



NEWSLETTER

PORT AUTHORITY OF GUAM

November 2021

Board of Directors

Francisco G. Santos
Chairman

Nathan T. Taimanglo
Vice Chairman

Isa Marie C. Koki
Board Secretary

Dot Harris
Board Member

Port Management

Rory J. Respicio
General Manager

Dominic G. Muna
*Deputy General
Manager, Operations*

Luis R. Baza
*Deputy General Manager,
Administration & Finance*



Port awarded \$17.9 Million in MARAD Grant



The US Department of Transportation's Maritime Administration (MARAD) announced that it has approved the Port Authority of Guam's (PAG) Rebuilding America Infrastructure with Sustainability and Equity (RAISE) grant application in the amount of \$17.9 Million. The Project, estimated at over \$22 Million, will upgrade wharves F1 through F6 to support ship-to-shore gantry crane operations. It will specifically address sheet piles and concrete cap spillings at the face of the port's F2, F3, F4 and F6 wharves as well as the deteriorating structure of F1 Fuel Pier. This initiative will ensure the sustainability of Guam's vital port infrastructure, securing the island's capacity to continue to receive over 90% of all imported goods.

This proposed project was initially submitted to FEMA's FY2020 Building Resilient Infrastructure and Communities (BRIC) Hazard Mitigation Grant Program (HMGP). Because the project was more than just a mitigation initiative and although favorably rated, it was not awarded. With the belief that this project was in the best interest of the Jose D. Leon Guerrero Commercial Port of Guam, the entire island as a whole, and the entire Pacific Region, the PAG resubmitted the initiative to the FY2021 RAISE Grant Program on July 2021, making pertinent revisions to localize and comply with MARAD's stringent grant requirements and conditions.

"We are pleased and grateful that MARAD continues to recognize the PAG's efforts to improve the Jose D. Leon Guerrero Commercial Port of Guam to address the expectations of organic growth and its strategic importance to the ongoing military buildup. As the 'Tip of the Spear' in the Western Pacific, the viability of the Port is paramount to sustaining the Department of Defense's operational effectiveness and mission readiness in the region", stated Governor Lou Leon Guerrero.

Lt. Governor Joshua F. Tenorio points out that "This is consistent with the Governor and Board's direction in utilizing federal funds to meet our island's needs first and foremost.

"Investment in port infrastructure is a vital component of the Governor's strategy for economic recovery and the creation of more private sector jobs. By taking advantage of all federal grant opportunities, we can speed up this investment and bring more federal dollars into the local economy," said Lt. Governor Tenorio.

General Manager Rory Respicio added, "Our vibrant partnership with MARAD has been a critical component of our modernization program and the aggressive long overdue project funded under this Program supports the necessary upgrades that will further enhanced the Port's core capabilities and resiliency."

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Notices

Guam continues to be in Pandemic Condition of Readiness 1 (PCOR1). Anyone entering the Port must wear a mask at all times. COVID-19 remains to be a clear threat to our safety and our community. We must all continue to take necessary precautions to protect ourselves and our loved ones. Latest guidelines and information relating to the PAG and COVID-19 can be obtained by visiting our website at: <https://www.portofguam.com/covid-19-guidelines-and-information>

Port Kicks Off CCTV and Access Control Systems Project

Port General Manager Rory J. Respicio signed the Notice to Proceed on November 22, 2021 for California Pacific Technical Services (CalPac) to begin the work to replace the Port's CCTV and Access Control Systems.

The signing followed the Kickoff Meeting for the \$1,221,418.00 project during which parties discussed project timelines, safety guidelines, staging sites, permitting & other critical matters related to the work that will be performed.

This project is for the acquisition, installation, and upgrade of the Port's CCTV and Access Control Systems to enhance maritime and security screening and monitoring. It is being funded through a combination of Port and USDHS / FEMA PSGP and U.S. Department of Transportation (DOT) Maritime Administration (MARAD) Grant Cooperative Program funds.

"Our progress at the Port continues with this crucial project which will help ensure we protect our Port and our borders," Port General Manager Rory J. Respicio said. "This work being done is in line with Governor Lou Leon Guerrero and Lt. Governor Josh Tenorio's commitment to modernize our Port and protect our borders."

Respicio added that the Port will ensure that the Guam Customs and Quarantine Agency receives full access to the CCTV system.

"By giving Customs full access to our CCTV systems they will be able to view at their own time and in their own control room so that their critical operations for drug surveillance and interdiction remain unimpeded," he said.

The installation of the Port's CCTV and Access Control Systems is anticipated to be completed by June of next year.



Board Addresses Illegal Retro Pay Raises of former General Manager



The Port Authority of Guam Board of Directors passed a resolution November 24, 2021 directing General Manager Rory J. Respicio to take any and all administrative and/or criminal actions necessary regarding the illegal Retroactive Salary Adjustments of former General Manager Joanne Brown.

Earlier this year, General Manager Respicio requested that the Attorney General issue an opinion on the retroactive salary adjustments of former GM Joanne Brown based on the findings of a Performance Audit conducted by the Guam Office of Public Accountability. On November 9, 2021, the Port Authority of Guam received an Opinion Memorandum issued by the Office of the Attorney General. In their Opinion Memorandum to the PAG, the Attorney General's office enclosed their November 1, 2021 GHURA Opinion on illegal retroactive pay raises and directed PAG Legal Counsel to determine the validity and legality of the PAG Board of

Directors' past actions with respect to former General Manager Joanne Brown's salary adjustments.

The Port determined that approximately (8) pay adjustments for former General Manager Joanne Brown contained illegal retroactive payments worth thousands of dollars, all in violation of Guam law.

"Based on the Staff Attorney's review, and with the guidance provided by the OPA and OAG, it is clear that salary adjustments for former PAG General Manager Joanne Brown were applied retroactively in violation of Title 4 GCA § 2103.14 (Retroactive Pay) and Title 4 GCA § 6218.1 (Prohibition on Retroactive Pay Raises), thus deemed illegal," Port General Manager Rory J. Respicio told the Board of Directors today.

According to Port Staff Attorney Christine K. Claveria's Legal Memorandum issued to Respicio on November 18, 2021, Guam law prohibits unclassified employees from receiving retroactive pay increases unless specifically authorized by statute. She said the law also states that any person who authorizes a pay raise which is retroactive in violation of the law shall be guilty of a misdemeanor.

"The law is clear: Guam law prohibits retroactive pay unless expressly authorized by statute," PAG Staff Attorney Christine K. Claveria's Legal Memorandum stated. "There is however, no authority for the PAG General Manager ("GM") nor the Deputy General Managers ("DGM") to receive retroactive pay increases."

During its monthly meeting, the Board voted in favor of Resolution No. 2021-34, "RELATIVE TO DIRECTING THE GENERAL MANAGER TO EXERCISE AUTHORITY TO TAKE ANY AND ALL ADMINISTRATIVE AND/OR CRIMINAL ACTIONS NECESSARY

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PURSUANT TO OAG OPINION DATED NOVEMBER 9, 2021 RE REQUEST FOR OPINION ON RETROACTIVE SALARY ADJUSTMENTS FOR FORMER MANAGEMENT AT THE PORT AUTHORITY OF GUAM."

The Resolution further stated that "based on PAG in-house legal review, and with the guidance provided by both the OPA's Performance Audit and the OAG's Opinion Memorandum, it appears that salary adjustments for former PAG General Manager Joanne Brown were applied retroactively in violation of Title 4 GCA § 2103.14 (Retroactive Pay) and Title 4 GCA § 6218.1 (Prohibition on Retroactive Pay Raises). The PAG must confirm and calculate any and all retroactive payments resulting from any and all salary adjustments to the former PAG management from December 2012 through December 2018, and seek any and all administrative and/or criminal actions necessary pursuant to the OAG's Opinion Memorandum and Guam law."

According to Respicio, the agency has confirmed that the retroactive payments were received by former General Manager Joanne Brown.



Port Transmits Resolution to Attorney General

On December 1, 2021, the Port Authority of Guam transmitted to the Attorney General of Guam the resolution that addresses the illegal retroactive pay of former Port general manager Joanne Brown.

"As the current PAG General Manager, I am committed to ensuring the protection of ratepayer funds, particularly with regard to the misuse and misappropriation thereof, and will take appropriate actions without hesitation, especially when such matters are brought to my attention," Port General Manager Rory J. Respicio said in his transmittal letter sent to Attorney General Leevin T. Camacho. "Thus, having confirmed that several salary

adjustments for the former PAG management were applied retroactively, and to guarantee the proper execution of this resolution, the PAG and the OAG must work diligently together to ensure that the illegal funds received by Senator Joanne Brown, as well as all those similarly situated both past and present, are recovered and returned back to the People of Guam."

On November 24, 2021 the Board of Directors passed Resolution No. 2021-34 directing Respicio to take any and all administrative and/or criminal actions necessary regarding the illegal Retroactive Salary Adjustments of former General Manager Joanne Brown. Earlier this year, General Manager Respicio requested that the Attorney General issue an opinion on the retroactive salary adjustments of former GM Joanne Brown based on the findings of a Performance Audit conducted by the Guam Office of Public Accountability. On November 9, 2021, the Port Authority of Guam received an Opinion Memorandum issued by the Office of the Attorney General. In their Opinion Memorandum to the PAG, the Attorney General's office enclosed their November 1, 2021 GHURA Opinion on illegal retroactive pay raises.

"You recognized in the OAG's GHURA Opinion, that Guam law prohibits retroactive pay unless expressly authorized by statute. While Title 4 GCA § 6202 entitles classified employees to an anniversary increment that cannot be annulled in the event of a delayed performance evaluation or increment certification, the law does not apply to unclassified/exempt employees – i.e. former PAG General manager and current Senator Joanne Brown," Respicio wrote today to the Attorney General. "Thus, absent statutory authority similar to Title 4 GCA § 6202, there is absolutely no authority for the former PAG General Manager, an unclassified employee, to receive retroactive pay increases."

The Port determined that approximately (8) pay adjustments for former General Manager Joanne Brown contained illegal retroactive payments worth thousands of dollars, all in violation of Guam law.

"Mr. Attorney General, I trust that you will exercise your authority and join the PAG in taking all appropriate means necessary to act on this imperative resolution expeditiously," General Manager Respicio wrote. "As public servants, we cannot sit idle and allow this to proceed without consequence. We must do right by the public and return all those illegal monies received back in to the rightful hands of the People of Guam."



Statement from Board Chairman



The following statement was released on November 29, 2021 from Port Board Chairman Francisco G. Santos:

"I looked at the past board meeting minutes and to my recollection the board only approved her performance evaluation and never approved any retroactive salary pay raises.

Now that we are aware that retroactive salary pay raises for unclassified employees are illegal, the only remedy is for Joanne Brown to pay it back. Now that we are told by the Attorney General and the Port Counsel that the retroactive raises are illegal, I respect those decisions and supported the resolution in order to recover the illegal payments made to JoAnne Brown.

As the Board Chairman, I expected that the former General Manager would have followed all the laws and rules and regulations. As her former boss I am deeply disappointed in her response."

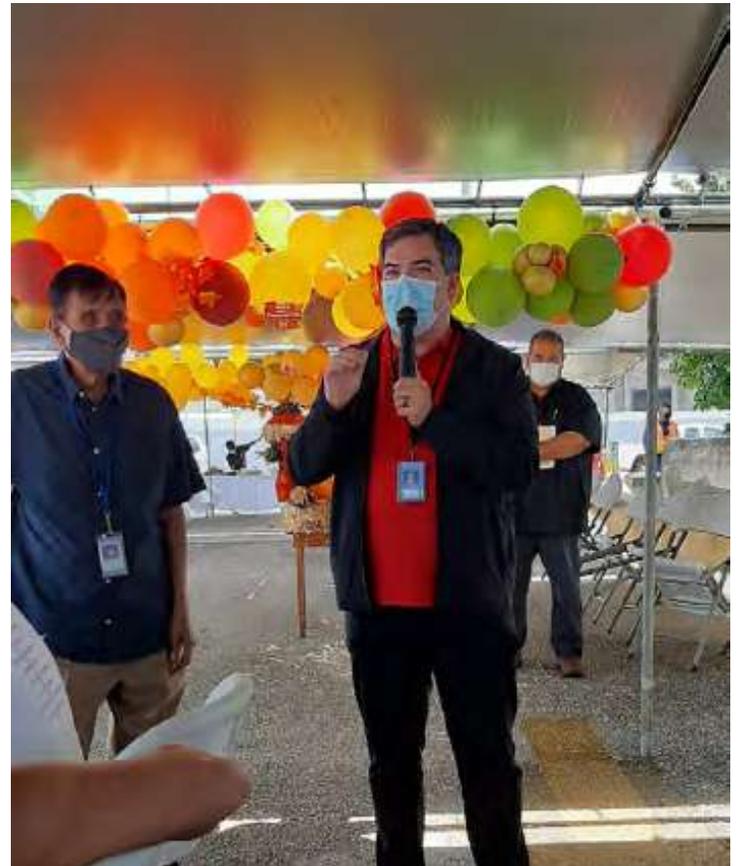
Statement from Port General Manager

Port Authority of Guam General Manager Rory J. Respicio issued the following statement in response to the news release sent on November 29, 2021 from former General Manager Joanne Brown.

"Once again, former Port General Manager Joanne Brown is deflecting and blaming others for the thousands of dollars in illegal retroactive pay raises she received while at the Port. Not only is she deflecting, but she is intentionally misleading the public about what transpired at our board meeting last week. I was not tasked with 'procuring misdemeanor prosecution' against two board members as she claimed in her release. Joanne Brown continues to muddy the water by throwing in false statements in her release. In the case of Vice Chairman Nathan Taimanglo, his signature is not on any of the illegal retroactive payment documents.

Not once in her release did Joanne Brown address the real issue which is the fact that she received numerous retroactive payments that are prohibited by law. She also failed to address whether she will pay back the illegal monies received. As for any future criminal prosecution, that authority rests with the Office of the Attorney General and the U.S. Attorney's Office and not the Port Authority of Guam. However, the Port, with the authority given by the board, does intend to take any and all administrative actions to recover the illegal monies she received.

Further, Joanne Brown is well aware that there are numerous local and federal statutes that specifically address the fact that she received illegal monies from the government. Those matters most certainly will be addressed as well."



Port police arrest man on drug charges

A Mongmong man was arrested by Port Police on the morning of November 30, 2021 after officers found drugs and drug paraphernalia during routine patrol.

Port Police Officer K.R. Maurer was conducting routine patrol when she noticed a car and some individuals near Port Beach in Piti.

Officer Maurer stopped to do a welfare check on the occupants and discovered a glass pipe with drug residue along with a plastic baggie which allegedly contained crystal methamphetamine,

also known as "ice."

Gregory San Agustin, 28, of Mongmong was booked and released in connection with possession of a schedule 2 controlled substance.

"I want to commend Acting Police Chief Jesse Mendiola for his leadership and the officers who worked on this case," said Port General Manager Rory J. Respicio. "We remain vigilant in keeping the Port safe and drug-free."

Keep up the great work Port Police!

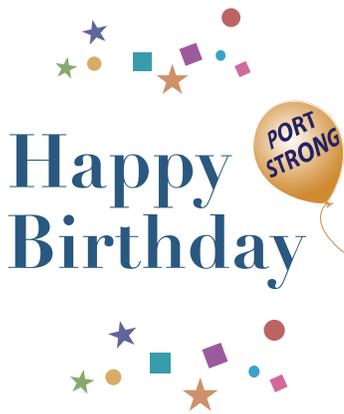
PAG Thanksgiving Luncheon

A Thanksgiving luncheon was held on November 23, 2021 honoring the Port employees for their hard work this past year as well as their steadfast dedication throughout the global pandemic.

"During this season of Thanksgiving I have been reflecting on the things I am most grateful for and pPrimarily among them is the talented group of employees at the Port Authority of Guam," said General Manager Rory J. Respicio. "On behalf of Dominic and Luis, we want to thank you for the work you do to make the Port great. Without your commitment, resourcefulness, and high standards, we would not be the thriving agency we are. I wish you and your family a Happy Thanksgiving filled with abundance and bright moments."

Leomar Catering prepared the festive buffet and served dinner for the night crew as well.





Annie L.G. Sablan
 Efren Niu
 Alex L. Tithingrad
 Julio Yap
 Anthony Francisco
 Jesse C. Mendiola
 Kyler Candoleta
 Richard n. Borja
 Ray D. Aromin
 Jeremy j. Camacho
 Alkenneth Constatino
 Dominic Taianao

Jjarrett Lynch
 Bradley Paulino
 Felipe Gico
 Christopher P. Salas
 Junior Camacho
 Jesse A. Diego
 Ashley Emsley
 Octavio E. Garcia
 Pia A. Castro
 Sammy Babauta
 Christopher Datuin
 Jessirae Flores
 Amacris Legaspi

Jesse J. Borja
 Andrew j. Castro
 Christina Leon Guerrero
 Ricky Smith
 Roley N. Borja
 Jessica Quinata
 Jesse J. Mendiola, Jr.
 Johnathan J. Blas
 Ronald Ayuyu
 Alfred Manibusan
 Desiree Quintanilla
 Jacqueline Perez
 Frank B. Santos

Holiday Greetings



Thank You

AS WE REFLECT OVER THIS PAST YEAR WE HAVE A LOT TO BE THANKFUL FOR.

WE WANT TO TAKE A MOMENT TO GIVE THANKS TO ALL OF OUR PORT STRONG FAMILY MEMBERS FOR KEEPING THE **PORT STRONG** DURING THIS PAST YEAR.

WE COULD NOT HAVE DONE IT WITHOUT YOU.

HAPPY HOLIDAYS!

Rory, Dominic and Luis