



NEWSLETTER

PORT AUTHORITY OF GUAM

OCTOBER 2025

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Conchita S.N. Taitano
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Board Secretary
Mark B.C. Mendiola
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General Manager
Dominic G. Muna
Deputy General Manager
Operations
Pacifico R. Martir
Deputy General Manager
Administration and Finance



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S&P Global Ratings Affirms 'A' Rating and Stable Outlook for the Port Authority of Guam

S&P Global Ratings has affirmed its long-term 'A' rating on the Port Authority of Guam's outstanding Series 2018 Port Revenue Bonds and maintained a stable outlook. The reaffirmation highlights the Port's strong financial position, essential role in Guam's economy, and continued commitment to responsible fiscal management.

"The stable outlook reflects our expectation that port activity will remain near current levels, allowing the port to continue producing key financial metrics in line with historical performance and appropriate for the current rating," the S&P report, released on October 9, 2025, stated.

Even with lower cargo volumes in fiscal year 2025, including a 1.6 percent dip in containers and a 10.9 percent drop in breakbulk, the Port delivered solid financial results. Early planning and decisive action, including a \$3 million debt reduction strategy to maintain compliance with its rate covenant and helped maintain strong debt service coverage and overall fiscal stability. Without this one-time action, the Port would not have met its required 1.25x rate covenant. Management action will result in coverage of about 1.59x for the year.

According to the S&P Global Ratings report:

- Management remains focused on the port's financial strength, and has proactively addressed operating pressures caused by inflation, capital expenses, and

S&P Global Ratings

fluctuations in port cargo activity.

- We believe the port's the proposed tariff increases—pending approval from Guam Public Utilities Commission will help the authority maintain strong financial metrics and offset inflationary pressures, cargo volume declines, and increases in debt service related to planned debt issuance in 2026.
- We expect the planned rate increase, new lease agreement and the overall rebound in activity levels will support port's operating costs and financing of its capital expenditures, including debt service on additional debt needs.

These findings align with Port Board Resolution No. 2025-38, unanimously passed by the Port's Board of Directors. The resolution affirms the Port's intent to pursue bond borrowing of up to \$100 million during fiscal year 2026 to leverage matching federal funds, if awarded, for critical modernization projects. These include up to three new gantry cranes, wharf and pier upgrades, and other infrastructure tied to the Port's long-

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Credit Highlights

- S&P Global Ratings' long-term rating on the **Guam Port Authority's** (the authority or the port) series 2018 port revenue bonds is 'A'.
- The outlook is stable.

standing modernization efforts. The borrowing is not intended to fully finance these projects but to provide the local match required to access significant federal grants. This underscores the need for continued federal support for the Port Readiness Plan.

"These bond rating results don't come easy, and we don't take them lightly either," said Port General Manager Rory J. Respicio. "They reflect disciplined leadership, strategic decisions, and a consistent focus on a team effort doing what's right for the Port. Along the way, our record shows we've strengthened practices and corrected course when needed to protect the Port's finances and operations."

Chief Financial Officer Jojo Guevara added, "We report our financial status monthly to the Board and the public to stay strategic and accountable. That transparency, combined with a team that takes ownership, shows in how we close out the fiscal year. Good financial management is not luck. It is deliberate and produces results. Challenges come up, but strong outcomes come from clear leadership, sound decisions, and employees who give their best every day because they are empowered to do so."

Since 2019, the Port has overhauled its financial management system, strengthened internal controls, and improved debt service planning. These reforms were backed by leadership and supported through expanded capacity in the Finance Division. The Port has maintained over 200 days of cash on hand and continues to carry a manageable debt profile.

"As the Port approaches its 50th anniversary this month, this announcement is more than a credit rating. It is another significant milestone in the Port's transformation into a stronger, more resilient institution," said Governor Lou Leon Guerrero. "The Port of Guam is a critical

infrastructure agency that is staying focused on its mission to ensure commerce, provide for national security readiness, and pursue energy dominance for Guam and our region."

Lieutenant Governor Josh Tenorio added, "The Port turned things around by staying focused and committed to a clear path forward. Today's results reflect a management team and workforce that keeps their eye on the mission. Strong finances, secure and stable operations, and steady readiness are no accident. This is what Port Strong looks like, with a Board and employees focused on the mission: a healthy economy today and a prosperous future for our island tomorrow."

Board Chairperson Dot Harris stated, "This rating reaffirmation validates the work our Port family has done to stabilize and strengthen this agency. The Board and management have remained focused on ensuring sound financial policies, accountability, and modernization goals stay on track. We are proud of the progress that management and employees have made together. Their discipline and teamwork are why the Port continues to deliver for our island and our region. Biba Port Strong."

General Manager Respicio concluded, "We extend our appreciation to Governor Lou Leon Guerrero, Lieutenant Governor Josh Tenorio, and the Port Authority Board of Directors led by Chairperson Dorothy Harris for their continued support and confidence. We also recognize Port employees as the backbone of this agency. Their dedication and trust have been essential to meeting our goals, solving problems, and moving the Port forward. Every single division has contributed to this success through a shared commitment to our One Port, One Fight mindset. We also thank the Port Users Group for consistently putting what is best for the Port first and for being a steady partner in our progress."



The Port Authority of Guam successfully concluded its 50th Anniversary Port Week celebration, marking a historic milestone under the theme “Port Strong: 50 Years of Grit, Resilience, and Service Fueling Local and Regional Economies, Partnerships, and National Security.”

The week-long celebration featured a full schedule of events honoring five decades of growth, progress, and service to the people of Guam and the region. Port Week began on October 20 with an Opening Ceremony held at the Port’s main administration building. Acting Governor Josh Tenorio, Board Chairperson Dorothy P. Harris, and General Manager Rory J. Respicio delivered remarks recognizing the Port’s transformation and its vital role as Guam’s lifeline for commerce, national security, and regional partnerships.

The ceremony also included a flag-raising, a parade of trucks, and the presentation of a proclamation and a legislative resolution.

Throughout the week, Port employees participated in various friendly competitions including volleyball, basketball, bowling, dart tournament, softball, and a tractor pull event that drew strong participation and enthusiastic crowds. The Port also took part in a roadside cleanup and hosted the Maritime Resilience and Innovation Summit, which brought together local and regional partners to discuss port security, infrastructure readiness, and sustainable growth in the Pacific.

As part of the celebration, the Port published

its 50th Anniversary Legacy Booklet, documenting five decades of milestones, investments, and achievements. The agency also premiered its commemorative video, “Our Legacy,” which is now available for public viewing on the Port’s YouTube and official social media pages.

The celebration culminated on October 25 with the Grand Finale and Employee Recognition Ceremony Dinner and Awards Ceremony at LeoPalace Resort Guam. Governor Lou Leon Guerrero, Lt. Governor Josh Tenorio, Board Chairperson Dorothy P. Harris, and General Manager Rory J. Respicio all spoke at the event.

Among those recognized were recipients of the Sick Leave Awards and Years of Service Awards:

Sick Leave Awards

3500 Hours: Virginia C. Payumo, Paul R. Salas

3000 Hours: Margret N. Duenas

2000 Hours: Victor M. Camacho, John E. Tass, and Junior D.N. Topasna

1500 Hours: Wayne K. Drilon, Christina M. Leon Guerrero, Joaquin T. Manglona, and Benny M. Quinata

1000 Hours: Ronnie D. B. Cruz

Years of Service Awards

40 Years: Roy C. Mendiola and Glen S. Topasna

35 Years: Ronald A. Ayuyu, Gregorio L. Babauta, Derrick M. Balajadia, Frank S. N. Cepeda, William M. Hudson, Josette J. Javelosa, Edwin A. Malaga, Dora J.C. Perez, Kenneth J. Quintanilla, Annie

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L.G. Sablan, and Jennie C. Untalan
30 Years: Helen S. Aguon, Glenn B. Nelson, Jesse N. Quinata, Eric J. Salas, and Raymond B. Santos
25 Years: Ray D. Aromin, Leo R. J. Espia, Janice H. Flores, Carmellita C. Nededog, Virginia C. Payumo, and John E. Tass
20 Years: Benny G. Cruz, Benny M. Quinata, Corrina H. C. Quinata, and Theresa Reyes-Manibusan

Annual Awards

Employee of the Year (Category I): Christopher John D. Aguon

Employee of the Year (Category II): Kevin R. Sanchez

Employee of the Year (II): Alfred J. Manibusan

Supervisor of the Year (I): Frances A. Candoletta

Supervisor of the Year (II): Derrick M. Balajadia

Supervisor of the Year (II): David Roberto, Jr.

Outstanding Work Center (I): General Administration

Outstanding Work Center (II): Transportation

Good Housekeeping Work Center (I): Procurement and Supply

Good Housekeeping Work Center (II): Transportation

General Manager Rory J. Respicio commended all Port employees for their hard work and commitment, stating that the Port's success is the direct result of teamwork, discipline, and pride in service to the community.

Governor Lou Leon Guerrero and Lt.

Governor Josh Tenorio congratulated the Port Authority of Guam for fifty years of excellence and reaffirmed their continued support for the agency's modernization and sustainability goals.

The Port Authority of Guam expresses its gratitude to all employees, retirees, partners, and the community for making the 50th Anniversary Port Week a memorable and meaningful celebration.



Maritime Resilience and Innovation Summit held during Port Week

The Port Authority of Guam held the Maritime Resilience and Innovation Summit on October 22, 2025, at the Hyatt Regency Guam.

The event was part of the Port's yearlong 50th Anniversary celebration and served as a major highlight of Port Week 2025, held under the theme "Port Strong: 50 Years of Grit, Resilience, and Service Fueling Local and Regional Economies, Partnerships, and National Security."

The Summit brought together government leaders, maritime experts, and regional stakeholders to discuss sustainability, modernization, and innovation across port operations. It showcased Guam's leadership in building resilient infrastructure and advancing clean port initiatives through the U.S. Environmental Protection Agency's Clean Ports Program.

Speakers included Governor Lourdes A. Leon Guerrero, Lieutenant Governor Joshua F. Tenorio, Senator Jesse Lujan of the 38th Guam Legislature, Sharon L. Weissman, Commissioner of the Port of Long Beach, Conchita S.N. Taitano, President of the Association of Pacific Ports and Vice Chairperson of the Port Authority of Guam Board of Directors, and Rory J. Respicio, General Manager of the Port Authority of Guam.

The one-day event featured presentations and discussions on energy resilience, environmental stewardship, and modernization of maritime infrastructure as essential components for sustaining economic growth and national security.

Port Authority of Guam General Manager Rory J. Respicio said the Summit represents the Port's commitment to leadership and collaboration in the region.

"This Summit is about charting a bold course together, one that embraces innovation, sustainability, and resilience. As we celebrate 50 years of service, we are also setting the stage for the next 50, ensuring Guam's only commercial seaport continues to serve as the lifeline of our island and a critical hub for the region," he said.

The Maritime Resilience and Innovation Summit included discussions on sustainable port operations, energy transition strategies, and regional partnerships that strengthen maritime excellence.





The Jose D. Leon Guerrero Commercial Port Authority of Guam’s Board of Directors unanimously adopted Resolution No. 2025-38 on October 2, 2025, reaffirming its commitment to bond financing as a strategic tool to secure matching federal funds for the island’s largest seaport modernization initiative in history.

The resolution paves the way for the acquisition of up to three new ship-to-shore gantry cranes, the rehabilitation of wharves and piers with required upgrades for crane installation, other critical infrastructure projects, and the refunding of the 2018 Revenue Bond.

“This is about protecting Guam’s economic lifeline and securing our role in national defense readiness,” said General Manager Rory J. Respicio. “By positioning bond borrowing as a match to federal funding, we maximize outside investments while safeguarding our community’s long-term interests. This is not just an investment in cranes, it is an investment in Guam’s future.”

The Port has pursued crane acquisition

since 2019, developing specifications, submitting multiple federal grant applications, and aligning with local and federal partners. In February 2025, the U.S. Maritime Administration granted a Build America, Buy America waiver for gantry cranes in Pacific territories, removing a critical barrier. Earlier this year, the Port submitted a Port Infrastructure Development Program (PIDP) grant proposal, “Strengthening Supply Chain with New Cranes,” which remains under review.

Respicio emphasized that new gantry cranes are vital to ensuring safe and efficient operations. The Port’s existing cranes are decades old; the failure of even one would significantly disrupt supply chains, jeopardizing Guam’s food and fuel imports and delaying critical U.S. military readiness activities in the Indo-Pacific by as much as four years.

The resolution also memorializes six years of sustained advocacy and technical planning by the Port, its partners, and the island’s elected leadership.



Voyager cleared from Piti Channel as Navy and Port execute salvage tow



The derelict vessel The Voyager has been removed from the Piti Channel following a coordinated tow for salvage on October 2, 2025, completing the on-water phase of a multi-agency effort led by the U.S. Navy and the Port Authority of Guam through the Navy's Innovative Readiness Training program.

Grounded during Typhoon Mawar in May 2023 after breaking free from F6, the vessel had posed both environmental and navigational risks. Over recent weeks, Navy salvage specialists and Port personnel staged the vessel at F6, conducted cleanup and preparatory work, and coordinated inspections with the Guam Environmental Protection Agency, the U.S. Environmental Protection Agency, and the U.S. Coast Guard. With those steps complete, Navy assets executed the tow to a designated salvage location, clearing the channel for safe navigation.

The October 2, 2025 operation followed earlier attempts in September that were paused to address hardware damage and to reposition the vessel. That additional preparation allowed teams to complete the tow safely and efficiently.

"This successful tow is the result of teamwork and persistence," said Rory J. Respicio, General Manager of the Port Authority of Guam. "I thank Governor Lou Leon Guerrero, Lt. Governor Josh Tenorio, our Board of Directors, our Port Strong employees, and our partners at the U.S. Navy, GEPA, EPA, and the U.S. Coast Guard for seeing this through. Together we removed a hazard, protected our waters, and strengthened readiness



for the community we serve."

The Port will continue working with its federal and local partners on post-operation steps, including follow-up inspections and documentation.

Port Participates in Launch of Life Jacket Loaner Station Program



The Port Authority of Guam joined Governor Lou Leon Guerrero, the Guam Police Department, and partner agencies on October 24, 2025 for the launch of the Life Jacket Loaner Station Program at the Hågat Marina, an initiative aimed at enhancing water safety for families and visitors across the island.

Through this program, boaters and shoreline visitors may borrow Coast Guard-approved life jackets at no cost before heading out on the water. The program is made possible through collaboration with GPD's Recreational Boating Safety Program, federal support from the United States Coast Guard, and coordination among local government agencies and community partners.

General Manager Rory J. Respicio said the program directly supports the Port's commitment to safety in Guam's maritime environments.

"Our waters are part of our everyday life here in Guam, and this program gives families an extra layer of protection when enjoying our shorelines and marinas," Respicio said. "We thank Governor Lou Leon Guerrero, Lt. Governor Josh Tenorio, and GPD for leading this effort, and we appreciate the partnership of the U.S. Coast Guard and our local stakeholders. The Port is proud to be part of this work to keep our community safe."

The Life Jacket Loaner Station at the Hågat Marina is the first in a series of planned stations around the island and will be available to both residents and visitors. The initiative encourages responsible recreation by ensuring that safety equipment is accessible, properly fitted, and easy to return after use.

Port Authority of Guam leadership and personnel attended the launch to formally express support for the program and to collaborate with agencies as additional stations are developed.





Port Strong employees joined the islandwide effort to care for our environment through Matson's Adahi I Tano' program, which supports local cleanup initiatives by providing cleanup supplies and container equipment for non-profit groups and community projects. The program's name, meaning "take care of the land" in CHamoru, reflects its mission to keep Guam clean and preserve its natural beauty. By tackling debris along Highway 11, our team helped ensure that the primary corridor into the Port remains safe, welcoming, and environmentally responsible.



Port Week Photo Highlights



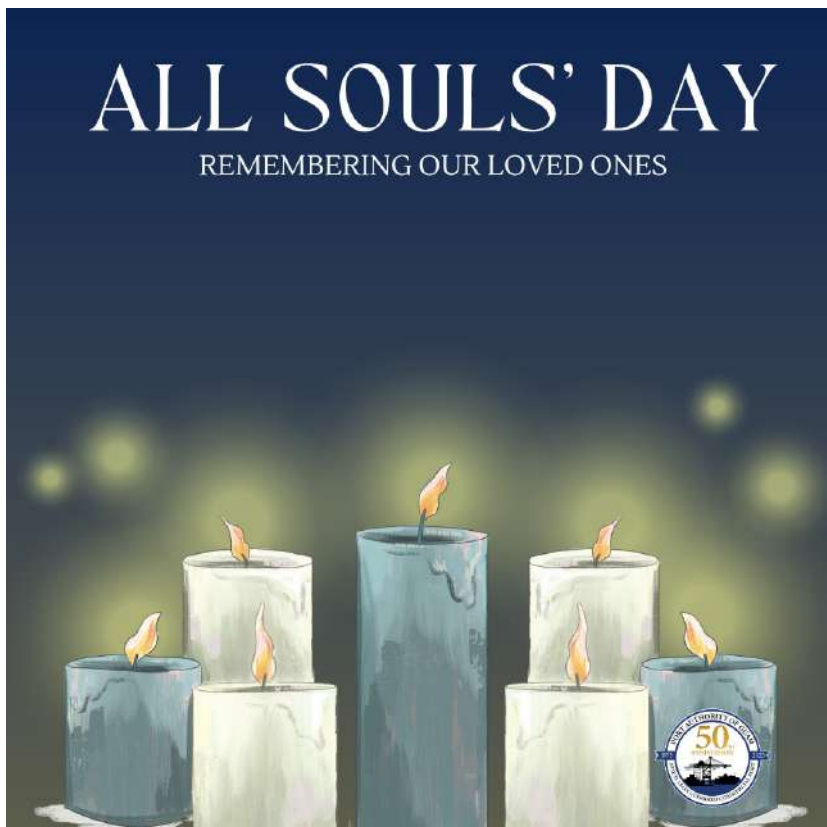
Port Week Opening Ceremony Photo Highlights



Port Trunk-or-Treat



October Photo Highlights





Happy THANKSGIVING

November Birthdays

Happy Birthday

Ted R. Cruz
Roy P. C. Flores
Roy C. Mendiola
George S. Duenas
Raymond B. Santos
Kenneth J. Quintanilla
Paul M. Tedtaotao
Frances A. Candoleta
Theresa Reyes-Manibusan
Jonathan L. Aguon
Chauncy J. Perez
Joseph K. Mesa

Luis M. Diaz
Julieta A. Sontillanosa
Maria T. Llanes
Frank V. A. Cepeda Jr.
Craig-Thomas D. Palomo
Michael J. Barcinas
Joshua V. Candoleta
Norberto D. Datuin
Shawn D. Flores
Eric J. Balajadia
Frankie A. Cruz II
Jose J. Tajalle

Ernest D. Madahan
Kyle J. Gaspay-Paulino
Brandon M. Naputi
Peter J. Babauta
Joshua M. Manglona
Mark L. Blas
Keith W. Hattig Jr.
Ernest C. Castro Jr.
Ernie J. A. Lobaton
Malaina-Jashae Blas
Deborah S. Hurchanik