demands when the military build-up ramps up.
  8. **Information Technology**: Work with Systems Manager in updating the website, and conduct reviews to determine if IT security processes are enforced. Work with Port Police Chief and Systems Manager on the cybersecurity which federal regulation is mandating the Port to implement.
  9. **Human Resources Issues**: Continue to review the issues outlined in the human resources brief and provide solutions to this office and the Board to address it.

This memorandum will be attached to your performance evaluation to justify the overall evaluation of your Exceptional Performance and to provide specific performance objectives for the next rating period.

*Si Yu'os Ma'ase* for a job well done.



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**Lourdes A. Leon Guerrero**  
 Governor of Guam  
**Joshua F. Tenorio**  
 Lieutenant Governor

**DEPUTY GENERAL MANAGER PERFORMANCE AND DEVELOPMENT EVALUATION FORM**

Name of Deputy General Manager: <b>Dominic G. Muna, Deputy General Manager Operations &amp; Maintenance</b>	Name of Reviewer/Title: <b>Rory J. Respicio, General Manager</b>
Period Covered: From: <b>01/08/2020</b> To: <b>01/07/2021</b>	Date of Review: <b>January 26, 2021</b>

**GENERAL INSTRUCTIONS:**

1. This form is to be used for initial and bi-annual performance evaluation for the Deputy General Manager. The performance evaluations are to occur six (6) months into the Deputy General Manager’s employment with the Port Authority of Guam and every twelve (12) months thereafter.
2. The ratings to be assigned by the Rater for each individual factor are indicated in Part I; for each individual Performance Objective in Part II; and for the Overall Rating in Part III.
3. The Performance Objectives and factors may be weighted at the Rater’s discretion.
4. The Reviewer is the General Manager.

**PART I: CORE PERFORMANCE FACTORS**

1. The General Manager evaluates the Deputy General Manager’s proficiency in the following performance factors using a single rating on the following scale:

- A = Exceptional Performance
- B = Superior Performance
- C = Average Performance
- D = Acceptable Performance
- E = Needs Improvement



Performance Factors	Rater's Rating
<p><b>1. Leadership</b></p> <p>Displays courage, passion and caring in work.  Sets a professional example.  Motivates other to work toward common goals.  Uses authority responsibly.  Addresses problems proactively.  Gains support and seeks buy-in-through participation of others.  Demonstrates interest in professional growth of others.  Shows good judgment and accepts ownership for decisions in areas of responsibility.</p> <p><b>Supportive Information: See attached.</b></p>	A
<p><b>2. Commitment to the Port's Mission, Vision and Values</b></p> <p>Articulates or shows appreciation for the importance of shared vision.  Demonstrates civility in relations with others.  Requires supervised employees to show civility in their relations toward others.  Participates regularly in activities beyond immediate areas of responsibility which support the mission of the Port.  Demonstrates consideration of the Port's values when making decisions.  *(Diversity and civility are examples of University values to be considered.)</p> <p><b>Supportive Information: See attached.</b></p>	A
<p><b>3. Management Practices</b></p> <p>Demonstrates commitment to good customer services.  Demonstrates competency in labor-management relations activities necessary to effectively manage the areas of responsibility.  Questions existing practices for continued relevancy.  Effectively initiates and promotes necessary change in the areas of responsibility.  Sets and enforces performance standards effectively.  Recognizes and rewards good performance.  Plans effectively and shows good project management skills.  Shows awareness of "good practices" for areas of responsibility.  Encourages employees to improve performance and grow by actively supporting and encouraging employees to participate in training and development activities.</p> <p><b>Supportive Information: See attached.</b></p>	A

Performance Factors	Rater's Rating
<p><b>4. Relational Skills</b></p> <p>Works effectively with others.  Works collaboratively and negotiates effectively.  Maintains confidentiality.  Accepts constructive criticism without offense.  Demonstrates sensitivity to the rights and opinions of others, even in disagreement.  Presents a positive image of the Port to external publics.  Respects cultural differences and embraces activities which support a diverse community.</p> <p><b>Supportive Information: See attached.</b></p>	A
<p><b>5. Commitment to Diversity</b></p> <p>Respects cultural differences and embraces activities which support a diverse community.  Utilizes recruitment strategies designed to attract diverse applicant pools.  Actively engages in diversity initiatives, such as, mentoring, training and employee networks.  Displays a commitment to diversity.</p> <p><b>Supportive Information: See attached.</b></p>	A
<p><b>6. Resource Management</b></p> <p>Recruits, selects and retains capable, productive employees.  Effectively deploys staff, equipment and technology to accomplish work.  Shows good stewardship of financial resources.  Demonstrates knowledge of budget and use of financial reporting systems.  Displays creativity/innovative in managing resources.</p> <p><b>Supportive information: See attached.</b></p>	A
<p><b>7. Communication Skills</b></p> <p>Shares appropriate information with internal and external audiences in a timely and responsible manner.  Manages meetings effectively.  Possesses effective listening skills.  Articulates clearly and writes effectively.  Displays effective presentation skills.</p> <p><b>Supportive information: See attached.</b></p>	A

Performance Factors	Rater's Rating
<p><b>8. Accountability</b></p> <p>Takes responsibility for fulfilling job duties.  Meets attendance and punctuality guidelines.  Demonstrates accuracy and thoroughness.  Completes work on time.  Follows instructions and directions.</p> <p><b>Supportive Information: See attached.</b></p>	<p style="text-align: center;"><b>A</b></p>
<p><b>9. Responsiveness/Customer Service</b></p> <p>Consistently demonstrates respect, responsiveness and professionalism.  Provides each customer with the same high quality services.  Fosters and models a commitment to customer service.  Builds customer and confidence and increases customer satisfaction.  Makes customers and their needs a primary focus.  Developing and sustaining productive customer relationship.</p> <p><b>Supportive Information: See attached.</b></p>	<p style="text-align: center;"><b>A</b></p>
<p><b>10. Decision Making/Problem Solving</b></p> <p>Identifies and understands issues, problems and opportunities.  Make timely and rational decisions based on analysis of relevant information/data  Accepts responsibility for decisions and takes proper action when necessary.  Uses effectively approaches for choosing a course of action or developing appropriate actions.  Takes action that is consistent with available facts, constraints, and probable consequences.</p> <p><b>Supportive information: See attached.</b></p>	<p style="text-align: center;"><b>A</b></p>
<p><b>11. Work Environment/Safety</b></p> <p>Promotes and supports a respectful workplace; comply with laws, policies and procedures.  Models ethical behavior and decision making and ensures compliance.</p> <p><b>Supportive information: See attached.</b></p>	<p style="text-align: center;"><b>A</b></p>

**PART II: JOB SPECIFIC PERFORMANCE OBJECTIVES**

Instructions: Part II creates the performance deliverable which will be measured. The Deputy General Manager and General Manager should identify below between 5 and 8 significant deliverable in the form of major initiatives or projects. They may include annual program objectives or project-related work. The intent is that there should be some collaboration between the Deputy General Manager and General Manager when assigning the deliverables and they should be prioritized if at all possible, with the most important in block 1, next most important in block 2, etc. If more than 8 deliverables require listing, those in excess of 8 may be listed in the back of the last page. (NOTE: It is typical for some priorities to change over the course of the year, and it also foreseeable that some objectives set at the beginning of the cycle may prove unachievable for reasons outside the Deputy General Manager's control.)



Job Specific Performance Objectives	Rater's Rating
<p><b>1. Objective:</b></p> <p><i>Refer to the attached memorandum for performance objectives and expected results.</i></p>	
<p><b>Expected Results:</b></p>	
<p><b>Actual Results:</b></p>	
<p><b>2. Objective:</b></p>	
<p><b>Expected Results:</b></p>	
<p><b>Actual Results:</b></p>	
<p><b>3. Objective:</b></p>	
<p><b>Expected Results:</b></p>	
<p><b>Actual Results:</b></p>	

<b>Job Specific Performance Objectives</b>	<b>Rater's Rating</b>
4. Objective:	
Expected Results:	
Actual Results:	
5. Objective:	
Expected Results:	
Actual Results:	
6. Objective:	
Expected Results:	
Actual Results:	
7. Objective:	
Expected Results:	
Actual Results:	



Job Specific Performance Objectives	Rater's Rating
8. Objective:	
Expected Results:	
Actual Results:	

The Deputy General Manager and the General Manager have met, discussed and agreed to the above initiatives as measurable deliverables for the performance cycle.

<b>Employee' Signature:</b> 	<b>Date:</b> 1/26/21
<b>General Manager's Signature:</b> 	<b>Date:</b> 1/26/21

**PART III: SUMMARY OF OVERALL PERFORMANCE:**

The space below is provided for a narrative summary of the Deputy General Manager's performance over the immediate cycle to be completed by the General Manager (Rater).

*Refer to attached memorandum.*

**PART IV: OVERALL PERFORMANCE EVALUATION RATING: (Please checkmark  $\checkmark$ )**

Exceptional Performance

Superior Performance

Average Performance

Acceptable Performance

Needs Improvement

**PART V: PERFORMANCE DEVELOPMENT PLAN:**

In the blocks below, the General Manager should make specific recommendations designed to identify strategies to enhance the Deputy General Manager's current competencies (first block) or correct performance issues (second block).

Professional Growth Strategies:



*Refer to attached memorandum.*

Remedial Strategies:

*Refer to attached memorandum.*

**PART VI: SIGNATURES:**

The Deputy General Manager and General Manager are required to sign the instrument after completing it and concluding the performance interview. The Deputy General Manager is only attesting to having been afforded the opportunity to review the evaluation and discuss the evaluations with the General Manager. The Deputy General Manager's signatures does not necessary indicate that he/she agrees with the General Manager's measurement of his/her performance. Employee's comments are optional.

<b>General Manager's Signature:</b> 	<b>Date:</b> 1/26/21
<b>Employee' Signature:</b> 	<b>Date:</b> 1/26/21

<b>Employee comments:</b>	<b>Date:</b>
I would like to discuss with the General Manager: <input type="checkbox"/> Yes <input type="checkbox"/> No  As requested, the Board of Directors discussed report.	
<b>General Manager's Signature:</b>	



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**Lourdes A. Leon Guerrero**  
Governor of Guam  
**Joshua F. Tenorio**  
Lieutenant Governor

January 26, 2021

## MEMORANDUM

TO: Deputy General Manager, Operations & Maintenance Dominic G. Muña

FROM: Rory J. Respicio, General Manager 

SUBJECT: Performance Evaluation – January 8, 2020 to January 7, 2021

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*Hafa Adai!* Title 12 Guam Code Annotated, Chapter 10, Section 10111(c), authorizes the Board of Directors to employ and compensate under the terms and conditions fixed at the pleasure of the Board for the Deputy General Manager position. Title 5 Guam Code Annotated, Government Operations, Chapter 43, Boards and Commissions, Article 2, Performance Evaluation of agency Heads required that the board issue performance reviews of the General Manager six (6) months after employment and every twelve (12) months thereafter. Policy Memorandum 09-04, Subject: Policy on Performance Evaluation for Deputy General Manager, states it is the intent of the Board and general policy to extend the application of the law to the Deputy General Manager.

On January 28, 2020, the Board of Directors concurred to the performance evaluation for your first year as Deputy General Manager for Operations and Maintenance. The following goals and objectives for your second year of employment were outlined in your evaluation as follows:

- Revenue Bond Projects, Hotel Wharf, and other CIP Projects
- Removal of Port Inoperable Assets
- Standard Operating Procedures
- Staffing and Manpower Requirements
- Union Contract Provisions
- Cyber Security System Plan Implementation
- Federal Grants
- Update of rules and regulations for Port Police and Harbor Master divisions
- Five-year Equipment Replacement Plan
- Training for employees

Reviewing your performance, goals and objectives, Board minutes and correspondence you were able to achieve the following during your second year of employment:

1. **Training:** Upon the reinstatement of the Human Resources staff, you and the Deputy General Manager for Administration & Finance worked with them to ensure that all

Operations and Maintenance employees possessed certifications as mandated by OSHA, U.S. Department of Transportation and U.S. Coast Guard by the end of the year.

2. **Employee Work Schedules**: You ensured Operations and Maintenance implemented the two-week work as mandated by the Personnel Rules and Regulations and as agreed upon in the union contract provisions. We saw that the new work schedule of 8 hours for employees in day and night shift resulted in 14.6% decrease in overtime costs.
3. **Removal of Port Inoperable Assets**: We observed that the inoperable assets on the Port's waterfront and terminal facilities are deteriorating, whereby rust from the equipment were falling. You coordinated with Port Police and Safety divisions to place barriers around the equipment so no one would enter or congregate in the areas. You and your team worked effortless in developing the procurement package for the removal of the Port inoperable assets. As a result of your hard work, the solicitation was issued in December 2020 with an anticipated award in February 2021.
4. **Gantry Crane Purchase and Maintenance**: In your last evaluation, we talked about the grant application we submitted to MARAD under the Port Infrastructure Development Program to acquire two ship-to-shore gantry cranes. Although our application was not approved, we immediately started discussions with the U.S. Economic Development Administration (EDA) and the U.S. Department of Agriculture (USDA) on the grant application and a potential loan. Your team was able to submit the first draft application for the direct loan to USDA and is working closely with the Port's consultants in compiling the estimated project costs for the application to EDA. The estimated cost under the EDA grant is \$30 million for two STS cranes, and with the Port's \$15 million share for the purchase of the third STS crane.

The performance management contract (PMC) procurement solicitation to assist the Port in maintaining and repairing our cranes was finally issued and is currently being reviewed by the committee.

5. **Interpersonal Relationships**: You continued to effectively engage with stakeholders and Port employees to make sure that the lines of communications are constantly opened and transparent. The involvement of our stakeholders and employees are shown in the cooperation and helping hand approach in projects in collaboration with other Government of Guam agencies especially during the pandemic crisis.
6. **Guam Customs Inspection Facility**: You and your team worked closely with Customs representatives in identifying the site where the new customs inspection, holding, and securing area will be located. The Port coordinated with the Department of Land Management on the survey and transfer of the property from Port to Customs and Department of Public Works on the clearing of the property. Our OAE consultant provided proposed facility design layouts on the 4-acre parcel adjacent to the main terminal gate, which Customs has agreed on one of the layouts. The preferred layout design's objective



is two-fold: (1) allowed Customs to conduct their privacy operations inside the facility and (2) mandated the use of the Department of Public Works' weigh stations by the truckers.

7. **Hotel Wharf:** You worked closely with our consultants and Planning on the coral relocation and monitoring work which was adjacent to Hotel Wharf. The procurement for the construction management was issued and cost negotiations have been completed and is to be presented to the Board for approval and PUC for concurrence. Once this has been completed, the Construction Management contractor will develop the procurement solicitation for the rehabilitation of Hotel Wharf and access road. We expect to award the project by May 2021 and construction to begin before the end of the year.
8. **Port Wharves Assessment and Upgrades:** You and your team provided to our OAE consultants the diving reports on the wharves' condition, which provided a realistic picture of what piers would need immediate repair. Based on their review, OAE reported the dolphins for F1 were in a much more serious condition than what was originally assessed. We immediately engaged with OAE subcontractors to provide analysis on the berthing and mooring of vessels on F-1. This effort was done to provide proper guidance to our fuel managers on the safe capacity of berthing at the pier. You worked closely with our Planning staff in preparing federal grant applications to submit to funding the repair work for the wharves and Engineering reviewing the current structural integrity of the wharves to determine the safe loads it can handle.
9. **Monitoring of Union Contract Provisions:** Since the execution of the union contract, you have been working closely with the union stewards on the monitoring of the contract. Based on feedback by the union, we have been complying with the provisions that have been agreed upon.
10. **Port Master Plan Update:** Through collaboration with the Port and Governor's Office, the Port was awarded \$1.6 million from the Office of Economic Adjustment to update the Port's 2013 Master Plan. The funding allows the Port to work with its OAE consultants on a massive initiative to update the master plan and layout the framework for the Ports' near and long-term vision to modernize its facilities, infrastructure, systems, and operations. Weekly meetings are held with the Port's consultants, with the following key timelines achieved: stakeholder outreach, data findings presentations, special studies presentation, market analysis and cargo forecast, capacity and needs analysis and the draft report on the customs feasibility study. The consultants are currently working on the economic analysis summary. We expect the report to be presented Governor in October and hopefully acquire final approval by the Guam Legislature in December 2021.
11. **Federal Grants and Grant Opportunities:** You worked closely with Planning staff and respective division heads on the following federal grants:
  - a. We were approved for \$500,000 to support Harbor of Refuge's repair work and \$512,759 for the Agat Marina Dock B construction by Department of Agriculture.

A draft Memorandum of Understanding is currently with Department of Agriculture for their review.

- b. An application for the hardening of Port wharves service life extension in the amount of \$22,391,342.00 was submitted under the FEMA Hazard Mitigation Grant Program – FY2020 Building Resilient Infrastructure & Communities Grant.
  - c. The Port has partnered with Commonwealth Northern Marianas Island (CNMI) for a joint route designation and project designation for consideration under MARAD's America's Marine Highway Program. If approved by MARAD, this joint designation will allow both ports (Guam and CNMI) to apply for grant opportunities for infrastructure upgrades or equipment acquisition.
12. **Staffing and Manpower Requirements:** You worked closely with the Operations and Maintenance division heads on staffing the operations—normal and vessel—to ensure productivity and turnaround of vessels are not hampered. The productivity continued to remain high between 18.3 to 23.1 and berth hours at 16 to 13, which was indicative of the employees' job satisfaction at the Port. We provided stability in the leadership in the Operations Department we selected through the merit system process in-house personnel to occupy the Operations Manager and Assistant Operations Manager.
13. **Accountability and Transparency Awards:** We were very humbled and honored to be recipients of awards from Association of Government Accountants Guam Chapter for the 1<sup>st</sup> place Platinum “Excellence in Citizen-Centric Reporting Award” and the “Accountability and Transparency in Citizen-Centric Award. This national and local recognitions are first-time awards for the Port.
14. **Abandoned Derelict Vessel Project:** You and your team worked closely with Guam Environmental Protection Agency and Guam Power Authority to remove 14 abandoned derelict vessels within the navigational hazards that pose significant threats to commercial and natural resources in Apra harbor. A port water tour was done in December 2020, which allowed the Governor and Lt. Governor to observe first-hand the locations of these vessels and be briefed on the type of work is to occur in the removal of such vessels. After the boat tour, the Governor signed an executive order forming a group to remove the abandoned vessels from the Port harbor.

You were able to focus on the day-to-day activities in an exemplary manner despite the fact that two months into your evaluation period, the international news media was reporting on the rise of Coronavirus, also known as COVID-19, into the Asia Pacific Region. Immediately after the President's declaration, we issued guidelines to all shippers, agents, and Port staff providing appropriate measures to reduce the COVID-19 risk to our tenants and employees. Our guideline provided the shipping agents with a process outlining what to do if a crew member was ill and suspected to have COVID-19 and guidance to employees on what they are prohibited from doing when on the vessel during operations.

When the Governor declared a public health emergency pandemic in March 2020 because of the first positive COVID-19 cases, concerns and fears were raised by employees. Employees experienced restrictions on their daily lives, both at work and at home, which forced each of us to quickly adopt different ways of working, learning, and connecting with each other.

While this crisis brought unprecedented challenges for our employees, we were able to alleviate their fears by implementing the following initiatives to help safeguard the employees, our partners, and valued customers:

1. Guidance on prevention (good hygiene practice, social distancing and require employees who returned from off-island to self-quarantine).
2. Established with the Governor and Director of Public Health's approval, a Port Clinic staffed by healthcare professionals 24/7 on Port premises. The Port Clinic staff provides temperature screening and monitoring of the Port's employees, tenants, agents, and anyone concerned about being exposed to COVID-19. As of today, the clinic has had more than 44,232 visits by employees, tenants, transiting vessel crew members, and customers.
3. Updated the Port's Pandemic Plan on Influenza and distributed it to all employees.
4. Created a group of emails to reduce face-to-face contact between employees, agents, and tenants to minimize the face-to-face interaction.
5. Procured hand washing stations around the Port premises.
6. Generated Port E-advisories on:
  - a. Dispel misinformation of employees who allegedly tested positive;
  - b. Protocol procedures for healthcare professionals at the Port on fever, signs, and lower respiratory illness symptoms;
  - c. Mandatory social distancing;
  - d. If symptoms are being experienced to immediately self-quarantine and notify the physician and supervisor;
  - e. Employees report to their regular duty station unless they are seen and cleared by a nurse at the Port clinic; and
  - f. Encouraged employees to be checked at the Port clinic daily.

We held meetings with each division explaining how we were to follow CDC guidelines on essential employees. While we saw that most of the Government departments and agencies were closed to the public, we emphasized to the employees the need for the Port to remain 100% operational to ensure services of goods and materials are not disrupted to the people of Guam.

Our outreach meetings with Port employees and effective communication enabled everyone to fully accept their role as an essential employee to the Government of Guam to ensure that the supply chain into Guam, and throughout our region remains uninterrupted. Our quick action

ensured that all Port offices were retrofitted, and that each employee was provided with personal protective equipment.

You and team assisted in transporting goods and materials and coordinating services to Department of Education and Department of Public Health for the food drive and COVID-19 testing at different sites around the island.

As we settle into the “new normal” of social distancing and practicing safe hygiene measures, we continue to focus on the safety, health, and well-being of the employees. We are deeply grateful that the Port has a very resilient team and are all motivated to emerge stronger from the crisis.

During our second year of employment, we were challenged on an unprecedented scale and saw that this disease does not recognize borders. The threat of COVID-19 became a reality when one of our front-liner employees, +Mr. Henry San Nicolas, passed away in November 2020 because of this disease. We also saw immense grief among the Port employees who lost their immediate family members and friends to this disease.

The challenges as a result of COVID-19 brought out the best in our employees as they band together to help others. The fight we are all involved in against this virus shows the importance of working together.

When reviewing the above accomplishments, it is amazing how you, along with your team, showed the dedication and commitment in making sure the Port succeed in their endeavors. We were challenged with pressing issues and obviously distractions that would have an impact on the Port’s operations, yet we were able to provide solutions that are beneficial not only for the Port but also Guam and the Micronesian Islands.

As a result, the overall evaluation for the year is Exceptional Performance.

As required in Policy Memorandum No. 09-03, the following areas of responsibilities, objectives and measures for the upcoming rating period is being provided:

1. **Revenue Bond Projects, Hotel Wharf and Other CIP Projects.** Continue to work with Engineering and Planning staff on the progress of projects awarded. Follow-up with Procurement and Port Staff Attorney on the required review of procurement packages to be issued.
2. **Removal of Port’s Inoperable Assets:** Upon awarding the procurement solicitation, work with the Deputy General Managers to coordinate with divisions under their purview the removal of such assets from the Port premises.
3. **Standard Operating Procedures:** Continue to work with division heads under their purview in updating their standard operating procedures for review and approval by management or the Board whichever is applicable.

4. **Staffing and Manpower Requirements:** Continue to update the Port's human resources assessment for all divisions. Coordinate with the Deputy General Manager, Administration and Finance, to issue the procurement for temporary staffing to supplement human resources needs when the military build-up ramps up.
5. **Union Contract Provisions:** Continue to monitor and provide status on the implementation of the agreement's provisions.
6. **Cyber Security System Plan Implementation:** Continue to work with the Deputy General Managers in developing the framework in implementing the program and the financing of the plan through grants.
7. **Federal Grants:** Continue to work with Deputy General Managers on applying grants for the acquisition of equipment and projects related to the modernization program.
8. **Update of Rules and Regulations and Standard Operating Procedures:** Continue to work with the Deputy General Managers in updating rules and regulations and standard operating procedures.
9. **5 Year Equipment Plan:** Continue to work with respective division heads under your purview to refine the five-year equipment replacement need, which will serve as a planning tool and long-range perspective of the Port's equipment needs over the next 20 years.
10. **Training, certification, and re-certification of employees:** Continue to work with the Deputy General Managers and respective division heads:
  - a. Re-establish the apprenticeship program so employees may obtain the necessary academic knowledge and specific on-the-job training of the positions' trades.
  - b. Develop a mentoring program and identify employees who have specific skills and knowledge with individuals who need or want the same skills and advantages to move up in work, skill level, or performance.
  - c. Continue to work with Human Resources staff, Operations and Maintenance division heads on training certifications required by the federal government.

This memorandum will be attached to your performance evaluation to justify the overall evaluation of Exceptional Performance and provide specific performance objectives for the next rating period.

*Si Yu'os Ma'ase* for a job well done.