



JUNE 2025



Port Earns Clean FY2024 Audit with Strong Financial Growth and Operational Progress

Board of Directors

Dorothy P. Harris
Chairperson
Conchita S.N. Taitano
Vice Chairperson
Fe Valencia-Ovalles
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Mark B.C. Mendiola
Board Member

Port Management

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

Inside this Issue

- FY24 Audit
- Silver Medal for CCR
- Investment Bill
- \$3M Bond Pay Down
- Legislature Confirms Board Members
- Liberation Lottery
- DOT: 5 New Forklifts
- Chassis Revenue
- Guam Chamber Presentation
- MARAD Visit
- Funding Strategies for Gantry Cranes
- Equipment Use Report
- Hagåtña Users Group
- 2025 Pacific Alert TTE
- Automate Check Stubs
- GSYEP Interns
- Yard Office Reno.
- June Photo Highlights
- July Birthdays



The Port Authority of Guam has once again received a clean, or unmodified, audit for Fiscal Year 2024, ending with a net position of \$34.3 million, a net increase of \$3.3 million over the prior year's \$31 million.

This clean audit reaffirms the agency's commitment to fiscal discipline, transparency, and effective oversight. The independent audit done by Ernst and Young confirmed there were no material weaknesses or significant deficiencies in internal controls.

Operating revenues totaled \$58.7 million, a slight decrease from FY 2023. However, non-operating revenues rose to \$12.9 million, driven in part by a \$5 million Typhoon Mawar insurance settlement. Total net income reached \$3.3 million.

Key achievements in FY 2024 include:

- Stable cargo throughput with 85,000 containers processed,

steady from FY 2023, and a 22 percent increase in roll-on roll-off cargo

- \$21 million in capital projects, including EQMR building repairs, waterline replacements, E1 system upgrades, and pipeline work supported by FEMA and EDA
- Continued federal grant success, securing awards from MARAD, FEMA, EPA, NTIA, and DHS totaling over \$25 million for port upgrades and resiliency planning
- Reduction of the Port's revenue bond debt to \$61 million
- Accomplished a Debt Service Coverage Ratio of 1.93, well above the 1.25 indenture requirement
- Completion of workforce training for over 80 employees in crane operations, rigging, procurement, and equipment handling, alongside reinstated on-the-job

Story continues on page 2

- training programs
- Continued hiring reforms, cross-divisional training, and real-time equipment tracking via the EQMR Dashboard
- Adoption of a Net Zero Emissions Strategy
- Updated property appraisal to \$435.8 million, a 57 percent increase, ensuring sufficient insurance coverage post Typhoon Mawar

The Port also continues to seek federal support to replace its 42-year-old gantry cranes. A loss of even one crane would significantly impact military readiness and regional logistics. Efforts are underway to secure federal and legislative funding to support full crane replacement and long-term modernization.

“We commend the Port Authority of Guam for earning another clean audit. This reflects steady financial gains and responsible management,” said Governor Lou Leon Guerrero. “The Port continues to play a critical role in sustaining Guam’s economy and ensuring that our island remains strong, secure, and resilient.”

“The Port’s progress in financial oversight, modernization, and workforce readiness enhances the capacity of our island’s only commercial seaport and strengthens our national and regional defense posture,” said Lt. Governor Josh Tenorio. “We remain committed to supporting the Port’s efforts to deliver for the people of Guam, our region, and our nation.”

“This clean audit and the Port’s continued financial turnaround reflect the dedication and discipline of the entire team,” said Port Board Chairperson Dorothy Harris. “On behalf of the Board, I want to thank the General Manager, the Deputy General Managers, our division heads, and every Port Strong employee. Their collective effort, professionalism, and commitment to public service have positioned the Port as a model of resilience, accountability, and progress.”

The Port’s net position increased by \$3.3 million, an 11 percent improvement over the previous year, ending FY 2024 at \$34.3 million. This growth was primarily driven by a \$5 million Typhoon Mawar insurance settlement, which helped offset the financial impact of pension and post-employment benefit obligations. Total cash and cash equivalents stood at \$124.5 million, including \$95.9 million in restricted reserves.

“When we began this financial journey in 2019, the Port’s net position was a negative \$104,000. Since then, we have steadily restored financial stability through disciplined management, tighter internal controls, and by fully applying the Port’s tariff to collect all charges authorized under it. Our work is far from over. These actions have improved our ability to meet grant conditions, strengthen service delivery, and support critical infrastructure investments,” said Rory J. Respicio, General Manager of the Port Authority of Guam.

Port Wins Silver for Excellence in Citizen-Centric Reporting

The Port Authority of Guam is proud to announce that it has been awarded Silver in the Association of Government Accountants (AGA) Guam Chapter’s Excellence in Citizen-Centric Reporting awards for its Fiscal Year 2023 Citizen-Centric Report (CCR).

The award was officially presented on June 27, 2025 by the AGA Guam Chapter following their review of the Port’s latest CCR publication. The recognition highlights the Port’s ongoing commitment to transparency, accountability, and public communication.

“This recognition underscores the Port’s steadfast commitment to transparency, fiscal responsibility, and effective public communication,” said Port General Manager Rory J. Respicio. “It’s a reflection of the hard work and integrity of our



team. We are deeply grateful to our employees, board members, the Governor, Lt. Governor, and our partners whose shared dedication ensures the Port remains accountable to the people of Guam.”

AGA’s Citizen-Centric Reporting initiative encourages public entities to publish accessible, user-friendly reports that clearly communicate how taxpayer dollars are spent. The Port’s FY 2023 CCR outlines key financial data, performance measures, and strategic priorities in a format

Story continues on page 3

designed for the general public. “We continue to acknowledge the finance and marketing divisions for continued collaboration in piecing together these award-winning documents,” Respicio adds.

This marks the seventh time the Port Authority

of Guam has been honored for its Citizen-Centric Reports by both the local and national chapters of AGA, a testament to the agency’s consistent performance and leadership in government transparency.

Governor Signs Bill to Incentivize Private Sector Investment in Port Infrastructure

In a move to encourage private investment in public infrastructure, Governor Lou Leon Guerrero signed Bill No. 109-38 (COR) into law on June 17, 2025, empowering the Port Authority of Guam to support tenant-led upgrades that improve Port facilities and operations.

The bill was passed by the Guam Legislature on June 3, 2025.

The newly enacted law authorizes the Port to “grant a dollar-for-dollar offset against lease payments for tenants who invest in tangible, documented improvements to Port property that provide high value to the community or enhance Port operations.” The bill also establishes a “streamlined process for implementation,” allowing more efficient execution of qualifying improvements.

“This legislation provides a strategic opportunity for our tenants to actively participate in the modernization of our port facilities,” said Rory J. Respicio, General Manager of the Port Authority of Guam. “By investing in tangible improvements, they not only enhance their operational capabilities but also contribute significantly to the economic vitality of our island.”

Introduced by Senators Jesse A. Lujan, Christopher M. Dueñas, and V. Anthony Ada, Bill No. 109-38 underscores a collaborative approach to strengthening Guam’s critical infrastructure through community-driven development and operational enhancements.



Port Board Approves \$3M Bond Pay Down Using Existing Port Funds to Protect Finances and Preserve Borrowing Options

The Board of Directors of the Jose D. Leon Guerrero Commercial Port Authority of Guam unanimously approved Resolution No. 2025-20 to protect the agency’s financial standing. The resolution, passed during the June 5, 2025 Board of Directors meeting, authorizes up to \$3.07 million from existing Port funds to pay down a portion of the 2018 Revenue Bond debt, a technical correction aimed at maintaining compliance with the debt service coverage ratio requirement for fiscal year 2025.

“The Port is not in financial trouble,” said General Manager Rory J. Respicio. “The issue is technical, not operational. We are using our own funds to reduce debt and maintain future capital options. The move is proactive, responsible, and strengthens our ability to invest in long-term improvements. We thank Governor Lou Leon Guerrero, Lt. Governor Josh Tenorio, and the

Board for standing firm in support of the Port’s mission.”

Respicio explained that the Port has met the required 1.25 debt service coverage ratio every year since the first payment under the 2018 Revenue Bond. “But each year, the calculation excluded revenues from the Crane Surcharge, Facility Maintenance Fee, and Marina operations, even though these are recurring revenues used to support operations and capital improvements,” he said. “We have had to manage around a debt coverage formula that does not reflect our full financial position.”

To manage this imbalance and maintain compliance, Resolution No. 2025-20 adopts a defeasance strategy to reduce the amount of debt used in the fiscal year 2025 coverage calculation.

“In fiscal year 2025, that limitation finally

Story continues on page 4

reached a point where action is required,” Respicio said. “Without this measure, our projected ratio would drop to 0.85. With this pay down, the ratio is expected to improve to 1.78. This is not about changing the rules, it is about protecting the Port’s financial standing while working within the rules we inherited.”

He added that if those excluded revenue sources had been counted under the 2018 bond indenture, the Port would have consistently exceeded the required ratio. “The formula leaves out the very revenues we rely on to run and improve the Port,” he said. “It created artificial barriers in our reporting.”

“This structure, which predates the current administration, created technical issues that now require correction through defeasance,” he added. “It is a reminder that well-intended decisions do not always work in practice, especially when they limit flexibility in managing a 24/7 operation like the Port.”

Respicio also noted that fiscal year 2025 revenues are trending about 8.4% below projections and that this year’s finances reflect several one-time outlays. “These include full replacement value insurance coverage for the first time in twenty years, major capital equipment purchases, and post-typhoon Mawar repairs,” he said. “These were responsible decisions to protect assets and avoid higher costs later.”

The Board’s resolution directs the Port to deposit \$3,019,862.25 into a restricted escrow account for the July 1, 2025, debt service payment. Funds will come from available Port cash, unrestricted funds, and a release from the debt service reserve. The resolution also authorizes \$50,000 in costs, including reimbursement to the Guam Economic Development Authority

for coordinating the transaction, along with the Bureau of Budget and Management Research, Bank of America Securities, and Morgan Stanley & Company, LLC.

“This is about maintaining bond compliance today and keeping the door open for future capital borrowing,” Respicio said. “It also shows we are financially disciplined and focused on long-term planning.”

The Board also stated its intent to ensure that future bond agreements allow all recurring operational revenues to be counted. This will correct the flaws in the 2018 terms that restrict how the Port’s financial strength is measured.

In addition to passing Resolution 2025-20, the meeting featured the presentation of the FY2025 Mid-Year Review by General Manager Respicio. The report outlined key operational and financial milestones, including strong revenue performance, streamlined spending, and the implementation of systems that support transparency and efficiency.

“The Mid-Year Review is more than a progress report. It’s a cultural shift toward consistent performance and shared accountability,” Respicio said. “We are building systems that work, and we’re seeing the results in how Port employees are leading, how our projects are moving forward, and how we are all delivering on our responsibilities to the public and to our federal partners.”

The Board also approved several personnel-related measures during the meeting. These include Resolution 2025-18, establishing new classified positions for Tariff Technician I, II, and III to strengthen tariff monitoring and regulatory compliance, and Resolution 2025-19, abolishing the outdated positions of Maintenance Manager and Equipment Maintenance Superintendent in accordance with the Port’s succession Plan.



July 21, 2025

Happy 81st LIBERATION DAY

“Fanohge CHamoru”



Legislature Confirms Port Board Members

The Port Authority of Guam is proud to announce that the 38th Guam Legislature has officially confirmed both Vice Chairperson Conchita S.N. Taitano and new Board Member Mark B.C. Mendiola during legislative session on June 3, 2025.

Their confirmation follows a strong endorsement by Governor Lou Leon Guerrero and Lt. Governor Josh Tenorio, highlighting the administration's focus on stability, integrity, and forward-thinking oversight for the Port Authority of Guam.

Port General Manager Rory J. Respicio expressed full confidence in both board members, noting their strategic importance to the Port's mission. "Vice Chair Taitano has been a key part of the Port's transformation," Respicio said. "Her environmental leadership, technical expertise, and unwavering support for transparency and sound governance have helped position the Port as a national model for sustainable and resilient seaport operations."

Taitano has played a central role in guiding major infrastructure and environmental initiatives, including a \$2.4 million Clean Ports grant and a \$1.45 million DoD-funded Sustainability and Resiliency Plan.



Newly confirmed board member Mark B.C. Mendiola, currently Director of Residence Halls at the University of Guam, brings a wealth of experience in public administration, systems oversight, and interagency coordination. Respicio added, "Mark brings exactly the kind of collaborative and thoughtful approach that has defined our current Board. His understanding of systems, safety, and structure aligns perfectly with the Port's mission and strategic priorities."

The Port Board continues to serve as a vital oversight body in advancing initiatives tied to infrastructure modernization, environmental stewardship, economic development, and national security. The Board includes Chairperson Dorothy P. Harris, Board Secretary Fe Valencia-Ovalles, Vice Chairperson Taitano and Mendiola.

Liberation Lottery



The Port will be participating in this year's Liberation Day Parade festivities. Available spots along the parade route at and adjacent to the Gregorio D. Perez Marina will be offered by way of a random lottery selection. Deadline to submit your application to the Commercial Division is no later than Thursday, July 3, 2025. Lottery drawing will take place on Friday, July 11, 2025 at 3pm in the Board Conference Room. Should you have any questions, please contact Commercial Division.

Port Receives Five New Forklifts through DOT Grant

The Port Authority of Guam is proud to announce the arrival of five new forklifts this month to support cargo operations at the island's only commercial seaport.

These forklifts, valued at a total of \$352,015.00, are the last batch of modernization equipment acquired through a grant awarded by the U.S. Department of Transportation's Maritime Administration (MARAD) under the America's Marine Highway Program. A total of \$8,475,678.41 was spent on the new equipment. Out of that total, the grant paid for \$5.7 million and the Port paid for the remaining amount.

The U.S. Department of Transportation's Maritime Administration officially designated the "Guam and the Commonwealth of the Northern Mariana Islands Route" (M-GNM1) under the America's Marine Highway Program on August 19, 2021. This designation was made in partnership with both the Port Authority of Guam and the Commonwealth Ports Authority. That date marks the formal recognition of the route, making Guam and CNMI eligible for grant funding and reinforcing the regional collaboration with the Commonwealth Ports Authority.

Story continues on page 7



The five new 5.5-ton forklifts arrived on June 22, 2025 augmenting the Port's current fleet of equipment. These forklifts are equipped with advanced capabilities, enabling them to handle a wide range of materials efficiently, including heavy cargo and palletized goods. Their versatility and maneuverability ensure that the Port can meet the demands of modern shipping operations and improve the speed and safety of cargo handling.

This significant grant, first awarded on October 7, 2022, has been instrumental in upgrading the Port's operations and infrastructure, further solidifying Guam's role as a vital hub in the region's shipping and logistics network. The following assets have been received to date:

- Two 40-ton loaded container handlers – Fully received, valued at \$2,689,408.00
- Three 10-ton empty container handlers – Fully received, valued at \$2,205,723.00
- One 180-foot boom lift – Fully received, valued at \$517,205.41
- Nine container yard tractors – Fully received, valued at \$1,791,327.00
- Two 40-plug mobile reefer generators – Fully received, valued at \$920,000.00
- Five 5.5-ton forklifts – Fully received, valued at \$352,015.00

"These five forklifts are going straight to work, just like the two 40-ton loaded container handlers, three 10-ton empty container handlers, 180-foot boom lift, nine yard tractors, and two 40-plug mobile reefer generators we've brought



in over the past two years," said Respicio. "And when you factor in the vehicles we've acquired through FedGSA, it's clear we're not just buying new yard equipment. We're maintaining it, too. We've been very judicious with our spending. We buy new when we need to, used when it makes sense, and we always look to MARAD programs to help fund these major purchases that support our critical infrastructure needs. We thank MARAD tremendously for continuing to support the Port's modernization."

Respicio credited the success of the effort to strong leadership and teamwork: "This achievement would not have been possible without the support of Governor Lou Leon Guerrero, Lt. Governor Josh Tenorio, our Board of Directors, and the hard work of Port employees."



Port Implements Bare Chassis Demurrage Fee, Generates More than \$380K in First Five Months

In accordance with the Port's tariff, the Jose D. Leon Guerrero Commercial Port Authority of Guam has reported more than \$380,000 in revenue from its newly implemented Bare Chassis Demurrage Fee.

This fee, which took effect in December 2024, applies to bare chassis that remain on Port property beyond the free time allowance, which is set at seven days.

Since its implementation, the Port has recorded the following monthly revenues:

- December 2024: \$28,374.18
- January 2025: \$110,355.15
- February 2025: \$94,026.99
- March 2025: \$77,078.52
- April 2025: \$74,016.99

As of April 30, 2025, the total revenue collected stands at \$383,851.83.

"The implementation of the Bare Chassis Demurrage Fee is one of several actions we've taken to improve cargo flow and accountability on Port property," said General Manager Rory J.



Respicio. "The results so far demonstrate that the fee structure is not only working as intended, but also generating funds that can be reinvested into port operations and infrastructure."

The Port continues to maintain close coordination with shipping agents and stakeholders to ensure fair implementation and adherence to tariff terms.

Port GM Discusses Tariff Adjustment and Strategic Readiness at Guam Chamber of Commerce

Port Authority of Guam General Manager Rory J. Respicio delivered a direct and data-driven presentation to members of the Guam Chamber of Commerce General Membership Meeting on June 25, 2025, outlining the Port's proposed labor billing adjustment and its critical role in sustaining operational readiness, fiscal responsibility, and national defense alignment.

Respicio clarified that the initiative is not a general rate increase, but a targeted labor adjustment permitted under the existing tariff schedule. He emphasized that the Port has not made labor billing modifications since 2020 and that triggers established in Public Utilities Commission (PUC) Docket 17-01 have now been met and that includes a more than 4% rise in the Consumer Price Index and a 5% drop in container throughput.

"We qualify for a general adjustment, but we're only asking for what's fair and correcting how we charge for labor tied to vessel operations,"

he said. "This is about ensuring we're billing accurately for services we are already performing. It's about enforcing the tariff, not introducing new fees. No bonds. No borrowing. Just operational integrity."

The Port's updated labor billing reflects an average 17% increase phased in with 8.5% over the first four months, followed by full implementation and applies solely to vessel-related labor and equipment. Stevedoring, cargo checking, and rigging rates were re-aligned with actual costs, incorporating payroll, benefits, and inflationary trends.

Respicio also spotlighted the Port's role as a frontline logistics hub that remained 100% operational through the COVID-19 pandemic and reopened just three days after Typhoon Mawar. He detailed how the Port is supporting military surge operations, cruise disembarkation, and cybersecurity modernization all while maintaining

Story continues on page 9

the same monthly budget allotment and a disciplined workforce size.

The presentation also included a breakdown of more than \$106 million in federally funded modernization efforts, including gantry crane assessments, wharf rehabilitation, terminal yard expansion, and cybersecurity upgrades. These investments, Respicio noted, align with U.S. Department of Defense and Indo-Pacific Command priorities.

“We’re running the Port like a business and we are lean, efficient, and focused on mission readiness,” Respicio told attendees. “We owe it to the people of Guam and our federal partners to stay mission-capable and financially responsible.”

The Port’s tariff petition is under review by the PUC, with stakeholder outreach and internal coordination already completed.

Meanwhile, General Manager Respicio met with the Chamber’s Executive Committee at their office on June 4, 2025, providing updates on the Port’s forward-looking initiatives and answering key questions regarding the necessary tariff rate adjustments.

Respicio briefed the business community on the Port Look Ahead, highlighting critical upcoming projects tied to infrastructure resilience, modernization, and long-term economic support for Guam and the region. He was joined at the meeting by Port Board Secretary Fe Valencia-Ovalles and Port Chief Financial Officer Jose B. Guevara III.

A central focus of the presentation was the Port’s Tariff Petition and Respicio discussed the context and justification behind the request. The



June 4th meeting included a Q&A session centered on the justification for the tariff adjustments, with Chamber members seeking clarity on the rate structure, projected impacts on billing, and how the changes would affect shipping agents and cargo throughput. Respicio pointed to the Board of Directors’ recent resolution in support of the petition, noting that it reflects a deliberate and necessary step after years of maintaining the same rate structure despite inflation and increased operational costs.

Respicio also shared updates on the Port’s capital project pipeline, including major equipment upgrades, facility repairs following Typhoon Mawar, and long-term plans aligned with the island’s economic diversification strategy.

The Chamber meeting marks an important touchpoint in the Port’s outreach efforts, as officials continue to engage stakeholders and provide transparent information on how the tariff petition and upcoming projects align with Guam’s broader infrastructure goals.



Federal MARAD Officials Visit Port to Discuss Critical Infrastructure Projects

The Port Authority of Guam welcomed two officials from the U.S. Department of Transportation's Maritime Administration (MARAD) on June 13, 2025 for discussions centered on ongoing federal partnerships and key infrastructure initiatives.

Peter Simons, Acting Director of the Office of Port Infrastructure Development at MARAD Headquarters in Washington, D.C., and Gus Hein, Gateway Director for the Mid-Pacific Region, met with Port officials to discuss the planned acquisition of ship-to-shore gantry cranes and the latest developments on the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program.

"We appreciate the continued support and guidance from MARAD as we work to strengthen our Port's infrastructure," said Port General Manager Rory J. Respicio said. "These meetings are vital to ensuring our projects stay on track and aligned with federal priorities that support regional security, economic development, and long-term operational resilience."

Port officials provided an update on efforts to obtain MARAD funding for the gantry cranes. The Port recently submitted a proposal under the Port Infrastructure Development Program (PIDP) to acquire three ship-to-shore gantry cranes. The aging condition of the Port's current equipment limits its ability to manage peak and surge cargo volumes. In addition, one crane going down could set the military readiness program back four years.

Officials also discussed progress under the Port's RAISE grant to support critical repairs to



wharves F2-F6. The U.S. DOT Office of the Secretary, through MARAD, approved a no-cost modification reallocating funds originally designated for Pier F1 to instead support critical repairs to Wharves F2 through F6. The environmental assessment for the project is ongoing.

The Port continues to pursue additional funding sources for the gantry cranes, including potential Department of Defense support through the advocacy of Governor Lou Leon Guerrero and Lt. Governor Joshua Tenorio, as well as a congressional appropriation effort led by Congressman James C. Moylan.

General Manager Respicio expressed his appreciation for the continued partnership and technical support from MARAD, emphasizing that these federally supported projects are key to enhancing the Port's long-term capabilities including fuel piers and Hotel Wharf and Guam's role as a strategic logistics hub for commercial and defense needs in the Western Pacific.

Update on Funding Strategies for Gantry Crane Replacement

The Port Authority of Guam continues to advance multiple strategic funding initiatives to support the replacement of its ship-to-shore (STS) gantry cranes, a critical priority for modernizing maritime infrastructure and reinforcing Guam's role as a key logistics hub in the Indo-Pacific region.

The following is an update from General Manager Rory J. Respicio on the Port's efforts:

- **Governor and Lieutenant Governor's Leadership in Federal Advocacy and**

Economic Adjustment Committee (EAC) Process. As part of ongoing federal advocacy efforts led by the Governor and Lieutenant Governor over the past several years, the Port Authority's General Manager and others briefed representatives from the Governor's Community Defense Liaison Office and consulting firm Tetra Tech on May 6, 2025, for a strategic meeting focused on advancing critical infrastructure projects that support Guam's

Story continues on page 11

military readiness and long-term resilience.

Tetra Tech is conducting a comprehensive island-wide assessment of infrastructure needs and compiling a prioritized list of projects to be submitted to the federal EAC for funding consideration aligned with national defense priorities.

The Port Authority continues to collaborate closely with the Governor, Lieutenant Governor, Congressman Moylan, and other local and federal partners to advance these critical infrastructure initiatives. Among the priority projects identified, the acquisition of new STS gantry cranes remains a key focus.

- **Port Authority Submits \$75 Million Port Infrastructure Development Program (PIDP) Grant Proposal for STS Gantry Cranes.** On April 29, 2025, the Port Authority formally submitted a \$75 million grant proposal to the U.S. Maritime Administration's PIDP to fund new ship-to-shore gantry cranes. This marks the third consecutive year the Port has applied for this grant. What distinguishes this submission is that, following persistent and aggressive lobbying and advocacy efforts, including requests for a Buy American Act (BAA) waiver for STS gantry cranes, MARAD has recently granted a targeted exemption from the BAA for STS gantry cranes, limited to Pacific ports and accompanied by detailed compliance specifications. This critical development significantly enhances the likelihood of funding approval. The proposal aims to increase cargo handling capacity and sustain Guam's strategic logistics capabilities. The PIDP grant requires an 80/20 federal/local match (\$60M/\$15M), underscoring the importance of securing complementary funding sources to fully realize this vital infrastructure investment.

Due to updates in the Notice of Funding Opportunity, MARAD has extended the submission deadline to September 30, 2025. This extension allows applicants to make necessary revisions based on updated guidance. The Port Authority plans to revise and resubmit its proposal ahead of this amended deadline.

- **Congressman James Moylan's \$60 Million Appropriation Request.** On May 27, 2025,



Congressman James Moylan informed the Port Authority that he had submitted a \$60 million community project funding request for new STS gantry cranes through the Infrastructure Investment and Jobs Act. While this request awaits approval in the U.S. Senate, it signals significant progress in our collective advocacy about the critical need to replace the Port's aging gantry cranes. As we say often: if the Port is not ready, then the military will not be ready.

- **GHURA CDBG-DR Unmet Needs Assessment – Port Authority of Guam Comments.** The Port Authority submitted formal comments on April 16, 2025 to the Guam Housing and Urban Renewal Authority as part of the Community Development Block Grant – Disaster Recovery (CDBG-DR) unmet needs assessment. The Port emphasized the strategic, economic, social stability, and humanitarian importance of replacing the three gantry cranes, rehabilitating wharves and crane rails, and upgrading fuel piers, all of which are critical to Guam's resilience and Indo-Pacific defense posture. The Port highlighted the disproportionate impact infrastructure delays have on Low and Moderate Income communities, the central role of the Port in regional trade and military logistics, and the urgent need for federal recognition and support through CDBG-DR funding. This submission represents an additional funding strategy to complement ongoing grant applications and federal advocacy efforts.

Port Implements Mandatory Monthly Reporting for All Vehicle and Equipment Usage

In an effort to increase accountability, improve asset tracking, and extend the lifespan of Port equipment, the Port Authority of Guam has implemented a mandatory monthly reporting system for all vehicle and equipment usage.

Effective immediately, all end users who operate Port-owned vehicles or equipment are required to submit a monthly usage report on mileage and hour meter no later than the 10th day of each following month to the EQMR Planning Section. This applies to light-duty trucks, heavy-duty trucks, utility vehicles, fleet sedans, passenger vans and specialized service vehicles. This also applies to end users of tractors, boom lifts, forklifts, cranes, top/side loaders, load centers, refer gensets and construction equipment such as backhoes and dump trucks.

“This policy supports our mission to strengthen internal controls and ensure every Port asset is managed efficiently and responsibly,” said Rory J. Respicio, General Manager of the Port Authority of Guam. “When we know how, when, and where equipment is being used, we can improve safety, maintenance planning, and operational performance.”

According to EQMR, this new process will have significant benefits. They include:

- Preventive maintenance scheduling: Timely updates ensure service intervals are based on actual usage, reducing unexpected breakdowns and extending asset lifespan.
- Cost control & budgeting: Accurate tracking allows for better forecasting of maintenance



expenses, fuel consumption, and equipment replacement needs.

- Compliance & reporting: Proper documentation supports regulatory compliance and adherence to operational standards.
- Fleet optimization: Identifying usage trends helps redistribute assets efficiently, ensuring vehicles and equipment are used appropriately.
- Warranty & lifecycle management: Monitoring mileage and hours allows claims to be processed within warranty periods and aids in long-term fleet replacement planning.
- Performance & efficiency insights: Usage data provides insights into fuel efficiency and operational effectiveness, allowing adjustments to improve fleet management.

“By formalizing this reporting requirement, we can strengthen maintenance planning, reduce operational risks, and optimize asset utilization across the organization,” Respicio said.

Hagåtña Marina Users Group Revived to Improve Marina Facilities and Strengthen Stakeholder Collaboration

The Gregorio D. Perez Marina Users Group held its first meeting since its recent revival on June 4, 2025, bringing together tenants, commercial operators, recreational boaters, Guam Fire and Rescue and Port representatives to address key maintenance priorities and chart a course for future improvements at the Hagatña marina.

As part of its revitalization, the group began establishing its leadership structure. Longtime marina user Frank Quinata was nominated to serve as volunteer president of the Gregorio D.

Perez Marina Users Group.

Spearheaded by the Port Authority of Guam’s Harbormaster’s Office, the revitalized group serves as a forum for enhancing communication, safety, and shared stewardship of the Gregorio D. Perez Marina. The meeting covered a range of topics including completed capital improvement projects, storm damage repairs, and proposals for future upgrades.

The Port Authority presented a
Story continues on page 13

comprehensive overview of recent enhancements funded and executed through its operations and capital improvement program. Notable completed projects included:

- Aluminum dock gates and a concrete loading dock, installed in May 2022 by ProPacific Builders Corporation for \$45,000.
- A temporary container office to house the Port Marina Manager and law enforcement personnel, completed in January 2023.
- CCTV camera installations, padlock replacements, lighting improvements, curb and parking slot painting, and wash station repairs—all completed from 2021 through 2025.

The group also discussed proposed initiatives, such as a Life Jacket Loaner Program in partnership with the BoatUS Foundation and the Guam Police Department, cleanup and infrastructure enhancements for the marina's oily water separator (OWS) outfall and a replacement plan for Dock A.

During the meeting, the Marina Users Group also was informed of the major repairs done to Dock A, Dock B and the Marina Office due to the damage from Typhoon Mawar.

Marina tenants shared several concerns regarding the condition and management of the facility. Key issues raised include ongoing break-ins and thefts, poor lighting throughout the docks and parking areas, and the lack of trash receptacles leading to frequent littering. Users also cited unreliable water access for cleaning boats and trailers, insufficient designated parking for trailers, and growing frustration over long wait times for slips.

There were calls for improved security, including better gate locks and access control, as well as requests for regular maintenance of lighting, washdown stations, and the docks themselves. Several users emphasized the need for dredging around Docks B and C to ensure safe vessel movement at low tide and urged the Port to consider infrastructure upgrades that would improve safety and usability.

In response to the feedback from marina tenants, the Port Authority of Guam is evaluating several immediate remedies aimed at improving safety, cleanliness, and overall functionality at the facility.



To enhance security, the Port is looking into increasing foot patrols by Port Police and Commercial Division personnel, establishing a dock checkpoint system, and expanding camera monitoring from the Port Command Center. A 24-hour staffed marina office is also under consideration.

Lighting repairs are being prioritized, including fixing pedestal and parking lot lights, adjusting fixtures to better illuminate dock areas, and replace exploring the use and installation of solar-powered timed lighting for sustainable coverage.

To address trash concerns, the Port plans to deploy more waste bins throughout the marina and initiate a monitoring and enforcement program to discourage littering.

The Port is also working to restore water access by repairing or replacing the hose at the washdown station and reviewing a possible permit system to manage usage.

Finally, a regular maintenance schedule is being developed to include periodic water blasting of docks, sidewalks, and ramps to maintain safety and cleanliness.

Port General Manager Rory J. Respicio said these efforts reflect the Port's commitment to providing a secure and well-maintained marina environment for all users.

"The Planning, CIP/Engineering, Facilities

Story continues on page 14

Maintenance and Commercial Divisions and Port Police will develop a plan to triage and act on quick fixes,” Respicio said. “I have assigned the Harbor Master to continue to lead these efforts, which will also include this task. A prioritized work plan will be developed with cost estimates and timelines presented to me. Recommendations for long-term capital improvements, including dredging and new slip construction, will be reviewed as part of the Port’s overall infrastructure planning.”

The meeting concluded with a call to action for all marina users to stay engaged and work together to preserve the safety, cleanliness, and operational integrity of this vital public facility.

“The return of this Marina Users Group will help maintain a direct line of communication between stakeholders and the Port, improve responsiveness to user needs, and foster collaborative planning for the marina’s long-term viability,” Respicio said.

Port Authority of Guam Participates in 2025 Pacific Alert Tabletop Exercise



The Jose D. Leon Guerrero Commercial Port Authority of Guam joined federal, territorial, and private sector partners at the 2025 Pacific Alert Tabletop Exercise (TTX) held June 18, 2025 at the Guam Plaza Resort in Tumon.

Organized by the Office of Homeland Security and Office of Civil Defense (OHS-OCD) in partnership with the Federal Emergency Management Agency, the exercise focused on preparing Guam for a potential ballistic missile threat, including the radiological and logistical consequences of such an event.

The Port’s leadership and emergency operations team were actively engaged in the facilitated discussion, contributing insights and strategies aligned with the exercise’s key objectives: operational coordination, public information and warning, mass search and rescue operations, logistics and supply chain management, and infrastructure systems.

“This kind of collaboration is critical to ensuring the resilience of Guam’s supply chain and the safety of our people,” said Port General Manager Rory J. Respicio. “As Guam’s only commercial seaport, the Port plays a vital role in logistics and infrastructure continuity. Participating in this exercise allows us to strengthen interagency

coordination and validate the plans that protect our island during high-impact emergencies.”

The Port Authority’s involvement underscores its commitment to national security and whole-of-community preparedness, particularly in the face of evolving global threats.

Through a series of activities and scenarios, the Pacific Alert TTX gave participants a better understanding of their roles and responsibilities prior to and following a ballistic missile attack; identified needed updates to existing plans, policies, and procedures; and familiarized participants with radiological consequences of a missile strike.

“This crucial Pacific Alert TTX aims to strengthen threat and hazard planning related to a foreign Nation-State threat and promote deliberate participation from whole community partners, including key private sector and non-governmental organizations, all with a shared goal to protect the community and ensure readiness for potential threats,” said Esther Aguigui, Homeland Security Advisor. “While the exercise scenario is relevant to the climate of today’s world, this TTX will provide a safe space to focus on consequence management in order to build a strategic and resilient Guam today for a safer tomorrow.”

Port Automates Distribution of Employee Check Stubs via Email

In a continued effort to modernize operations and enhance internal efficiencies, the Jose D. Leon Guerrero Commercial Port Authority of Guam has launched a new initiative to automate the distribution of employee check stubs via email through the EnterpriseOne Financial Management System.

Spearheaded by the Port's Finance and IT teams in collaboration with consultants, the project will allow employees with Port Authority of Guam email addresses to receive their check stubs directly in their inbox, eliminating the need for paper distribution. For employees without PAG email addresses, check stubs will be provided to their respective administrative assistants.

The rollout will take place in phases aligned with pay period end (PPE) dates by division:

- Finance and IT – PPE 06/14/2025
- All Other Admin Offices – PPE 06/28/2025
- Facilities, Port Police, Harbor Master, Safety – PPE 07/12/2025



- Operations and EQMR – PPE 07/26/2025
“This initiative reflects our commitment to digital transformation, cost savings, and sustainability,” said General Manager Rory J. Respicio. “Automating paycheck distribution reduces manual workload, saves on paper and labor, and ensures that employees receive their pay information in a secure and timely manner.”

Employees are encouraged to contact the Port's payroll department with any questions or issues during the phased rollout.

Port Employs 15 Students Through Governor's Summer Youth Employment Program

The Port Authority of Guam is once again proud to participate in the Governor's Summer Youth Employment Program, providing valuable work experience to local youth. The program runs from June 9 to July 18, 2025, and is overseen by the Department of Youth Affairs.

Open to young residents between the ages of 15 and 17, the program offers students a unique opportunity to explore careers in public service while earning a wage of \$10 per hour for up to 30 hours per week.

This summer, 15 summer trainees will be assigned across various divisions at the Port Authority, where they will assist with answering phones, customer service, filing, and other entry-level administrative duties. Due to Transportation Worker Identification Credential (TWIC) requirements and maritime security regulations, participants were assigned only to

offices located outside of the terminal yard.

Through this experience, students gain first-hand exposure to a professional environment and develop critical skills that will benefit them in future employment.

General Manager Rory J. Respicio expressed his enthusiasm for the program, stating

“We are honored to continue supporting the Governor's Summer Youth Employment Program. It's an investment in our youth and in the future workforce of Guam. These students bring energy and curiosity to the workplace, and in return, they receive hands-on experience and mentorship that will serve them well for years to come,” he said.

The Port Authority remains committed to fostering learning and development opportunities for Guam's youth and proud to be a partner in this successful and impactful summer session.



Terminal Yard Office Renovations

The Port Authority of Guam's Safety Division has officially moved into its new office at Warehouse 1, a space formerly occupied by tenant Fung Li Fisheries. This relocation marks a significant step toward enhancing accessibility, collaboration, and workplace safety within the Port's core operations area.

The newly renovated space underwent extensive upgrades, including the repair of floors, electrical and data systems, phone lines, lighting fixtures, and air conditioning units. A brand-new break room was also constructed. All improvements were completed in compliance with the latest building codes, ensuring a safe and functional environment for staff and visitors alike.

The Port's Facility Maintenance Division carried out the renovations between May 2024 and June 2025, with a total cost of \$49,000, including labor. Their dedication and craftsmanship have provided the Safety Division with a modern, efficient workspace tailored to their operational needs.

Previously located outside the port terminal yard at Annex A, the Safety Office had been temporarily relocated due to mold concerns in their former building. Now back within the terminal yard, the division is better positioned to serve the Port community with quicker response times and enhanced coordination with essential departments.

With the Safety Division now situated within the terminal yard, this presence reaffirms the Port's commitment to safety and interdepartmental collaboration.

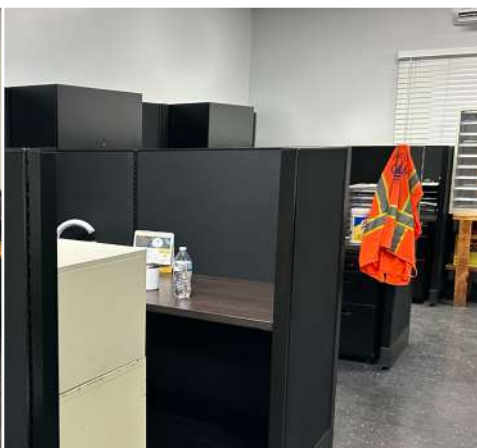
Earlier this year, renovations were also



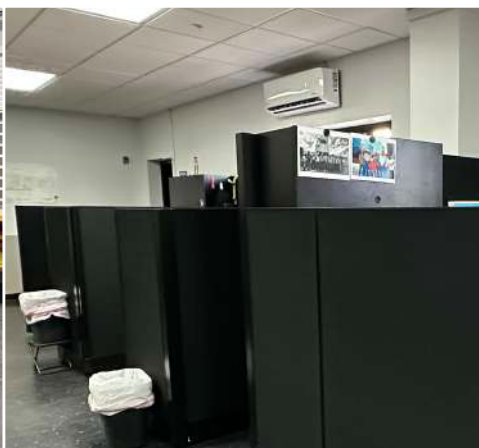
undertaken at the Stevedoring and Transportation offices. During this project, both the Stevedoring office and the shared locker rooms for both divisions were completely retiled. Additionally, new workstations were installed, with eight units added to the Stevedoring area and six to the Transportation area, all supplied by Hanssem Pacific. The CFS Lounge also received a renovation as part of the overall upgrade. The total cost incurred for all these renovations amounted to \$54,547.50.



Safety Office



Transportation Office



Stevedoring Office

Port's Wellness Program Continues



Port Police: Stress Mitigation Briefing



CIP: Better Health Tips w/ Dr. Supit



Operations: Behavioral Health Wellness

Port employees continue to prioritize their health and well-being through a series of wellness events hosted by various divisions.

The Port Police led a session focused on stress mitigation. CIP/Engineering Division invited Dr. Supit to share practical better health tips, encouraging healthier daily habits. And the Operations team hosted a discussion on behavioral health wellness. These events reflect the Port's ongoing commitment to fostering a healthy work environment.

June Photo Highlights



Port employees gathered together on June 12, 2025 to celebrate Philippines Independence Day. The taste of the Philippines merienda was hosted by the Port Authority of Guam's Goodwill and Morale Association.



Jose B. Guevara III, Chief Financial Officer for the Port Authority of Guam, presented to the freshman students of the Business and Technology Academy Charter School (BTAC). The session was part of BTAC's ongoing effort to expose students to real-world career paths and industry leaders.



June Photo Highlights Continued



The Port welcomed thirty-three students from the University of Guam TRIO Upward Bound Program on June 26, 2025. During the visit, students were engaged in a presentation that highlighted the critical functions of the Port and

its role in supporting the local economy. Students were also given a guided tour of the terminal yard, providing valuable insights into the logistics and complexities of running Guam's only commercial seaport.

July Birthdays

Happy Birthday **PORT OF GUAM**

Javen Jude Aguon	Riko Sn Crisostomo	David F. Naputi Jr.
Joseph J. Aguon	Ronald J.J. Cruz	Carmelita C. Nededog
Gilbert C. Amado	Ronnie D.B. Cruz	Nicholas M. Palomo
Adam B. Aquino	Anisia S. Delia	Frankie S. Peredo
Ronald Jr. C. Ayuyu	Michael M. Duenas I	George E. Piolo
Andrew R. Babauta	Niko A. Duenas	Jesse J.P. Salas
Vincent C. Bamba	Drake L. Eber	Edwin G. San Nicolas
Christopher J. Benito	Jacqueline M. Eclavea	Matthew Q. Sanchez
Kilo R. Blas	Glen C. Fernandez	Gilbert G. Santos
Mary Jane G. Camacho	Peter F. Guerrero	Henry M. Santos
Victor M. Camacho	William M. Hudson	Ryan J. Santos
Evangeline O. Castro	Jacob Q. Iriarte	John E. Tass
Shawn B. Cepeda	Kylie R. Maurer	Edward K. Wright
Jathan J. B. Conway	Aidan M.B. Mcdonald	Anthony J.S. Yatar
		Juan D. Yoshida