**July 2021** 

### **Board of Directors**

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#### Port Management

**Rory J. Respicio** *General Manager* 

# Dominic G. Muna

Deputy General Manager, Operations

#### Luis R. Baza

Deputy General Manager, Administration & Finance



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#### **Port Vaccine Dashboard**

- 275 Port employees vaccinated or 80%
- Port Employees who received 1st dose: 12 (If these 12 employees receive their 2nd dose, the Port will be at 84% of Port employees vaccinated)
- Individuals 12 years and older are eligible to receive the COVID-19 vaccine
- Visit ghs.guam.gov or dphss.guam.gov for the latest vaccine schedule



The Port Authority of Guam was able to avert a potential disaster with a structural failure in a wall inside Warehouse 1.

On July 8, 2021, the Department of Public Works conducted an on-site inspection of the double partition CMU walls and associated support columns in Warehouse 1, Bays 6, and 7, located on Dock F3 at the Port.

Pursuant to DPW's Determination Letter to the Port dated July 9, 2021, DPW found that the double CMU partitioned walls and their associated support columns showed signs of structural failure. DPW noted that the condition of the walls and columns was in such bad condition that its demise (collapse) predicted. cannot be Therefore, **DPW** recommended its immediate removal for the safety well-being of the occupants personnel accessing or working within.

"Our Port's engineering team conducted its own investigation and also confirmed that the CMU partitioned walls and its associated support columns showed signs of structural failure and presented an imminent danger to the safety and wellbeing of all occupants," said Port General Manager Rory J. Respicio. "Thus, immediate removal and repair of the CMU partitioned walls and its associate support columns were imperative to protect all occupants and prevent further irreparable damage to the overall structure of the entire building."

Based on DPW's engineering and the Port's engineer manager's assessment, Respicio determined that an emergency condition existed and initiated an emergency procurement to address and resolve the imminent threat to public safety quickly and efficiently.

"I determined that the acquisition of services was fully compliant with 5 GCA § 5215 and the Guam Procurement Law," Respicio said. "My declaration was made pursuant to Title 6 GCA § 4308, under penalty of perjury, declaring that the statements contained in that emergency procurement record are true and correct to the best of my knowledge, information, and belief."

The Port's procurement and engineering division invited construction companies to submit a proposal based on the scope of work provided. The Port conducted a sealed bid opening on July 13, 2021. Three potential offers were submitted. ProPacific Builder Corporation submitted a bid for \$123,000. Top Builders submitted a bid for \$64,490.00. Valcon Guam LLC submitted a bid for \$38,990, and was subsequently awarded the project. Since this work was under One Hundred Thousand (\$100,000), the Governor's declaration of an emergency was not required.

"You can rest assured that we are going to give these awards in the most fair manner in line with the procurement law," Respicio told the

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bidders in attendance at the Sealed Bid Opening meeting.

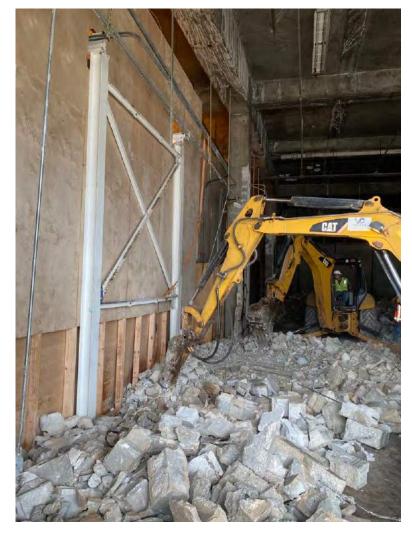
The Scope of Work for the Project includes: (1) Temporary plywood/wall & frame partitioning between cable tanks and the failed CMU walls/columns at Bay #7 to provide safety and protect workers and the cable containing tanks. (2) Relocate items such as open top containers, plywood rack, break-bulk container and other miscellaneous articles away from the walls/columns in Bay #6. (3) Permanently relocate, secure and protect all electrical conduits wires/cables, boxes, controls, compressed air piping, etc. away from the walls/columns along gridline # 7 in preparation of demolition work. (4) Demolish the structurally unsound reinforced CMU Walls and the associated reinforced CMU Columns on the face of the wall along Gridline #7 and columns sandwiched between the walls. (5) Removal of the demolished material and its proper disposal is performed by PAG In-house.

The contractor mobilized on July 15th and fabricated the wood barrier walls, disconnected the electrical conduits and installed metal brackets to relocate the electrical conduits.

Portions of the wall were demolished on July 25th and the Project is expected to be completed prior to August 1, 2021.

"I would like to recognize DPW Director Vince Arriola for sending out the DPW engineers and for issuing his demand letter on the same day which was necessary to initiating this emergency procurement," Respicio said. "I would also like to recognize the Port's commercial, engineering, operations, and procurement divisions for working closely together and making this expedited project possible. Deputy General Manager Dominic Muna was also instrumental in overseeing this work."

The Procurement Team was led by Annie Sablan who is in charge of Procurement while Joy Jean Arceo is receiving procurement training over at GSA.



### FEMA Awards Port \$366,251 for the FY2021 Port Security Grant Program (PSGP)

The Port was notified on July 16, 2021 that FEMA allotted the Port \$366,251 (75% total project costs) in federal funds for the FY2021 Port Security Grant Program (PSGP). The Port submitted these applications to FEMA on May 13, 2021.

The funding is for the Acquisition of Radar Intrusion and Vessel Tracking System. This includes a 75% federal share of \$201,250.00 and a 25% PAG share of \$67,083.00 for a total project cost of \$268,333.00.

The Port is responsible for the protection against unauthorized vessels entering Apra Harbor as the single entry and exit point. The Port regulates and restricts maritime activity while providing VHF radio communications for vessel traffic entering, exiting, and transiting Apra Harbor and the Marinas. Acquisition and deployment of a radar intrusion and vessel tracking system is an added physical security measure through the enhanced security monitoring and surveillance.

This project will aid in the prevention of Transportation Security Incidents (TSI) and at the same time mitigate potential harmful acts that may disrupt the flow of essential goods into Guam. The success of this application is attributed to the staff at the Harbor Master and Strategic Planning Divisions.

FEMA also awarded funding for the Acquisition of Transportation Workers Identification Card (TWIC) Readers and Credentialing System. This includes a 75% federal share of \$165,001.00 along with a 25% PAG share of \$55,000.00. The total project cost is \$220,001.00.

The TWIC readers and credentialing system will allow the PAG to leverage the full security benefit by electronically verifying

individuals' identities with existing databases. It will allow confirmation of authentication and validate access and expirations of individuals for the secured areas of the Port facility. This acquisition will upgrade the Port's existing assets as they are outdated and have gone through several repairs.

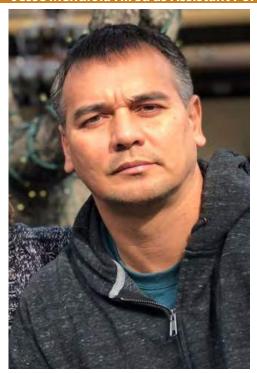
This project will ensure compliance with the TWIC Program mandated by Congress through the Maritime Transportation Security Act (MTSA) of 2002. The new assets allow the Port Police division to work more effectively and efficiently by relieving the burden of visual TWIC inspection and allowing them to focus on more specialized duties.

The success of this application is attributed to the staff at Port Police and Strategic Planning Divisions.









Welcome to our new Assistant Port Police Chief Jesse Mendiola!!

On July 19, 2021, the Port hired Mr. Jesse Mendiola as the Assistant Port Police Chief. Prior to his employment with the Port, Mr. Mendiola held the positions of Director of Mariana Regional Fusion Center(MRFC) of Homeland Security, Acting Director for Guam Customs & Quarantine Agency and as a police officer with the Guam Police Department.

Mendiola also worked as the Guam/Saipan Site Manager for Paragon Systems, Inc. where he handled security for the federal buildings and court houses for Guam and Saipan. He held various positions with DynCorp International who was the leading security contractor to support the safety and security of U.S. diplomatic personnel serving in Baghdad, Kirkuk & Erbil Irag as well as the norther region of Kosovo (Peja). While working in the Middle East, he managed and supervised high-level operations include managing numerous to security details at the US Embassy in Erbil, Tactical Commander, Diplomatic envoy personal protection, managing safe houses under the witness and providing personal protection for witness testifying for the War Crime Tribunal.

Mendiola's selection as the Port's Assistant Police Chief was made according to the merit system pursuant to his qualifications and suitability for this position, including a certification signed by Mr. Robert Camacho, P.O.S.T. Executive Director on August 2, 2019, which he certified that Mr. Mendiola met all the requirements by law and is P.O.S.T. certified.

Welcome Assistant Port Police Chief Jesse Mendiola!

# Work Begins on the Port's Fiscal Year 2022 Budget

The annual budget process has begun and division heads are now preparing their divisional Fiscal Year 2022 Budget.

Port General Manager Rory J. Respicio said he anticipates providing the Board of Directors with the budget digest by August.

"In Fiscal Year 2020, despite the impact of the COVID-19 pandemic, containers handled during the past year resulted in an increase of 0.2% compared to last year," Respicio said. "We experienced a decrease in the total operating revenues of 1.1% and a corresponding significant revenue loss. However, because of prudent fiscal management and spending 7% less than budgeted, the Port ended the fiscal year with a negative net income of \$990K. Even with the global crisis and an increase in cargo, the employees were able to move those cargo containers faster than the previous fiscal year."

When Respicio and the new management came on board on January 8, 2019, austerity measures were immediately implemented to handle the Port's finances outlined by prior management in Fiscal Year 2019.

"We inherited a Fiscal Year 2019 Budget that did not include expenses, i.e., the 25th market percentile implementation; expenditures incurred for the pre/post work for Typhoons Yutu and Wutip; and OSHA certification costs for the Port's gantry cranes," the General Manager said. "Despite this unfunded expense, the Port operated within the total annual approved budget and managed to meet the Port's bond indenture requirements without having to seek any increases in budget authorization."

Division heads were told that the Port will continue to set aside real cash for a rainy day and request that the vacancy pool continue.

"We asked the division heads to remain mindful that we are an autonomous agency, meaning the revenues we generate remain with the Port and are used for our current and future needs," Respicio said. "For this fiscal year budget, the division heads were asked to use the performance-based budgeting and focus on targets that will allow the Port to offer flexibility to allocate funds when necessary."

### Procurement Begins for Hotel Wharf Project

The procurement for the rehabilitation of Hotel Wharf and Route 11 Reconstruction was issued on July 26, 2021, after holding 15 weekly meetings with GHD, the Port's Construction Manager.

The rehabilitation project is being funded through a \$10 million federal grant along with local port funds and work will include reinforcing the old wharf and building, a security fence, installing lighting and constructing other surface work.

Additional funds will be used to upgrade the access road on the Glass Breakwater leading to the wharf. The upgrades to Hotel Wharf will bring it into compliance with the U.S. Coast Guard criteria to regain certification as a designated waterfront facility and also will expand wharf capacity to alleviate any congestion at the main cargo terminal due to Guam being a major transshipment port for the region.



Anticipated bid opening is scheduled for September 8, 2021 and notice to proceed to Contractor is expected to be issued on October 14, 2021. The rehabilitation of Hotel Wharf and Route 11 Reconstruction project is expected to be closed out by December 31, 2023.

### On-going Efforts to Support Custom's Mandate to Secure Our Borders

Our work continues to protect and secure our borders.

On July 8, 2021 the Port issued Policy Memorandum No. 2021-01. This policy sets out the requirements for the Loading and Unloading of Commercial Cargo at the Gregorio D. Perez Marina. Policy Memorandum No. 2021 was also issued to all marina tenants and users and discussed in another meeting on July 27, 2021, with the commercial cargo operators along with Port Police, Customs & Quarantine Agency, Guam Police Department Marine Division, the U.S. Coast Guard, as well as the Port's Harbor Master and Commercial Division.

"These meetings and discussions are crucial to our on-going effort to keeping the communication lines open," said Port General Manager Rory J. Respicio. "The Port Authority of Guam has been hard at work to ensure that our borders are protected at all of the ports of entry that fall within the jurisdiction of the island's only commercial sea port."

Policy Memorandum No. 2021-01 adds to the other work which includes new security systems, enhanced regulations for those wanting to conduct commercial cargo operations at the marinas, meeting with port users and bringing together local and federal law enforcement to address the issues surrounding the safety of our borders.

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# Law Enforcement Office Container Placed at Hagåtña Marina

The Port Authority of Guam takes the lead in ensuring that the resources are available to our local and federal law enforcement entities to be able to secure our borders.

On July 19, 2021 the Port Authority of Guam Transportation Division - assisted by the Commercial Division - transported and installed a temporary container office for Port Police and other law enforcement use. The temporary container office will be replaced once the Port finishes fabricating the new office space.

"This is another example of our efforts to secure our borders from any potential drug and human trafficking and to provide for the safety of everyone who uses the Port's Marinas," said Port General Manager Rory J. Respicio.

Respicio added that the new law enforcement office space complements the three (3) long-range pan, tilt, zoom (PTZ) camera: recently installed at the Hagåtña Marina. The cameras have been mounted on a 15-ft. pole, which was fabricated and erected by the PAG EQMR and Facilities personnel. These cameras, which have a 360 ° rotation, provide coverage of the marina and surrounding areas.







# **Stevedore (Casual) Job Applicants Show Their Skills**

Job applicants for the Stevedore (Casual) positions spent July 23, 2021 showing the Interview Panel their skills.

Besides a regular panel interview, the 24 applicants who were interviewed for the Stevedore (Casual) positions participated in an employment skills assessment test. The test was focused on the environmental aspect of the position and included lifting the applicant onto a 2-high container with a manlift and the handling of a 40-pound lashing rod to lash and unlash the containers.

The Port Authority of Guam reinstated the skills assessment test and the most recent use of this was for the position of Crane Operator in May. This was a practice previously done many years ago.

For more than ten years, individuals applying for Port positions were evaluated and hired based solely on information provided on the employment applications submitted. As done with all government agencies, applications are rated and an eligibility list is established. Interviews take place and the most qualified applicant is selected and the position is then filled.

But unlike previous practice, the Human Resources Division, at the direction of General Manager Rory J. Respicio, reinstated the skills assessment test to help management evaluate the practical competence of the job candidates.

Skill assessment tests are commonly used by many employers in the hiring process to narrow down their list of candidates and to make well-informed, data-backed decisions.







# **Summer Interns Show Their Port Strong Spirit**

The Port's summer interns proved that they know what the Port Strong Spirit is when they spent a Saturday helping to beautify our island.

On July 19, 2021 the summer interns volunteered for Veterans Cemetery Clean Up beginning at 6am and working throughout the day. Those who took part in the Veterans Cemetery Clean Up include Haley Palma, Cyrus Santos, Isabelle Santos, Louise Genovana and Rieley Duenas.

A big THANK YOU to our summer interns for their volunteer work!





# Mia Lizama Looks Back On Summer Intern Experience

# By: Louise Genovana, Marketing Intern

For some, summer after high school means relaxing beach days under the hot sun or vacations to far away countries. Southern High School graduate Mia Lizama, however, had other plans.

After hearing about the Summer Youth Employment Internship Program from her teacher, she decided that she was going to spend the summer gaining work experience.

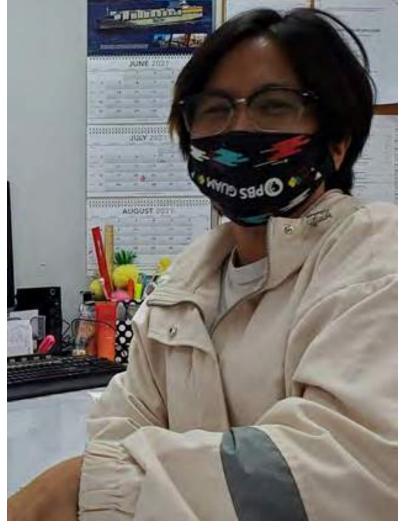
"I know getting job experience is really hard [...] when you're young, but a lot of jobs ask for you to have experience. And it's hard to get experience if no one will let you in because they all want experience," she said about her decision to apply to the program.

As an aspiring art major, her position at Tariffs isn't exactly where her strengths lie, Mia adopted a positive mindset.

"Everybody has to start somewhere. So, this is my start," she said.

Mia's last day at the Port was on July 30, 2021 -- the last day for all the interns. She said that she had enjoyed her time at the Port and that she hopes to return one day.





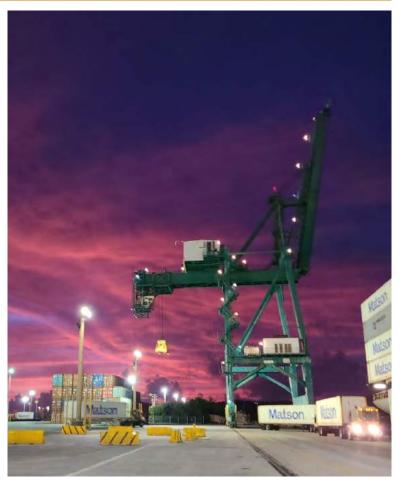
**MWRC and RWUMP Requirements:** Department of Parks and Recreation (DPR) advised the Port of our need to submit a Motorized Water Recreational course (MWRC). This permit is a requirement for commercial and private recreational Jet Ski operators to operate within the Apra Harbor, so the Port's tenants engaging in this business activity must adhere to the requirement to obtain a Recreational Water Use Management Plan permit. On July 15, 2021, the Port submitted its proposed course and hours of operation. Thankfully, Parks and Recreation approved our plan on the same day it was submitted. We would like to recognize both the Harbor Master and Commercial Division for addressing Parks and Recreation's notice to the Port to address their concern.

**Hawaii Navy Shipyard:** Port management met with representatives of the Hawaii Navy Shipyard on June 14, 2021. We were advised Naval Shipyard in Hawaii plans to place a mini shipyard on Naval Station, Guam to be manned by 100 civilians to support the maintenance of the submarines and Navy vessels. They anticipate the transfer of personnel to begin in December 2021 and be completed by FY2023. Cargo equipment shipment to support their operations will arrive at the Port of Guam beginning October and November 2021. They advised the Port that a military construction study is currently ongoing to determine the type of facilities needed to support such mission and is expected to be completed by December. They anticipate construction to occur beginning FY2028.

Military Surface Deployment & Distribution Command (SDDC): U.S. Army representatives met with Port staff to understand the Port's capacity in terms of space and equipment; potential future military operations at the Port and Port's ability to service one of their vessels during the week of August 7 to 11, 2021. The cargo operation will involve the loading of equipment, vehicles, helicopters, and cargo containers. Based on the site of the terminal facility, inspection the U.S. representatives were content the Port can service their vessel. Estimated quotation provided to the on serving the vessel is estimated to be more than Eight Hundred Thousand (\$800,000) in Revenue for the Port.

**U.S.** Army Reserve 797 Engineer Company (Vertical): Port management met with representatives of the U.S. Army Reserve 797 Engineer Company (Vertical) regarding the assistance they can provide to Port on the removal and disposal of the partition wall at Warehouse 1, Port Beach demolition work and miscellaneous work at Family Beach on July 16, 2021. They drafted a Memorandum of Agreement and it is currently being reviewed by their legal staff.

Upcoming Port Week **Festivities:** This year's Port week celebration will mark the 46th year the Jose D. Leon Guerrero Commercial Port became an autonomous agency. In consultation with our chairman, we are planning for this year's event to be held on October 18 to 22, 2021. This year will also be the 43rd year the Port of Guam joined our sister mainland ports in celebrating National Port Week. Once the events for the week have been finalized, we will provide the Board with a budget request for the celebration and to appropriately recognize the Port Strong Family, especially for their bravery as front liners for keeping the Port 100% operational, and our brother +Henry San Nicolas, who we lost to the coronavirus, and who will forever be remembered as a COVID warrior and frontline hero.



**Relay for Life of Guam:** Before COVID-19, the American Cancer Society of Guam's Relay for Life was usually held annually as a one-day event during which cancer survivors, their families, friends, and volunteers gather to walk in support of the survivors and bring awareness to cancer. This year's celebration will be different with separate ceremonies and activities spread throughout the rest of the year. Divisions held fund-raising activities and as of July 23, 2021, the Port met its targeted goal of \$7,075.00.

**Drug Testing:** Recently, random testing was conducted on employees occupying law enforcement positions, which the results were negative. As we advised the Board in February 2021, despite several legislators' opinion that the Port should conduct more frequent random drug testing on all of its employees without reasonable suspicion, we are limited by constitutional considerations, as well as the legal guidance from the Port's in-house Counsel and a Guam Attorney General opinion.

Based on a well-established case law, even those employees holding "test designated positions" or safety-sensitive positions are still afforded reasonable expectations of privacy. We will continue to conduct random, accident, reasonable suspicion, and follow-up drug testing in accordance with the Port's Drug Free Workplace Program and within the boundaries of the United States Constitution.

**Association of Pacific Ports (APP):** APP has been advised the Port Authority of Guam's Regional Representative for 2021-2022 APP Executive Committee will be Ms. Dot Harris Ms. Isa Kiko has been designated as the Port's alternate representative.

# **COVID-19 Vaccination Updates**

The Port Authority of Guam continues our efforts to help slow the spread of COVID-19.

On June 20, 2021 and July 5, 2021, dockside vaccination clinics were held for vessel crew members in the Port's terminal yard and on these vessels, respectively. Representatives of these vessels expressed their appreciation to the Port for helping to coordinate these clinics.

As for Port employees, as of June 30, 2021275 or 80% of 344 Port employees have been fully vaccinated and there are 12 employees who received their 1st dose. If these 12 employees receive their 2nd dose, then the Port will be at 84% of Port employees vaccinated.

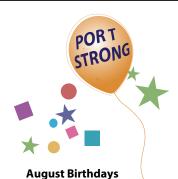
All employees are reminded to report their vaccination status to their supervisors or the Human Resources Division.

For more information on the island-wide DPHSS COVID testing and vaccination you may visit their website at https://dphss.guam.gov/covid-19-testing/









# Kenneth S. Cruz, II Robert F. Camacho, Jr. Michael D. Taitano Perry O. Blas Dominick V. Fernandez

Christopher J. Aguigui Adrian G. Camacho Sonja L. Cruz Edwin A. Malaga Gussieannmarie Diaz Lina M. Quinata Lester M. Van Meter Keesha Ann Duenas Paul R. Francisco Jake Padrones Kirt K. Mizusawa Wayne K. Drilon

Asuncion A. Nocon



Rene L.G. Topasna Donna Lizama-Acosta Jose Guevara, III Mark C. Tolenoa Maui C. Ogo Vester Lagaras Jennifer Leon Guerrero Ellaine Santayana Vivian C. Leon Reed K.S. Topasna Victor Q. Duenas Albert E. Santos Kevin R. Sanchez Ranie F. Fausto Frank V. Lujan Colby J. Santos Ricky E. Garrido Anthony H. Mendiola, II Evelyn G. Pangelinan Raymond I. San Nicolas